



**Notice of Annual Meeting of Shareholders**

**to be held at 10:00 a.m. (Eastern Standard Time)**

**on Tuesday, January 20, 2026**

**at 1, Place Ville Marie, 35<sup>th</sup> Floor**

**Montréal, Québec H3B 4M4**

**and via live webcast at:**

**<https://lavery.zoom.us/j/68254301790?pwd=lv82obJKGZuglaIXpQ7FcG0fUvBaNg.1>**

**and Management Information Circular**

**YOUR VOTE AS A SHAREHOLDER IS IMPORTANT**



## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting of the shareholders (the "Meeting") of Morocco Strategic Minerals Corporation (the "Corporation") will be held at 1, Place Ville Marie, 35<sup>th</sup> Floor, Montréal, Québec H3B 4M4 and via live webcast at <https://lavery.zoom.us/j/68254301790?pwd=lv82obJKGZuglaIXpQ7FcG0fUvBaNg.1>, on Tuesday, January 20, 2026, at 10:00 a.m. (Montréal time) for the following purposes:

1. to receive the financial statements of the Corporation for the fiscal year ended July 31, 2025 and the auditors' report thereon;
2. to elect the directors of the Corporation for the forthcoming year;
3. to reappoint Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, as auditors of the Corporation and to authorize the directors to fix the auditors' remuneration; and
4. to transact such other business that may properly be brought before the meeting or any postponement or adjournment thereof.

The management information circular (the "Circular") and the form of proxy (the "Proxy") prepared in respect of the Meeting accompany this notice. The enclosed Circular contains supplementary information on matters to be discussed at the Meeting, as detailed under the heading "**Matters to be acted upon at the meeting**" and is hereby deemed to be an integral part of this notice.

Your participation is important to us. If you are a registered shareholder, please vote by completing the enclosed Proxy. You should specify your choice by marking the box on the Proxy and by dating, signing and returning it to the Corporation's transfer agent, Computershare Investor Services Inc., according to the instructions on the Proxy, as soon as possible but at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting. Voting by Proxy will not prevent you from voting if you attend the Meeting and revoke your Proxy, but will ensure that your vote will be counted if you are unable to attend. The time limit for deposit of Proxies may be waived or extended at the discretion of the chairman of the Meeting, without notice.

Registered shareholders may also exercise their voting rights (i) by calling the toll-free number 1-866-732-8683 or any other number indicated on the Proxy form or (ii) by going to the following website: [www.investorvote.com](http://www.investorvote.com). For any additional information, please contact the transfer agent by calling at no charge at 1-866-962-0498 (within North America) and at 514-982-8716 (outside North America) or by email at [service@computershare.com](mailto:service@computershare.com).

You are entitled to vote at the Meeting and any postponement or adjournment thereof if you owned common shares of the Corporation at the close of business on December 16, 2025. For more information on how you may vote, please refer to the section titled "Vote by Proxy" in the Circular.

Montréal, Québec, December 19, 2025

BY ORDER OF THE BOARD OF DIRECTORS

(s) *Guy Goulet*  
President and Chief Executive Officer

**REGISTRATION AND LOG IN PROCESS**

To attend the Meeting virtually, please register using the following link: <https://lavery.zoom.us/j/68254301790?pwd=lv82obJKGZuglalXpQ7FcG0fUvBaNg.1> at least 30 minutes before the scheduled start of the Meeting. After registering, you will receive a confirmation email with access instructions. You can contact the Corporation at [ndion@moroccasm.com](mailto:ndion@moroccasm.com) for more information. To ensure a smooth process, the Corporation is asking registered participants to log into by 9:45 a.m. (Montreal time) on January 20, 2026. Registered shareholders and duly appointed proxyholders will be asked to identify themselves before the beginning of the Meeting.

## MANAGEMENT INFORMATION CIRCULAR

### REGISTERED SHAREHOLDERS

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

### NON-REGISTERED SHAREHOLDERS

Your shares of the Corporation are held in the name of an intermediary (securities broker, trustee or other financial institution). You will have received a request for voting instructions ("Voting Instruction Form") from your broker. Follow the instructions on your Voting Instruction Form to vote by telephone or Internet, or complete, sign and mail the Voting Instruction Form in the postage envelope provided. **To vote at the Meeting, see the box on page 3 of this Circular.**

## PROXY VOTING

### Who is soliciting my proxy?

The enclosed Proxy is being solicited by the management of the Corporation in connection with the annual meeting of shareholders (the "Meeting") to be held on January 20, 2026 and at every adjournment thereof, 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 shares of the Corporation.

### How do I vote?

If you are a registered shareholder, you may vote at the Meeting or you may sign the enclosed Proxy appointing the named persons or some other person of your choice, who does not need to be a shareholder of the Corporation, to represent you as proxyholder and vote your shares at the Meeting. Registered shareholders may also exercise their voting rights (i) by calling the toll-free number 1-866-732-8683 or any other number indicated on the Proxy or (ii) by going to the following website: [www.investorvote.com](http://www.investorvote.com). If your shares are held in the name of an intermediary, please see the box on page 3 for voting instructions.

### What if I plan to attend the Meeting and vote at the Meeting?

If you are a registered shareholder and plan to attend the Meeting on January 20, 2026 and wish to vote your shares at the Meeting, you do not have to complete or return the 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 shares are held in the name of an intermediary, please see the box on page 3 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 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; and
3. any other business as may properly be brought before the Meeting or any adjournment thereof.

For more information, please refer to the heading "Agenda for Shareholders Meeting".

Other than as specifically discussed under the heading "Agenda for Shareholders Meeting", no director, executive officer or proposed nominees for directorship, or any associate or affiliate of such persons has any interest, direct or indirect, by way of beneficial ownership of shares or otherwise, 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 Proxy enclosed with this Circular?**

Signing the enclosed Proxy gives authority to Guy Goulet or René Branchaud, each of whom is a director of the Corporation, or to another person you have appointed, to vote your shares at the Meeting.

**Can I appoint someone other than these directors to vote my shares?**

**Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the 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 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, according to the instructions on the Proxy, as soon as possible but at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting. 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 shares be voted if I give my Proxy?**

The persons named on the Proxy must vote or withhold from voting your 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 Proxy the manner in which the designated proxyholders are required to vote the shares represented thereby as to any matter to be voted on, such 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 Proxy will have discretionary authority with respect to amendments or variations to matters identified in the enclosed Proxy and with respect to other matters which may properly come before the Meeting. As of the time of printing of this 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 Proxy will vote on them in accordance with their best judgment.

**What if ownership of shares has been transferred after December 16, 2025?**

The person who acquired such shares after December 16, 2025, must produce properly endorsed share certificates or otherwise establish that he or she owns the shares and must ask the Corporation no later than 5:00 p.m. (Eastern Standard Time) on Friday, January 16, 2026 that his or her name be included in the list of shareholders before the Meeting in order to be entitled to vote these 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.

**For general shareholder enquiries or questions regarding the Meeting, you can contact the transfer agent:**

Computershare Investor Services Inc.  
320 Bay Street, 14th floor  
Toronto, ON, M5H 4A6

Email: [service@computershare.com](mailto:service@computershare.com)  
Telephone: 1-800-564-6253  
Fax: 1-866-249-7775

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

These beneficial owners of shares of the Corporation (the “**Beneficial Owners**”) must be aware of the fact that only Proxies filed by shareholders whose names appear in the Corporation’s book as registered holders of common shares may be recognized and may benefit from the right to vote at the Meeting. The voting rights attached to the shares of the Corporation held by an intermediary may be exercised by the intermediary, on behalf of the Beneficial Owner, only according to the Beneficial Owner’s specific instructions, which must be obtained before the Meeting. Each Intermediary has its own rules concerning the mailing and forwarding of Voting Instruction Forms, notices of meeting, proxy circulars as well as all other documents sent to shareholders for a meeting. The intermediary is prohibited from exercising the voting rights attached to the common shares of its clients without specific voting instructions.

In accordance with the requirements of *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Corporation has elected to send the Notice, this Circular and the Proxy directly to the non-objecting Beneficial Owners. The intermediaries are responsible for forwarding these documents to each Beneficial Owner who has objected to his intermediary disclosing ownership information about himself (the “**OBO**”), unless that OBO has waived the right to receive them.

There are two ways you can vote your shares held by your intermediary. As required by Canadian securities legislation, you will have received from your intermediary either a Voting Instruction Form or a Proxy for the number of shares you hold. For your shares to be voted for you, please follow the instructions provided by your intermediary. Since the Corporation has limited access to the names of its Beneficial Owners, if you attend the Meeting, the Corporation may have no record of your shareholdings or your entitlement to vote unless your intermediary has appointed you as proxyholder. Therefore, if you wish to vote at the Meeting, insert your own name in the space provided on the Voting Instruction Form or Proxy and return same by following the instructions provided. You can also write the name in the space provided thereof of someone else whom you wish to attend the Meeting and vote on your behalf. In this case, 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 December 16, 2025 (the “**Record Date**”), there are 131,786,343 common shares of the Corporation (the “**Shares**”) issued and outstanding, each of which is entitled to one vote at the Meeting. Only shareholders registered at the close of business on 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 Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he owns the 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 Shares at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at the Record Date, no person beneficially owned, or controlled or directed, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

## AGENDA FOR SHAREHOLDERS MEETING

### 1. Election of Directors

Pursuant to the Corporation's articles and resolutions of its board of directors (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, subject to the power of the Board of Directors to appoint additional directors between annual meetings, 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 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 Shares entitled to vote 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 Shares over which they exercise control.

Name, Residence and Office Held	Principal Occupation
JOHN G. BOOTH <sup>(1)(2)</sup> London, United Kingdom Director since 2018 Independent  Shares: 994,166 Options: 350,000	Mr. John Geoffrey Booth holds a BSc (Hons) in biology and environmental science, both Canadian and US law degrees (LLB, JD) and a master's in international finance, tax and environmental law from King's College, University of London (LLM). He is called to bars of Ontario, New York and District of Columbia and has over 25 years of international experience in financial services as an investment banker, broker, strategy consultant, fund manager, company director and chief executive officer. Mr. Booth is guest lecturer in Environmental and Social Governance (ESG) with the graduate business school at the University of London. He is also a guest lecturer in the MBA program at the University of Oxford. He has previously served as a nominee non-executive director for the European Bank for Reconstruction and Development nominee and as a non-executive director of the Ottawa Riverkeeper environmental charity.  Other directorships: Chairman of Laramide Resources Ltd. (TSX/ASX), Vox Valor Capital (LSE) and European Electric Metals (TSXV); director and Lead Independent Director Cerro de Pasco Resources Inc. (TSXV).
RENÉ BRANCHAUD <sup>(1)</sup> Québec, Canada Director since 2018 Independent  Shares: 536,667 Options: 275,000	René Branchaud, Secretary of the Corporation, is a partner at the law firm Lavery, de Billy, L.L.P. Mr. Branchaud sits on the boards of directors and acts as secretary of several publicly traded companies in the mining industry.  Other directorships: Cerro de Pasco Resources Inc. (TSXV) and Abcourt Mines Inc. (TSXV).

Name, Residence and Office Held	Principal Occupation
<b>GUY GOULET<sup>(3)</sup></b> Québec, Canada Director since 2018 Not Independent  Shares: 5,664,186  Options: 700,000	<p>President and Chief Executive Officer of the Corporation.</p> <p>Mr. Goulet graduated from Ecole Polytechnique de Montréal in 1986 in geological engineering. An active member in the mining sector for more than 35 years, from 1995 to 2000 he has been a member of the Board and CEO of five publicly traded Canadian mining companies. He co-founded Maya Gold &amp; Silver Inc. (now Aya Gold &amp; Silver Inc.) in November 2008 and acted as CEO until June 2017 during which the Zgounder silver mine in Morocco was restarted. He was also involved in the restart of the Wrightbar gold mine in Val-d'Or, Québec in 1996. In parallel and in collaboration with Hydro-Québec (LTD division) and Group STAS, he conducted a project leading to the production of lithium metal from high purity lithium carbonate. From 2000 to 2008, he served as co-founder, president and chairman of H2O Innovation Inc., a water treatment company that manufactures and installs integrated systems for various markets.</p> <p>Other directorship: Cerro de Pasco Resources Inc. (TSXV).</p>
<b>DAVID ANDREW SHAW<sup>(2)</sup></b> British Columbia, Canada Director since 2020 Independent  Shares: 666,666 Options: 350,000	<p>Dr. David Shaw is currently a part time geological consultant.</p> <p>He has in excess of four decades of experience in the resource and finance industries with specific emphasis on technical and financial due diligence of resource projects. He attained a Bachelor of Science degree in Geology from the University of Sheffield, England in 1973 and his Ph.D in Structural Geology from Carleton University, in Ottawa, in 1980. Dr. Shaw spent seven years with Chevron Resources, employed initially as an in-house structural consultant on both metal and hydrocarbon exploration programs. After, he initiated and developed the Resource Research Group at Charlton Securities Ltd., Calgary, before assuming the position of Senior Mining Analyst, Corporate Finance, at Yorkton Securities Inc. in Vancouver. Throughout Dr. Shaw's career, he has built strong relationships with European financial institutions and the global mining community.</p> <p>Other directorships: Rain City Resources Inc. (CSE)</p>
<b>HUBERT VALLÉE<sup>(1)(2)(4)</sup></b> Québec, Canada Director since 2018 Independent  Shares: 624,855  Options: 275,000	<p>Hubert Vallée graduated from Laval University in Engineering. He joined Québec Cartier Mining as Project Engineer and was promoted to Director of Operations for its Pellet Plant in 2001. He managed the Iron Ore Company of Canada's Pellet Plant in Sept-Iles before joining Domtar Inc. as Manager of its pulp mill in Lebel-sur-Quévillon. He joined Consolidated Thompson in 2006 and was one of the key people who made this project happen. After the sale of Consolidated Thompson Cliffs, Mr. Vallée acted as Vice President Project Development for Phase II of Bloom Lake operation. He has also been involved as Senior Vice President, Project Development, at Century Iron Mines. From February 2014 to September 2016, Mr. Vallée acted as President and CEO of Lamelee Iron Ore Ltd. He is self-employed working with Tacora Resources Ltd. as VP and some other junior companies at development stage. Certified from Director College ASC C.DIR delivered by Université Laval.</p> <p>Other directorship: Nio Strategic Metals (TSXV)</p>

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Of which 125,000 Shares are held by 7002513 Canada Inc., a company controlled by Mr. Goulet.
- (4) Of which 12,444 Shares are held by 9288-1846 Québec Inc a company controlled by Hubert Vallée.

Each nominee as director supplied the information concerning the number of Shares over which he exercises control or direction. As of the date hereof, the directors of the Corporation, as a group, beneficially own, or exercise control or direction over, directly or indirectly, 8,486,540 Shares, or 6.43% of the issued and outstanding Shares.

Except as described below, to the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that no proposed director of the Corporation:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while that person was acting in that capacity:
  - (i) was subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) is, as at the date hereof, or has been, within the 10 years before the date hereof, 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;
- (c) has, within the 10 years before the date hereof, 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 the proposed director; and
- (d) has, within the 10 years before the date hereof, 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, nor 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 investor in deciding whether to vote for a proposed director.

Guy Goulet and John Booth were directors of Cerro de Pasco Resources Inc. ("CDPR"), a Canadian corporation listed on the TSX Venture Exchange, when a management cease trade order ("MCTO") was issued by the CDPR principal regulator, the Autorité des marchés financiers ("AMF"), on May 2, 2022. The MCTO was issued following CDPR's announcement that it was unable to file its audited consolidated financial statements, its management's discussion and analysis and related officer certifications for the year ended December 31, 2021 before the prescribed deadline of May 2, 2022. The MCTO was revoked by the AMF on July 6, 2022, following the filing of the requested documents.

Hubert Vallée was a director of Canadian Metals Inc., a Québec corporation listed on the Canadian Securities Exchange when, on July 29, 2016, the AMF issued a temporary management cease trade order, against the directors and officers of the company. This order was issued in connection with the filing by the company of a technical report that did not comply with the requirements of *Regulation 43-101 respecting Standards of Disclosure for Mineral Projects*. The order was lifted on October 4, 2016, following the filing of a compliant revised technical report.

## **2. Appointment of Auditors**

Shareholders are asked to vote for the appointment of Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants ("RCGT"), as auditors of the Corporation for the current financial year and to authorize the directors to establish the auditors' compensation. RCGT was first appointed as auditors of the Corporation in 2018.

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

**Unless such authority is withheld, the persons designated in the enclosed 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.**

#### **DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION**

The information contained below is provided as required under Form 51-102F6V – Statement of Executive Compensation – Venture Issuers of *Regulation 51-102 respecting Continuous Disclosure Obligations*. For the purposes of this Circular, “Named Executive Officers” of the Corporation means, at any time during the most recently completed financial year, the following persons:

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer;
- (c) the most highly compensated executive officer, other than the Chief Executive Officer and Chief Financial Officer at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the most recently completed financial year.

During the Corporation’s fiscal year ended July 31, 2025, the following individuals were NEOs of the Corporation: Guy Goulet, Chief Executive Officer and Robert Boisjoli, Chief Financial Officer.

#### **Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table details all compensation paid, made payable, awarded, granted, gave or otherwise provided for the two most recently completed financial years to all persons acting as Named Executive Officers and director of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or its subsidiaries. These amounts include the annual base salary and certain other forms of remuneration, the payment having been made or postponed.

Table of Compensation excluding Compensation Securities							
Name and Position	Year ended July 31	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Guy Goulet President, CEO and Director	2025 2024	96,000 <sup>(1)</sup> 96,000 <sup>(1)</sup>	- -	- -	- -	- -	96,000 96,000
Robert Boisjoli CFO	2025 2024	60,000 60,000	- -	- -	- -	- -	60,000 60,000
John G. Booth Director	2025 2024	- -	- -	30,149 30,149	- -	- -	30,149 30,149
René Branchaud Corporate Secretary and Director	2025 2024	- -	- -	- -	- -	- -	- -
David Andrew Shaw Director	2025 2024	- -	- -	31,981 31,961	- -	- -	31,981 31,961
Hubert Vallée Director	2025 2024	- -	- -	25,536 25,516	- -	- -	25,536 25,516

Note:

(1) Mr. Goulet is director and CEO of the Corporation and does not receive any director's compensation. These amounts were paid to 7002513 Canada Inc., a management corporation controlled by Guy Goulet and represent mainly consulting fees.

## **Stock Options and Other Compensation Securities**

No options or other compensation securities were granted or issued by the Corporation or its subsidiaries to the Named Executive Officers and directors of the Corporation during the most recently completed financial year ended July 31, 2025.

No options were exercised by the Named Executive Officers or the directors during the most recently completed financial year ended July 31, 2025

## **Stock Option Plan and Other Incentive Plans**

### *Stock Option Plan*

The Corporation has a stock option plan (the “**Plan**”) pursuant to which options may be granted in favour of directors, officers, employees and consultants providing ongoing services to the Corporation. The number of options granted is determined by the Board of Directors. Since July 27, 2023, the number of Shares reserved for issuance under the Corporation’s fixed number Plan is 8,600,000.

The exercise price, terms and conditions of the options are established, upon recommendation of the Compensation Committee, 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 Shares on the day prior to their grant. The options granted may be exercised during a period not exceeding ten years. The options are non-transferable. For any option granted under the 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 number of Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Shares, and the number of Shares reserved for issuance to all consultants and persons employed in investor relations activities on behalf of the Corporation will not exceed 2% of the issued and outstanding Shares.

As of the date hereof, 8,600,000 Shares are reserved for the exercise of options pursuant to the Plan.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### **Executive Officers**

The Compensation Committee of the Corporation has the responsibility to recommend to the Board of Directors the compensation policy of the executive officers in order to make sure it is consistent with the Corporation’s business plan, strategies and objectives. This Compensation Committee has the responsibility to analyse for the Board of Directors all questions relating to human resources planning, compensation for executive officers, directors and other employees, short and long-term incentive programs, employee benefits programs, and recommends the appointment of executive officers. The Compensation Committee held one meeting during the financial year ended July 31, 2025.

As of the date hereof, the Compensation Committee is comprised of three independent members, namely David Shaw (chairman), John G. Booth and Hubert Vallée. The Corporation considers that the public company board membership and management experience of the members of the Compensation 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 compensation paid to executive officers has the following primary objectives:

- offer total compensation capable of attracting and retaining top level executive officers required to ensure the Corporation’s short and long-term goals and success; and
- motivate the executive officers in achieving and exceeding the goals of the Corporation and of its shareholders.

## *Compensation and Risk Management*

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

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.

The compensation is established in such a way to compensate the executive officers and other key employees considering the Corporation's objectives and performance. For the year ended July 31, 2025, the Compensation Committee determined the base salary paid to senior executives.

## *Components of the Compensation Policy*

The compensation policy consists of the sum of

- base salary;
- annual incentive (bonus) compensation;
- long term incentive compensation; and
- benefits and perquisites.

Each of these elements, together with the Corporation's philosophy with respect to same, is hereinafter detailed.

### Base Salary

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base salary amounts.

### Annual Incentive Compensation

The Corporation offers executive officers of the Corporation the possibility to earn an annual bonus provided the Corporation achieves or exceeds its annual objectives and provided the executive officer or employee achieves specific personal objectives.

The executive officers' bonus will be calculated based on the individual performance. The Compensation Committee may, from time to time, exercise its discretion to allow that the annual incentive compensation be varied on the overall performance of the Corporation and exceptional market conditions. The Compensation Committee also reserves the right to recommend to the Board of Directors to waive minimum requirements for the annual incentive compensation when exceptional strategic achievements that could increase the non-current value of the Corporation are realized during the year.

### Long-Term Incentive Compensation

The establishment of a balance between short and long-term compensation is essential for the Corporation's performance. For this reason, the Corporation has adopted the Plan in 2019 (as subsequently amended) allowing the grant of options to officers, directors, key employees and consultants of the Corporation. Reference is made to the description of such plan under the heading "Stock Option Plan" hereinabove.

In general, the Compensation Committee determines the number of options granted annually according to the level of responsibility and authority of each of the executive officers. 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. The options are granted at market value at time of grant and may be exercised over a maximum of ten years.

The purpose of the Plan is to serve as an incentive for the directors, officers and consultants who will be motivated by the Corporation's success as well as to promote ownership of Shares by these people. There is no performance indicator relating to profitability or risk attached to the Plan.

The long-term incentive compensation is not based on known or measured corporate or individual performance objectives but is determined in a view to improve the executive officers' salaries and to encourage the work of these persons towards an increase of shareholders value.

The Compensation Committee is responsible for the revision and recommendation to the Board of Directors of any required modifications to the Plan.

#### General

The compensation seeks to primary reward the superior performance through both individual and corporate results and the increased shareholder value. In reviewing executive officers' compensation, the Compensation Committee will take into consideration numerous factors that are not easily measurable but which consider the individual performance, experience, integrity, peer appreciation and market comparators.

#### **Directors**

In general, the Board of Directors determines, upon recommendations of the Compensation Committee, the number of options granted annually to the directors without applying any known or measurable objectives. Criteria such as the Corporation's global performance are looked at in determining the number of options to be granted to the directors.

#### **Employment, Consulting and Management Agreements**

On January 1st, 2023, the Corporation entered into a consulting agreement with 7002513 Canada Inc, a private company held by Guy Goulet, its President and Chief Executive Officer, which stipulates, among other things, a remuneration for consulting services rendered based on a fixed annual amount and provides that in the event of a termination without cause or of a change of control, Mr. Goulet will be entitled to be paid a compensation equivalent to 12 months of professional services fees.

On January 1<sup>st</sup>, 2023, the Corporation entered into an employment agreement with Robert Boisjoli, its Chief Financial Officer, which stipulates, among other things, a base salary and provides that in the event of a termination without cause or of a change of control, Mr. Boisjoli will be entitled to be paid a compensation equivalent to six months of salary.

On January 1<sup>st</sup>, 2023, the Corporation entered into an employment agreement with Pierre-Olivier Goulet, the Corporation's Vice-President, Corporate Development, which stipulates, among other things, a base salary and provides that in the event of a termination without cause or of a change of control, Mr. Goulet will be entitled to be paid a compensation equivalent to six months of salary.

#### **Termination of employment without cause or change of control**

Named Executives	Severance Payments	Total Estimated Payments
Guy Goulet	12 months	\$96,000
Robert Boisjoli	6 months	\$30,000
Pierre-Olivier Goulet	6 months	\$60,000

#### **Pension Plan Benefits**

The Corporation does not offer any pension plan that benefits to any of its Named Executive Officers, nor to the directors of the Corporation.

### Equity Compensation Plan Information<sup>(1)</sup>

Plan Category	Number of Shares to be Issued Upon Exercise of Outstanding Option	Weighted Average Exercise Price of Outstanding Options	Number of Shares Remaining Available for Future Issuance Under the Equity Compensation Plans
Equity Compensation Plans of the Corporation approved by the shareholders <sup>(2)</sup>	8,600,000	\$0.195	4,420,000
Equity Compensation Plans of the Corporation not approved by the shareholders	-	-	-
<b>Total:</b>	<b>8,600,000</b>	<b>\$0.195</b>	<b>4,420,000</b>

Notes:

(1) As of July 31, 2025.

(2) Please refer to the description of the Plan of the Corporation as more fully described under the heading "Stock Option Plan and Other Incentive Plans - Stock Option Plan" hereinabove.

### Indebtedness to the Corporation of Directors and Executive Officers

As of the date hereof, no amounts are owed to the Corporation by any director, executive officer, employee or any former director, executive officer or employee of the Corporation or any of its subsidiaries, or any proposed director of the Corporation or associate of the foregoing.

### 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 in any proposed transaction that has or would affect in a material manner the Corporation.

### Management Contracts

No management functions of the Corporation are performed to any substantial degree by any person or company other than the directors and executive officers of 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 \$17,417 for coverage of \$5,000,000 with a \$25,000 deductible.

## AUDIT COMMITTEE INFORMATION

### Audit Committee Charter

The Audit Committee has a formal charter, the text of which is attached to this 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 (the "CSA") and other applicable policies.

## Composition of Audit Committee

Name	Independent	Financially Literate
John G. Booth (Chairman)	Yes	Yes
René Branchaud	No	Yes
Hubert Vallée	Yes	Yes

The Audit Committee is comprised of three directors, two of which being independent, as prescribed under Regulation 52-110. All the members of the Committee are “financially literate” and have the ability to read and understand a set of financial statements, as prescribed under section 1.6 of Regulation 52-110.

## Relevant Education and Experience

The education and experience of each Audit Committee member has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Corporation to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issued that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

The relevant education and experience of the Audit Committee members is described under the section of the Circular titled “*Agenda for Shareholders Meeting – Election of Directors*”.

During the last fiscal year, the Audit Committee met four times. All three members 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 Section 2.4 of Regulation 52-110 (*De Minimis Non-Audit Services*) or any exemption, in whole or in part, provided by Parts 6 and 8 of Regulation 52-110, other than the exemption granted to venture issuers under Section 6.1 of Regulation 52-110, which exempts venture issuers from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

## Pre-Approval Policies and Procedures

The Audit Committee approves the engagement terms for all audit and non-audit services to be provided by the Corporation’s accountants before such services are provided to the Corporation.

The Corporation has not adopted any specific policies or procedures for the engagement of non-audit services other than the pre-approval by the Audit Committee.

## 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:

	Year Ended July 31, 2025	Year Ended July 31, 2024
Audit Fee <sup>(1)</sup>	\$62,013	\$57,183
Audit-Related Fees <sup>(2)</sup>	-	-
Tax Fees <sup>(3)</sup>	\$3,460	\$3,281
All Other Fees <sup>(4)</sup>	\$-	\$809
Total	\$65,473	\$61,273

Notes:

- (1) The aggregate fees billed for audit services, including fees relating to the review of financial statements and statutory audits of the Corporation.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed under "Audit Fees".
- (3) The aggregate fees billed for tax compliance, tax advice and tax planning services.
- (4) "All other fees" include all other non-audit services.

## 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 - *Corporate Governance Guidelines* of the CSA.

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 Circular in the form required by Form 58-101F2.

Recent amendments to the *Canada Business Corporations Act* also require disclosure by the Corporation on the diversity of its Board of Directors and senior management team.

The Corporation recognizes the benefits of diversity within the Board of Directors, at the senior management level and all levels of the organization. Although the Board of Directors takes into account the representation of women, Indigenous peoples; people with disabilities and members of visible minorities (collectively, the "**Designated Groups**") when seeking and selecting candidates for the positions of directors for a first or new term and when making senior management appointments, in light of the Corporation's stage of development, management and the Board of Directors do not consider it suitable at this time to adopt a formal written policy on seeking and selecting members of the Designated Groups for the positions of directors or members of senior management and setting a target in this regard.

The Corporation therefor does not currently have a written policy relating to the identification and nomination of directors from the Designated Groups and does not have targets for representation on the Board of Directors and among senior management for each of the Designated Groups.

There are currently no women or member of other Designated Groups on the Board of Directors, among the proposed nominees for election on the Board of Directors or occupying senior management positions with the Corporation. The Board of Directors considers above all each candidate's qualifications and competencies to create as much value as possible for the Corporation.

The Board of Directors has not adopted a formal policy relating to term limits for directors or other mechanisms of board renewal. The Board of Directors strives to be constituted to achieve a balance between experience and the need for renewal and fresh perspective. The Board of Directors does not believe such policy is appropriate given the Corporation's size and stage of development.

## ADDITIONAL INFORMATION

Additional information regarding the Corporation and its business activities is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) including the Corporation's audited financial statements and management discussion and analysis (MD&A) for the financial year ended July 31, 2025, a copy of which may also be obtained upon request from Guy Goulet, President and CEO, at 205-68 av de la Gare, Saint-Sauveur, QC J0R 1R0.

## APPROVAL OF CIRCULAR

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

Montréal, Québec, December 19, 2025

**MOROCCO STRATEGIC MINERALS  
CORPORATION**

Per: *(s) Guy Goulet*

Guy Goulet, President and Chief Executive Officer

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## SCHEDULE A

### AUDIT COMMITTEE CHARTER

#### MOROCCO STRATEGIC MINERALS CORPORATION (the "Corporation")

The following charter is adopted in compliance with *Regulation 52-110 respecting Audit Committees ("52-110")*.

#### 1. COMPOSITION

The Committee shall be comprised of at least three directors as determined by the Board of Directors. The majority of the members of the Committee shall be independent, within the meaning of Regulation 52-110.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee shall be financially literate, within the meaning of Regulation 52-110.

For the purposes of this charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The appointment of members to the Committee shall take place annually at the first meeting of the Board of Directors after a meeting of shareholders at which directors are elected. If the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue to serve as members until their successors are validly appointed. The Board of Directors may appoint a member to fill a vacancy that occurs in the Committee between annual elections of directors.

Unless a chairman is appointed by the Board of Directors, the members of the Committee may designate a chairman by a majority vote of all Committee members.

#### 2. MEETINGS AND PROCEDURES

The Committee shall meet at least annually, or more frequently if required.

At all meetings of the Committee, every item brought to resolution shall be decided by a majority of the votes cast. In the case of an equality of votes, the chairman shall not be entitled to a second vote.

Quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board of Directors.

The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.

Each member (including the chairman of the Committee) is entitled to one vote in Committee proceedings.

The Committee may meet separately with senior management and may request that any member of the Corporation's senior management or the Corporation's outside counsel or independent auditors to attend meetings of the Committee or other meetings with any members of, or advisors to, the Committee.

Furthermore, the Committee has the authority to hire the services of outside advisors, from time to time, when it is necessary to do so for carrying out its mandate.

The Committee shall, at the meeting of the Board of Directors following its own meeting, report to the directors on its work, activities and recommendations.

### **3. DUTIES AND RESPONSIBILITIES**

The following are the general duties and responsibilities of the Committee:

#### **3.1 Financial Statements and Disclosure Matters**

- 3.1.1 review the Corporation's financial statements, management's discussion and analysis and any press releases regarding annual and interim (as required by the Board of Directors) profit or loss, before the Corporation publicly discloses such information;

#### **3.2 Independent Auditors**

- 3.2.1 recommend to the Board of Directors the selection and, where applicable, the replacement of the independent auditors to be appointed annually as well the compensation of such independent auditors;
- 3.2.2 determine that the independent auditors appointed are a Public Accounting Firm that has entered into a Participation Agreement as such terms are defined in *Regulation 52-108 respecting Auditor Oversight* and that at the time of their report on the annual financial statements of the Corporation, they are in compliance with any restrictions or sanctions imposed by the Canadian Public Accountability Board;
- 3.2.3 oversee the work and review annually the performance and independence of the independent auditors;
- 3.2.4 on an annual basis, review and discuss with the independent auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- 3.2.5 consult with the independent auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- 3.2.6 review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former independent auditors of the Corporation;
- 3.2.7 review the audit plan for the year-end financial statements and intended template for such statements;
- 3.2.8 review and pre-approve all audit and audit-related services and the fees and other compensations related thereto, as well as any non-audit services provided by the independent auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
  - 3.2.8.1 the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 10% of the total amount of fees paid by the Corporation and its subsidiary entities to its independent auditors during the fiscal year in which the non-audit services are provided;
  - 3.2.8.2 such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and

3.2.8.3 such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

### **3.3 Financial Reporting Processes**

- 3.3.1 review with management, in consultation with the independent auditors, the integrity of the Corporation's financial reporting process, both internal and external;
- 3.3.2 consider the independent auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
- 3.3.3 consider and report to the Board of Directors changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors and management;
- 3.3.4 review any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements;
- 3.3.5 review, with the independent auditors and management, the extent to which changes and improvements in financial or accounting practices have been implemented;
- 3.3.6 establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.

### **3.4 Risk Management**

- 3.4.1 oversee the identification, prioritisation and management of the risks faced by the Corporation;
- 3.4.2 direct the facilitation of risk assessments and measurement to determine the material risks to which the Corporation may be exposed and to evaluate the strategy for managing those risks;
- 3.4.3 monitor the changes in the internal and external environment and the emergence of new risks;
- 3.4.4 review the adequacy of insurance coverage;
- 3.4.5 monitor the procedures to deal with and review disclosure of information to third parties insofar as these disclosure represent a risk for the Corporation.

### **3.5 Whistleblowing Policy**

- 3.5.1 monitor and review compliance with the Corporation's Whistleblowing Policy;
- 3.5.2 establish a procedure for the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.

### **3.6 Reporting Responsibilities**

3.6.1 the Committee shall report to the Board of Directors on a regular basis, and in any event:

- 3.6.1.1 at least annually, with an assessment of the performance of management in the preparation of financial statements and auditors in conducting the annual audit of the Corporation and discuss the report with the full Board of Directors following the end of each fiscal year;
- 3.6.1.2 before the public disclosure by the Corporation of its financial statements, management's discussion and analysis and any press releases regarding annual and interim profit or loss and any reports or other financial information which are submitted to any governmental body or to the public; and
- 3.6.1.3 as required by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators.

### **3.7 Annual Evaluation**

3.7.1 annually, the Committee shall, in a manner it determines to be appropriate:

- 3.7.1.1 conduct a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this charter; and
- 3.7.1.2 review and assess the adequacy of this charter and the position description for the chairman of the Committee and recommend to the Board any improvements to this charter or the position description that the Committee determines to be appropriate, except for minor technical amendments to this charter, authority for which is delegated to the Corporate Secretary, who will report any such amendments to the Board of Directors at its next regular meeting.

**SCHEDULE B**

**CORPORATE GOVERNANCE**

**MOROCCO STRATEGIC MINERALS CORPORATION**  
**(the “Corporation”)**

The board of directors (the “**Board**”) 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 Board delegates to management the responsibility for the development of these strategies and holds itself responsible for the approval of the strategies finally adopted. In addition to those matters which must by law be approved by the board, management is required to seek board approval for significant acquisitions, divestitures and capital expenditures. Other matters of strategic importance to the Corporation or which impact significantly on the operations of the Corporation are brought to the board’s attention for its input, consideration and approval.

The Board oversees the identification of the principal risks of the Corporation’s business and the implementation by management of appropriate systems to manage such risks. The Board reviews from time to time organizational matters such as succession planning. Given current management’s tenure, their vast experience and low turnover, succession planning is not seen as critical at the present time by the board.

The following directors are “independent” pursuant to section 1.4 of 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: John G. Booth, René Branchaud, David Shaw and Hubert Vallée.

Guy Goulet, President and Chief Executive Officer of the Corporation is not an independent director of the Corporation, being an officer of the Corporation.

The independent directors hold meetings regularly without the attendance of the not independent director and the executive officers.

**Orientation and Continuing Education**

The Board 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.

Orientation and education of directors is an ongoing matter. As such, ongoing informal discussions between management and members of the Board are encouraged and visits to the Corporation’s operations are organized.

## **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.

In the event any transactions or agreements occur in respect of which a director or executive officer has a material interest, the matter must be initially reviewed by the Audit Committee and is then submitted to the Board. The board may implement any measures that it finds necessary in order to ensure the exercise of independent judgment. In the event a director has a material interest in any transaction or agreement, such director will abstain from voting in that regard.

## **Nomination of Directors**

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

The Chairman of the Board and President of the Corporation seeks 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 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 Compensation Committee evaluates the adequacy of compensation of the directors and executive officers. After sufficient review and analysis, the Compensation Committee recommends the remuneration of the directors and executive officers to the Board for approval.

## **Other Board Committees**

The Corporation has two committees: the Audit and Governance Committee and the Compensation Committee.

The Compensation Committee is responsible for recommending to the board in the assessment of the performance of senior officers, of the board and its committees and of individual directors.

## **Assessments**

The Board 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 Compensation Committee.