March 15, 2021

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Dear Julieanne,

In response to your concern: *What specifically are your claims with respect to the rights offering?*

**My claim is that the 2018 KRN AGM vote manipulation, executed by AST/D.F. King and the resulting fraudulent election of officers enabled the illegal, self-serving Rights Offering (Dec 2018) which allowed an illegal foreign take-over of KRN by way of** “**Corporate Terrorism” (See Madam Justice Romaine**’**s judgement decision)**

I also believe that at least six qualified prospective board members were intentionally blocked from the 2018 AGM election ballot, several of whom were unsuccessfully sued by KRN ahead of the 2018 election (Frank Wheatley’s sworn Affidavit claims that he intentionally blocked at least six potential board members from appearing on the 2018 AGM ballot),

I also believe that AST/D.F. King was instructed by KRN to manipulate the votes at the KRN 2018 AGM to enable the existing board to be re-entrenched. (See vote change fraud evidence already provided and verified by Madam Justice Romaine’s judgement decision, page 1),

I also believe that all shareholder complaints to AST/D.F. King and the ASC went unanswered, even after complaints were reported and filed with the Ontario Provincial Police, RCMP and Calgary Police upon advice from a Crown Attorney,

I also believe that votes at the 2018 AGM were intentionally suppressed by the board and CEO by presenting intimidating public press releases and intimidation by police presence at the AGM,

I also believe that by manipulating the votes and blocking new board members from running, the fraudulent re-election of the 2017 board resulted in further fraudulent actions and securities act violations: including, but not limited to the 2018 Rights Offering by the fraudulently elected board that led to the ultimate take-over of the company and its assets by the foreign state-owned-enterprise Gujarat State Fertilizers & Chemicals (GSFC) of India. (See Wheatley Affidavit),

I also believe that GSFC initiated the total write-down of the potash and magnesium assets in 2014 as part of their long range plan to take over the company,

I also believe that there is no evidence that GSFC actually paid for their 10,288,697 Rights Offering shares by way of cash transfer of nearly $1.8 million, but paid by way of a note payable to KRN due in 2038. Using the company treasury to pay for any share purchase is illegal. (See the ASC for details),

I also believe that board members who purchased at least 3,022,930 Shares valued at over half a million dollars may have benefited from similar accounting actions utilized by GSFC,

I also believe the Rights Offering resulted in the 38.8% SOE foreign ownership of an extremely valuable Canadian natural resource~~s~~ (potash and magnesium),

I also believe that the Rights Offering results enabled GSFC to strategically reduce the number of directors by half to three to ensure that two foreign based (non-independent) GSFC senior employees now control 66% of any vote at the board level which I believe is in contravention or violation of Canadian Securities regulations,

I also believe that investment divisions of major Canadian banks are processing ballots of Canadian shareholders in KRN and other companies without seeking full approval or consultation with their investment clients on how they wish to cast their votes, resulting in questionable outcomes and ethics concerns in terms of adviser/client accountability and transparency,

I also believe that all or most of my concerns noted above are shared by a majority of Canadian KRN shareholders with the clear exception of those board members who, in 2018, set out to intentionally improve their own financial resources, ahead of the needs of the company,

All information disclosed here is available in the public domain now.

**We are seeking to have the ASC - as already ordered by the Court of Queen’s Bench of Alberta - completely overturn the results of the 2018 AGM election and all subsequent board decisions and actions including the Rights Offering which you have asked us to elaborate on. Hopefully this is done before investigative journalists expose the inaction and incompetence on the part of the ASC and our alleged collusion between the KRN board and AST/ D.F. King in manipulating votes at the KRN 2018 AGM.**

**You clearly have a stake in the game here with the forthcoming acquisition of AST. The consequences of such an exposure are a potential liability, both financial and brand, for TMX. Scandals such as this lead to pervasive mistrust of the entire Canadian securities system and its ability to self regulate.**

Best regards

Stan Phinney

KRN Shareholder