

Form 62-103F1

Required Disclosure under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

1.1 State the 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 the common shares (the “Shares”) in the capital of:

Holly Street Capital Ltd. (the “Issuer”)
1055 West Georgia Street
Suite 1500
Vancouver, British Columbia
V6E 4N7

The Issuer is a reporting issuer in the reporting jurisdictions of British Columbia, Alberta and Ontario. The Shares of the Issuer are listed on the TSX Venture Exchange under the stock symbol “HSC.P”. The Issuer is a Capital Pool Company governed by Policy 2.4 of the TSX Venture Exchange.

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

Not applicable. The report is filed in respect of the disposition of Shares pursuant to a private agreement, which closed effective as of June 30, 2021.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

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1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On May 31, 2021, the Issuer, Damian Lopez Consulting Professional Corporation (the “Transferee”) and Joel Freudman (the “Transferor”), entered into an escrow share transfer agreement, pursuant to which the Transferor agreed to sell, assign and transfer to the Transferee 400,000 Shares for an aggregate purchase price of \$20,000 (equal to \$0.05 per Share) (the “Transaction”).

The Transaction closed on June 30, 2021.

Immediately prior to and immediately following the completion of the Transaction, the Issuer had 7,510,000 Shares issued and outstanding (2,000,000 of which are subject to

escrow restrictions) and an aggregate of 700,000 Shares reserved for issuance upon the exercise of outstanding stock options (“Options”).

Immediately prior to the completion of the Transaction, the Transferor held 1,000,000 Shares and 112,500 Options, representing approximately 13.32% of the Shares of the Issuer on a non-diluted basis and approximately 14.59% of the Shares of the Issuer on a partially diluted basis. Immediately following the completion of the Transaction, the Transferor held 600,000 Shares and 112,500 Options, representing approximately 7.99% of the Shares of the Issuer on a non-diluted basis and approximately 9.35% of the Shares of the Issuer on a partially diluted basis.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

See Item 2.2 above.

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 this report.

See Item 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.

See Item 2.2 above.

3.5 State the designation and number or principal amount of securities and the acquiror’s securityholding 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,**
- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**
- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

See Item 2.2 above.

- 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 acquiror'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.

Item 4 – Consideration Paid

- 4.1 State the value, in Canadian dollars, of 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 received by the acquiror.**

See Item 2.2 above.

- 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.

Item 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. 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;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (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;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (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;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

See Item 2.2 above. The securities of the Issuer were sold in connection with the Transaction. The Transferor is the Chief Executive Officer and a director of the Issuer. The Transferee is wholly-owned by a director of the Issuer. Subject to applicable securities laws and depending on market conditions and other factors, the Transferor may in the future increase or decrease his ownership, control or direction over the securities of the Issuer, through market transactions, private agreements or otherwise.

Item 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.

The Transferor is the Chief Executive Officer and a director of the Issuer. The Transferee is wholly-owned by a director of the Issuer. The Issuer is a Capital Pool Company governed by Policy 2.4 of the TSX Venture Exchange. The Shares are subject to escrow pursuant to Policy 2.4 of the TSX Venture Exchange.

Item 7 – Change in Material Fact

If applicable, describe 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.

Item 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.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent’s best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

The certificate must state the following:

The undersigned, as the Transferor, certifies to the best of its knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 30th day of June, 2021.

By: *(signed) Joel Freudman*

Name: Joel Freudman