

CANADA RARE EARTH CORP.

NOTICE OF ANNUAL AND SPECIAL MEETING

To be held on July 12, 2021

and

MANAGEMENT INFORMATION CIRCULAR

June 11, 2021

CANADA RARE EARTH CORP.

2110, 650 West Georgia Street
Vancouver, British Columbia V6B 4N8
Tel: 604.638.8886

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting of the shareholders of **Canada Rare Earth Corp.** ("CREC" or the "Company") will be held on **Monday July 12, 2021** at **10:00 a.m.** (local time) at **Suite 2110, 650 West Georgia Street, Vancouver, BC** for the following purposes: To receive the report of the directors;

1. To receive and consider the audited financial statements of CREC for the fiscal years ended March 31, 2017, March 31, 2018, March 31, 2019 and March 31, 2020, including the accompanying notes and the auditor's report, and the annual Management Discussion and Analysis;
2. To appoint an auditor for CREC to hold office until the close of the next Annual General Meeting;
3. To authorize the directors to fix the remuneration to be paid to the auditor of CREC;
4. To elect directors to hold office until the close of the next Annual Meeting;
5. To consider, and if thought fit, to approve, with or without amendment, an ordinary resolution, adopting an amended and restated stock option plan (the "Amended Plan"), increasing the maximum number of shares that may be the subject of options at any given time from 33,880,028 to 40,518,906 shares.
6. To approve the Company's share unit plan (the "*Share Unit Plan*" in the Information Circular) and the reservation of common shares for issuance pursuant to the Share Unit Plan (see "*Approval of Share Unit Plan*" and "*Reservation of Common Shares under Share Unit Plan*" in the Information Circular);

INSIDERS TO WHOM SHARES MAY BE ISSUED UNDER THE AMENDED STOCK OPTION PLAN OR THE SHARE UNIT PLAN, AND THEIR RESPECTIVE ASSOCIATES AND AFFILIATES, WILL ABSTAIN FROM VOTING ON THE FOREGOING RESOLUTION. THE APPROVAL OF A MAJORITY OF DISINTERESTED SHAREHOLDERS OF THE COMPANY IS THEREFORE SOUGHT.

7. To consider, and if thought advisable, to approve by way of ordinary resolution an amendment to the shareholder rights plan.
8. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Copies of any documents to be considered, approved, ratified and adopted or authorized at the Meeting will be available for inspection at the registered and records office of CREC at Suite 2110, 650 West Georgia Street, Vancouver, British Columbia, during normal business hours up to **July 12, 2021** being the date of the Meeting, and at the Meeting.

The directors of CREC fixed the close of business on June 7, 2021 as the record date for determining holders of common shares who are entitled to vote at the Meeting.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed Form of Proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location in accordance with the instructions set out in the Form of Proxy and Information Circular accompanying this Notice.

NOTE OF CAUTION CONCERNING THE COVID-19 OUTBREAK

At the date of this Notice and the accompanying Information Circular it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak ("COVID-19"). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not attend the meeting in person. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada:

(<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>)

We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described on pages 2 to 4 of the Information Circular accompanying this Notice.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of email. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will not prepare or mail amended Meeting Proxy Materials.

While registered shareholders are entitled to attend the Meeting in person, we strongly recommend that all Shareholders vote by proxy and do not attend the Meeting. Accordingly, we ask that registered shareholders complete, date and sign the enclosed form of Proxy, and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.

If you hold your Common Shares in a brokerage account, you are a non-registered shareholder ("Beneficial Shareholder"). Beneficial Shareholders who hold their Common Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of Proxy or VIF provided to them by their intermediary, in order to cast their vote, or in order to notify the Company if they plan to attend the Meeting.

Please advise the Company of any change in your address.

DATED at Vancouver, B.C. this 11th day of June, 2021

BY ORDER OF THE BOARD
Canada Rare Earth Corp.

"Tracy A. Moore"
Tracy A. Moore, President