



KARNALYTE RESOURCES INC.

**NOTICE OF ANNUAL MEETING
to be held May 5, 2017**

NOTICE IS HEREBY GIVEN that, an annual meeting (the **Meeting**) of the holders (**Shareholders**) of common shares (**Common Shares**) of Karnalyte Resources Inc. (**Karnalyte**) will be held at the Hampton Inn and Suites by Hilton Saskatoon Airport, at 110 Gateway Boulevard, Saskatoon, Saskatchewan, S7L 1S4, on May 5, 2017, at 1:00 p.m. (Saskatoon time) for the following purposes:

1. to receive and consider the financial statements of Karnalyte, together with the report of the auditors thereon, for the year ended December 31, 2016;
2. to elect directors to hold office until the next annual meeting of Shareholders;
3. to appoint auditors to hold office until the next annual meeting of Shareholders and to authorize the board of directors of Karnalyte to fix their remuneration; and
4. to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders should refer to the accompanying information circular for more information with respect the matters to be considered at the Meeting.

The record date for the the determination of Shareholders entitled to receive notice of and to vote at the Meeting is April 5, 2017. Only Shareholders whose names have been entered in the register of the Shareholders on the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a holder of Common Shares transfers the ownership of any Common Shares after such date and the transferee of those Common Shares establishes that it owns the Common Shares and demands, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting, or any adjournment thereof, in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, completed proxy forms must be received by CST Trust Company at the Registrar and Transfer Agent of the Company, at P.O. Box 721, Agincourt, Ontario, M1S 0A1, Attention: Proxy Department, by 1:00 p.m. (Saskatoon time) on May 3, 2017 or, if the Meeting is adjourned, by 1:00 p.m. (Saskatoon time) on the second business day prior to the date on which the Meeting is reconvened.

DATED as of April 5, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed "*Robin Phinney*")

Robin Phinney
President and Director
Karnalyte Resources Inc.