



Afri-Can Marine Minerals Corporation

1801 McGill College Avenue

Suite 1325

Montreal, Québec, H3A 2N4

Notice of the Annual and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN THAT the annual and special meeting of the shareholders (the "Meeting") of Afri-Can Marine Minerals Corporation (the "Corporation") will be held at 1 Place Ville Marie, 40th floor, Montreal, Québec, at 10:00 a.m. (Eastern Standard Time) on Tuesday, February 12, 2013, for the following purposes:

1. to receive the 2012 Annual Report of the Corporation, containing the financial statements of the Corporation for the year ended August 31, 2012 and the report of the auditors thereon;
2. to elect the directors for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and authorize the directors to fix their remuneration;
4. to consider, and if thought fit, adopt a resolution approving, ratifying and confirming the creation of a new "Control Person" (as defined in the policies of the TSX Venture Exchange) of the Corporation; and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The management proxy circular enclosed herein provides detailed information on the items that will be brought before the Meeting and is therefore to be considered as forming a part of this notice.

Montreal, January 15, 2013.

BY ORDER OF THE BOARD OF DIRECTORS

(s) Pierre Léveillé

Pierre Léveillé

President and Chief Executive Officer

Holders of shares may exercise their rights by attending the Meeting or by completing a proxy form. Those who are unable to attend the Meeting in person are urged to complete and return to the Corporation's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), the enclosed form of proxy before 5:00 p.m. (Eastern Standard Time) on Friday, February 8, 2013. A person appointed as proxy need not be a shareholder of the Corporation. For any additional information concerning this matter, please contact Computershare by telephone at no charge to 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America) or by e-mail at services@computershare.com.

Notice is also hereby given that the board of directors of the Corporation has fixed the record date for the Meeting at the close of business on January 8, 2013 (the "**Record Date**"). Only holders of common shares as of the Record Date are entitled to receive notice of the Meeting. Shareholders of the Record Date will be entitled to vote their shares at the Meeting, unless any such shareholder transfers his shares after the Record Date, in which case the transferee of those shares will be entitled to vote such shares at the Meeting if the transferee establishes that he owns the said shares and demands, no later than 10 days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote the Meeting.

AFRI-CAN MARINE MINERALS CORPORATION
(the "Corporation")

MANAGEMENT PROXY CIRCULAR

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

REGISTERED SHAREHOLDERS

You will have received a form of proxy from the Corporation's transfer agent, Computershare Investor Services Inc. ("**Computershare**"). Complete, sign and mail your form of proxy in the postage envelope provided or if you prefer to submit the form by way of telephone or Internet, follow the instructions on the form to that effect.

NON-REGISTERED SHAREHOLDERS

Your common shares (the "**Common Shares**") are held in the name of a nominee (securities broker, trustee or other financial institution). You will have received a request for voting instructions from your broker. Follow the instructions on your Voting Instruction Form to vote by telephone, Internet or fax, or complete, sign and mail the Voting Instruction Form in the postage envelope provided. **To vote in person at the meeting, see the box on page 4 of this management proxy circular (the "Management Proxy Circular").**

PROXY VOTING

Who is soliciting my proxy?

The enclosed form of proxy is being solicited by the management of the Corporation in connection with the annual and special meeting of shareholders (the "**Meeting**") and the associated costs will be borne by the Corporation. The solicitation of proxies will be primarily by mail, but may be by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. In addition, the Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of Common Shares of the Corporation.

How do I vote?

There are two ways you can vote your Common Shares if you are a registered shareholder. You may vote in person at the Meeting or you may sign the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your Common Shares at the Meeting. If your Common Shares are held in the name of a nominee, please see the box on page 4 for voting instructions.

What if I plan to attend the Meeting and vote in person?

If you are a registered shareholder and plan to attend the Meeting on February 12, 2013 and wish to vote your Common Shares in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. Please register with the transfer agent, Computershare, upon arrival at the Meeting. If your Common Shares are held in the name of a nominee, please see the box on page 4 for voting instructions.

What am I voting on?

The shareholders will be called upon to vote on the following matters:

1. the election of directors to the board of directors of the Corporation (the “**Board of Directors**”) for the ensuing year;
2. the appointment of the auditors of the Corporation for the ensuing year and the authorization given to the Board of Directors to establish their compensation;
3. the adoption of an ordinary resolution ratifying, authorizing and approving the creation of a new “Control Person” (as defined in the policies of the TSX Venture Exchange (the “**TSXV**”)) of the Corporation; and
4. any other business as may properly be brought before the Meeting or any adjournment thereof.

For more information, please refer to the heading “**Agenda of Shareholders Meeting**”.

Other than as specifically discussed under the heading “**Agenda for Shareholders Meeting**”, no director or senior officer of the Corporation, past, present or nominated hereunder, or any associate or affiliate of such persons, or any person on behalf of whom this solicitation is made, has any interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

What if I sign the form of proxy enclosed with this Management Proxy Circular?

Signing the enclosed form of proxy gives authority to Pierre Léveillé or Bernard J. Tourillon, each of whom is a director of the Corporation, or to another person you have appointed, to vote your Common Shares at the Meeting.

Can I appoint someone other than these directors to vote my Common Shares?

Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the form of proxy. It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your Common Shares. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of Computershare.

What do I do with my completed proxy?

Return it to the Corporation's transfer agent, Computershare, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, or by fax at no charge to 1-866-249-7775 (within North America) or 1-416-263-9394 (outside North America), **no later than 5:00 p.m. (Eastern Standard Time) on Friday, February 8, 2013**. This will ensure that your vote is recorded.

If I change my mind, can I take back my proxy once I have given it?

Yes. If you change your mind and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered at the above-mentioned registered office of Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, and upon either of such deposits the proxy is revoked.

How will my Common Shares be voted if I give my proxy?

The persons named on the form of proxy must vote or withhold from voting your Common Shares, or must vote for or against the matters on the agenda, in accordance with your directions, or you can let your proxyholder decide for you. **Where shareholders have not specified in the form of proxy the manner in which the designated proxyholders are required to vote the Common Shares represented thereby as to any matter to be voted on, such Common Shares will be voted, on any ballot that may be called, FOR or IN FAVOUR of such matter.** Please refer to the heading “**Agenda for Shareholders Meeting**”.

What if amendments are made to these matters or if other matters are brought before the Meeting?

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the enclosed form of proxy and with respect to other matters which may properly come before the Meeting. As of the time of printing of this Management Proxy Circular, management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

What if ownership of Common Shares has been transferred after January 8, 2013?

The person who acquired such Common Shares after January 8, 2013, must produce properly endorsed share certificates or otherwise establish that he or she owns the Common Shares and must ask the Corporation no later than 5:00 p.m. (Eastern Standard Time) on Friday, February 1, 2013 that his or her name be included in the list of shareholders before the Meeting in order to be entitled to vote these Common Shares at the Meeting.

Who counts the votes?

The Corporation's transfer agent, Computershare, counts and tabulates the proxies. This is done independently of the Corporation to preserve the confidentiality of individual shareholder votes. Proxies are referred to the Corporation only in cases where a shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

If I need to contact the transfer agent, how do I reach it?

For general shareholder enquiries, you can contact the transfer agent by mail at:

Computershare Investor Services Inc.
100 University Avenue
9th Floor
Toronto, Ontario, M5J 2Y1

or by email:
at services@computershare.com

or by fax:
within North America at no charge to 1-866-249-7775 or outside North America to 1-416-263-9394.

If my Common Shares are not registered in my name but are held in the name of a nominee (a bank, trust company, securities broker, trustee or other), how do I vote my Common Shares?

There are two ways you can vote your Common Shares held by your nominee. As required by Canadian securities legislation, you will have received from your nominee either a request for voting instructions or a form of proxy for the number of Common Shares you hold. For your Common Shares to be voted for you, please follow the voting instructions provided by your nominee. Since the Corporation has limited access to the names of its non-registered shareholders, if you attend the Meeting, the Corporation may have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the transfer agent, Computershare, upon arrival at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of the date hereof, there are 83,277,864 Common Shares of the Corporation issued and outstanding, each of which is entitled to one vote at the Meeting. Only shareholders registered at the close of business on January 8, 2013 (the "**Record Date**") are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his Common Shares and the transferee, upon producing properly endorsed certificates evidencing such Common Shares or otherwise establishing that he owns the Common Shares, requests no later than 10 days before the Meeting that the transferee's name be included on the list of shareholders entitled to vote, in which case such transferee is entitled to vote such Common Shares at the Meeting.

Except as disclosed below, to the knowledge of the management of the Corporation, at the date hereof, no person holds, directly or indirectly, nor exercises control or direction over Common Shares carrying more than 10% of the voting rights attached to all Common Shares of the Corporation.

As of the date hereof, The AU Limited Partnership ("AU") holds 12,500,000 Common Shares representing 15% of the current issued and outstanding Common Shares of the Corporation, and would own 25,000,000 Common Shares, representing 26.1% (on a diluted basis) assuming exercise of the 12,500,000 common share purchase warrants of the Corporation held by AU (each whole warrant entitling its holder to purchase one Common Share). For more information, please refer to the heading entitled "**Approval of Creation of New Control Person**" of this Management Proxy Circular.

AGENDA FOR SHAREHOLDERS MEETING

1. Election of Directors

Pursuant to the Corporation's articles and resolutions of the Board of Directors, the business of the Corporation is managed by a board of directors consisting of five directors. Consequently, the shareholders will be called upon to elect five directors to serve until the next annual meeting of shareholders or until their respective successors are duly elected or appointed, unless their respective office is earlier vacated in accordance with the By-laws of the Corporation. At the Meeting, the persons named hereunder will be proposed for election as directors of the Corporation. You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them. **Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the election of each of the persons named hereunder as directors of the Corporation.**

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares present, in person or represented by proxy, at the Meeting. Management does not contemplate that any nominee will be unable or unwilling to serve as a director.

The following table sets forth certain information concerning the persons nominated for election as directors of the Corporation, including the office presently held in the Corporation, their principal occupation and the number of Common Shares over which they exercise control.

Name, Residence and Office Held	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned or Controlled
Michael J.H. Brown ⁽¹⁾ Ontario, Canada Chairman of the Board and Director	2004	President at Capital Markets Advisory, a financial and capital markets advisory service for mining companies	202,314 (0.24%)
Pierre Lèveillé Québec, Canada President, Chief Executive Officer and Director	1994	President and Chief Executive Officer of the Corporation	507,393 (0.61%)
Howard Messias ⁽¹⁾ Québec, Canada Director	2004	Consultant	55,750 (0.07%)
Michael Nicolai ⁽¹⁾ Québec, Canada Director	1996	Investment consultant	83,536 (0.10%)
Bernard J. Tourillon Québec, Canada Executive Vice-President, Chief Financial Officer and Director	2001	Executive Vice-President and Chief Financial Officer of the Corporation	603,241 (0.72%)

Note:

(1) Member of the Audit Committee and the Compensation Committee.

Each nominee as director supplied the information concerning the number of Common Shares over which he exercises control or direction.

All of the proposed nominees were elected to their present term of office by the shareholders of the Corporation at a meeting in respect of which the Corporation circulated to shareholders a management proxy circular.

Except as disclosed below, to the Corporation's knowledge, none of the proposed directors is, as at the date of this Management Proxy Circular, or has been, within 10 years before the date of this Management Proxy Circular, a director, chief executive officer or chief financial officer of any company, including the Corporation, that (i) was subject to a cease trade or similar order or an order that denied the Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer or (ii) was subject to a cease trade or similar order or an order that denied the Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as disclosed below, to the Corporation's knowledge, none of the proposed directors is, as at the date of this Management Proxy Circular, or has been, within 10 years before the date of this Management Proxy Circular, a director or executive officer of any company,

including the Corporation, that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In addition, to the Corporation's knowledge, none of the proposed directors has, within the 10 years before the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

Furthermore, to the knowledge of the Corporation, as at the date of this Management Proxy Circular, none of the proposed directors has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

On December 23, 2011, Crystallex International Corporation ("**Crystallex**"), a reporting issuer in British Columbia, Alberta, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland, obtained an order from the Ontario Superior Court of Justice (Commercial List) for protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA Order**"), and on December 28, 2011, obtained an order from the United States Bankruptcy Court for the District of Delaware under Chapter 15 of the *U.S. Bankruptcy Code* recognizing the CCAA Order. These proceedings were commenced following the expropriation of Crystallex's main mining asset by the Bolivarian Republic of Venezuela in 2011, and the subsequent institution of arbitration proceedings with the World Bank's International Centre for Settlement of Investment Disputes to seek restitution in the amount of US\$3.8 billion. In March 2012, Crystallex announced that it would not be in a position to prepare and file annual audited financial statements and other annual disclosure documents required by Canadian securities laws in respect of the financial year ended December 31, 2011, by March 30, 2012 and, consequently, would be in default of its continuous disclosure filing requirements under Canadian securities laws. A temporary general cease trade order was issued in April 2012. The cease trade order prohibited the trading of Crystallex's securities other than for trades made pursuant to debtor-in-possession ("**DIP**") financing as approved by the Ontario Superior Court of Justice. Michael Brown served as an independent director of Crystallex from 2002 until June 2012, at which time he resigned as a director and became a member of the Crystallex advisory panel as required by the credit agreement governing the court-approved DIP financing into which Crystallex entered in 2012.

2. Appointment of auditors

Shareholders are asked to vote for the appointment of Raymond Chabot Grant Thornton LLP, Chartered Accountants ("**RCGT**") as auditors of the Corporation for the current financial year and to authorize the directors to establish the auditors' compensation. RCGT were initially appointed as auditors of the Corporation in 2005.

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares present, in person or represented by proxy, at the Meeting.

Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the re-appointment of RCGT, as auditors of the Corporation, for the current financial year and the authorization to the directors to establish the auditors' compensation.

3. Approval of Creation of New Control Person

Details of the Private Placement

On July 6, 2012, August 7, 2012 and August 21, 2012, the Corporation announced the closing of a brokered private placement pursuant to which the Corporation issued an aggregate of 18,750,000 units of the Corporation at a price of \$0.16 per unit (the “**Units**”) for gross proceeds of \$3,000,000 to the Corporation (the “**Private Placement**”). Each Unit was comprised of one Common Share and one common share purchase warrant (the “**Warrants**”). Each Warrant entitles the holder thereof to purchase one additional Common Share for a period of 36 months from its date of issuance at a price of \$0.20 per Common Share.

Pursuant to the Private Placement, AU acquired 12,500,000 Units. As a result of this acquisition and as of the date of this Management Information Circular, AU holds 15% of the issued and outstanding Common Shares of the Corporation, and would own 25,000,000 Common Shares, representing 26.1% (on a diluted basis) assuming exercise of its 12,500,000 Warrants.

Creation of a New Control Person

In connection with obtaining the conditional approval of the TSXV for the Private Placement, the certificates representing AU's Warrants provide that AU cannot exercise the Warrants held by it at any time when such exercise would increase its ownership of Common Shares to 20% or more of the Corporation's then issued and outstanding Common Shares unless the Corporation has previously established to the satisfaction of the TSXV that AU is not a “Control Person”, as defined in Policy 1.1 of the TSXV, or disinterested shareholder approval has been obtained by the Corporation for the creation of a new Control Person.

Such restriction relating to the exercise of the Warrants was provided to address the TSXV's policy that disinterested shareholder approval be obtained where securities issued pursuant to a private placement result, or could result following conversion of convertible securities, in the creation of a new Control Person.

A Control Person is any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of such issuer, or that holds more than 20% of the outstanding voting shares of the issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

In the event that AU exercises all of the 12,500,000 Warrants held by it, it will own 25,000,000 Common Shares. Assuming no other Common Shares are issued by the Corporation, and as indicated above, the Common Shares then held by AU would represent 26.1% (on a diluted basis) of the voting securities of the Corporation, and as such it would become a new Control Person of the Corporation.

AU is an international investment corporation focused mainly on the resource industry. Its investment in the Corporation is managed by Trinity Assets Management of South Africa ("**Trinity**"). Trinity is an established resource South African fund Manager founded in 2000.

By accepting the restriction relating to the exercise of its Warrants, AU allowed the Corporation to close the Private Placement without requiring the Corporation to incur the additional expenses associated with calling a special meeting of shareholders in advance of the next regularly scheduled annual meeting of shareholders. This Meeting being the next regularly scheduled annual meeting of shareholders of the Corporation following the Private Placement, the Corporation is now seeking disinterested shareholder approval to ratify the issuance of the 12,500,000 Units to AU to the extent that such issuance could result in the creation of a new Control Person.

Disinterested Shareholder Approval

Disinterested shareholder approval, as required by the policies of the TSXV, means shareholder approval obtained by ordinary resolution; provided that, in connection with the approval of the creation of a new Control Person, the votes attached to the shares held by the new Control Person, and any associates or affiliates thereof, are excluded from the calculation of such approval.

Consequently, pursuant to the policies of the TSXV and in connection with the restriction relating to the exercise of the Warrants of AU, disinterested shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution (the "**Control Person Resolution**"), in the form set forth below, subject to such amendments, variations or additions as may be approved at the Meeting, approving the possible creation of a new Control Person of the Corporation:

"BE IT RESOLVED AS A RESOLUTION OF THE SHAREHOLDERS:

1. THAT the possibility of AU becoming a new "Control Person" of the Corporation (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) as a result of the issuance by the Corporation of 12,500,000 units of the Corporation to AU by way of private placement, as more particularly described in the Management Proxy Circular of the Corporation dated January 15, 2013, be and the same is hereby ratified, authorized and approved and, for greater certainty, AU shall hereafter be entitled to exercise warrants held by it and to purchase further securities of the Corporation notwithstanding that such exercise or purchase would, or could possibly, increase its ownership of common shares of the Corporation to 20% or more of the then issued and outstanding common shares of the Corporation; and

2. THAT any director or officer of the Corporation be, and each of them is hereby, authorized and directed, for and in the name of and on behalf of the Corporation, to execute and deliver or cause to be executed and delivered all documents, and to take any action, which, in the opinion of that person, is necessary or desirable to give effect to this resolution.”

The Board of Directors and management of the Corporation recommend the adoption of the Control Person Resolution. To be effective, the Control Person Resolution must be approved by not less than the majority of the votes cast by the disinterested holders of Common Shares, present in person or represented by proxy, at the Meeting, which excludes the votes attached to the 12,500,000 Common shares held by AU.

If disinterested shareholder approval of the Control Person Resolution is not obtained at the Meeting, AU will be precluded from exercising the Warrants held by it at any time when such exercise would increase its ownership of Common Shares to 20% or more of the then issued and outstanding Common Shares.

Unless the form of proxy states otherwise, the persons named in the enclosed form of proxy will vote FOR the approval of the Control Person Resolution.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Committee and Compensation Process

The Audit Committee also acts as the Compensation Committee of the Corporation (the “**Committee**”) and is responsible for determining the employment and compensation conditions, policy and practices of executives and formulating recommendations as to executive compensation to the Board of Directors. The Committee may also from time to time review other aspects of compensation within the Corporation in general, particularly the compensation of directors.

The Committee is currently composed of three directors, namely Michael Nicolai, Howard Messias and Michael J.H. Brown. Howard Messias and Michael Nicolai are independent under Regulation 52-110 and Michael J.H. Brown is not.

A description of the experience of each of the members that is relevant to his responsibilities is described in this Management Proxy Circular under the heading “**Audit Committee Information - Relevant Education and Experience**”. The Corporation considers that the board membership and/or management experience of the members of the Committee provides the members with appropriate experience and skills relevant to the responsibilities and ability to make decisions on the suitability of the Corporation’s compensation policy and practices.

The Committee held one meeting during the financial year ended August 31, 2012. The process of determining compensation is relatively simple since it consists in discussions of the Committee followed by recommendations to the Board of Directors with respect to the executive officer compensation on an *ad hoc* basis. The Committee and the Board of Directors consult members of the Corporation’s management, however such members of the

Corporation's management do not participate in the compensation process pertaining to their own compensation.

Objectives of the Corporation's Compensation Program

The Corporation's compensation program is designed to attract, develop and retain talented human resources who will ultimately contribute to an optimal organization performance and corporate growth.

Overall, the executive compensation program aims at offering to the executives, total compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics. However, no benchmarking for the purpose of establishing compensation levels relative to any predetermined level and no comparing of the compensation to a specific peer group of corporations is done.

The Corporation is an exploration and development corporation and has not yet generated significant revenues from its operations. As a result, the use of known and measured performance metrics, such as corporate profitability and specific individual objectives, are not considered by the Corporation to be appropriate in the evaluation of the performance of the executive officers. The compensation of the executive officers is based on the individual performance and experience of each officer as well as the Corporation's business strategy and general economic considerations.

Additionally, being in an exploration and development phase, the Corporation often has to operate with limited financial resources and control costs to ensure that funds are available to complete schedule programs. As a result, the Board of Directors has to consider not only the financial situation of the Corporation at the time of the determination of the compensation but also the estimated financial situation in the mid and long-term.

Compensation and Risk Management

Considering the size of the Corporation, the Committee and the Board of Directors have not considered the implications of the risks associated with the Corporation's compensation policy and practices.

No executive officer or director of the Corporation is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officers or directors.

Elements of Executive Compensation

The compensation of the executive officers consists primarily of the payment of a base salary or consultant fees, as applicable, and the granting of options under the Stock Option Plan (as defined herein).

Base salary or consultant fees

The Committee, in determining base salary or consultant fees, as applicable, for each executive officer, considers the person's experience and position within the Corporation. Base salaries or consulting fees are reviewed from time to time by the Committee.

Stock Options

The Board of Directors believes that employees should have a stake in the future growth of the Corporation and that the interests of the employees should be aligned with those of the shareholders. Executive officers who have an ability to directly impact the Corporation's business are eligible to participate in the Corporation's stock option plan for key employees, officers, directors and consultants (the "**Stock Option Plan**").

The Corporation uses the Stock Option Plan to motivate and reward the Corporation's executives. Stock options may be awarded by the Board of Directors to executive officers at the commencement of their employment, annually, on meeting corporate and individual objectives, and from time to time as the Board of Directors sees fit upon recommendation of the Committee.

In reviewing option grants, the Board of Directors gives consideration to the level of responsibility assumed by the executive officer as well as his overall contribution to the Corporation's business plan. The total amount of stock options issued over the past years is looked at but does not have a material impact on the number of options to be granted to the executive officers. For the financial year ended August 31, 2012, no stock options were granted to the executive officers.

For more information with respect to the Corporation's Stock Option Plan, please refer to the heading entitled "**Stock Option Plan**" of this Management Proxy Circular.

Summary Compensation Table

The following table sets forth information concerning the compensation paid to the Corporation's President and Chief Executive Officer and Executive Vice-President and Chief Financial Officer (the "**Named Executive Officers**") as required to be disclosed in accordance with applicable securities regulations during the Corporation's most recently completed financial year ended August 31, 2012. Under the securities regulations "Named Executive Officers" means the following persons:

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer;
- (c) each of the Corporation's three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonuses exceed \$150,000; and

(d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year-end.

As at August 31, 2012, the end of the most recently completed financial year of the Corporation, the Corporation had two Named Executive Officers, whose names and positions held within the Corporation are set out in the summary compensation table below.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long term incentive plans			
Pierre Léveillé President and Chief Executive Officer	2012	150,000 ⁽¹⁾	-	-	-	-	-	-	150,000
	2011	150,000	-	-	-	-	-	-	150,000
	2010	150,000	-	50,000 ⁽⁴⁾	-	-	-	-	200,000
Bernard J. Tourillon Executive Vice-President and Chief Financial Officer	2012	130,000 ⁽²⁾⁽³⁾	-	-	-	-	-	-	130,000
	2011	130,000 ⁽²⁾	-	-	-	-	-	-	130,000
	2010	130,000 ⁽²⁾	-	30,000 ⁽⁴⁾	-	-	-	-	160,000

Notes:

- (1) Please refer to the table "Additional Information on Cash Compensation for the Year Ended August 31, 2012" below.
- (2) The Executive Vice-President and Chief Financial Officer is a consultant of the Corporation and receives his compensation through a corporation controlled by him, 3245004 Canada Inc., which invoices the Corporation for the services rendered. Please refer to the heading entitled "External Management Corporation" of this Management Proxy Circular.
- (3) Please refer to the table "Additional Information on Cash Compensation for the Year Ended August 31, 2012" below.
- (4) On 500,000 options granted to Mr. Leveillé and 300,000 options granted to Mr. Tourillon, the \$0.10 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 74%, a risk-free interest rate of 2.57% and an expected life of options of 5 years (prior to the four for one Common Share consolidation completed on July 5, 2012).

Additional Information on Cash Compensation for the Year Ended August 31, 2012

Name	Compensation		
	Compensation Paid (\$)	Compensation Payable (\$)	Total Compensation (\$)
Pierre Léveillé ⁽¹⁾	87,500	62,500	150,000
Bernard J. Tourillon ⁽²⁾	86,666	43,334	130,000

Notes:

- (1) As of August 31, 2012, non-paid salary payable to Mr. Léveillé represents an amount of \$62,500 (five months of salary). This amount will be paid retroactively by the Corporation when it will have the necessary funds. Mr. Léveillé was paid \$87,500 (7 months of salary) of his base salary for the year ended August 31, 2012.
- (2) As of August 31, 2012, the fees unpaid to 3245004 Canada Inc. and invoiced for services rendered by Mr. Tourillon represents an amount of \$43,334 (four months of services). This amount will be paid retroactively by the Corporation when it will have the necessary funds. 3245004 Canada Inc. was paid \$86,666 (8 months of services) as compensation for services rendered by Mr. Tourillon for the year ended August 31, 2012.

External Management Corporation

On September 1, 2006, the Corporation entered into a consulting agreement with 3245004 Canada Inc., a corporation controlled by Bernard J. Tourillon and under which Mr. Tourillon agreed to serve the Corporation as Executive Vice-President and Chief Financial Officer. Mr. Tourillon is therefore not employed by the Corporation and does not receive any direct compensation for his executive management services. The salary indicated in the summary compensation table represents fees paid to 3245004 Canada Inc. as compensation for services rendered by Mr. Tourillon as Executive Vice-President and Chief Financial Officer of the Corporation. Please also refer to the section entitled “**Termination and Change of Control Benefits**” of this Management Proxy Circular.

Outstanding Share-based Awards and Option-based Awards at the End of the Fiscal Year

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Pierre Léveillé	125,000	0.80	18/12/2014	nil	-	-
Bernard J. Tourillon	75,000	0.80	18/12/2014	nil	-	-

Note:

(1) On August 31, 2012, the closing price of the Common Shares was \$0.21.

Incentive Plan Awards - Value Vested or Earned During the Year

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Pierre Léveillé	-	-	-
Bernard J. Tourillon	-	-	-

Note:

(1) No options granted to the Named Executive Officers vested during the financial year ended August 31, 2012.

Pension Plan Benefits

The Corporation does not offer any pension plan benefits to any of its Named Executive Officers.

Termination and Change of Control Benefits

On September 1, 2006, the Corporation entered into an employment agreement with Pierre Léveillé, its President and Chief Executive Officer. This employment agreement was renewed on September 1, 2012 for a period of two years, expiring on September 1, 2014, and provides for a base salary of \$150,000 per year. The agreement further provides that in the event that

the employment is terminated, Mr. Léveillé will be entitled to be paid the lump sum of \$75,000, being an amount equal to six months of his base salary.

On September 1, 2006, the Corporation entered into a consulting agreement with Bernard J. Tourillon, its Executive Vice-President and Chief Financial Officer, through Mr. Tourillon's personal consulting company, 3245004 Canada Inc. This consulting agreement was renewed on September 1, 2012 for a period of two years, expiring on September 1, 2014 and provides for a yearly consultant fee of \$130,000. The agreement further provides that in the event that the agreement is terminated, 3245004 Canada Inc. will be entitled to be paid the lump sum of \$65,000, being an amount equal to six months of the yearly consultant fee. Please also refer to the heading entitled "**External Management Corporation**" of this Management Proxy Circular.

Compensation of Directors

The Committee is responsible for developing the directors' compensation plan which is approved by the Board of Directors. The objectives of the directors' compensation plan are to compensate the directors in a manner that is cost effective for the Corporation and competitive with other comparable companies and to align the interests of the directors with the shareholders.

For the financial year ended August 31, 2012, the Corporation paid an annual attendance fee of \$6,500 to Howard Messias, the Chair of the Corporation's Audit Committee and \$5,000 to Michael Nicolai. The Chairman of the Board was further entitled to an annual fee of \$75,000 (Please refer to the Director Compensation Table below).

Directors who are also Named Executive Officers of the Corporation do not receive any compensation for the services rendered as a director of the Corporation.

As for the number of options granted to the directors, it is determined by the Board of Directors, on the recommendation of the Named Executive Officers and the Committee, without the use of known and measured performance metrics. The grant of options to directors aims to attract and retain highly qualified individuals to serve on the Board of Directors and its committees, to align the directors' interests with those of the shareholders and to reflect the responsibilities, the required level of commitment and the risks associated with the office of director. For the financial year ended August 31, 2012, no stock options were granted to the directors of the Corporation.

Director Compensation Table

Name ⁽¹⁾	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Michael J.H. Brown	75,000 ⁽²⁾⁽³⁾	-	-	-	-	-	75,000
Howard Messias	6,500	-	-	-	-	-	6,500
Michael Nicolai	5,000	-	-	-	-	-	5,000

Notes:

- (1) Mr. Pierre Léveillé is President and Chief Executive Officer and Mr. Bernard J. Tourillon is Executive Vice-President and Chief Financial Officer of the Corporation and they do not receive any director fees. Mr. Léveillé's and Mr. Tourillon's compensation is disclosed in the Summary Compensation Table and elsewhere in this Management Proxy Circular.
- (2) Mr. Michael J.H. Brown, Chairman of the Board of the Corporation, is a consultant of the Corporation and receives his compensation through Capital Markets Advisory, a division of a corporation controlled by him, which invoices the Corporation for the services rendered.
- (3) As of August 31, 2012, the fees unpaid to Capital Markets Advisory and invoiced for services rendered by Mr. Brown represents an amount of \$75,000, being the total amount of the fees payable to Capital Markets Advisory as compensation for services rendered by Mr. Brown for the year ended August 31, 2012. This amount will be paid retroactively by the Corporation when it will have the necessary funds.

On September 13, 2004, the Corporation entered into a consulting agreement with Capital Markets Advisory, a division of a corporation controlled by Michael J.H. Brown and under which Mr. Brown agreed to serve the Corporation as Chairman of the Board. Mr. Brown does not receive any direct compensation for his services. The fees indicated in the Director Compensation Table above represent fees paid to Capital Markets Advisory as compensation for services rendered by Mr. Brown as Chairman of the Board of the Corporation.

Director Outstanding Share-based Awards and Option-Based Awards at the End of the Fiscal Year

Name ⁽¹⁾	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Michael J. H. Brown	72,500	0.40	30/04/2013	nil	-	-
Howard Messias	87,500 20,000	0.40 0.92	30/04/2013 20/01/2015	nil nil	-	-
Michael Nicolai	125,000 15,000	0.40 0.92	30/04/2013 20/01/2015	nil nil	-	-

Notes:

- (1) Mr. Pierre Léveillé is President and Chief Executive Officer and Mr. Bernard J. Tourillon is Executive Vice-President and Chief Financial Officer of the Corporation and they do not receive any director fees. Mr. Léveillé's and Mr. Tourillon's compensation is disclosed in the Summary Compensation Table and elsewhere in this Management Proxy Circular.
- (2) On August 31, 2012, the closing price of the Common Shares was \$0.21.

Director Incentive Plan Awards - Value Vested or Earned During the Year

Name ⁽¹⁾	Option-based awards - Value vested during the year ⁽²⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Michael J. H. Brown	-	-	-
Howard Messias	-	-	-
Michael Nicolai	-	-	-

Notes:

- (1) Mr. Pierre Léveillé is President and Chief Executive Officer and Mr. Bernard J. Tourillon is Executive Vice-President and Chief Financial Officer of the Corporation and they do not receive any director fees. Mr. Léveillé's and Mr. Tourillon's compensation is disclosed in the Summary Compensation Table and elsewhere in this Management Proxy Circular.
- (2) No options granted to the directors vested during the financial year ended August 31, 2012.

Stock Option Plan

On April 21, 2008, the Board of Directors approved the Stock Option Plan. This Stock Option Plan included the amalgamation of the Corporation's stock option plans approved by the Board of Directors in 1997, 1998, 1999 and 2007 (collectively, the "**Prior Plans**"), the transfer to the Stock Option Plan of the 1,979,873 (post-consolidation) unexercised options under the Prior Plans and the increase by 762,500 (post-consolidation) of the aggregate number of options that may be granted henceforth. The Stock Option Plan was subject to regulatory approval which was given by the TSXV on May 22, 2008.

Pursuant to the Stock Option Plan, options may be granted in favour of directors, officers, employees and consultants providing ongoing services to the Corporation. The exercise price, terms and conditions of the options are established by the Board of Directors, subject to the rules of the regulatory authorities having jurisdiction over the securities of the Corporation. The exercise price at the time of the grant of the options shall not be less than the closing market price of the Common Shares listed on the TSXV on the day prior to their grant, less the discount permitted by the policies of the TSXV. The options granted may be exercised during a period not exceeding ten years. The options are non transferable. For any option granted under the Stock Option Plan, the Board of Directors may, at its sole discretion, determine whether such option shall vest immediately or be subject to such vesting schedule as the Board of Directors may deem appropriate in the circumstances.

The Stock Option Plan provides that the maximum number of Common Shares in the capital of the Corporation that may be reserved for issuance under the Stock Option Plan is of 3,500,000 Common Shares and that the maximum number of Common Shares which may granted to any one optionee in any twelve month period may not exceed 5% of the Common Shares outstanding at the time of grant, and 2% in cases of consultants and of persons conducting investor relations activities.

As of the date hereof, 1,465,000 Common Shares of the stock capital of the Corporation remain available for issuance under the Stock Option Plan.

Equity Compensation Plan Information ⁽¹⁾

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Option	Weighted-Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under the Equity Compensation Plans
Equity Compensation Plans of the Corporation approved by the shareholders	1,338,750	\$0.65	2,161,250
Equity Compensation Plans of the Corporation not approved by the shareholders	-	-	-
Total:	1,338,750	\$0.65	2,161,250

Note:

(1) As of August 31, 2012.

Indebtedness to the Corporation of Directors and Executive Officers

No person who is, or was at any time during the most recently completed financial year a director, executive officer or senior officer of the Corporation, nor any proposed nominee for election as a director nor any associate of the foregoing, is or was at any time since the beginning of the most recently completed financial year indebted to the Corporation.

Interest of Informed Persons in Material Transactions

To the knowledge of the Corporation, no director, executive officer or proposed director or any other insider of the Corporation or person associated or affiliated to said officials has any material interest, direct or indirect, in a transaction having been concluded since the beginning of the most recently completed financial year or has an interest in any proposed transaction that has or could affect in a material manner the Corporation.

Directors' and Officers' Liability Insurance

The Corporation maintains liability insurance for its directors and officers acting in their respective capacities. The policy contains standard industry exclusions, and no claims have been made thereunder to date. The premium is \$12,467 for coverage of \$4,000,000 with a \$25,000 deductible.

For the financial year ended August 31, 2012, the premium paid by the Corporation was \$13,731.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Audit Committee has a formal charter, the text of which is attached to this Management Proxy Circular as Schedule "A". The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of Regulation 52-110

respecting *Audit Committees* (“**Regulation 52-110**”) of the Canadian Securities Administrators and other applicable policies.

Composition of Audit Committee

Name	Independent	Financially Literate
Michael J.H. Brown	No	Yes
Howard Messias ⁽¹⁾	Yes	Yes
Michael Nicolai	Yes	Yes

Note:

(1) Chairman of the Audit Committee

The Audit Committee is currently composed of three directors, namely, Michael J.H. Brown, Howard Messias and Michael Nicolai, who are also members of the Board of Directors. Howard Messias and Michael Nicolai are independent under Regulation 52-110 and Michael J.H. Brown is not. All the members of the Committee are “financially literate” and have the ability to read and understand a set of financial statements.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities are as follows:

Howard Messias graduated with Bachelor of Commerce and Bachelor of Accountancy degrees from the University of the Witwatersrand (South Africa) and then completed his Chartered Accountant (Canada and South Africa) designations. Mr. Messias worked for 10 years with Imasco Limited (from 1990 till 2000) in various financial roles, following which he spent 12 years with the team at Brockhouse Cooper Inc. (recently acquired by Pavilion Financial Corporation), an international investment dealing and consulting firm, from 2000 until 2012, as Chief Financial Officer and President of the company for several of those years. He is now an independent consultant.

Michael Nicolai has a Bachelor of Arts degree from the University of Cape Town. He has over 40 years experience in international banking, venture capital and investment management and has participated in numerous postgraduate courses and seminars in these fields. He is now an independent consultant having previously been a consultant at Brockhouse Cooper Inc.

Michael J.H. Brown is a Chartered Financial Analyst, a Professional Engineer, and holds a B.Sc. degree from the University of Edinburgh and a Master of Business Administration from the University of Western Ontario. Before founding Toronto-based Capital Markets Advisory in 2001, Mr. Brown held positions with Macquarie Bank of Australia, as President and Chief Executive Officer of Macquarie North America Ltd., and as Vice-Chairman. Prior to that, Mr. Brown was a Managing Partner of Investment Banking with Gordon Capital Corporation in Toronto, and was a mining analyst and Managing Director of Research with the Deutsche Morgan Grenfell. He is a director of Posera-HDX Limited, a member of the Advisory Panel of Crystallex International Corporation, was Chairman of Queenston Mining Inc. and has served as a Governor of the Toronto Stock Exchange.

During the last financial year, the Audit Committee met one time. At least two of the members, which constitutes the required quorum, attended these meetings.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "De Minimis Non-Audit Services" or any other exemption provided for by Part 8 of Regulation 52-110.

The Corporation relies upon the exemption provided for in Section 6.1 of Regulation 52-110 since not all members of the Audit Committee are independent (see heading entitled "**Composition of the Audit Committee**" above).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted pre-approval procedures respecting the engagement of non-audit services which the Corporation's external auditor must render to the Corporation. Subject to the requirements of Regulation 52-110, the Corporation's Audit Committee reviews, in advance, the engagement of all non-audit services on a case-by-case basis.

External Auditor Service Fees

The fees charged to the Corporation by its external auditor in each of the last two fiscal years are as follows:

	2012 Financial year	2011 Financial year
Audit Fee ⁽¹⁾	\$40,800	\$40,800
Audit-Related Fees ⁽²⁾	-	-
Tax Fees ⁽³⁾	-	-
Other ⁽⁴⁾	\$7,548	-
Total	\$48,348	\$40,800

Notes:

- (1) Audit fees include fees for services related to the audit of the Corporation's financial statements or other services that are normally provided by the external auditors in connection with statutory or regulatory filings or engagements. These fees also include fees for comfort letters, statutory audits, attest services, consents and assistance with the preparation and review of documents filed with regulators, as well as in connection with the interpretation of accounting and financial reporting standards.
- (2) Audit-related fees include assurance and related services that are performed by the Corporation's auditors. These services also include accounting consultations in connection with acquisitions and divestitures and internal control reviews.
- (3) Tax fees include fees for assistance with tax planning, during restructurings and when taking a tax position, as well as preparation and review of income and other tax returns and tax opinions.
- (4) Review of accounting treatment in accordance with the International Financial Reporting Standards

CORPORATE GOVERNANCE PRACTICES

The Board of Directors considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The Board of Directors is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in Policy Statement 58-201 of the Canadian Securities Administrators.

The Corporation's disclosure of corporate governance practices pursuant to Regulation 58-101 *respecting Disclosure of Corporate Governance Practices* is set out in Schedule "B" to this Management Proxy Circular in the form required by Form 58-101F2.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in the Corporation's financial statements and Management's Discussion and Analysis for the year ended August 31, 2012 a copy of which may be obtained on request to Bernard J. Tourillon, Executive Vice-President and Chief Financial Officer, at 1801 McGill College Avenue, Suite 1325, Montreal, Québec, H3A 2N4, tel.: (514) 842-2133, fax: (514) 372-0066. The Corporation may require the payment of a reasonable charge when the request is made by someone other than a shareholder.

APPROVAL OF CIRCULAR

The Board of Directors of the Corporation has approved the contents of the Management Proxy Circular and its sending to the shareholders.

Montreal, Québec, January 15, 2013

AFRI-CAN MARINE MINERALS CORPORATION

Per: (s) Pierre Léveillé
Pierre Léveillé, President and Chief
Executive Officer

Per: (s) Bernard J. Tourillon
Bernard J. Tourillon, Executive Vice-
President and Chief Financial Officer

SCHEDULE "A"

AFRI-CAN MARINE MINERALS CORPORATION (the "Corporation")

AUDIT COMMITTEE CHARTER

Constitution and rules

The Board of Directors of the Corporation has approved the creation of an Audit Committee which shall consist of at least three Directors. The majority of its members shall be unrelated Directors and Canadian residents. The quorum for meetings shall be a majority of its members.

All of the members of the Audit Committee should have the ability to read and understand a balance sheet, an income statement and a cash flow statement. Furthermore, at least one member should have the ability to analyze and interpret a full set of financial statements including the notes attached thereto in accordance with Canadian general accepted accounting principles.

All the decisions shall be made by the majority of members.

Mandate and responsibilities

The Audit Committee recommends to the Board a firm of external auditors to be engaged by the Corporation to prepare and deliver a report of audit, the annual financial statements or other services related to audit to be rendered as well as the remuneration thereof.

The Audit Committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

The Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor. The Audit Committee must review the financial statements of the Corporation, MD&A and annual and interim earnings press releases of the Corporation before the Corporation publicly discloses this information.

The Audit Committee shall be satisfied of the independence of the external auditor and maintain a good relationship with it. The Audit Committee will have direct communication channels with the internal and external auditors to discuss and review specific issues as appropriate. External auditors are ultimately accountable to the Board of Directors.

The Audit Committee shall discuss with the auditor the quality and not just the acceptability of the Corporation's accounting principles. The Audit Committee shall, if need be, implement structures and procedures to ensure that it meets the auditor on a regular basis in the absence of management.

The Board of Directors will review and assess the adequacy of the Audit Committee's charter on an annual basis.

The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and must periodically assess the adequacy of those procedures.

The Audit Committee must establish procedures for a) the receipt, retention and treatment of complaints received by the Corporation regarding the accounting, internal accounting controls, or

auditing matters; and b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The Audit Committee must review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

In carrying on its duties, the Audit Committee is entitled to verify the accounting documentation and books of the Corporation or of its subsidiaries and discuss these issues as well as other issues related to the financial situation of the Corporation or of its subsidiaries with the management and the external auditors.

The Audit Committee may, at any time, call either employee of the Corporation for the purpose of questioning about financial data and may and must investigate all complaints or concerns raised relating to the accounts, the internal accounting controls or the audit.

Reports

The Audit Committee must make a report on its works, duties and decisions to the Directors at the Board meeting following its meeting by reporting all issues raised, the decisions taken, the means undertaken to analyze and review the involved reports, statements and documents, the level of satisfaction of the Committee's members with respect to them, the outstanding issues and disagreement and taken decisions.

Remuneration

Directors fix the remuneration granted to members of the Audit Committee for their services.

SCHEDULE "B"

CORPORATE GOVERNANCE AFRI-CAN MARINE MINERALS CORPORATION (the "Corporation")

The board of directors has carefully reviewed the corporate governance guidelines of *Policy Statement 58-201 to Corporate Governance Guidelines. Regulation 58-101 respecting Disclosure of Corporate Governance Practices* ("**Regulation 58-101**") of the Canadian Securities Administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. Those practices are as follows.

Board of Directors

The following directors are "independent" pursuant to *Regulation 58-101* in that they are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholding: Howard Messias and Michael Nicolai.

Pierre Léveillé, President and Chief Executive Officer of the Corporation, and Bernard J. Tourillon, Executive Vice-President and Chief Financial Officer of the Corporation, are not independent directors of the Corporation since they are officers of the Corporation. As for Michael J.H. Brown, he is not an independent director since he was entitled to receive from the Corporation, through a corporation that he controls, consultant fees of more than \$75,000 during any 12 month period within the last 3 years for his services rendered as the Chairman of the Board.

The independent directors hold meetings regularly without the attendance of the non-independent directors and the executive officers in order to facilitate the board of directors' exercise of independent judgement in carrying out its responsibilities.

Directorships

The following directors of the Corporation are presently directors of other reporting issuers, as follows:

Director	Reporting Issuers
Michael J.H. Brown	Posera-HDX Limited
Bernard J. Tourillon	Uragold Bay Resources Inc.

Orientation and Continuing Education

There is no formal orientation program for new directors. However, the board of directors of the Corporation takes the following steps to ensure that all new directors receive orientation regarding the role of the board, its committees and its directors, and the nature and operation of the Corporation.

Reports and other documentation relating to the Corporation's business and affairs are provided to new directors.

The board of directors has not taken any formal measures to provide ongoing education for directors. Orientation and education of directors is an ongoing matter. As such, ongoing informal discussions between management and members of the board are encouraged.

Ethical Business Conduct

The Corporation is committed to promote the highest standard of ethic and integrity in the pursuance of all of its activities.

Furthermore, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

The board of directors requires that all of its members be present and attend actively the board meetings and the board committee meetings (if applicable).

Nomination of Directors

The board of directors of the Corporation does not feel it is necessary to increase the number of directors on the board at this time.

The directors of the Corporation, as a whole, seek qualified candidates to be considered for nomination as directors. Proposed nominations are subject to review and approval by the board.

Any new appointees or nominees to the board of directors must have a favourable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a director.

Compensation

On an annual basis, the Audit Committee acting as Compensation Committee evaluates the adequacy of compensation of the directors and executive officers. After sufficient review and analysis, it recommends the remuneration of the directors and executive officers to the board for approval.

Other Board Committees

The board has no standing committee other than the Audit Committee which also acts as the Compensation Committee of the Corporation.

Assessments

The board of directors of the Corporation has not established any formal procedures for assessing the performance of the board or its committees and members. Generally, those responsibilities have been carried out on an informal basis by the board of directors, who as a whole, assesses its effectiveness as well as that of its committees and members and, periodically considers the mix of skills and experience that its members bring to the Corporation to assess, on an ongoing basis, whether they have the necessary skills to perform their oversight function effectively.