

Yorkton Equity Group Inc. Announces Upsizing and Closing of Private Placement

Edmonton, Alberta – (December 19th, 2023) – Yorkton Equity Group Inc. (TSXV YEG) (“Yorkton” or the “Company”) is pleased to announce that due to strong investor demand, it has upsized and closed the final tranche of its non-brokered private placement, as previously announced on October 12th, 2023, October 18th, 2023 and November 27th, 2023 (the “Private Placement”) of unsecured convertible debentures of the Company (the “Convertible Debentures”).

The Private Placement was increased to raise aggregate gross proceeds of up to \$2,736,000 through the sale of 2,736 Convertible Debentures. Upon closing of the Private Placement, Yorkton issued an aggregate of 2,736 Convertible Debentures, at an issue price of \$1,000 per Convertible Debenture, for gross proceeds of \$2,736,000.

Details of this Private Placement:

Each Convertible Debenture has an issue price of \$1,000 with an interest rate of eight percent (8%) per annum, 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 of the Company (“Common Shares”) at a conversion price of \$0.20 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 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 (the “Redemption 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 Redemption 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 Redemption 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 has used the proceeds from the initial tranche closing of the Private Placement for the closing of the acquisition of “The Fuse”, a 125-unit condominium grade multi-family residential complex that was constructed in 2015 and is comprised of two buildings situated on approximately 2.67 acres of land located in the Summerside neighborhood with the municipal addresses of 2105 and 2109 68 Street SW, Edmonton, Alberta (previously announced on October 18th, 2023) and the Company intends to use the additional proceeds from the Private Placement for unallocated and general working capital.

In connection with the closing of the Private Placement, the Company paid fees of \$12,800 to Sentinel Financial Management Corp.

Pursuant to the Private Placement, Mr. Ben Lui acquired 2,000 Convertible Debentures in the initial tranche closing (as previously announced on October 18th, 2023) and 33 Convertible Debentures in the final tranche closing of the Private Placement, for an aggregate of 2,033 Convertible Debentures in the principal amount of \$2,033,000. The transactions are each considered to be a “related party transaction” pursuant to the policies of the TSX Venture Exchange and Multilateral Instrument 61-101, Protection of Minority Security Holders in Special Transactions (“MI 61-101”) as Mr. Ben Lui is the CEO, director and majority shareholder of Yorkton. These transactions were exempt from the formal valuation and minority shareholder approval requirements of MI 61-101. In particular, the Company has determined that the

exemption set out in paragraph (b) in section 5.5 of MI 61-101 is applicable since the Company is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange. In addition, regarding the minority shareholder approval exemption, the independent directors have determined that the exemption set out in paragraphs (1)(b) in section 5.7 of MI 61-101 is applicable in that the distribution of the securities to Mr. Ben Lui has a fair market value of not more than \$2,500,000 and the Company is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange.

The Company did not file a material change report in respect of these transactions 21 days in advance of the closing of the Private Placement because insider participation had not been confirmed. The shorter period was necessary in order to permit the Company to close the Private Placement in a timeframe consistent with usual market practice for transactions of this nature.

Early Warning Report Requirements:

Mr. Ben Lui, who currently owns or controls (directly or indirectly) 82,511,845 (or 73.23%) of the issued and outstanding Common Shares on a non-diluted basis, acquired 2,000 Convertible Debentures in the initial tranche closing (as previously announced on October 18th, 2023) and 33 Convertible Debentures in the final tranche closing, for an aggregate of 2,033 Convertible Debentures in the principal amount of \$2,033,000 pursuant to the Private Placement, being 74.31% of the Convertible Debentures issued in the Private Placement and 32.53% of all currently issued and outstanding convertible debentures of the Company. The Convertible Debentures held by Mr. Ben Lui may be converted, at his option, into a maximum of 10,348,333 Common Shares at a conversion price of between \$0.20 and \$0.30 per Common Share by delivering written notice to convert at any time prior to the close of business on the last business day immediately preceding the maturity date.

Prior to the final tranche closing of the Private Placement, Mr. Ben Lui (directly or indirectly) owned 82,511,845 Common Shares, 275,000 stock options, and 2,055 unsecured convertible debentures (as previously announced on April 20th, 2023 and October 18th, 2023) of the Company. If all of Mr. Ben Lui's stock options and unsecured convertible debentures were exercised, Mr. Ben Lui would have owned (directly or indirectly) 75.50% of the then issued and outstanding Common Shares, on a partially diluted basis.

After the final tranche closing of the Private Placement, Mr. Ben Lui (directly or indirectly) owns 82,511,845 Common Shares, 275,000 stock options of the Company and 2,088 unsecured convertible debentures. If all of Mr. Ben Lui's stock options and unsecured convertible debentures were exercised, Mr. Ben Lui would own (directly or indirectly) 75.53% of the issued and outstanding Common Shares, on a partially diluted basis.

The Convertible Debentures were acquired for investment purposes. Mr. Ben Lui has no current intention to enter into any of the transactions listed in item 5 of Form F1 of National Instrument 62-103 but in the future, he may discuss such transactions with management and/or the board of directors of the Company and he may further purchase, hold, convert, vote, trade, dispose or otherwise deal in the securities of the Company, in such manner as he deems advisable to benefit from changes in market prices of the Company's securities, publicly disclosed changes in the operations of the Company, its business strategy or prospects or from a material transaction of the Company, and he will also consider the availability of funds, evaluation of alternative investments and other factors. An early warning report will be filed by Mr. Ben Lui in accordance with applicable securities laws and will be available under the Company's SEDAR+ profile at www.sedarplus.ca.

About Yorkton

Yorkton Equity Group Inc. is a growth-oriented real estate investment company committed to providing shareholders with growing assets through accretive acquisitions, organic growth, and the active management of multi-family rental properties with significant upside potential. Our current geographical focus is in Alberta and British Columbia with diversified and growing economies, and strong population in-migration. Our business objectives are to achieve growing Net Operating Income ("NOI") as well as

the asset values in our multi-family rental property portfolio in strategic markets across Western Canada.

The management team at Yorkton Equity Group Inc. has well over 30 years of prior real estate experience in acquiring and managing rental assets.

Further information about Yorkton is available on the Company's website at www.yorktonequitygroup.com and the SEDAR+ website at www.sedarplus.ca.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Forward-looking information

This press release may include forward-looking information within the meaning of Canadian securities legislation concerning the business of Yorkton. Forward-looking information is based on certain key expectations and assumptions made by the management of Yorkton. Although Yorkton believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Yorkton can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. Yorkton disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or any applicable securities laws or any state of the United States and may not be offered or sold in the United States or to the account or benefit of a person in the United States absent an exemption from the registration requirement.