

Trusted Brand 2016 Inc.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR PERIOD ENDED September 30, 2020

The following discussion and analysis should be read in conjunction with the September 30, 2020 Condensed Interim Financial Statements and the December 31, 2019 audited financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Corporation is available on SEDAR at www.sedar.com. The financial statements and financial data contained in this discussion and analysis is presented in accordance with IFRS.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

DATE

This MD&A is dated November 26, 2020 and is in respect of the period ended September 30, 2020. The discussion in this management's discussion and analysis focuses on this period.

FORWARD LOOKING INFORMATION

The following discussion and analysis provide information that management believes is relevant to the assessment and understanding of the Corporation statements herein contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on our operations, forecasts, and projections. By their nature, forward-looking statements require assumptions and involve risks and uncertainties related to the business and general economic environment, many beyond our control. There is significant risk that the predictions, forecasts, valuations, conclusions or projections we make will not prove to be accurate and that our actual results will be materially different from targets, expectations, estimates or intentions expressed in forward looking statements. We caution readers of this document not to place undue reliance on forward-looking statements. We also caution readers that the ongoing COVID-19 pandemic has resulted in both new and increased risk, creating significant uncertainty as to the outlook. For additional information regarding material risks and assumptions, please see the discussion under Risk Factor and Uncertainties in our annual MD&A and the updated risk disclosure contained in the Business Environment & Risks section contained in this MD&A.

DESCRIPTION OF TRUSTED BUSINESS & OUTLOOK

Trusted Brand 2016 Inc. ("Trusted" or the "Corporation") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on March 4, 2016. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of The TSX Venture Exchange (the "Exchange"). The Corporation proposes to identify and evaluate corporations, business or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval. There is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Corporation's shares from trading. The Corporation has been evaluating various business opportunities that could become its Qualifying Transaction (as such term is defined in Exchange policies).

The Corporation is currently working towards completing its proposed Qualifying Transaction with the targeted private company.

Effective Nov 18, 2020 the corporation took over 1421256 Alberta Ltd. The company changed its name to **Yorkton Equity Group Inc.** with the trading symbol **YEG**.

SELECTED FINANCIAL INFORMATION

Selected Quarterly Statement of Operations Data

		September 30, 2020	June 30, 2020	March 31, 2020
Expenses	\$	45,639	\$ 20,468	\$ 29,471
Net loss for the period	\$	(45,639)	\$ (20,468)	\$ (29,471)
Basic loss per share	\$	(0.02)	\$ (0.01)	\$ (0.01)

		December 31, 2019	September,30 2019	June,30 2019	March 31, 2019
Expenses	\$	23,144	\$ 13,057	\$ 54,875	\$ 32,249
Net loss for the period	\$	(23,144)	\$ (13,057)	\$ (54,875)	\$ (32,249)
Basic loss per share	\$	(0.01)	\$ (0.00)	\$ (0.03)	\$ (0.02)

		December 31, 2018
Expenses	\$	22,494
Net loss for the period	\$	(1,494)
Basic loss per share	\$	(0.00)

Variances in net loss by quarter will reflect overall corporate activity and factors which do not recur each quarter, such as interest income on fluctuating cash balances, professional and regulatory fees related to evaluation of potential Qualifying Transactions.

RESULTS OF OPERATIONS

During period ended September 30, 2020 the Corporation incurred a loss of \$45,639 (September 30, 2019 - \$13,057). The loss primarily relates to professional fees of \$38,212 (September 30, 2019 - \$12,412) incurred during the evaluation of various business opportunities, and general and administrative expenses.

OUTSTANDING SHARE DATA

Common Shares

As at September 30, 2020 and the date of this MD&A, the Corporation had 3,962,900 (December 31, 2019 – 3,962,900) common shares issued and outstanding.

Pursuant to an escrow agreement dated as of May 3, 2016 among the Corporation, Computershare Trust Company of Canada and certain shareholders of the Corporation, 1,800,200 common shares, being issued and outstanding common shares prior to the completion of the initial public offering, plus shares acquired by principals pursuant to the initial public offering, have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the Exchange, common shares held pursuant to the escrow agreement shall be released as to 10% of the total escrowed shares immediately following the issuance of the bulletin of the Exchange announcing final acceptance of the Qualifying Transaction and 15% of the total escrowed shares shall be released every six months commencing six months following the initial release.

ARBITRARY SHARE DATA

Common Shares issued upon the exercise of the Agent's options are restricted such that only 50% of the issued shares on exercise of such options may be sold prior to the Corporation completing a Qualifying Transaction.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2020, the Corporation had net working capital of \$104,327 (December 31, 2019 - \$199,904) comprised of cash less accounts payable and accrued liabilities, which management considers being sufficient for the Corporation to meet its ongoing obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

RISKS FACTORS AND UNCERTAINTIES

The Company is exposed to a number of risks and uncertainties that may affect the operations and success of the Company. Management and the Board work to identify and manage these risks on an ongoing basis. Risk management is carried out by financial management in conjunction with overall corporate governance. Several of the most important risks facing the Company at the present time are as follows:

COVID-19

The emergence of the COVID-19 pandemic in early 2020 has impacted the global economies and the Company in 2020. The impact of the pandemic and its duration is unknown at this time. The Company is closely monitoring regulatory authorities' recommendations and will take the necessary action when required which may include implementing a remote work plan. Due to the uncertainty of what the impact of the pandemic will be for the Company going forward, the Company is continually assessing its risks in all aspects of its business and offers its current assessment of the impact of COVID-19.

Key Personnel

The success of Company depends upon the efforts of its senior management. The Company has in place a qualified and experienced senior management team that has successfully transacted on real estate transactions in the past. COVID-19 has not impacted the Company's personnel as the Company was quickly able to transition to remote operations during economic shutdowns and is prepared to do so again if required

Future Financing

The Company's principal source of funds is cash generated from financings. It is expected that funds from these sources will provide it with sufficient liquidity and capital resources to meet its current and future financial obligations at existing business levels. The Company intends to raise capital for its future business development. The COVID-19 impact is expected to make raising capital for future business development more difficult.

FINANCIAL INSTRUMENTS

The Corporation, as part of its operations, carries financial instruments consisting of cash. It is management's opinion that the Corporation is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

FAIR VALUE

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Corporation classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash in trust is determined on level 1 inputs. The carrying amount of cash in trust approximates their fair value due to the short-term maturities of these items.

CREDIT RISK

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation believes it has no significant credit risk.

LIQUIDITY RISK

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Corporation had a cash balance of \$103,045 (December 31, 2019 - \$218,904) to settle future obligations.

MARKET RISK

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Corporation has no market risks.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The accounting estimates for share based payments is based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Corporation from those of traded options and since

changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

RISK FACTORS AND UNCERTAINTIES

The business risk factors applicable to the Corporation have not materially changed since the prospectus dated June 13, 2016 and filed on www.sedar.com on September 9, 2016.

CAPITAL RISK MANAGEMENT

The Corporation defines capital as total equity which was \$104,327 at September 30, 2020 (December 31 2019 - \$199,904). Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction.

SUBSEQUENT EVENT

On November 18th, 2020 – Yorkton Equity Group Inc. (“Yorkton” or the “Company”) (TSXV: YEG) (formerly "Trusted Brand 2016 Inc."), closed its Qualifying Transaction with 1421526 Alberta Ltd. (“1421526”). In accordance with the approvals of the Company's shareholders at its annual general and special meeting held on May 15, 2020 and the special meeting held on September 10, 2020, the Company has completed its name change in conjunction with completion of the Qualifying Transaction. The TSX Venture Exchange approved the transaction and the Company was listed as a Tier 2 issuer and commenced trading on the TSX Venture Exchange under the trading symbol YEG on November 20, 2020.

In connection with this closing, the Company has issued an aggregate of 56,642,113 YEG Shares to the principals of 1421526 as follows: • the issuance of 36,862,905 YEG Shares with a fair market value of \$0.20 per YEG Share for the consideration of \$7,372,581; and • the assumption of 1421526's commitment pursuant to the shareholder loans (being the shareholder loans with each of 991799 Alberta Ltd. and Lui Holdings Corporation in the amount of \$498,635.00 and \$3,457,206.68, respectively (collectively, the “Shareholder Loans”). The Shareholder Loans, in the aggregate amount of \$3,955,841.68, will be converted into a total of 19,779,208 YEG Shares with 17,801,287 and 1,977,921 being issued to Lui Holdings Corporation and 991799 Alberta Ltd., respectively. The 56,642,113 YEG Shares issued to the principals of 1421526 are held in escrow (“Escrow”) pursuant to a TSXV Value Escrow Agreement for Tier 2 Issuers and are releasable over a 36-month period following the issuance of a final Exchange bulletin. As well, the previously issued 3,962,900 common shares of Trusted Brand 2016 Inc. (“Trusted Brand”) will be re-registered as YEG Shares. Furthermore, Yorkton has granted stock options to directors, officers and employees of the Company to purchase an aggregate of 769,905 YEG Shares pursuant to its stock option plan which are exercisable at a price of \$0.20 for a period of five years from the date of grant. The previously issued aggregate of 396,290 options of Trusted Brand will be re-

registered as YEG options with an amended exercise price of \$0.20 and will be exercisable for a period of one year from completion of the Qualifying Transaction.

Concurrent with the completion of the Qualifying Transaction, Yorkton completed a non-brokered private placement of 7,804,330 units ("Units"), at an offering price of \$0.20 per Unit, for gross proceeds of \$1,560,866. Each Unit is comprised of one (1) YEG Share and one (1) YEG Share purchase warrant ("Warrant") entitling the holder to purchase one (1) additional YEG Share at a price of \$0.30 per YEG Share for a period of three (3) years following the date of closing (the "Term"). In the event the YEG Shares close at a price of equal to or greater than \$0.50 per YEG Share for a period of greater than twenty (20) consecutive trading days, the Term of the Warrants shall be automatically accelerated and shortened from three (3) years to thirty (30) calendar days following the date a press release is issued by the Company announcing the reduced Term, and the issuance of the press release shall be deemed sufficient notice to all Warrant holders of the shortened Term as a result of the acceleration. The proceeds from the private placement will be used for general working capital. As a result of the foregoing, the outstanding capital of the Company upon completion of the Qualifying Transaction consists of 68,409,343 YEG Shares and a total of 1,166,195 options to acquire YEG Shares

OTHER INFORMATION

The policies of the Exchange prohibit CPC's from carrying on formal investor relations activities. Corporate communications and investor inquiries are handled by the directors and officers of the Corporation. Additional information about the corporation is available on SEDAR at www.sedar.com.