

Yorkton Equity Group Inc. Provides Update on Environmental, Social, and Governance (“ESG”) Plan and Announces Closing of Convertible Debenture Private Placement

Edmonton, Alberta – (June 3, 2022) – Yorkton Equity Group Inc. (“Yorkton” or the “Company”) (TSX.V: YEG) provides an update on its Environmental, Social, and Governance (“ESG”) plans and announces the receipt of final Exchange acceptance for the closing of its private placement previously announced on April 14, 2022 (the “Private Placement”).

Mr. Ben Lui, President and CEO of Yorkton stated that, “Yorkton is starting to develop its ESG plan for the future. The ESG plan is expected to streamline the Company’s operations, improve efficiency, and reduce operating costs which is expected to help mitigate the impact of rising inflation and improve our net operating income in the long term; while also highlighting the Company’s ongoing commitment to corporate social responsibility.”

Current ESG Activities and Plans

1. Energy-saving and net-zero activities

Yorkton is diligently working to reduce our carbon footprint. Carbon reduction efforts are expected to preserve asset value as tenants and investors are drawn to properties that are more sustainable.

As part of our ongoing renovation programs and when updates are required, the Company plans to upgrade its investment properties with high efficiency furnaces, energy efficient windows, and heating, ventilation, and air condition systems (“HVAC systems”) that meet current building codes and environmental standards.

2. Health & wellness and building operation

The health and wellness of our tenants and staff is of the highest priority for Yorkton and the Company is currently focused on proper air ventilation and filtration. Yorkton seeks to replace aging HVAC systems with new high-quality systems to help prevent the spread of illnesses as well as improve overall air quality and wellbeing.

Due to the Covid-19 protocols across its investment property portfolio, the Company conducts more intensive and regular cleaning, especially of shared equipment and amenities such as elevators; the Company also provide protective products such as hand sanitizer, disinfectant and masks.

3. Regulatory considerations

Yorkton is proactively starting to develop its ESG protocols to meet anticipated future regulations. The number of ESG regulations affecting property owners has steadily increased over the past decade, as governments and industry bodies mandate green reporting standards. Green building codes are tightening and mandating higher sustainability performance requirements.

Yorkton is working proactively to ensure that it meets upcoming planned changes to reporting standards. ESG data will be tracked to ensure compliance with future reporting requirements as well as for management decision-making.

Yorkton will be further developing its ESG plan and will continue to take steps to implement changes, mitigate risks and enhance returns

Details of 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 fees of \$1,340 to Sentinel Financial Management Corp.

About Yorkton

Yorkton Equity Group Inc. is a growth-oriented real estate company committed to providing shareholders with growing assets through the accretive acquisitions, organic growth, and the active management of multi-family rental properties with significant upside potential. Our current geographical focus is in secondary markets in British Columbia with diversified, growing economies, and strong population immigration. Our business objectives are to achieve stable Net Operating Income (“NOI”) and growing Net Asset Value (“NAV”) in our multi-family rental property portfolio by deploying a risk averse business model to create the ultimate value proposition for our shareholders. Yorkton Equity Group Inc. is built on the solid foundations of the Yorkton Group of companies with strong financial capacity, and well over 30 years of real estate experience.

Further information about Yorkton is available on the Company’s website at www.yorktonequitygroup.com and the SEDAR website at www.sedar.com.

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 news 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.