

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

**ITEM 1      Name and Address of Company**

Yorkton Equity Group Inc.  
3165 Manulife Place  
10180-101 Street  
Edmonton, AB T5J 3S4

**ITEM 2      Date of Material Change**

June 3, 2022

**ITEM 3      News Release**

News Release dated June 3, 2022 was issued and disseminated on June 3, 2022 through the services of The NewsWire and filed that same date on SEDAR.

**ITEM 4      Summary of Material Change**

Yorkton Equity Group Inc. (the “Company”) announced final acceptance by the TSX Venture Exchange and closing of a private placement of convertible debentures previously announced on April 14, 2022.

**ITEM 5      Full Description of Material Change**

The Company announced receipt of final Exchange acceptance for the closing of its private placement previously announced on April 14, 2022 (the “Private Placement”). The Company will issue 196 unsecured convertible debentures of the Company (the “Convertible Debentures”) to the investors at an issue price of \$1,000 per Convertible Debenture for aggregate gross proceeds of \$196,000, which will be added to the capital cash reserve.

Each Convertible Debenture has an issue price of \$1,000 with an interest rate equal to the higher of 7.0% per annum or the Bank of Canada Prime Rate plus 3.5% per annum as determined on the last business day of the calendar year, to be applied to the subsequent calendar year, payable annually to the Convertible Debenture holders only in cash no later than thirty (30) days from the anniversary date of the closing date of the Private Placement to the maturity date.

Each Convertible Debenture will mature on the date that is five (5) years from the date of issuance of the Convertible Debenture (the “Term”). The principal amount of each Convertible Debenture may, at the option of the Convertible Debenture holder, be convertible, in whole or in part during the Term, into Common Shares at a conversion price of \$0.60 per Common Share (the “Conversion”), after which such principal amount of the Convertible Debenture will be extinguished. The Company, after a period of thirty-six (36) months following the date of closing, will also have the right, but not the obligation, to redeem the principal amount and any unpaid interest of the Convertible Debenture in cash, without penalty, at any time prior to the date of maturity by providing a thirty (30) calendar day notice period (“Notice”) to the Convertible Debenture holder by way of a written notice or a press release duly disseminated. Within ten (10) business days after receipt of the Notice, the Convertible Debenture holder, at its sole discretion,

may request for a Conversion (of the principal amount only exclusive of any interest component which is payable in cash only) from the Company by the issuance of Common Shares. All rights to Conversion lapses ten (10) business days after receipt of the Notice. The Convertible Debentures and any Common Shares issuable upon conversion are subject to a statutory hold period lasting four months and one day following the closing date. The Company intends to use the proceeds from the Private Placement for the continued acquisition of multi-family rental properties in strategic markets consistent with its secure and aggressive growth business model, and general working capital.

In connection with the closing of the Private Placement, the Company paid work fees of \$1,340 to Sentinel Financial Management Corp.

**ITEM 6            Reliance on Subsection 7.1(2) of National Instrument 51-102**

None

**ITEM 7            Omitted Information**

Not Applicable

**ITEM 8            Executive Officer**

Ben Lui  
Chief Executive Officer  
Telephone: 780-409-8228 Ext 222

**ITEM 9            Date of Report**

June 13, 2022