KGIC INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

To the shareholders of KGIC Inc. (the "**Corporation**"):

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the "**Meeting**") of the shareholders of the Corporation will be held on Friday, September 2, 2016 at 10:00 a.m. (Toronto time) at 1255 Bay Street, 8th Floor, Toronto, Ontario, for the following purposes:

1. to receive the audited financial statements of the Corporation for the fiscal year ended December 31, 2015, together with the auditor's report thereon;

2. to elect directors for the ensuing year;

3. to appoint the auditor for the ensuing year and authorize the directors to fix the remuneration of the auditor;

4. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving, ratifying and confirming certain amendments to the Corporation's stock option plan, as previously approved by the board of directors of the Corporation, as described in the accompanying management proxy circular (the "**Circular**");

5. to consider and, if deemed advisable, pass a special resolution approving the change of the name of the Corporation from "KGIC Inc." to "Learning Resource Network Ltd.";

6. to consider and, if deemed appropriate, adopt, with or without variation, a special resolution (the full text of which is reproduced in the Circular) approving an amendment to the Corporation’s articles of amalgamation, as amended, to consolidate its issued and outstanding common shares on the basis of a ratio within the range of one post-consolidation common share for every five pre-consolidation common shares to one post-consolidation common share for every 20 pre-consolidation common shares, with the ratio to be selected and implemented by the Corporation’s board of directors in its sole discretion, if at all, at any time prior to December 31, 2016;

7. to ratify, confirm and approve the creation of a new "Control Person" (as such term is defined in the policies of the TSX Venture Exchange), as more particularly set out in the Circular; and

8. to transact such other business as may properly come before the Meeting or any adjournments thereof.

Only shareholders of record of common shares of the Corporation at the close of business on August 3, 2016 are entitled to notice of and to attend the Meeting or any adjournments thereof and to vote thereat.

Registered shareholders unable to be present at the Meeting are requested to date and sign the enclosed form of proxy and return it to TSX Trust Company, Suite 300, 200 University Avenue, Toronto, Ontario M5H 4H1, Attention: Proxy Department, not later than 10:00 a.m. (Toronto time) on August 31, 2016 or, if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting.

Non-registered beneficial shareholders should follow the instructions of their intermediaries in order to vote their shares.

The Circular relating to the business to be conducted at the Meeting accompanies this Notice.

DATED at Toronto, Ontario this 2nd day of August, 2016.

By Order of the Board of Directors

"Alex MacGregor"
Alex MacGregor
President and Chief Executive Officer