

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special 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 21 2022, 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, 2021, together with the report of the auditors thereon;
3. to re-appoint the auditors of the Company and to authorize the board of directors of the Company to fix their remuneration;
4. to consider and, if deemed appropriate, to pass an ordinary resolution to approve unallocated options under the incentive stock option plan of the Company; and
5. 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 17, 2022 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 Olympia Trust Company, the Registrar and Transfer Agent of the Company, at PO Box 128, STN M, Calgary, AB T2P 2H6, Attn: Proxy Dept., by e-mail to proxy@olympiatrust.com, or by Internet voting at <https://css.olympiatrust.com/pxlogin> and enter the 12-digit control number shown on reverse of your proxy form. **To be effective, the completed proxy must be received by Olympia**

Trust Company by 9:30 a.m. (Saskatoon time) on June 17, 2022 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.

Shareholders may also join the Meeting in listen-only mode by webcast or conference call. Shareholders joining the Meeting by webcast or conference call will not be able to vote, speak, or otherwise participate in the Meeting. 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 17, 2022. 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=1551283&tp_key=6a631a117f

Conference Call:

Toll free: 1-888-664-6392

Confirmation number: 71638653

DATED as of May 24, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

(signed "Danielle Favreau")

Danielle Favreau

Interim Chief Executive Officer

Karnalyte Resources Inc.