

BOYUAN CONSTRUCTION GROUP, INC.

MAJORITY VOTING POLICY WITH RESPECT TO THE ELECTION OF DIRECTORS

(Adopted by the Board of Directors with immediate effect on October 9, 2014)

1. Resignation Following Majority Withheld Vote. In an uncontested election of directors of Boyuan Construction Group, Inc. (the "**Company**"), any nominee for election as a director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "**Majority Withheld Vote**") shall, immediately following the date of the shareholders' meeting at which the election occurred, tender his or her resignation to the Chairman of the Board of Directors for consideration by the Corporate Governance, Nomination and Compensation Committee (the "**Committee**") of the Board of Directors. In this Policy, an "uncontested election" shall mean an election in which the number of nominees for election as director shall not be greater than the number of directors to be elected.
2. Recommendation by Nominating Committee. The Committee shall consider the resignation offer and, promptly, following the date of the shareholders' meeting at which the election occurred, shall recommend to the Board of Directors whether or not to accept it. The Committee shall recommend that the Board of Directors accept such resignation, unless exceptional circumstances would warrant the applicable director continuing to serve on the Board of Directors. In considering whether or not to accept the resignation, the Committee will consider all factors deemed relevant by the Committee including, without limitation, the stated reason or reasons why shareholders "withheld" votes from the election of the director, the length of service and the qualifications of the director (including, for example, the impact the director's resignation would have on the Company's compliance with the requirements of applicable corporate and securities laws and the rules of any stock exchange on which the Company's securities are listed or posted for trading), the Company's Corporate Governance Policies, whether the director's resignation could trigger a change of control or similar provisions under any contract by which the Company is bound and whether the director's resignation from the Board of Directors would be in the best interests of the Company.
3. Decision of the Board of Directors. The Board of Directors shall act on the Committee's recommendation within 90 days of the date of the shareholders' meeting at which the election occurred. In considering the Committee's recommendation, the Board of Directors will consider the information and factors considered by that Committee and such additional information and factors that the Board of Directors may consider to be relevant. The Board of Directors shall accept the resignation unless it determines that exceptional circumstances would warrant the applicable director continuing to serve on the Board of Directors. The resignation will be effective when accepted by the Board of Directors.
4. Press Release. Following the Board of Directors' decision on the Committee's recommendation, the Board of Directors shall promptly disclose, by way of a press

release, the Board of Directors' decision whether or not to accept the director's resignation and if the Board of Directors does not accept the resignation, the full reason or reasons for rejecting the tendered resignation.

5. Non-Participation. No director who, in accordance with this Policy, is required to tender his or her resignation, shall participate in the Committee's deliberations or recommendation, or in the Board of Directors deliberations or determination, with respect to accepting or rejecting his or her resignation as a director. However, such director shall remain active and engaged in all other board and committee activities, deliberations and decisions during this Committee process.
6. Ad Hoc Committee. If a majority of the members of the Committee received a Majority Withheld Vote in the same election, or the number of Committee members who received a Majority Withheld Vote in the same election is greater than quorum of the Committee, the independent directors then serving on the Board of Directors who received a majority of votes "for" their election will appoint an ad hoc Board committee from amongst themselves (the "**Ad Hoc Committee**"), consisting of such number of directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board of Directors with respect to the tendered resignations. The Ad Hoc Committee shall serve in place of the Committee and perform the Committee's duties for the purposes of this Policy. Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three directors would be eligible to serve on it (including in circumstances where the entire Board of Directors receives a Majority Withheld Vote), the entire Board of Directors (other than any director whose resignation is being considered) will make the determination to accept or reject the tendered resignation without any recommendation from the Committee and without the creation of an Ad Hoc Committee.
7. Options Following Acceptance of Resignation. If a resignation is accepted, the Board of Directors may, in accordance with the provisions of the *Canada Business Corporations Act* and applicable corporate laws, (i) leave the vacancy in the board unfilled until the next annual meeting of shareholders, (ii) reduce the size of the Board of Directors (if permitted by applicable corporate laws or the articles and bylaws of the Company), (iii) fill the vacancy created by the resignation by appointing a new director whom the Board of Directors considers to merit the confidence of shareholders, or (iv) call a special meeting of shareholders to consider new board nominees) to fill the vacant position(s).
8. Non-Compliance with Policy. In the event that any director who received a Majority Withheld Vote does not tender his or her resignation in accordance with this Policy, he or she will not be re-nominated by the Board of Directors.
9. Procedures. The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this Policy.
10. Agreement of Current Directors. Each of the current directors has agreed to abide by the provisions of this Policy and any subsequent candidate nominated by management will, as a condition of such nomination, be required to abide by this Policy.

11. Amendments to Policy. The Board of Directors may at any time in its sole discretion supplement or amend any provision of this Policy, or adopt a new Policy relating to director elections with such terms as the Board of Directors determines in its sole discretion to be appropriate provided such Policy is in compliance with the requirements of the Toronto Stock Exchange Company Manual. Subject to Section 10 of this Policy, the Board of Directors will have the exclusive power and authority to administer this Policy, including without limitation the right and power to interpret the provisions of this Policy and make all determinations deemed necessary or advisable for the administration of this Policy. All such actions, interpretations and determinations which are done or made by the Board of Directors in good faith will be final, conclusive and binding.