

KARNALYTE RESOURCES INC.

# NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Karnalyte Resources Inc. (“**Karnalyte**” or the “**Company**”) will be held at the Saskatoon Club, 417 21st Street East, Saskatoon, Saskatchewan, on Tuesday, June 29, 2021, at 9:30 a.m. (Saskatoon time) for the following purposes:

1. to elect the board of directors of the Company;
2. to receive the annual audited financial statements of the Company for the financial year ended December 31, 2020, together with the report of the auditors thereon;
3. to appoint the auditors of the Company and to authorize the board of directors of the Company to fix their remuneration; and
4. to transact such further or other business as may properly be brought before the Meeting or any adjournment thereof.

## Other Important Information

The board of directors of the Company (the “**Board**”) has fixed May 25, 2021 as the record date (the “**Record Date**”) for determining Shareholders who are entitled to receive notice of and to vote at the Meeting. Only Shareholders of record of the Company on the Record Date are entitled to receive notice of the Meeting and to attend and vote at the Meeting. This notice of Meeting is accompanied by a management information circular (the “**Information Circular**”). The specific details of the matters to be put before the Meeting as identified above are set forth in the Information Circular accompanying and forming part of this notice. This notice and the Information Circular have been sent to each director of the Company, to each Shareholder entitled to notice of the Meeting and to the auditors of the Company.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and should be reviewed carefully by Shareholders. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by the Company before the Meeting or by the Chairperson at the Meeting to be adjourned or postponed.

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. Completed proxy forms must be received

by AST Trust Company (Canada), P.O. Box 721, Agincourt, Ontario M1S 0A1, by e-mail to proxyvote@astfinancial.com, or by Internet voting at www.astvotemyproxy.com. **To be effective, the completed proxy must be received by AST Trust Company (Canada) by 9:30 a.m. (Saskatoon time) on June 25, 2021 or, if the Meeting is adjourned, by 9:30 a.m. (Saskatoon time) on the second Business Day prior to the date on which the Meeting is reconvened.**

## COVID-19

**In light of ongoing concerns related to the COVID-19 pandemic, and the current guidance of the Province of Saskatchewan regarding social distancing and restricting public gatherings, the Company is strongly encouraging all Shareholders not to attend the Meeting in person.** To further mitigate the risk of the spread of the virus, the Meeting will be made available by webcast and conference call. All Shareholders are strongly encouraged to vote on the business of the Meeting in advance or by proxy, to appoint a management proxyholder (who is legally obligated to vote according to the Shareholder's instructions) and listen to the webcast or join via conference call.

Only Registered Shareholders (as defined in the Information Circular), non-Registered Shareholders who have followed the procedures described in the Information Circular, and proxy holders will normally be entitled to attend the Meeting; however, **the Company intends to comply with the health directives and restrictions on public gatherings in force in the Province of Saskatchewan at the time of the Meeting, which may prohibit individuals from entering the building and attending the meeting in person.** To avoid disappointment and unnecessary travel, the Company reiterates its strong recommendation to each of its Shareholders to vote in advance or by proxy and to appoint a management proxyholder to carry out the Shareholder's voting instructions at the Meeting.

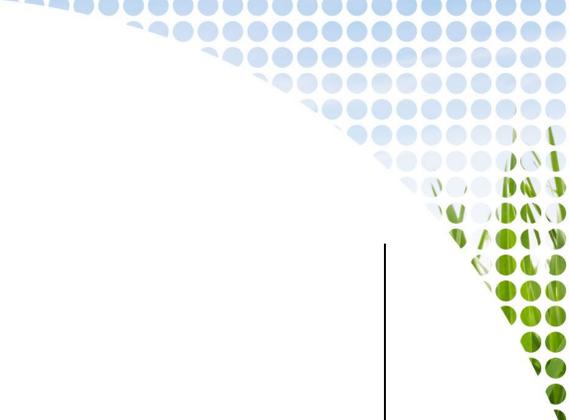
Shareholders joining the Meeting by webcast or conference call will not be able to vote, speak, or otherwise participate in the Meeting via webcast or conference call. A Shareholder who does not attend the Meeting in person may submit questions to the Company in advance of the Meeting by sending an email identifying the Shareholder to info@karnalyte.com by 9:30 a.m. on June 25, 2021. Shareholders' questions will be addressed at the Meeting (subject to Shareholder verification by the Company and confirmation of the relevance of the subject matter).

The webcast and conference call details are as follows:

**Webcast:**

[https://produceredition.webcasts.com/starthere.jsp?ei=1468996&tp\\_key=143fe99f40](https://produceredition.webcasts.com/starthere.jsp?ei=1468996&tp_key=143fe99f40)

or



<https://j.mp/3g22Q40> (case sensitive)

**Conference Call:**

Toll free: 1-(888)-664-6392

Confirmation number: 20907553

**We may take additional precautionary measures in relation to the Meeting in response to developments with the COVID-19 pandemic. In the event it is not possible or advisable to hold the Meeting in person, we will announce alternative arrangements for the Meeting as promptly as practicable, which may include postponing the Meeting. Please monitor our website at [www.karnalyte.com](http://www.karnalyte.com) for updated information.**

**DATED** as of May 31, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

*(signed "Danielle Favreau")*

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Danielle Favreau

Interim Chief Executive Officer

Karnalyte Resources Inc.