

### **BY-LAW NO. 3**

A by-law respecting the advance notice of annual or special meetings of the Shareholders of:

**YORKTON EQUITY GROUP INC.**  
(hereinafter referred to as the "Corporation")

#### **INTRODUCTION**

The Corporation is committed to: (i) facilitating an orderly and efficient annual general or special meeting process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of this Advance Notice Policy (the "Policy") is to provide shareholders, directors and management of the Corporation with a clear framework for nominating directors. This Policy fixes a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

It is the position of the Corporation that this Policy is in the best interests of the Corporation, its shareholders and other stakeholders. This Policy may be subject to an annual review at the discretion of the directors of the Corporation, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

#### **NOMINATIONS OF DIRECTORS**

##### **1. Nominations**

Only persons who are qualified to act as a director under the *Business Corporations Act* (Alberta) (the "Act") and the articles of the Corporation, and who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "Board") may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of Directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting) if one of the purposes for which the special meeting was called is the election of directors, and such nomination or proposed nomination is made:

- (a) by or at the direction of the Board, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders of the Corporation pursuant to a "proposal" made in accordance with section 136(1) of the Act, or a requisition of the shareholders made in accordance with section 142(1) of the Act; or
- (c) by any person (a "Nominating Shareholder") who:
  - (i) at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the

Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation; and

- (ii) complies with the notice procedures set forth below in this Policy.

## **2. Nomination Requirements**

In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the President or the Chairman of the Board of the Corporation at the principal executive offices of the Corporation.

## **3. Timeliness**

To be timely, a Nominating Shareholder's notice to the President or the Chairman of the Board of the Corporation must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

## **4. Form**

To be in proper written form, a Nominating Shareholder's notice to the President or the Chairman of the Board of the Corporation must set forth:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
  - (i) the name, age, business address and residential address of the person;
  - (ii) the principal occupation, business or employment of the person for the most recent five years, and the name and principal business of any company in which any such employment is carried on;

- (iii) the citizenship of such person;
  - (iv) the number of securities of each class or series of securities in the capital of the Corporation including convertible securities and shares owned through derivatives, which are owned beneficially or of record by the person or under the control or direction, directly or indirectly, of the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
  - (v) such person's written consent to being named in the notice as a nominee and to serving as a director of the Corporation if elected;
  - (vi) such person's agreement to abide by all applicable policies of the Corporation and a statement on whether the person is "independent" of the Corporation (within the meaning of applicable securities laws); and
  - (vii) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- (b) as to the Nominating Shareholder giving the notice:
- (i) the name and address of such Nominating Shareholder, as they appear on the securities register of the Corporation;
  - (ii) the number of securities of each class or series of securities of the Corporation owned of record and beneficially by, or under the control or direction of, directly or indirectly, such Nominating Shareholder;
  - (iii) full particulars regarding any agreement, arrangement or understanding with respect to the nomination between or among such Nominating Shareholder, any of their respective affiliates or associates, and any others acting jointly or in concert with any of the foregoing, including the nominee;
  - (iv) full particulars regarding any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the notice by, or on behalf of, such Nominating Shareholder, whether or not such instrument or right shall be subject to settlement in underlying securities of the Corporation, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such Nominating Shareholder with respect to securities of the Corporation;
  - (v) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct or control the voting of any securities of the Corporation; and

- (vi) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitors of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to furnish such other information and documents as may reasonably be required by the Corporation to (i) determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence and/or qualifications, or lack thereof, of such proposed nominee, or (ii) satisfy the requirements of applicable stock exchange rules.

In addition, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.

To be eligible to be a candidate for election as a Director of the Corporation and to be duly nominated, a candidate must be nominated in the manner prescribed in this paragraph 4 and the candidate for nomination, whether nominated by the Board or otherwise, must have previously delivered to the Corporate Secretary of the Corporation at the principal executive offices of the Corporation, not less than 10 days prior to the date of a meeting of shareholders, a written representation and agreement (in form provided by the Corporation) that such candidate for nomination, if elected as a Director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Corporation applicable to Directors and in effect during such person's term in office as a Director (and, if requested by any candidate for nomination, the Corporate Secretary of the Corporation shall provide to such candidate for nomination all such policies and guidelines then in effect).

## **5. Eligibility**

No person shall be eligible for election as a director of the Corporation, unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

## **6. Definitions**

For purposes of this Policy:

- (a) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and

- (b) "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

**7. Notice**

Notwithstanding any other provision of this Policy, notice given to the President or the Chairman of the Board of the Corporation pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the President or the Chairman of the Board of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the President or the Chairman of the Board at the address of the principal executive offices of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Alberta time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

**8. Waiver of Notice**

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

GOVERNING LAW

This Policy shall be interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in that province.

EFFECTIVE DATE

This Policy was approved and adopted by the Directors of the Corporation as of the 17<sup>th</sup> day of November, 2020 and is and shall be in full force and effect in accordance with its terms and conditions from and after such date.

(signed) "Ben Lui"

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President