

## STINGRAY DIGITAL GROUP INC.

### MAJORITY VOTING IN DIRECTOR ELECTIONS

Forms of proxy or voting instruction forms for the vote at a meeting of holders of shares of Stingray Digital Group Inc. (the “**Corporation**”) where directors of the Corporation are to be elected will enable each shareholder to vote in favour of, or to withhold from voting for, each nominee on an individual basis. In an uncontested election of directors, any nominee for election as a director who does not receive a greater number of votes “for” his or her election than votes “withheld” from such election (a “**Majority Withheld Vote**”) shall tender his or her resignation, as a director of the Corporation, to the Chair of the board of directors of the Corporation (the “**Board**”) promptly following the meeting at which the director was elected, which will become effective upon acceptance by the applicable Board. An “uncontested election” shall mean an election where the number of nominees for election as director shall be equal to the number of directors to be elected and where no proxy materials are circulated in support of the election of one or more nominees who are not included among the nominees supported by the Board.

The Human Resources and Compensation Committee of the Board (the “**HRC Committee**”) shall promptly consider any resignation offer from a director who has received a Majority Withheld Vote and recommend to the Board the action to be taken with respect to such tendered resignation. Subject to the terms of any agreement between the shareholders of the Corporation and the Corporation, such recommendation of the HRC Committee may be, among other things, to (i) accept the resignation; (ii) defer acceptance of the resignation until a replacement director with appropriate qualifications can be identified by the applicable nominating shareholder or the HRC Committee, as applicable, and elected or appointed to the Board; (iii) reject the resignation, but address what the HRC Committee believes to be the underlying reasons for the Majority Withheld Vote in respect of that nominee; (iv) reject the resignation, but resolve that the director will not be re-nominated in the future for election; or (v) reject the resignation. The HRC Committee shall recommend acceptance of the resignation except in situations where exceptional circumstances would warrant the applicable director continuing to serve on the Board.

In considering a tendered resignation, the HRC Committee will consider all factors deemed relevant to the best interests of the Corporation by members of the HRC Committee, including, without limitation, (i) any stated reasons why shareholders “withheld” votes from the election of that nominee; (ii) what the HRC Committee believes to be the underlying reasons for the Majority Withheld Vote, including whether these reasons relate to the incumbent director’s performance as a director, whether these reasons relate to the Corporation or another issuer, and whether these reasons are curable and alternatives for effecting any cure; (iii) the percentage of outstanding shares represented by votes cast and withheld from voting on the election of the subject director; (iv) the length of service and the qualifications of the individual whose resignation has been tendered; (v) such individual’s past and expected future contributions to the Corporation; (vi) the Corporation’s corporate governance policies; (vii) the overall composition of the Board (including the current mix of skills and attributes of the Board and also including whether accepting the resignation would cause the Corporation to fail to meet any applicable regulatory or stock exchange listing requirements); and (viii) any other factors that the HRC Committee considers relevant. Any individual who tenders his or her resignation pursuant to this policy and who is a member of the HRC Committee shall not participate in any meeting of the HRC Committee held to consider the resignation.

The Board shall consider and determine whether to accept or reject the HRC Committee's recommendation within 90 days following the applicable election of directors. In considering the HRC Committee's recommendation, the Board will consider the factors considered by the HRC Committee and such additional information and factors that the Board considers to be relevant. Any individual who tenders his or her resignation pursuant to this policy shall recuse themselves from the portion of any meeting of the Board in consideration of the resignation. The Board shall accept the resignation except in situations where exceptional circumstances would warrant the applicable director continuing to serve on the Board, as determined by the Board in accordance with its fiduciary duties to the Corporation and its shareholders. The resignation shall be effective immediately upon its acceptance by the Board. Following the Board's decision, the Corporation shall promptly disclose, via press release, its decision whether to accept the director's resignation offer and shall provide a copy of such press release to the Toronto Stock Exchange. If the Board rejects the resignation offer, the press release shall fully state the reasons for the rejection. If the resignation offer is accepted, the Board may, in accordance with the provisions of applicable law, the Corporation's articles and the nomination rights, if any, of shareholders, (i) leave the resultant vacancy in the Board unfilled until the next annual meeting of shareholders of the Corporation, (ii) appoint a new director to fill the vacancy created by such resignation, (iii) reduce the size of the Board within the minimum and maximum number of directors fixed under the Corporation's articles, or (iv) call a special meeting of shareholders at which there will be presented a new candidate to fill the vacant position(s). If a director does not tender his or her resignation in accordance with this policy, the Board will not re-nominate that director at the next election.

If each member of the HRC Committee receives a Majority Withheld Vote in the same election, or if a sufficient number of HRC Committee members receives a Majority Withheld Vote in the same election such that the HRC Committee no longer has a quorum, then the independent directors of the Board who did not receive a Majority Withheld Vote shall appoint a committee amongst themselves to consider the resignation offers and make recommendations regarding them to the Board and any such committee shall comply with the provisions in this policy which are otherwise applicable to the HRC Committee; provided that if fewer than two independent directors did not receive Majority Withheld Votes in the same election, the Board shall establish a committee composed of all the independent directors to consider the resignation offers and recommend to the Board whether to accept them and any such committee shall comply with the provisions in this policy which are otherwise applicable to the HRC Committee.

In the event that a sufficient number of Board members receives a Majority Withheld Vote in the same election, such that the Board no longer has a quorum, then although each director receiving a Majority Withheld Vote shall not be permitted to vote in any meeting of the Board at which his or her resignation offer is considered, he or she shall be eligible to be counted for the purpose of determining whether the Board has quorum.

Subject to the immediately following paragraph, the HRC Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this policy.

The Board may at any time in its sole discretion supplement or amend any provision of this policy in any respect, repeal this policy in whole or part or adopt a new policy relating to director elections with such terms as the Board determines in its sole discretion to be appropriate. The Board will have the exclusive power and authority to administer this policy for the Corporation, 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 in good faith will be final, conclusive and binding.

The Board has unanimously adopted this policy. Future nominees for election to the Board will be asked to subscribe to this policy before their names are put forward for election to the Board.