

# HUFFINGTON CAPITAL CORP.

## MANAGEMENT INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of February 20, 2019.

This Information Circular is being mailed by the management of Huffington Capital Corp. (“**Huffington**”) to everyone who was a shareholder of record of our company on February 20, 2019, which is the date that has been fixed by our directors as the record date to determine shareholders who are entitled to receive notice of the meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at an annual general meeting of the shareholders of Huffington that is to be held on **Thursday, March 28, 2019, at 10:00 a.m. (Pacific time)** at our offices at **Suite 1740 - 1177 West Hastings Street, Vancouver, British Columbia**. The solicitation of proxies will be primarily by mail. Certain officers or directors of Huffington may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Huffington.

Under our Articles, a quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

### **PART 1 – VOTING**

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#### **HOW A VOTE IS PASSED**

All of the matters that will come to a vote at the meeting as described in the attached Notice of Meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

For further detail of the matters to be put to shareholders at the meeting, see Part 3– The Business of the Meeting.

#### **WHO CAN VOTE?**

If you are a registered shareholder of Huffington as at February 20, 2019, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder but do not wish to, or cannot, attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy” below). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

#### **VOTING BY PROXY**

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return a completed form of proxy by 10:00 a.m. (Pacific time) on Tuesday, March 26, 2019, to our transfer agent, Computershare Investor Services Inc., by mail at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario

M5J 2Y1 Canada, or by facsimile number 1-866-249-7775 (within North America) and 1-416-263-9524 (outside North America); or vote by telephone or through the Internet or otherwise as instructed by the enclosed form of proxy.

### ***What is a proxy?***

A form of proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

### ***Appointing a proxyholder***

**You can choose any individual to be your proxyholder.** It is not necessary for the person whom you choose to be a shareholder of Huffington. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are directors and/or officers of Huffington.

### ***Instructing your proxy***

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors; and**
- ✓ **FOR the appointment of Dale Matheson Carr-Hilton LaBonte LLP as our auditor for the ensuing year.**

For more information about these matters, see Part 3 - The Business of the Meeting. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Information Circular, we are not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

### ***Changing your mind***

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the registered office of Huffington at Suite 530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Pacific time) on the last business day before the day of the meeting, or any adjournment thereof, or delivered to the person presiding at the meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the meeting in person.

## **NON-REGISTERED SHAREHOLDERS**

If your shares are not registered in your own name, they will be held in the name of a "nominee," usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares. Accordingly, unless you have

previously informed your nominee that you do not wish to receive material relating to shareholders' meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, our transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder will have no knowledge of your entitlement to vote. If you wish to vote in person at the meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the meeting in person. Please register with representatives of our transfer agent, Computershare Investor Services Inc., upon arrival at the meeting.

The Notice of Annual General Meeting, this Information Circular and a form of proxy are being sent to both registered and non-registered owners of Huffington's common shares. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares of Huffington have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Huffington (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions form that is included with this Information Circular.

In accordance with National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators, Huffington has elected to send proxy-related materials directly to non-objecting beneficial owners of its common shares. As Huffington is unable to send proxy-related materials directly to the objecting beneficial owners (“**OBOs**”) of its common shares (because OBOs are beneficial shareholders who have objected to the release of security ownership details to issuers), proxy-related materials for the meeting will be sent to OBOs indirectly through the intermediaries who hold securities on behalf of the OBOs. The intermediaries/brokers (or their service companies) are responsible for forwarding the proxy-related materials to their OBO clients. Management of Huffington does not intend to pay for intermediaries to forward to their OBO clients the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* under NI 54-101 and, as such, OBOs will not receive the proxy-related materials in connection with the meeting unless such OBO's intermediary assumes the cost of delivery.

Huffington has chosen to not use the notice-and-access delivery procedures provided by NI 54-101.

## **PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

Huffington has authorized voting capital of an unlimited number of common shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on February 20, 2019, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the meeting.

At the close of business on February 20, 2019, 1,575,000 common shares in the capital of Huffington were issued and outstanding. The following table lists those persons who, as of the date of this Information Circular and to the knowledge of our management, beneficially own or exercise control or direction over, directly or indirectly, 10% or more of Huffington's issued and outstanding common shares.

<b>Name</b>	<b>Type of ownership</b>	<b>Number of common shares<sup>(1)</sup></b>	<b>Percentage</b>
Steve Bajic <sup>(2)</sup>	Direct and exercise of control/direction <sup>(3)</sup>	403,500 <sup>(3)</sup>	25.6%

<sup>(1)</sup> Information as to ownership of shares has been extracted from insider reports filed by the individual and available through the Internet on the System for Electronic Disclosure by Insiders (SEDI), or has been provided by the individual. These shares are subject to escrow restrictions under the Capital Pool Company policy of the TSX Venture Exchange.

<sup>(2)</sup> Steve Bajic is Huffington's President and Chief Executive Officer and a director of Huffington standing for re-election as a director at the meeting to which this Circular relates (see Part 3 – The Business of the Meeting – Election of Directors).

<sup>(3)</sup> 401,000 common shares are held by Mr. Bajic directly; and Mr. Bajic exercises control or direction over 2,500 common shares on behalf of the beneficial shareholder.

## PART 3 - THE BUSINESS OF THE MEETING

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### FINANCIAL STATEMENTS

Our audited financial statements for the year ended August 31, 2018, will be placed before you at the meeting. These financial statements have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). Copies of our annual financial statements and Management's Discussion and Analysis related thereto will also be available at the meeting or upon request by any shareholder who wishes to receive a copy. You can contact Huffington at Suite 1740 - 1177 West Hastings Street, Vancouver, British Columbia V6E 2K3 - telephone (604) 288-8906.

### ELECTION OF DIRECTORS

Directors of Huffington are elected for a term of one year. The term of office of each of the nominees proposed for election as a director (each of whom is currently a director of Huffington) will expire at the meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates the office before that time.

#### *Number of Directors*

Under our Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three, the number of directors having been previously set by resolution of our shareholders at three. We currently have three directors, each of whom is being nominated by management for re-election at the meeting to which this Information Circular relates. At this stage of Huffington's development, our Board of Directors believes that three directors is a sufficient number to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board.

#### *Nominees for Election*

The following are the nominees proposed for election as directors of Huffington, together with the number of common shares of Huffington that are beneficially owned, directly or indirectly, or over which control or direction is exercised by each nominee. All of the nominees are currently directors of Huffington. Each of the nominees has agreed to stand for re-election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for re-election, it is likely that one or more other persons would be nominated at the meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Huffington has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected. See Part 7 – Corporate Governance – Nomination and Election of Directors.

Voting for election of directors of Huffington is by individual voting and not by slate voting. You can vote your shares for the election of all of these nominees as directors of Huffington, or you can vote for some of these nominees for election as directors and withhold your votes for others, or you can withhold all of the votes attaching to the shares you own and, thus, not vote for the election of any of these nominees.

We recommend that shareholders vote in favour of the election of the proposed nominees as directors of Huffington for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the nominees named in this Information Circular as directors of Huffington.**

<u>Name and place of residence</u>	<u>Principal occupation</u>	<u>Director since</u>	<u>Number of shares<sup>(1)</sup></u>
Steve Bajic <sup>(2)(3)</sup> British Columbia, Canada <i>President, Chief Executive Officer, Secretary and Director</i>	President of Hexagon Ventures Inc., a private company that provides financial and business consulting services to private and public companies (since September 1996).	July 21, 2015	403,500

<b>Name and place of residence</b>	<b>Principal occupation</b>	<b>Director since</b>	<b>Number of shares<sup>(1)</sup></b>
Hamlet Abnoui <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Chief Executive Officer (since December 2007) of Abnoui Corporate Finance, a financial advisory firm.	July 21, 2015	25,000
Robert Meister <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Partner of M3 Markets Inc., a Corporate Advisory and Development Company; President, Chief Executive Officer and a director ( since March 24, 2017) of Auralite Investments Inc. (formerly Cabernet Capital Corp.) an investment issuer listed for trading on the TSX Venture Exchange; President, Chief Executive Officer, Secretary and a director (May 2011 to September 2018) of Navy Resources Corp., a junior natural resource issuer listed for trading on the TSX Venture Exchange; Capital Markets, Director (May 2015 to October 2017) for NetCents Technology Inc., an online Payment Processing Company listed on the Canadian Securities Exchange; Corporate Communications (April 2012 to March 2016) for Canyon Copper Corp., a junior natural resource issuer listed on the TSX Venture Exchange; Capital Markets representative (September 2015 to December 2015) for ALX Uranium Corp., a junior natural resource issuer listed on the TSX Venture Exchange (an issuer resulting from an arrangement between Lakeland Resources Inc. and Alpha Exploration Inc.); Capital Markets, Corporate Communications (December 2014 to September 2015) for Alpha Exploration Inc., a junior natural resource issuer then listed on the TSX Venture Exchange; Corporate Communications (October 2005 to December 2014) for Alpha Minerals Inc., then a junior natural resource issuer listed on the TSX Venture Exchange.	July 21, 2015	25,000

<sup>(1)</sup> The information as to shares beneficially owned, not being within our knowledge, has been furnished by the respective individuals, has been extracted from the register of shareholdings maintained by our transfer agent or has been obtained from insider reports filed by the individuals and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (SEDI). These shares are subject to escrow restrictions under the Capital Pool Company policy of the TSX Venture Exchange.

<sup>(2)</sup> Member of the Audit Committee (see Part 6 – Audit Committee). The Audit Committee is the only committee of our Board of Directors.

<sup>(3)</sup> See Part 2 – Voting Shares and Principal Holders Thereof.

## **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton LaBonte LLP has served as our auditor since Huffington’s incorporation. We recommend that shareholders vote in favour of the re-appointment of Dale Matheson Carr-Hilton LaBonte LLP as our auditor for the ensuing year.

Huffington’s Articles provide that the directors may set the remuneration of Huffington’s auditor.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Dale Matheson Carr-Hilton LaBonte LLP as the auditor of Huffington until the close of the next annual general meeting.**

## **PART 4 – EXECUTIVE COMPENSATION**

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### **COMPENSATION DISCUSSION AND ANALYSIS**

The purpose of this Compensation Discussion and Analysis is to provide information about compensation decisions relating to our named executive officer (“**Named Executive Officer**”), as determined by applicable securities legislation, during the fiscal year ended August 31, 2018, and during the prior two fiscal periods. Huffington’s Named Executive Officers since its incorporation on July 21, 2015 are:

- Steve Bajic, President, Chief Executive Officer and Corporate Secretary; and
- Martin Bajic, Chief Financial Officer.

As a Capital Pool Company pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”), our principle objective is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation with a view to completing a “Qualifying Transaction”, as that term is defined in and in accordance with the policies of the Exchange. We do not currently have conventional business operations or assets other than cash, and have no agreements in principle for the acquisition of an asset or business at this time.

Pursuant to Exchange policies with respect to Capital Pool Companies, since Huffington’s incorporation no payment of any kind has been made, and prior to completion of a Qualifying Transaction no payment of any kind will be made, directly or indirectly, to our Named Executive Officer, including remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors’ fees, finder’s fees, loans, advances, bonuses or deposits or any similar payments. However, our officers and directors are entitled to receive grants of incentive stock options and we may reimburse our officers and directors for reasonable allocation of rent, secretarial services and other general administrative expenses provided to Huffington. No reimbursement may be made for any payment made to lease or buy a vehicle.

#### ***Option Based Awards***

Long-term incentive in the form of options to purchase common shares of Huffington are intended to align the interests of our directors and executive officers with those of our shareholders and to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value and to reduce the cash compensation Huffington would otherwise have to pay. Huffington’s stock option incentive plan is administered by the Board of Directors. In establishing the number of the incentive stock options to be granted in the future, reference will be made to the policies of the Exchange and our Board of Directors will consider previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer or director in determining the level of incentive stock option compensation.

Until completion by Huffington of its Qualifying Transaction in accordance with the policies of the TSX Venture Exchange, the number of common shares reserved for issuance under Huffington’s stock option incentive plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Huffington from time to time may not exceed in aggregate 10% of the aggregate number of common shares issued and outstanding upon completion by Huffington of its initial public offering, which is a reserve of 200,000 common shares. See “Outstanding Option-Based Awards” below, as well as Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans.

#### ***Benefits and Perquisites***

We do not, as of the date of this Information Circular, offer any benefits or perquisites to our Named Executive Officers or to our directors other than entitlement to incentive stock options as otherwise disclosed and discussed herein. Huffington does not, as of the date of this Information Circular, offer any form of pension plan.

#### ***Risks Associated with Huffington’s Compensation Practices***

At the time of preparation of this Information Circular, Huffington’s directors had not considered the implications of any risks to Huffington associated with decisions regarding compensation of its executive officers.

## Hedging by Named Executive Officers or Directors

Huffington has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive stock options under Huffington's stock option incentive plan is the only equity security element awarded by Huffington to its executive officers and directors (see Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans for a description of Huffington's stock option incentive plan).

## SUMMARY COMPENSATION TABLE

### Named Executive Officer Compensation

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, our Named Executive Officers during the fiscal years ended August 31, 2018, 2017 and 2016. Amounts reported in the tables that follow are in Canadian dollars.

Name and principal position	Fiscal year ended Aug 31	Salary/Fee (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Steve Bajic <i>President, Chief Executive Officer &amp; Corporate Secretary</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	17,792 <sup>(1)</sup>	Nil	Nil	Nil	Nil	17,792
Martin Bajic <i>Chief Financial Officer</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	13,344 <sup>(2)</sup>	Nil	Nil	Nil	Nil	13,344

<sup>(1)</sup> Grant date fair value of incentive stock options entitling the purchase of 100,000 common shares in the capital of Huffington at a per share price of \$0.20 until April 19, 2026, estimated using the Black-Scholes option pricing model (see the Notes to Huffington's audited annual financial statements for the year ended August 31, 2016, for the assumptions and estimates used for this calculation).

<sup>(2)</sup> Grant date fair value of incentive stock options entitling the purchase of 75,000 common shares in the capital of Huffington at a per share price of \$0.20 until April 19, 2026, estimated using the Black-Scholes option pricing model (see the Notes to Huffington's audited annual financial statements for the year ended August 31, 2016, for the assumptions and estimates used for this calculation).

### Outstanding Option-Based Awards

Options were granted to Huffington's Named Executive Officers effective April 19, 2016, the date of listing of Huffington's common shares on the Exchange. The following table sets out option-based awards granted to our Named Executive Officers that were outstanding on August 31, 2018. No other share-based or non-equity incentive plan compensation has been awarded to our Named Executive Officer.

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Steve Bajic	100,000	0.20	April 19, 2026	Nil	N/A	N/A	N/A
Martin Bajic	75,000	0.20	April 19, 2026	Nil	N/A	N/A	N/A

<sup>(1)</sup> The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on August 31, 2018. The closing price of Huffington's common shares on August 30, 2018, the last day common shares traded prior to August 31, 2018, was \$0.20.

### *Value Vested or Earned During the Year*

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. Options granted by Huffington to our Named Executive Officers during fiscal 2016, as summarized in the table above, were fully vested on the date of grant and, as such, no vesting occurred during fiscal 2018, and, thus, no value vested in favour of our Named Executive Officers during the financial year ended August 31, 2018, as a result of options vesting.

Name	Option-based awards – Value vested <sup>(1)</sup> during the year ended August 31, 2018 (\$)	Share-based awards – Value vested during the year ended August 31, 2018 (\$)	Non-equity incentive plan compensation – Value earned during the year ended August 31, 2018 (\$)
Steve Bajic	Nil	N/A	N/A
Martin Bajic	Nil	N/A	N/A

<sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date - that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

As no incentive stock options were exercised by our Named Executive Officers during Huffington’s fiscal year ended August 31, 2018, no value was earned by our Named Executive Officers during the fiscal year ended August 31, 2018, as a result of exercise of incentive stock options.

Pursuant to the Capital Pool Company policy of the Exchange, any common shares acquired by our Named Executive Officers pursuant to the exercise of options prior to completion by Huffington of its Qualifying Transaction must be deposited in escrow and will be subject to escrow until a Qualifying Transaction is completed.

### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

Huffington is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to a Named Executive Officer at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Huffington or a change in a Named Executive Officer’s responsibilities.

### **DIRECTOR COMPENSATION**

We do not currently pay our directors a fee for acting as such. They are, however, entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may, from time to time, be granted options to purchase common shares.

Huffington’s directors received no compensation from Huffington during its most recently completed financial year ended August 31, 2018. See Part 4 – Executive Compensation – Summary Compensation Table – Named Executive Officer Compensation for detail with respect to compensation of Steve Bajic, Huffington’s President and Chief Executive Officer, and also a director of Huffington.

Name and principal position	Fiscal year ended Aug 31	Salary/ Fee (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans		
Hamlet Abnoui	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Robert Meister	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### Outstanding Option-Based Awards

Options were granted to Huffington's non-executive directors effective April 19, 2016, the date of listing of Huffington's common shares on the Exchange. The following table sets out option-based awards granted to our non-executive directors that were outstanding on August 31, 2018. No other share-based or non-equity incentive plan compensation has been awarded to our non-executive directors.

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Hamlet Abnousi	12,500	0.20	April 19, 2026	Nil	N/A	N/A	N/A
Robert Meister	12,500	0.20	April 19, 2026	Nil	N/A	N/A	N/A

<sup>(1)</sup> The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on August 31, 2018. The closing price of Huffington's common shares on August 30, 2018, the last day common shares traded prior to August 31, 2018, was \$0.20.

### Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. Options granted by Huffington to our non-executive directors during fiscal 2016, as summarized in the table above, were fully vested on the date of grant and, as such, no vesting occurred during fiscal 2018, and, thus, no value vested in favour of our non-executive directors during the financial year ended August 31, 2018, as a result of options vesting.

Name	Option-based awards – Value vested <sup>(1)</sup> during the year ended August 31, 2018 (\$)	Share-based awards – Value vested during the year ended August 31, 2018 (\$)	Non-equity incentive plan compensation – Value earned during the year ended August 31, 2018 (\$)
Hamlet Abnousi	Nil	N/A	N/A
Robert Meister	Nil	N/A	N/A

<sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date - that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

As no incentive stock options were exercised by our non-executive directors during Huffington's fiscal year ended August 31, 2018, no value was earned by our non-executive directors during the fiscal year ended August 31, 2018, as a result of exercise of incentive stock options.

Pursuant to the Capital Pool Company policy of the Exchange, any common shares acquired by our directors pursuant to the exercise of options prior to completion by Huffington of its Qualifying Transaction must be deposited in escrow and will be subject to escrow until a Qualifying Transaction is completed.

## **PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following information is as of August 31, 2018, our most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities<sup>(1)</sup> to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities<sup>(1)</sup> remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders <sup>(2)</sup> .....	200,000	\$0.20	Nil
Equity compensation plans not approved by securityholders .....	N/A	N/A	N/A

<sup>(1)</sup> Underlying securities are common shares in the capital of Huffington Capital Corp.

<sup>(2)</sup> Shareholder approval of Huffington’s Option Plan (as defined and summarized below) was given at the annual general and special meeting of shareholders held on January 19, 2017.

### **Summary of the Option Plan**

In October 2015, Huffington’s Board of Directors adopted a stock option incentive plan (the “**Option Plan**”) pursuant to which it may from time to time, in its discretion and in accordance with the TSX Venture Exchange (the “**Exchange**”) requirements, grant to “Eligible Persons” (as defined in the Option Plan) non-transferable options to purchase common shares exercisable for periods of up to 10 years from the date of grant. The Option Plan was accepted by the Exchange concurrent with Exchange approval of listing of Huffington’s common shares on the Exchange.

For so long as Huffington is a Capital Pool Company under the policies of the Exchange, the Option Plan provides that:

1. Eligible Persons under the Option Plan are restricted to Huffington’s directors, officers or technical consultants (where permitted by applicable securities laws) and their permitted assigns;
2. the number of common shares reserved for issuance under the Option Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Huffington from time to time may not exceed in aggregate 10% of the aggregate number of common shares issued and outstanding upon completion by Huffington of its initial public offering, which is a reserve of 200,000 common shares; and
3. the Option Plan is not subject to annual approval by Huffington’s shareholders as it does not reserve for issuance under the Option Plan common shares in excess of 10% of Huffington’s issued and outstanding common shares and is not at the present time a 10% rolling plan.

Subsequent to completion by Huffington of its Qualifying Transaction under the policies of the Exchange, the Option Plan provides that:

1. Eligible Persons under the Option Plan include any director, executive officer, employee, consultant, investor relations person or management company employee of Huffington or any affiliate of Huffington and their permitted assigns (as those terms are defined by the policies of the Exchange and National Instrument 45-106 – *Prospectus and Registration Exemptions*, as amended from time to time);
2. the number of common shares reserved for issuance under the Option Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Huffington from time to time may not exceed in aggregate such number of common shares as is equal to 10% of Huffington’s common shares issued and outstanding at the time of a grant (i.e. a 10% rolling stock option plan); and
3. the Option Plan must be approved by Huffington’s shareholders and submitted to the Exchange for approval on an annual basis.

For clarity, the Option Plan reserve will remain at 200,000 common shares and the Option Plan will not become a 10% rolling stock option plan in accordance with the policies of the Exchange until after completion by Huffington of its Qualifying Transaction.

Further, for so long as Huffington is a Capital Pool Company, the number of common shares reserved for issuance to any individual director or officer cannot exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. If an option holder does not carry on as a director, officer or technical consultant of Huffington upon completion by Huffington of its Qualifying Transaction, then such option holder's options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with Huffington, provided that if the cessation of office, directorship, or technical consulting arrangement is by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any common shares acquired pursuant to the exercise of options prior to completion by Huffington of its Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Exchange issues its Final Bulletin in connection with completion of the Qualifying Transaction.

The Option Plan provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the common shares of Huffington. Our directors may, at their discretion at the time of any grant, impose a schedule over which period of time the options will vest and become exercisable by the optionee.

The exercise price of options granted under the Option Plan will be determined by the Board of Directors, but the exercise price must not be less than the Fair Market Value (as such term is defined in the Option Plan) of the option shares on the date of grant of the option. As the common shares of Huffington are listed on the Exchange, the Fair Market Value (as such term is defined in the Option Plan) is the lowest price permitted by the Exchange.

Subsequent to completion by Huffington of its Qualifying Transaction:

1. Any options granted pursuant to the Option Plan will terminate the 90<sup>th</sup> day after the option holder ceases to act as a director, officer or employee of, or consultant to, Huffington or any of its affiliates, unless such cessation is on account of death, disability or termination of employment with cause. If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. Options granted to a person who is engaged in investor relations activities for Huffington will terminate on the 30<sup>th</sup> day after the person ceases to be employed to provide investor relations activities.
2. Options to acquire more than 2% of the issued and outstanding common shares of Huffington may not be granted to any one consultant in any 12-month period and options to acquire more than an aggregate of 2% of the issued and outstanding common shares of Huffington may not be granted to persons employed to provide investor relations activities in any 12-month period.
3. Options granted to any one individual in any 12-month period to acquire common shares representing more than 5% of the issued and outstanding common shares of Huffington require approval by Huffington's disinterested shareholders. Disinterested shareholder approval is also required if the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeds 10% of Huffington's issued shares.
4. Subject to the approval of any stock exchange on which the securities of Huffington are then listed, the Board of Directors may terminate, suspend or amend the terms of the Option Plan, provided that the Board of Directors may not do any of the following without obtaining, within 12 months either before or after the adoption by the Board of Directors of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval as contemplated by the policies of the Exchange, or by the written consent of the holders of a majority of the securities of Huffington entitled to vote:
  - (a) increase the aggregate number of common shares of Huffington which may be issued under the Option Plan;
  - (b) materially modify the requirements as to the eligibility for participation in the Option Plan that would have the potential of broadening or increasing insider participation;
  - (c) add any form of financial assistance or any amendment to a financial assistance provision that is more favourable to participants under the Option Plan;

- (d) add a cashless exercise feature, payable in cash or securities, that does not provide for a full deduction of the number of underlying securities from the Option Plan reserve; and
- (e) materially increase the benefits accruing to participants under the Option Plan.

However, the Board of Directors may amend the terms of the Option Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- (a) amendments to the Option Plan of a housekeeping nature;
- (a) a change to the vesting provisions of a security or the Option Plan; and
- (b) a change to the termination provisions of a security or the Option Plan which does not entail an extension beyond the original expiry date.

See Part 4 – Executive Compensation.

## **PART 6 – AUDIT COMMITTEE**

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### **AUDIT COMMITTEE CHARTER**

The charter for the Audit Committee of our Board of Directors is attached to this Information Circular as Appendix A.

### **AUDIT COMMITTEE MEMBERS**

Hamlet Abnoui (Chair), Steve Bajic and Robert Meister, Huffington’s three directors, comprise the Audit Committee. Mr. Abnoui and Mr. Meister are considered “independent” of management, having applied the guidance included in applicable securities legislation, and all three of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by our financial statements. Steve Bajic, Huffington’s President and Chief Executive Officer, is not considered to be independent of management.

### **RELEVANT EDUCATION AND EXPERIENCE**

All of the Audit Committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavor.

#### *Hamlet Abnoui*

Hamlet Abnoui is the Chief Executive Officer of Abnoui Corporate Finance, a boutique financial advisory firm focused on delivering accounting, corporate finance, and management services to high-tech, green-tech and med-tech clients. Mr. Abnoui founded SciTech Global Ventures Ltd. in 2012 as an incubator of technology based companies addressing global issues. SciTech is currently nurturing several companies in medical device, biotechnology, mobile applications and material science. Hamlet Abnoui received a Bachelor of Science degree in Chemistry and Biology in 2000 and a diploma in accounting in 2003, both from the University of British Columbia. He is a Chartered Professional Accountant.

#### *Steve Bajic*

Steve Bajic holds a Financial Management Diploma from the British Columbia Institute of Technology. Since 1996, Steve Bajic has been the President of Hexagon Ventures Inc., a company providing financial and business consulting services to private and publicly listed companies. From August 2016 to January 2019, Mr. Bajic served as a director of Dotz Nano Limited, a nano-technology development company listed on the Australian Stock Exchange. From June 2011 to April 2018, Mr. Bajic served as the Chief Executive Officer, President and a director of Margaux Red Capital Inc., a Capital Pool Company under the policies of the TSX Venture Exchange; and Mr. Bajic was previously a director of Navy Resources Corp., a junior mining company listed on the TSX Venture Exchange, among other publicly traded issuers.

## Robert Meister

Robert Meister is an experienced Capital Markets Executive that holds a diploma in Marketing Management from the British Columbia Institute of Technology. He is a Partner of M3 Markets Inc., a Corporate Advisory and Development Company. Mr. Meister is also the President, Chief Executive Officer and a director of Auralite Investments Inc. (formerly Cabernet Capital Corp., then a Capital Pool Company), an investment issuer listed for trading on the TSX Venture Exchange. Previously, Mr. Meister was a director and Capital Markets Manager for NetCents Technology (C:NC). Mr. Meister helped facilitate NetCents' transition from a private company to a publicly listed entity, then managed the day to day Capital Markets requirements for NetCents. He was previously a Corporate Communications and Capital Markets representative of Alpha Exploration Inc., a mineral exploration company then listed on the TSX Venture Exchange, which merged with Lakeland Resources to form ALX Uranium Corp.; and was previously involved in Corporate Communications, Capital Markets for Alpha Minerals Inc., a mineral development company then trading on the TSX Venture Exchange, which was acquired by Fission Uranium Corp. From May 2011 to September 2018, Mr. Meister was the President, Chief Executive Officer, Secretary and a director of Navy Resources Corp., a junior natural resource issuer listed for trading on the TSX Venture Exchange.

## EXTERNAL AUDITOR SERVICE FEES

Aggregate audit fees billed (or estimated to be billed) by our external auditor, Dale Matheson Carr-Hilton LaBonte LLP, for services rendered in or related to each of the fiscal years ended August 31, 2018, and August 31, 2017, are summarized as follows:

	<b>Fiscal year ended August 31, 2018</b>	<b>Fiscal year ended August 31, 2017</b>
Audit fees .....	\$5,100	\$6,600
Audit related fees .....	\$Nil	Nil
Tax fees <sup>(1)</sup> .....	\$750	\$750
All other fees .....	\$Nil	Nil

<sup>(1)</sup> Professional services rendered for tax compliance, tax advice and tax planning, including preparation and filing of corporate tax return.

## PRE-APPROVED POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

Our Audit Committee Charter provides that management seek approval from the Audit Committee for all non-audit services to be provided to Huffington by our external auditor, prior to engaging the external auditor to perform those non-audit services.

## AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of Huffington's most recently completed financial year ended August 31, 2018, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

## RELIANCE ON EXEMPTIONS

As Huffington is a "Venture Issuer" pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") from the Audit Committee composition requirements of Part 3 and the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of Huffington's most recently completed financial year ended August 31, 2018, has Huffington relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or the exemptions in Section 6.1.1 of NI 52-110 with respect to composition of an audit committee of a venture issuer (*Circumstance Affecting the Business or Operations of the Venture Issuer, Events Outside Control of Member and Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## **PART 7 – CORPORATE GOVERNANCE**

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Huffington is a relatively new corporate entity and, as a Capital Pool Company pursuant to the policies of the Exchange, is only now in the process of identifying a business to define its operations going forward. Our corporate governance policies will be developed and refined as Huffington matures as a business enterprise.

### ***Composition of Board of Directors***

The Board of Directors of Huffington facilitates its exercise of independent supervision over management by ensuring that there are directors on the Board who are independent of management. The Board, at present, is composed of three directors, two of whom, Hamlet Abnoui and Robert Meister, are considered to be independent of management, having applied the guidelines contained in applicable legislation. In determining whether a director is independent, the Board considers, for example, whether a director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. On this basis, Steve Bajic, as President, Chief Executive Officer and Corporate Secretary, is not considered to be an independent director.

Board consideration and approval is required for all material contracts, business transactions and all debt and equity financing proposals. The Board delegates to management, through the President and Chief Executive Officer, responsibility for meeting defined corporate objectives, evaluating new business opportunities and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives.

The directors believe that, at this early stage of Huffington's development, the current composition of the Board of Directors adequately facilitates its exercise of independent supervision over management. The Board anticipates that, as Huffington matures as a business enterprise, it will identify additional qualified candidates that have experience relevant to our needs, who are independent of management and are considered to be independent under applicable corporate governance legislation and guidelines.

### ***Directorships in other Public Companies***

Certain of the directors of Huffington are also directors of other reporting issuers as follows:

<b><u>Name</u></b>	<b><u>Other Reporting Issuer</u></b>
Hamlet Abnoui	None other than Huffington Capital Corp.
Steve Bajic	None other than Huffington Capital Corp.
Robert Meister	Auralite Investments Inc. (formerly Cabernet Capital Corp.) Castlebar Capital Corp. Moovly Media Inc. Rain Resources Corp.

### ***Orientation and Continuing Education***

Given that Huffington is a Capital Pool Company pursuant to the policies of the TSX Venture Exchange and does not have, as yet, business operations, Huffington has not yet developed an official orientation or training program for new directors. As may be required in the future, new directors will have the opportunity to become familiar with Huffington by meeting with the other directors and with management. It is proposed that orientation activities, as required, will be tailored to the particular needs and experience of each director and the overall needs of the Board.

### ***Ethical Business Conduct***

The Board monitors the ethical conduct of Huffington and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by our governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of Huffington and its shareholders.

### ***Nomination and Election of Directors***

As Huffington progresses as a business enterprise, the Board of Directors will consider its size each year when it considers the number of directors to recommend to shareholders for election at annual general meetings, taking into account the number of directors required to carry out the Board's duties effectively and to maintain diversity of view and experience. The Board has not, as yet, appointed a nominating committee and these functions are currently performed by the Board as a whole.

We have not yet considered adopting an advance notice policy requiring that a shareholder proposing to nominate a person for election as a director at a shareholders' meeting must provide the Company with advance notice of, and prescribed details concerning, the proposed nominee.

Huffington has not, as yet, adopted a majority voting policy such that procedures would be in place requiring the resignation of a director should the director receive more "withheld" votes than votes "for" at any uncontested meeting of shareholders at which directors are elected; however, as part of its annual process of determining director nominees, the Board will closely examine directors who do not have the support of a majority of shareholders before nominating those individuals for re-election.

Voting for election of directors is by individual voting and not by slate voting.

### ***Compensation***

Since its incorporation and in accordance with the Capital Pool Company policy of the TSX Venture Exchange, Huffington has not awarded any compensation to any of our executive officers, other than grants of incentive stock options. See Part 4 – Executive Compensation.

### ***Committees of the Board of Directors***

As of the date of this Information Circular, our Board of Directors has not appointed any committees other than the Audit Committee. See Part 6 – Audit Committee.

### ***Assessments***

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

## **PART 8 – OTHER INFORMATION**

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### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Since the beginning of the most recently completed financial year ended August 31, 2018, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of Huffington, nor any nominee for election as a director of Huffington, nor any associate of any such person, was indebted to Huffington; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Huffington.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No proposed nominee for election as a director, and no director or officer of Huffington who has served in such capacity since the beginning of the last completed financial year ended August 31, 2018, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Huffington's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had or has any interest in any transaction with Huffington since the beginning of the last completed financial year, or in any proposed transaction, that has materially affected Huffington or is likely to do so.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

Except as otherwise disclosed in this Information Circular, none of the directors or executive officers of Huffington who have served in such capacity since the beginning of our most recently completed financial year ended August 31, 2018, nor any associate or affiliate of any of those directors and executive officers, has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting other than the election of directors. See Part 3 – The Business of the Meeting.

## MANAGEMENT CONTRACTS

The management functions of Huffington are performed by our directors and executive officers and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of Huffington. See Part 4 – Executive Compensation.

## PENALTIES AND SANCTIONS

As at the date of this Information Circular, no proposed nominee for election as a director of Huffington (nor any personal holding company of a proposed director) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

## CEASE TRADE ORDERS AND BANKRUPTCY

As at the date of this Information Circular, no proposed nominee for election as a director of Huffington is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including Huffington and any personal holding company of the proposed director) that, while that person was acting in that capacity:
  - (a) was subject to:
    - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
    - (ii) an order similar to a cease trade order, or
    - (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “**Order**”); or
  - (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
2. a director or executive officer of any company (including Huffington and any personal holding company of the proposed director) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

## PERSONAL BANKRUPTCY

No proposed nominee for election as a director of Huffington has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## **OTHER MATTERS**

Management of Huffington is not aware of any other matters to come before the meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

## **ADDITIONAL INFORMATION**

You may obtain additional financial information about Huffington Capital Corp. in our comparative financial statements and Management's Discussion and Analysis for the fiscal year ended August 31, 2018, which have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com), under Huffington's SEDAR issuer profile. Additional copies may be obtained without charge upon request to us at Suite 1740 - 1177 West Hastings Street, Vancouver, British Columbia V6E 2K3 - telephone (604) 288-8906. You may also access Huffington's disclosure documents through the Internet on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## APPENDIX A

### HUFFINGTON CAPITAL CORP. (the “Company”)

#### CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

##### 1. Purpose

- 1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee’s role is to:
  - (a) support the Board of Directors in meeting its responsibilities to shareholders;
  - (b) enhance the independence of the external auditor;
  - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors; and
  - (d) increase the credibility and objectivity of the Company’s financial reports and public disclosure.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee’s responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

##### 2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are considered “independent” as that term is defined in National Instrument 52-110.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

##### 3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
  - (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;
  - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and
  - (c) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

##### 4. Duties and Responsibilities

- 4.1. The duties and responsibilities of the Audit Committee include:
  - (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
  - (b) recommending to the Board of Directors the compensation of the external auditor;
  - (c) reviewing the external auditor’s audit plan, fee schedule and any related services proposals;

- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and enquiring if there are any sanctions imposed by the CPAB on the external auditor;
- (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and
  - (ii) the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters;
- (p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and
- (r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

## **5. Meetings**

5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.

5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.

5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.

- 5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.
- 5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.
- 5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.8. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

## **6. Reports**

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

## **7. Minutes**

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.

*Adopted by the Board of Directors of Huffington Capital Corp. on October 8, 2015.*