

KING'S BAY RESOURCES CORP.

1450 – 789 WEST PENDER STREET
VANCOUVER, BC, CANADA V6C 1H2
TELEPHONE: 604-681-1568 FAX: 604-681-8240

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (each, a "**Share**") of King's Bay Resources Corp. (the "**Company**") will be held at Suite 900 - 885 West Georgia Street, Vancouver, British Columbia, on October 2, 2019 at 10:00 a.m. (Vancouver time), and at any continuation thereof after an adjournment, for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2018, and 2017 together with the reports of the auditor thereon;
2. to appoint Davidson & Company LLP, Chartered Professional Accounts, as auditor of the Company for the financial year ended December 31, 2019 and to authorize the directors to fix the remuneration to be paid to the auditors for the financial year ended December 31, 2019;
3. to consider and, if thought appropriate, pass, with or without variation, an ordinary resolution (the "**Reverse Takeover Resolution**"), the full text of which is set forth in the management information circular (the "**Information Circular**") approving the proposed reverse takeover (the "**S&S Acquisition**") of the Company by S&S Company Nevada LLC ("**S&S**") and the members thereof, all as more particularly described in the Information Circular;
4. to set the size of the board of directors and to elect two alternate slates of directors, namely (i) a slate set at four (4) directors of the Company elected to take office immediately after the Meeting, and (ii) a slate set at four (4) of the resulting issuer directors elected to replace the original slate of directors immediately following the completion of the Transactions if, and only if, the S&S Acquisition completed, as more particularly described in the Information Circular;
5. to consider and, if thought appropriate, pass, with or without variation, an ordinary resolution to adopt and approve the stock option plan of the Company (the "**Stock Option Plan**"), as more particularly described in the Information Circular;
6. to consider, and if thought appropriate, pass, with or without variation, a special resolution authorizing and approving an amendment of the articles of the Company to create preferred, super voting, non-participating shares, as more fully described in the Information Circular (the "**Change of Capital Structure**");
7. to consider and, if thought appropriate, pass, with or without variation, a special resolution approving the consolidation of the issued and outstanding Common Shares of the Company on the basis of 1 post-consolidation Share for every 5 pre-consolidation Shares, as more particularly described in the Information Circular (the "**Consolidation**");
8. to consider and, if thought appropriate, pass, with or without variation, a special resolution authorizing the Company's change of name from "King's Bay Resources Corp." to "Merced Holdings Corp." or such other name as the directors may, in their sole discretion determine, as more particularly described in the Information Circular (the "**Change of Name**");

9. to consider, and if thought appropriate, pass, with or without variation, a special resolution authorizing the Company to make an application for the continuance (the “**Continuance**”) of the Company out of the *Canada Business Corporations Act* (the “**CBCA**”) and into the Province of British Columbia after which the Company will be subject to the *Business Corporations Act* (British Columbia), and, upon continuance, the adoption of new articles, as more particularly described in the accompanying Information Circular;
10. to consider and, if thought fit, to approve, with or without variation, an ordinary resolution to approve the delisting of the Common Shares from the TSX Venture Exchange and the application to list the Shares on the Canadian Securities Exchange, as more particularly described in the Information Circular; and
11. transacting such further and other business as may properly come before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of Meeting. All of the matters to be considered by the shareholders, outside of normal AGM business, is related to the structuring and intended closing of the S&S Acquisition. In order to accommodate a cross border transaction without the Members of S&S having immediate and substantial tax liabilities, we are creating new classes of shares in both the Company and its wholly owned United States subsidiary. These are explained in detail throughout this information circular.

To be approved, the Reverse Takeover Resolution, the Stock Option Plan, and the CSE Listing Resolution must be approved by an “ordinary resolution” of at least 50% plus one (1) vote of the votes cast by disinterested Shareholders, in each case attending the Meeting and voting on the proposal in person or by proxy.

To be approved, the Change of Capital Structure, the Consolidation, the Change of Name and the Continuance need to be passed by a “special resolution”, being 66⅔% of the votes cast by Shareholders in respect of that resolution at the Meeting.

The Company’s board of directors has fixed August 26, 2019 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy, and deliver the signed proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia this 3rd day of September, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

“*Kevin Bottomley*” _____

Kevin Bottomley
President & Chief Executive Officer
King’s Bay Resources Corp.