MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three-month period ended November 30, 2019

INDEX

SCOPE OF MANAGEMENT'S FINANCIAL ANALYSIS

This report represents a complementary addition to the unaudited condensed interim financial statements by providing additional contextual and prospective information on the financial position and operating performance of Azimut Exploration Inc. ("Azimut" or the "Company") for the three-month period ended November 30, 2019 ("Q1 2020"). This report should be read in conjunction with the Company's unaudited condensed interim financial statements for the three-month period ended November 30, 2019 and the annual financial statements for the year ended August 31, 2019 ("Fiscal 2019"), which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless otherwise noted.

CORPORATE PROFILE AND MISSION

Azimut is a publicly traded Canadian exploration-stage company that specializes in mineral potential assessments and targeting to discover major ore deposits. Azimut conducts its exploration activities by following two main guiding principles. First, the Company maximizes the probability of discovery by using a cutting-edge targeting methodology that reduces exploration risk. Second, the Company reduces business risk by developing partnerships for projects generated by its targeting methodology.

As at January 24, 2020, Azimut holds twenty-three (23) exploration properties comprising 9,427 claims (23 properties and 11,059 claims as at November 30, 2019). The properties were acquired based on the results of the Company's regional-scale assessments of Quebec's mineral potential. Azimut owns a 100% interest in all but six (6) of its properties: Eleonore South (26.57%); Wabamisk (49%), Opinaca B (25%); and Opinaca A, Dalmas and Galinée (50% each). The Company's properties are as follows (Figure 1):

In the James Bay region:

- 15 gold properties
  - 4 in the Eleonore Gold Camp area (Opinaca A, Opinaca B, Eleonore South and Opinaca D)
  - 1 in the Eastmain River area (Wabamisk)
  - 10 elsewhere (Galinée, Dalmas, Elmer, Duxbury, Kaanaayaa, Kukamas, Masta-2, Corvet, Valore and Synclinal)
- 2 base metal properties (Mercator and Corne)
- 1 chromium property (Chromaska)

In the Nunavik region:

- 4 gold properties (Rex-Duquet, Rex South, Nantais and NCG)
- 1 uranium property (North Rae)

In addition, Azimut has a back-in option for a 50% interest in four (4) James Bay gold properties formerly held by the Company (Munischiwan, Pikwa, Pontois and Desceliers; Figure 1) under the terms of a strategic alliance with SOQUEM Inc. ("SOQUEM").

Jean-Marc Lulin, geologist, president, chief executive officer and director of Azimut, is a qualified person under National Instrument 43-101 and has reviewed the technical disclosures presented in subsequent sections. All claim totals, surface areas and property descriptions are effective as at January 24, 2020.

OVERALL PERFORMANCE

Summary of activities for the current quarter and subsequent activities:

- Azimut drilled 3.15 g/t Au over 102.0 m including 10.1 g/t Au over 20.5 m at the Patwon Prospect on the Elmer Property in the James Bay Region (press release ("PR") of January 14, 2020);
- Azimut completed a non-brokered private placement of 1,189,365 flow-through shares at $0.66 per share, for aggregate gross proceeds of $785,000 (PR of December 19, 2019);
- Azimut and SOQUEM confirmed the Copperfield Trend as a major copper-gold target on the Pikwa Property in the James Bay region, with grades up to 20.1% Cu and 13.4 g/t Au in outcrops and a boulder field along a corridor within the trend (PR of December 9, 2019);
- Fieldwork by Azimut and SOQUEM enhanced the potential of the Nantais Property, a gold-silver-copper-zinc project in the Nunavik region (PR of December 3, 2019);
- Azimut and SOQUEM reported encouraging copper-gold results from the Rex South Property in the Nunavik region (PR of November 25, 2019);
- Azimut and SOQUEM discovered multiple gold and copper mineralized zones (up to 141 g/t Au and 13.65% Cu) on the Rex Property in the Nunavik region (PR of November 6, 2019);
- Azimut obtained high-grade channel sample results (including 9.56 g/t Au over 5.36 m) and commenced a 1,000-metre diamond drilling program on the Patwon Gold Prospect on the Elmer Property in the James Bay region (PR of October 22 and November 28, 2019);
- Azimut announced drilling results on the Eleonore South JV Property in the James Bay region (PR of October 1, 2019);
- Azimut completed a non-brokered private placement of 4,085,712 units at $0.35 per unit, for aggregate gross proceeds of $1,430,000 (PR of September 30 and October 11, 2019); and

Highlights for Q1 2020:

- Azimut ended Q1 2020 with working capital of $561,000[1] ($819,000 – November 30, 2018). Management believes it has sufficient funds to pay its ongoing general and administration ("G&A") expenses and to meet its liabilities, obligations and existing commitments for at least the next twelve (12) months following Q1 2020;
- Azimut disbursed $3.2 million in exploration and evaluation ("E&E") expenditures, of which $872,000 was paid with the cash advance received from the joint venture ("JV") partners; and
- Azimut received $115,000 from Revenue Quebec for the refundable mining duties credit and the refundable tax credit for resources.

EXPLORATION AND EVALUATION ASSETS

In Q1 2020, the Company incurred E&E expenditures totalling $1,173,000 (198,000 – Q1 2019). Most of the expenditures were incurred on the SOQUEM and Elmer properties in the James Bay region.

The E&E assets for Q1 2020 are detailed in the tables on the following pages. All mining properties are located in the Province of Quebec.

[1] For ease of reading and comparison, dollar amounts in this MD&A are rounded to the nearest thousand for amounts over $1,000 and to the nearest hundred otherwise, except for equity prices and exercise prices. Refer to the accompanying financial statements for exact amounts.

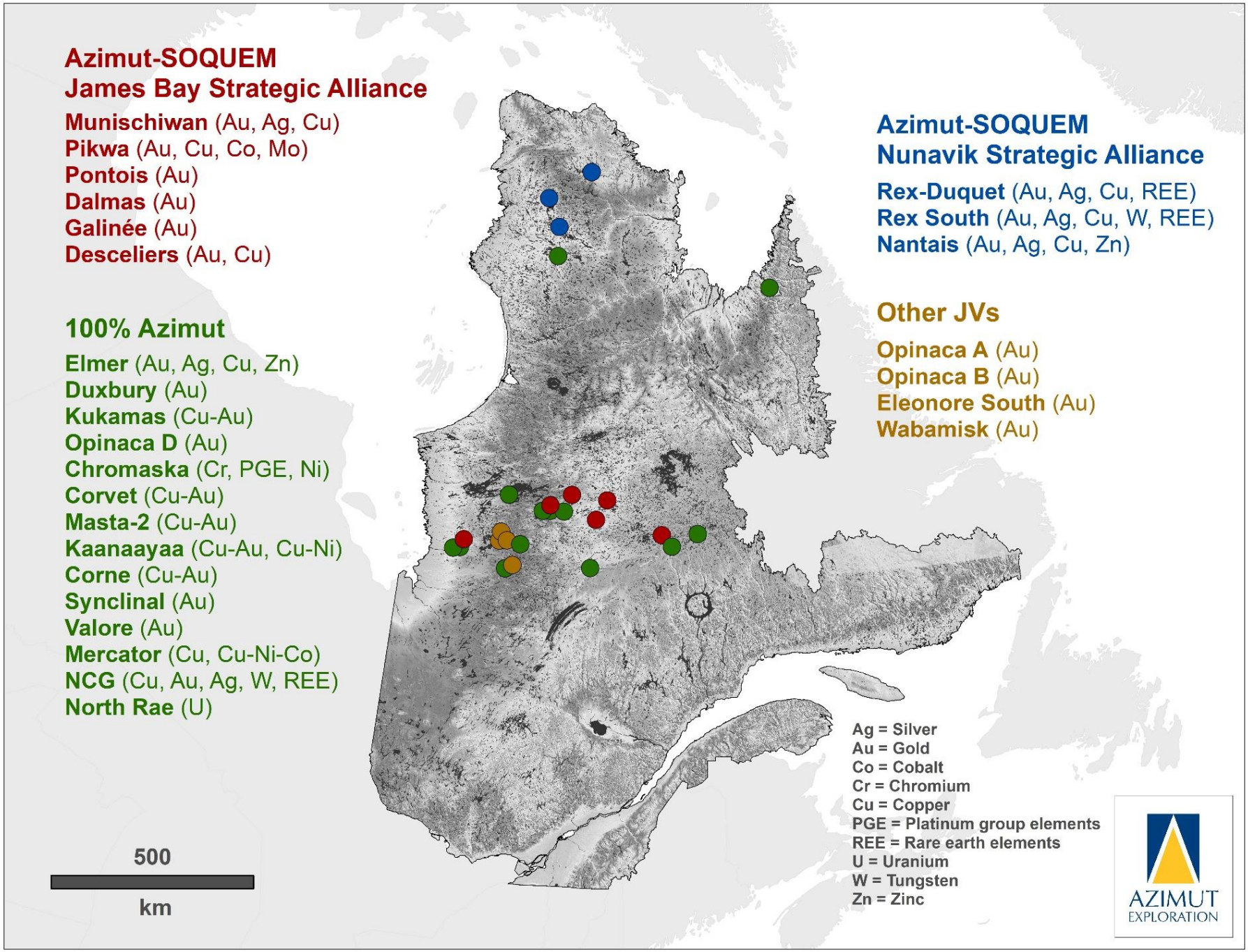


Figure 1: Map of Azimut's exploration property portfolio in Quebec.

Change in E&E assets – Q1 2020

Mineral property	Net book value as at August 31, 2019 $	Acquisition costs: Claims & permits $	Exploration costs: Geochem. surveys $	Geol. surveys $	Geoph. surveys $	Drilling $	Stripping $	Depreciation of property and equipment $	Cost incurred during the period $	Credit on duties refundable for loss and refundable tax credit for resources $	Impairment $	Net book value as at November 30, 2019 $
James Bay												
Opinaca A	68,999	-	-	560	-	-	-	-	560	(220)	-	69,339
Opinaca B	5,855	-	-	925	-	-	-	-	925	(400)	-	6,380
Eleonore South	1,553,227	-	-	1,080	-	2,500	-	8,747	12,327	(1,600)	-	1,563,954
Opinaca D	303,616	-	-	555	-	-	-	-	555	(200)	-	303,971
Wabamisk	26,910	-	3,200	335	-	-	-	-	3,535	(1,500)	-	28,945
Valore	14,041	-	-	160	-	-	-	-	160	(70)	-	14,131
SOQUEM	436,819	-	206,870	236,887	3,900	9,280	55,079	-	512,016	(222,600)	-	726,234
Dalmas	25,366	-	7,109	19,712	-	-	360	-	27,181	(11,800)	-	40,747
Galinée	47,358	-	8,757	1,183	-	-	-	-	9,940	(4,280)	-	53,018
SOQUEM Alliance	24,876	1,080	-	449	-	-	-	-	1,529	(200)	(45)	26,160
Elmer	220,518	-	480	122,811	53,692	275,196	145,811	-	597,990	(260,000)	-	558,508
Duxbury	112,263	-	25	2,372	-	-	-	-	2,397	(1,100)	-	113,560
Kukamas	83,196	-	-	280	-	-	-	-	280	(110)	-	83,366
Kaanaayaa	65,507	-	-	320	-	-	-	-	320	(125)	-	65,702
Others	40,708	-	-	160	-	-	-	-	160	(70)	-	40,798
Total – Gold	3,029,260	1,080	226,441	387,788	57,592	286,976	201,250	8,747	1,169,874	(504,275)	(45)	3,694,813
Chromaska	-	-	-	1,044	-	794	-	-	1,838	(800)	(1,037)	-
Total – Chromium-PGE	-	-	-	1,044	-	794	-	-	1,838	(800)	(1,037)	-
Cawachaga	-	-	-	-	-	-	-	-	-	-	-	-
Mercator	53,908	-	-	120	-	-	-	-	120	(50)	-	53,978
Other	31,258	-	-	160	-	-	-	-	160	(70)	-	31,348
Total – Base Metal	85,166	-	-	280	-	-	-	-	280	(120)	-	85,326
Total – James Bay	3,114,426	1,080	226,441	389,112	57,592	287,770	201,250	8,747	1,171,992	(505,195)	(1,082)	3,780,140
Nunavik												
Rex	1,122,956	-	-	-	-	-	-	379	379	-	-	1,123,335
Duquet	16,057	-	-	-	-	-	-	-	-	-	-	16,057
Rex South	550,722	-	-	-	-	-	-	439	439	-	-	551,161
NCG	120	-	-	-	-	-	-	-	-	-	-	120
Nantais	196,162	-	-	-	-	-	-	-	-	-	-	196,162
Total – Gold & Polymetallic	1,886,017	-	-	-	-	-	-	818	818	-	-	1,886,835
North Rae	-	-	-	120	-	-	-	-	120	(50)	(70)	-
Total - Uranium	-	-	-	120	-	-	-	-	120	(50)	(70)	-
Total – Nunavik	1,886,017	-	-	120	-	-	-	818	938	(50)	(70)	1,886,835-
Total – E&E assets	5,000,442	1,080	226,441	389,232	57,592	287,770	201,250	9,565	1,172,930	(505,245)	(1,152)	5,666,975

Change in E&E assets – Q1 2019

Mineral property	Net book value as at August 31, 2018 $	Acquisition costs: Claims & permits $	Exploration costs: Geochem. surveys $	Geol. surveys $	Geoph. surveys $	Drilling $	Admin. & other $	Depreciation of property and equipment $	Cost incurred during the period $	Impairment $	Net book value as at November 30, 2018 $
James Bay											
Opinaca A	63,591	-	1,886	573	-	-	-	-	2,459	-	66,050
Opinaca B	5,230	-	-	625	-	-	-	-	625	-	5,855
Eleonore South	1,070,926	-	226	3,631	19	5,061	(13)	8,747	17,671	-	1,088,597
Opinaca D	274,981	6,830	15,286	909	-	-	-	-	23,025	-	298,006
Wabamisk	20,238	-	-	1,875	-	-	-	-	1,875	-	22,113
Valore	69,943	-	22	350	-	-	-	-	372	-	70,315
SOQUEM	4	-	-	-	-	-	-	-	-	-	4
Dalmas	162	-	-	-	-	-	-	-	-	-	162
Galinée	163	-	-	-	-	-	-	-	-	-	163
SOQUEM Alliance	30,450	1,188	-	-	-	-	-	-	1,188	-	31,638
Elmer	22,264	8,166	-	31,233	6,338	-	-	-	45,737	-	68,001
Kaanaayaa	-	47,217	-	70	-	-	-	-	47,287	-	47,287
Others	86,845	594	-	32,991	-	-	-	-	33,585	-	120,430
Total – Gold	1,644,797	63,995	17,420	72,257	6,357	5,061	(13)	8,747	173,824	-	1,818,621
Chromaska	814,281	-	-	4,034	25	5,490	-	-	9,549	-	823,830
Total – Chromium-PGE	814,281	-	-	4,034	25	5,490	-	-	9,549	-	823,830
Cawachaga	6,729	-	-	-	-	-	-	-	-	-	6,729
Total – Base Metal	6,729	-	-	-	-	-	-	-	-	-	6,729
Total – James Bay	2,465,807	63,995	17,420	76,291	6,382	10,551	(13)	8,747	183,373	-	2,649,180
Nunavik											
Rex	1,115,610	-	-	1,450	-	-	-	(741)	709	-	1,116,319
Duquet	4,056	3,549	-	-	-	-	-	-	3,549	-	7,605
Rex South	522,459	7,691	-	2,708	-	-	-	(761)	9,638	-	532,097
Nantais	160,339	-	-	892	22	-	-	-	914	-	161,253
Qassituq	4,408	-	-	-	-	-	-	-	-	-	4,408
Total – Gold & Polymetallic	1,806,872	11,240	-	5,050	22	-	-	(1,502)	14,810	-	1,821,682
North Rae	-	132	-	-	-	-	-	-	132	(132)	-
Total - Uranium	-	132	-	-	-	-	-	-	132	(132)	-
Total – Nunavik	1,806,872	11,373	-	5,050	22	-	-	(1,502)	14,943	(132)	1,821,682
Total – E&E assets	4,272,679	75,367	17,420	81,341	6,404	10,551	(13)	7,245	198,315	(132)	4,470,862

JAMES BAY REGION

Since Azimut performed its initial mineral potential modelling across the Eeyou Istchee James Bay Territory (the "James Bay region") in 2003, it has become one of the most active areas for gold exploration in Canada and remains a strategic priority for the Company. Azimut's current portfolio in the region (Figure 2) comprises twenty-three (23) properties, including six (6) JV projects and four (4) projects held by SOQUEM for which Azimut has a back-in option. Ownership and the main target commodities are summarized in the list below. See text for detailed descriptions of the properties and agreements.

Eleonore Gold Camp – Gold

Opinaca A	Agreement with Everton Resources Inc. ("Everton")
Opinaca B	Agreement with Everton and Hecla Quebec Inc. ("Hecla", formerly Aurizon)
Eleonore South	Three-party agreement with Eastmain Resources Inc. ("Eastmain Resources") and Les Mines Opinaca Ltée, a wholly owned subsidiary of Newmont Goldcorp Inc. ("Newmont Goldcorp", formerly Goldcorp Inc.)
Opinaca D	100% Azimut

Eastmain Reservoir Area – Gold

Wabamisk	Agreement with Newmont Goldcorp

Eastmain Reservoir Area – Chromium

Chromaska (Cr-PGE-Ni)	100% Azimut

Alliance with SOQUEM – Gold

Munischiwan	100% SOQUEM
Pikwa	100% SOQUEM
Pontois	100% SOQUEM
Desceliers	100% SOQUEM
Galinée	JV with SOQUEM
Dalmas	JV with SOQUEM

Others – Gold

Elmer (gold-polymetallic)	100% Azimut
Duxbury (gold)	100% Azimut
Kaanaayaa (gold-copper)	100% Azimut
Kukamas (copper-gold)	100% Azimut
Masta-2 (copper-gold)	100% Azimut
Corvet (copper-gold)	100% Azimut
Valore (gold)	100% Azimut
Synclinal (gold)	100% Azimut

Others – Base Metals

Cawachaga (zinc)	100% Azimut
Mercator (copper-polymetallic)	100% Azimut
Corne (copper-gold)	100% Azimut

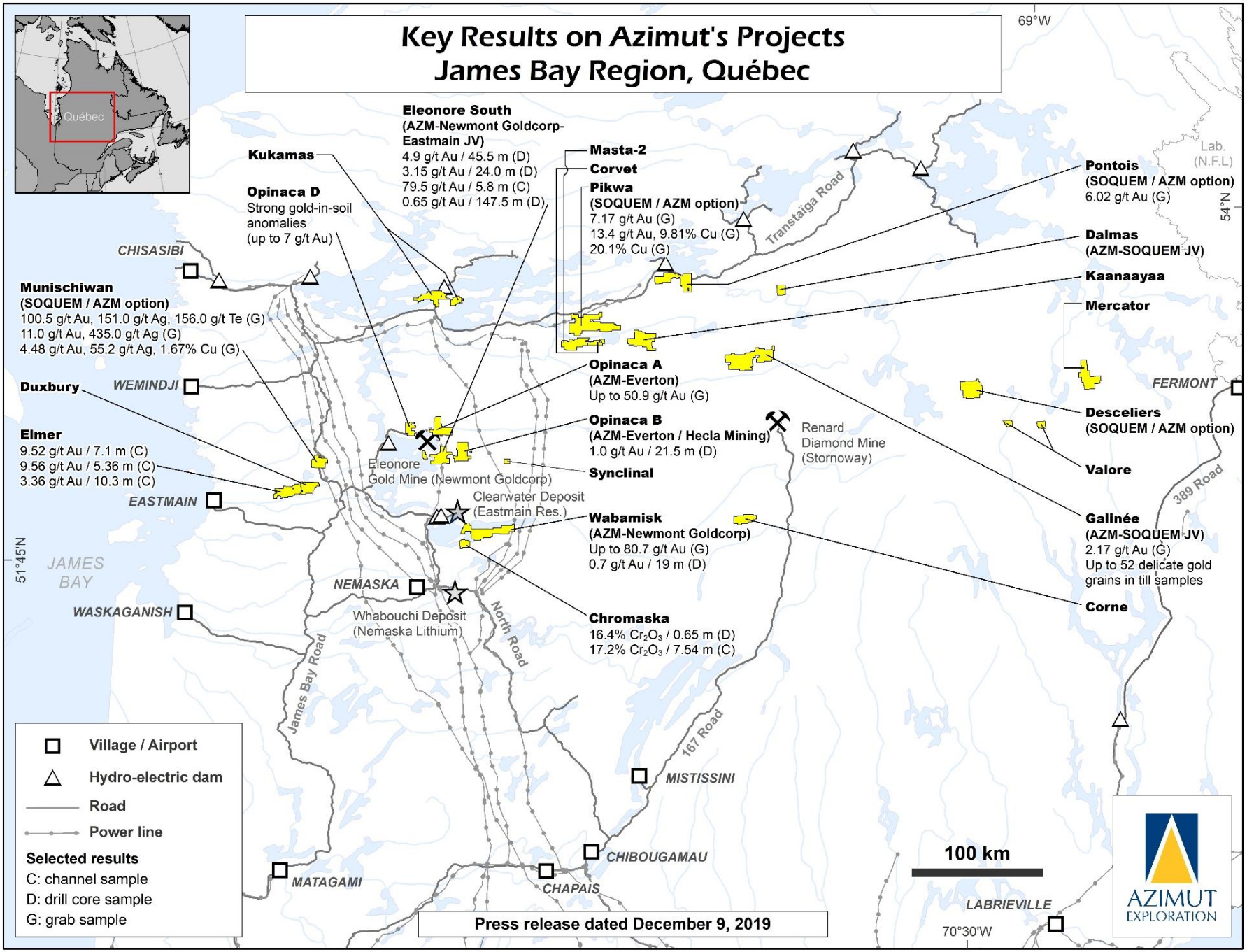


Figure 2: The Company's project portfolio in the James Bay region of Northern Québec. Azimut has a back-in option on the four SOQUEM properties.

ELEONORE CAMP – GOLD

In 2004, Virginia Mines Inc. (now Osisko Exploration James Bay Inc. ("Osisko Exploration James Bay")) discovered the Roberto gold deposit (Eleonore mine; Figures 2 and 3) at a distance of 320 kilometres from Matagami and 176 kilometres from the town of Eastmain. The project was acquired by Newmont Goldcorp in 2006 and the mine poured its first gold bar on October 1, 2014. The mine reached commercial production on April 1, 2015 and gold production guidance was 360,000 ounces for 2018 (Newmont Goldcorp website).

The NI 43-101 mineral reserve and resource statement as at June 30, 2018, estimated proven and probable reserves of 17.78 Mt at 5.69 g/t Au for 3.25 Moz of gold, measured and indicated resources of 3.17 Mt at 5.03 g/t Au for 0.51 Moz of gold, and inferred resources of 3.19 Mt at 5.76 g/t Au for 0.59 Moz of gold (Newmont Goldcorp website).

Azimut acquired extensive holdings both before and after the Eleonore gold discovery based on the targeting results of the Company's gold potential modelling of the entire James Bay region. As a result, Azimut gained one of the leading property positions in the area (Figure 3). Several exploration targets on the Eleonore mine property are close to Azimut's project boundaries, and positive new results have recently been obtained on another adjacent property (see below for details).

Opinaca A Property

The Opinaca A Property (247 claims, 128.7 km^2) is adjacent to Newmont Goldcorp's Eleonore mine property (see Figure 3). In March 2010, Everton earned its 50% interest in the property. In September 2010, the property became subject to a three-party agreement between Azimut, Everton and Hecla covering both the Opinaca A and B properties, but this agreement was later amended on November 14, 2014, to exclude all claims comprising the Opinaca A Property.

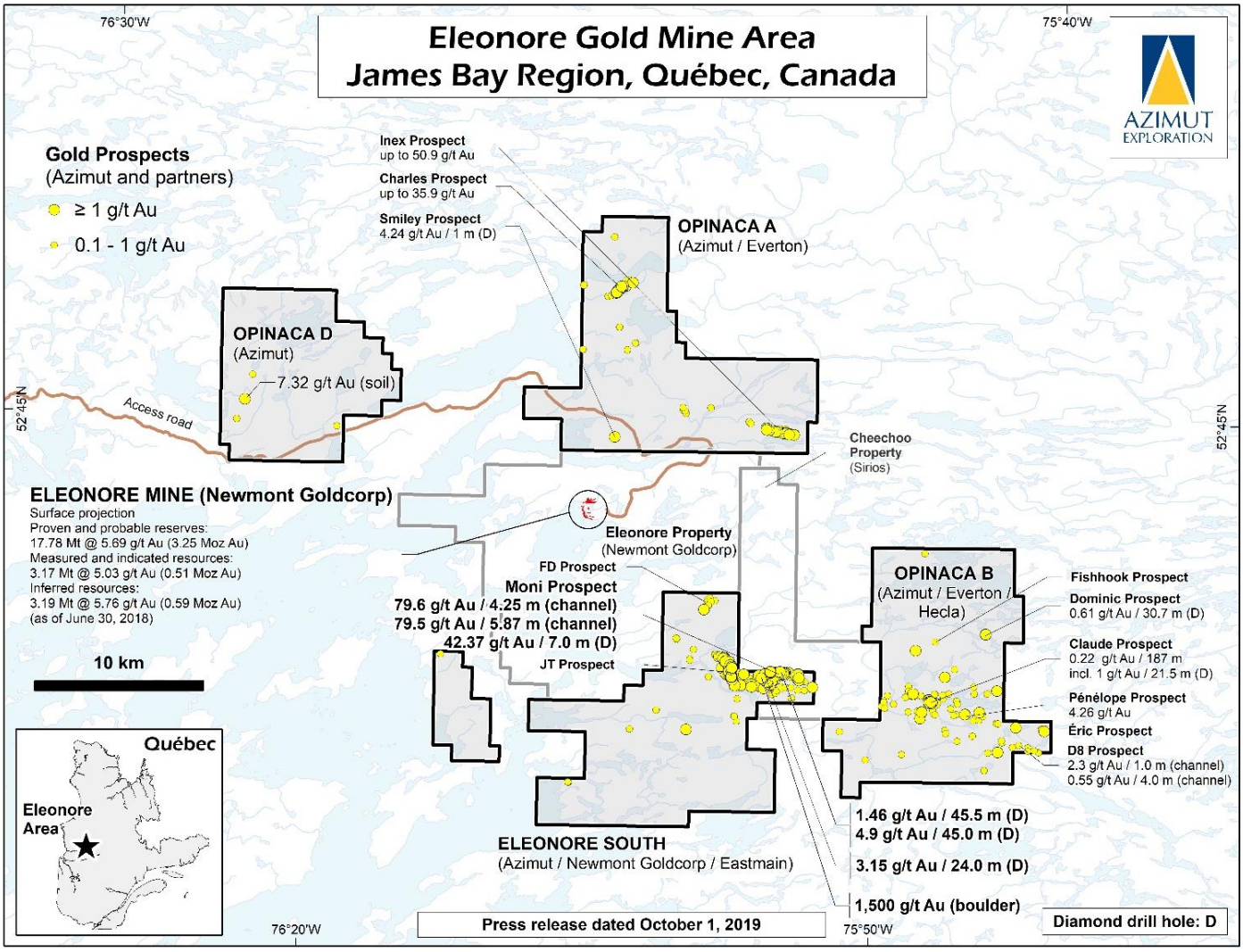


Figure 3: Azimut's gold properties in the Eleonore Gold Camp, James Bay region.

Gold potential and exploration programs

A reassessment of the property's gold potential using previous exploration work and new regional information (PR of July 6, 2017) concluded that two major gold prospects (Charles and Inex; see below) may be linked by a 20-kilometre prospective trend defined by geophysical, geological and geochemical parameters, including till anomalies (Figures 3 and 4). This underexplored sector is characterized by: a) the continuity of the magnetic signature between the two prospects; b) arsenic, antimony and bismuth anomalies in lake-bottom sediments ("LBS"); c) gold anomalies in glacial sediments; and d) local evidence of folding that may act as traps for gold mineralization.

The previous exploration program was a combined $850,000 program on the Opinaca A/B properties in 2014, funded and operated by Hecla. The program, which followed up on ground geophysics, prospecting and diamond drilling from 2007-2008, included a $205,000 program on Opinaca A (2,317 m in 9 holes, prospecting, channelling and till sampling), which extended the Charles Prospect and improved target definition in the area. Salient results are summarized in the descriptions below (PRs of August 9 and December 7, 2007, September 2, 2008, and March 19, 2015).

The **Charles Prospect** is a 1-kilometre-long gold prospect hosted in biotite-rich paragneiss with quartz veins and up to 15% sulphides (pyrite, pyrrhotite). Several high-grade gold grab samples were obtained (up to 42.34 g/t Au). The best drill hole intersection was 2.7 g/t Au over 2.0 m (hole AC-07-01).

The **Inex Prospect** is a 1.7-kilometre-long gold prospect associated with a garnet-biotite-amphibole-silica-rich rock hosted in paragneiss. Gold is free or associated with pyrite and pyrrhotite. The best grab samples returned up to 50.9 g/t Au and the best drill hole returned 9.03 g/t Au over 0.6 m (hole OP-06-02).

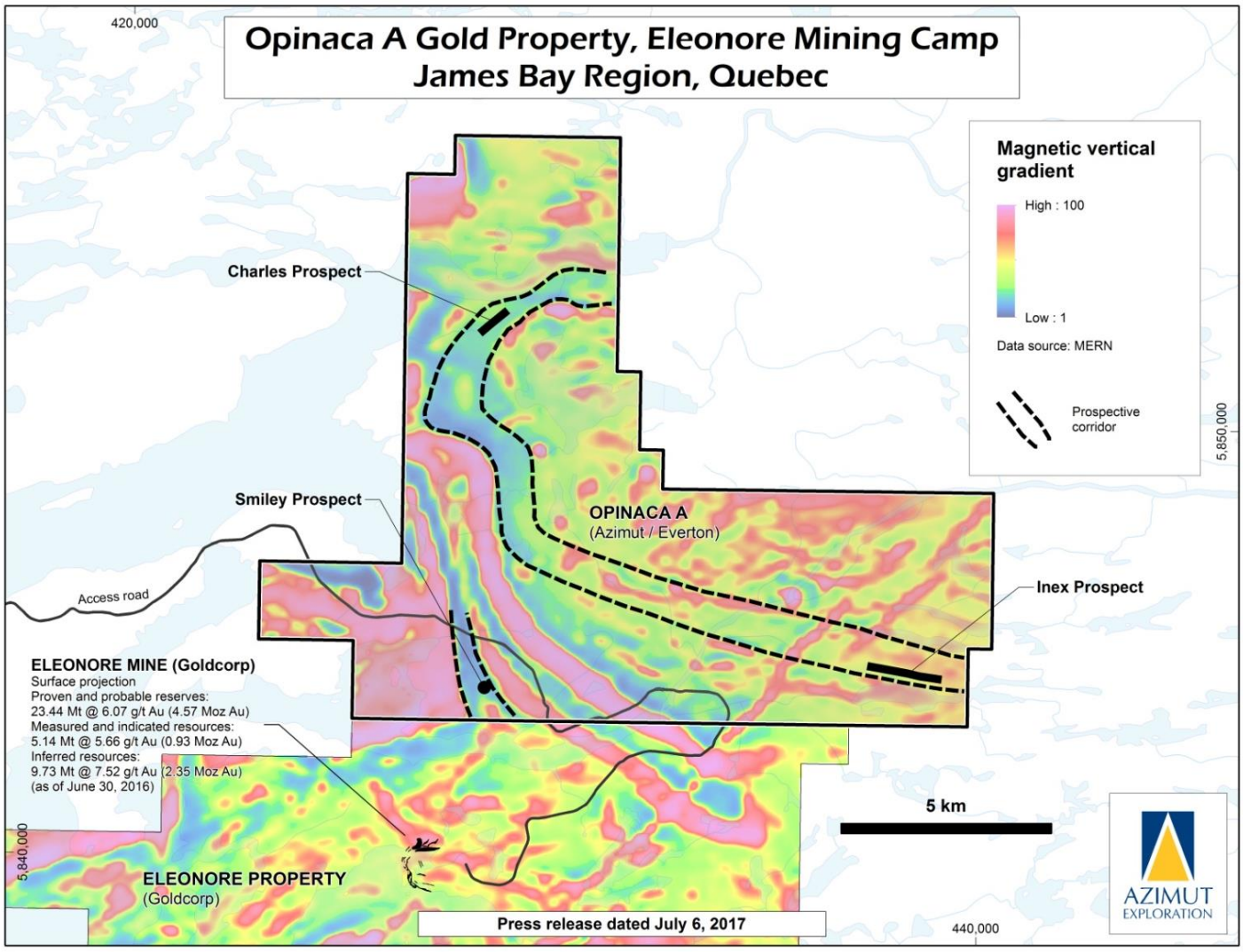


Figure 4: Map of magnetic vertical gradient showing prospective trends on the Opinaca A Property and the location of prospects (see Figure 2 in PR of July 6, 2017, for drill results).

The **Smiley Prospect** (4.24 g/t Au over 1.0 m in hole OS-08-04-A), located 800 metres north of the boundary with the Eleonore mine property, is positioned along an interpreted 2.5-kilometre-long north-trending prospective target supported by magnetic data. It is characterized by a major gold anomaly in till coupled with a gold-arsenic anomaly in soil, and by locally intense alteration in greywackes and paragneiss.

For Q1 2020, Azimut incurred $600 ($2,500 – Q1 2019) in exploration work for the preparation of a work report.

Opinaca B Property

The Opinaca B Property (248 claims, 129.7 km^2) lies approximately 16 kilometres east of Newmont Goldcorp's Eleonore mine and is adjacent to the Cheechoo Gold Project held by Sirios Resources Inc. ("Sirios") (see Figure 3).

In March 2010, Everton earned its 50% interest in the property, and Hecla signed a three-party agreement with Azimut and Everton on the Opinaca A and B properties (PR of September 16, 2010), which was amended in November 2014 to exclude the Opinaca A Property. According to the terms of the amended agreement, Hecla had the option to acquire a 50% interest in the Opinaca B Property by making cumulative cash payments of $580,000 and incurring a total of $6.0 million in exploration work over four (4) years (extended by an additional two (2) years in an amendment on November 15, 2013). Hecla may earn an additional interest of 10%, for a total interest of 60%, by making cumulative cash payments of $300,000 and incurring at least $3 million in exploration expenditures over three (3) years from the election date, and by delivering an independent pre-feasibility study on or before the fourth anniversary. The Company has received cash payments of $290,000 on the first option and will receive $150,000 on the second option, and its resulting interest will be 20%. In addition, in the event that mineral resources of at least 2 million ounces of gold at an average grade of at least 6 g/t Au are discovered before the end of the eighth year of the initial option agreement, Hecla shall make a payment of $1.5 million in Hecla common shares, subject to regulatory approval. Azimut will receive 50% of these issued shares.

Gold potential and exploration programs

The discovery potential of the Opinaca B Property has been strengthened by the announcement by Sirios of a maiden mineral resource estimate on the Cheechoo Property (see *Resource Estimate on Adjacent Property* under Eleonore South Property).

In 2017 and 2018, Hecla-funded exploration included a 2,945-metre (12-hole) diamond drilling program on multiple gold prospects (Dominic, 4 holes; Fishhook, 4 holes; D8, 2 holes; Eric, 1 hole; and Claude, 1 hole), a heliborne magnetic survey of 1,495 line-kilometres, a soil geochemical survey yielding 483 samples, and ground magnetic and electromagnetic surveying (PRs of June 19 and November 9, 2017). Detailed results are provided below.

In 2015 and 2016, Hecla-funded exploration included prospecting (1,021 rock or float grab samples; 96 soil samples), mechanized stripping and trenching in six areas, and channel sampling (202.2 m of samples in 2016 and 153 samples in 2015) (PRs of January 23, 2017 and November 25, 2015).

In 2012, field work with a former partner led to the discovery of the D8, Eric and Penelope prospects. The program comprised 622 line-kilometres of magnetic-EM surveying, 684 soil samples, 243 rock grab samples, 290 channel samples from 258.35 metres of channels, and 93 till samples. Earlier exploration work in 2007 and 2008 by partner Everton included IP and magnetic ground surveys, drilling and prospecting at Claude and Dominic, and diamond drilling at Dominic (PRs of August 9 and December 7, 2007, and September 2, 2008).

Mineralization and exploration results

The most significant results have been obtained from the **Dominic Prospect**, which corresponds to a folded epidote-amphibole-quartz-feldspar vein hosted in metasediments close to a felsic intrusion. Starting in mineralization, hole OP-17-51 intersected 0.61 g/t Au over 30.7 m in a chloritic breccia, including two higher grade intervals: 2.38 g/t Au over 2.0 m and 3.21 g/t Au over 1.7 m. A previous hole yielded 0.6 g/t Au over 1.2 m. Several grab samples from metasedimentary outcrops assayed above 0.1 g/t Au, including 6.1 g/t Au, 4.5 g/t Au and 1.7 g/t Au in pyritized, silicified and chloritized rocks with quartz and pegmatite veins, and 1.4 g/t Au and 1.1 g/t Au in rocks carrying sulphides and/or magnetite. Several channel samples returned values above 0.1 g/t Au, including 1.8 g/t Au over 0.75 m and 1.2 g/t Au over 1.0 m.

The **Fishhook Prospect** is a magnetic anomaly related to an iron-rich sedimentary unit. Drill targets correspond to possible alteration zones and faulting. Hole OP-17-49 returned 1.06 g/t Au over 1.5 m related to a fault zone.

The **D8 Prospect** is characterized by a 20-metre-wide sheared and altered arsenopyrite-tourmaline-rich shear zone in metasediments (0.55 g/t Au over 4.0 m in a trench), amphibolite-hosted quartz veins (channel sample of 2.3 g/t Au over 1.0 m), and a roughly 150- to 200-metre-wide package of IP anomalies. A grab sample from a boulder of chloritized wacke with quartz-feldspar-tourmaline veinlets yielded 3.0 g/t Au.

Mineralization at the **Claude Prospect** is associated with quartz-tourmaline veins and veinlets. Drilling yielded an intersection of 0.22 g/t Au over 187 m (including 1.0 g/t Au over 21.5 m), grab samples returned 5.8 g/t Au and 4.3 g/t Au, and a channel graded 2.4 g/t Au over 0.5 m.

Mineralization at the **Eric Prospect** is related to calc-silicate (altered) sediments and arsenopyrite-tourmaline-bearing pegmatites within a kilometre-scale arsenic-gold soil geochemistry target. Eight (8) grab samples assayed above 0.1 g/t Au, including two above 0.5 g/t Au. Only marginal values were obtained in a single hole in 2017.

The **Penelope Prospect** yielded 10 grab samples with grades above 0.1 g/t Au, including four with values above 0.5 g/t Au up to 4.26 g/t Au. Mineralization is associated with quartz-tourmaline veins and veinlets.

As at November 30, 2019, Hecla had earned its 50% interest in the Opinaca B property by making cumulative cash payments of $580,000 ($580,000 – Q1 2019) and had incurred a total of $6.0 million in work expenditures. Azimut has received $290,000 ($290,000 – Q1 2019) in cash payments, reflecting its 50% interest in the property.

Eleonore South Property

The Eleonore South Property (282 claims in 2 blocks, 147.6 km^2) is located in a highly prospective part of the Eleonore mining camp, about 10 kilometres south of Newmont Goldcorp's Eleonore gold mine (see Figure 3). The Property is covered by a three-party agreement between Azimut, Les Mines Opinaca Ltée (a wholly-owned subsidiary of Newmont Goldcorp) and Eastmain Resources (see *Ownership* for details). Part of the property (116 claims, 60.3 km^2) is subject to a royalty agreement signed with three companies: Goldcorp (now Newmont Goldcorp), Les Mines Opinaca Ltée (formerly Virginia Gold Mines Inc.) and Osisko Exploration James Bay.

Recent joint exploration programs

The property has been the subject of three major exploration programs from 2016 to 2019 totalling $8.4 million. Figures 5 to 7 show the highlights of the drilling, prospecting and channeling results from these programs.

The Fall 2018–Winter 2019 program comprised the following work (PR of October 1, 2019):

- 2,000 metres of mechanized trenching to expose gold mineralization and alteration in the tonalite intrusion and along the intrusion-metasediment contact (1,250 m of trenching), and to expose the southwestern extensions of the high-grade Moni Prospect (750 m of trenching);
- A 2-month helicopter-supported mapping, prospecting and soil geochemistry program to develop additional targets in the southern and central parts of the property, as well as other targets related to metavolcanics in the western part;
- 7,365 metres of diamond drilling in 26 holes (see *2018-2019 Drilling Results* below) focusing on the Cheechoo tonalite over a 1.3-kilometre strike length, testing the southern and western extensions of gold mineralization along the Contact and Moni trends.

The 2016–2017 and 2017–2018 programs comprised 76 diamond drill holes for 15,134 metres, along with detailed prospecting, stripping, channel sampling (Figure 8), LBS geochemistry and a high-definition heliborne magnetic survey (980 line-km at 25-m line spacing) (PRs of June 16, 2016; August 9, 2017; February 27, July 18 and September 11, 2018).

Gold mineralization

Since 2016, surface exploration work and diamond drilling have focused on a large tonalite-hosted gold-bearing system in the eastern part of the property. The gold corridor is at least 2 kilometres long by 600 to 700 metres wide within the Cheechoo tonalite intrusion and up to its contact with the surrounding metasedimentary rock. Mineralization extends towards the Sirios discovery on the adjacent Cheechoo Property to the northeast (details below) and is open to the southwest (see Figure 5). The corridor is characterized by consistent anomalous gold values (>0.5 g/t Au) and several networks of quartz veins and veinlets, strong sodic alteration, very low sulphide concentrations (<0.5%) and frequent native gold grains. Two higher-grade trends within the mineralized envelope – the Contact Trend and Moni Trend – are described in detail below.

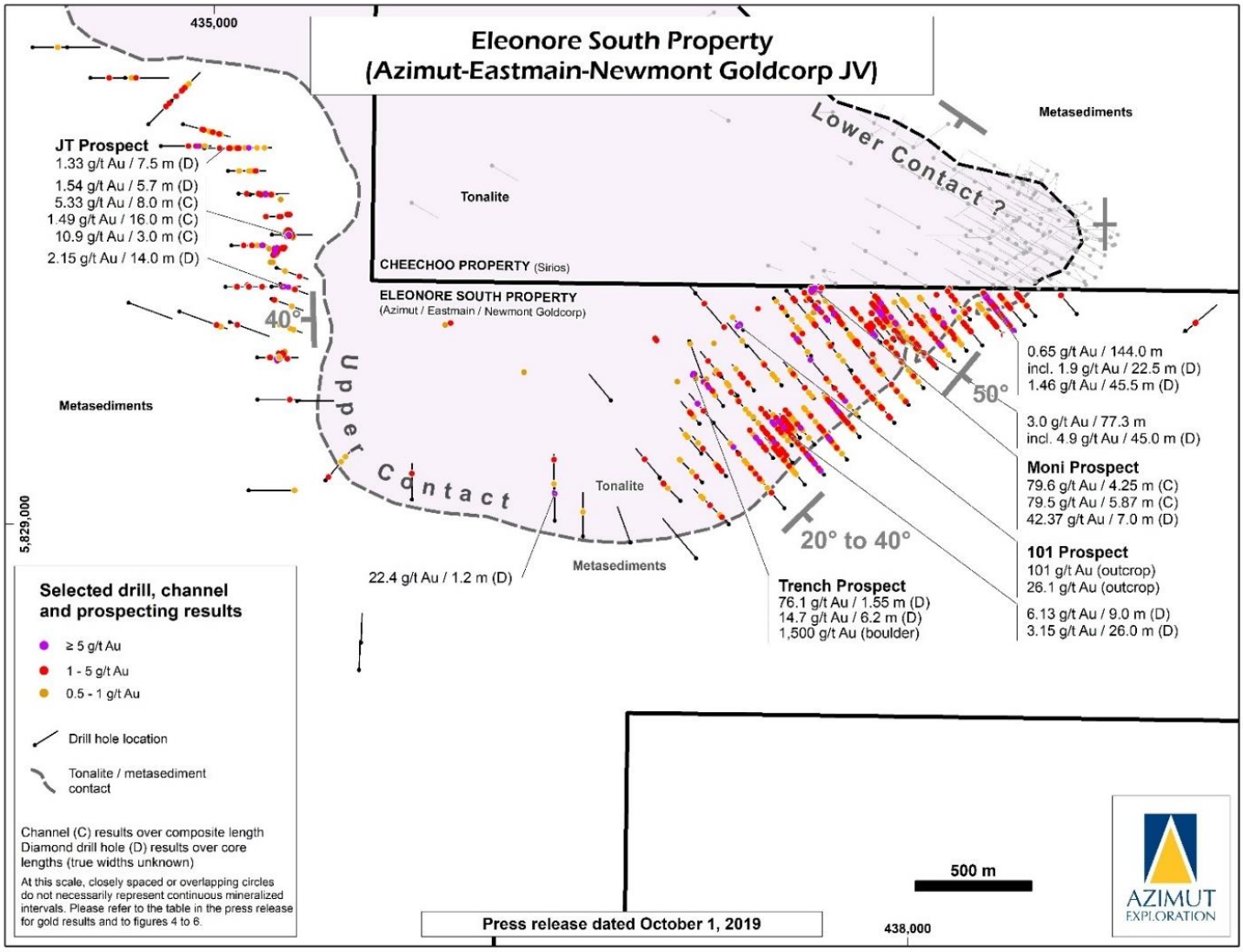


Figure 5: Map of the tonalite-metasedimentary contact on the Eleonore South Property showing selected drill, channel and prospecting results on the Moni and Contact trends (right) and the JT Prospect (left).

The JT Prospect to the west (described below; see Figure 6) is hosted in a metasedimentary sequence near the intrusive-metasedimentary contact. Previous drill results indicate that the Cheechoo tonalite is also mineralized in this area. This may indicate a potential extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long.

Moni Trend

This 1.8-kilometre-long northeast-striking trend is about 500 metres from the metasedimentary contact and includes the Moni, 101 and Trench prospects. It is characterized by a system of pegmatitic quartz-feldspar veins and quartz-dominant veins with interstitial feldspar, carrying native gold and very low sulphide contents. The vein systems within the trend remain open at depth and laterally.

Moni Prospect

This high-grade quartzofeldspathic vein system hosted in strongly altered tonalite starts at surface and has been drill-tested to a vertical depth of 40 metres along a 60-metre strike length.

Mineralized facies vary laterally from grey or black quartz veins to a quartzofeldspathic pegmatite carrying trace to 1-2% sulphides (mostly arsenopyrite with lesser pyrite, pyrrhotite), and small amounts of tourmaline and scheelite. Alteration minerals are silica, albite, biotite and chlorite. To date, 345 native gold grains have been observed in 42 of the 82 channel samples collected (see below for more details), as well as over 20 drill holes. The tonalite is pervasively altered (albite, silica) and displays a network of regularly spaced quartz veins and veinlets of variable widths, with feldspathic selvages

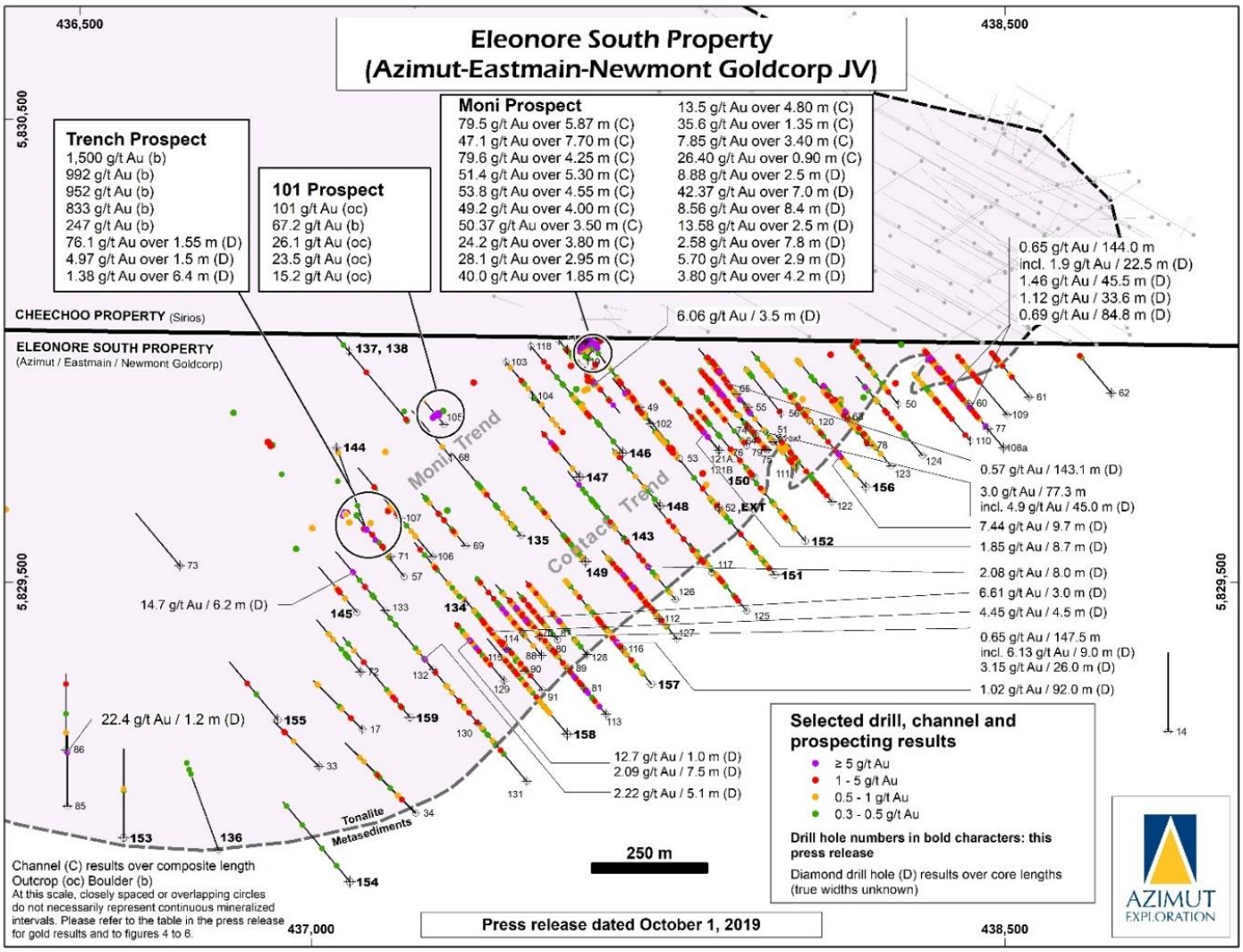


Figure 6: Details of the Moni and Contact trends showing selected drill, channel and prospecting results.

(sheeted veins). The system is oriented NE-SW, shows evidence of folding, and is roughly parallel to the trend of steeply dipping foliation.

Closely spaced drill holes on the Moni Prospect reveal a pegmatitic vein with good geometric continuity. Gold values generally reflect the presence of native gold. The information from these holes suggests that other Moni-type gold-bearing veins may show similar continuity.

101 Prospect

This prospect is located 400 metres to the southwest of the Moni Prospect. Mineralization is related to a network of quartz-feldspar pegmatitic veins and veinlets carrying native gold in strongly altered tonalite, striking NE-SW with a subvertical dip. Previous outcrop sampling returned up to 101 g/t Au. In 2017, a prospecting program yielded high-grade grab samples from the 101 Prospect (PR of November 16, 2017), including four (4) with grades above 15 g/t Au (15.2 to 67.2 g/t Au). Grab samples are selective by nature and unlikely to represent average grades.

Trench Prospect

The Trench Prospect is located 650 metres southwest of the Moni Prospect (250 m southwest of the 101 Prospect). The very high-grade samples (up to 1,500 g/t Au) were obtained from angular boulders of quartz-feldspar-(biotite) pegmatitic veins with native gold. These samples may correspond to a larger dismantled boulder. Mineralized tonalite boulders with arsenopyrite are also found in close proximity. Previous prospecting returned 247 g/t Au from a boulder in the same area, which is marked by a strong gold-arsenic soil anomaly. It is believed these mineralized boulders come from a nearby source. In 2017, a prospecting program yielded high-grade grab samples from the Trench Prospect (PR of November 16, 2017), with four (4) grading above 800 g/t Au (833 to 1,500 g/t Au).

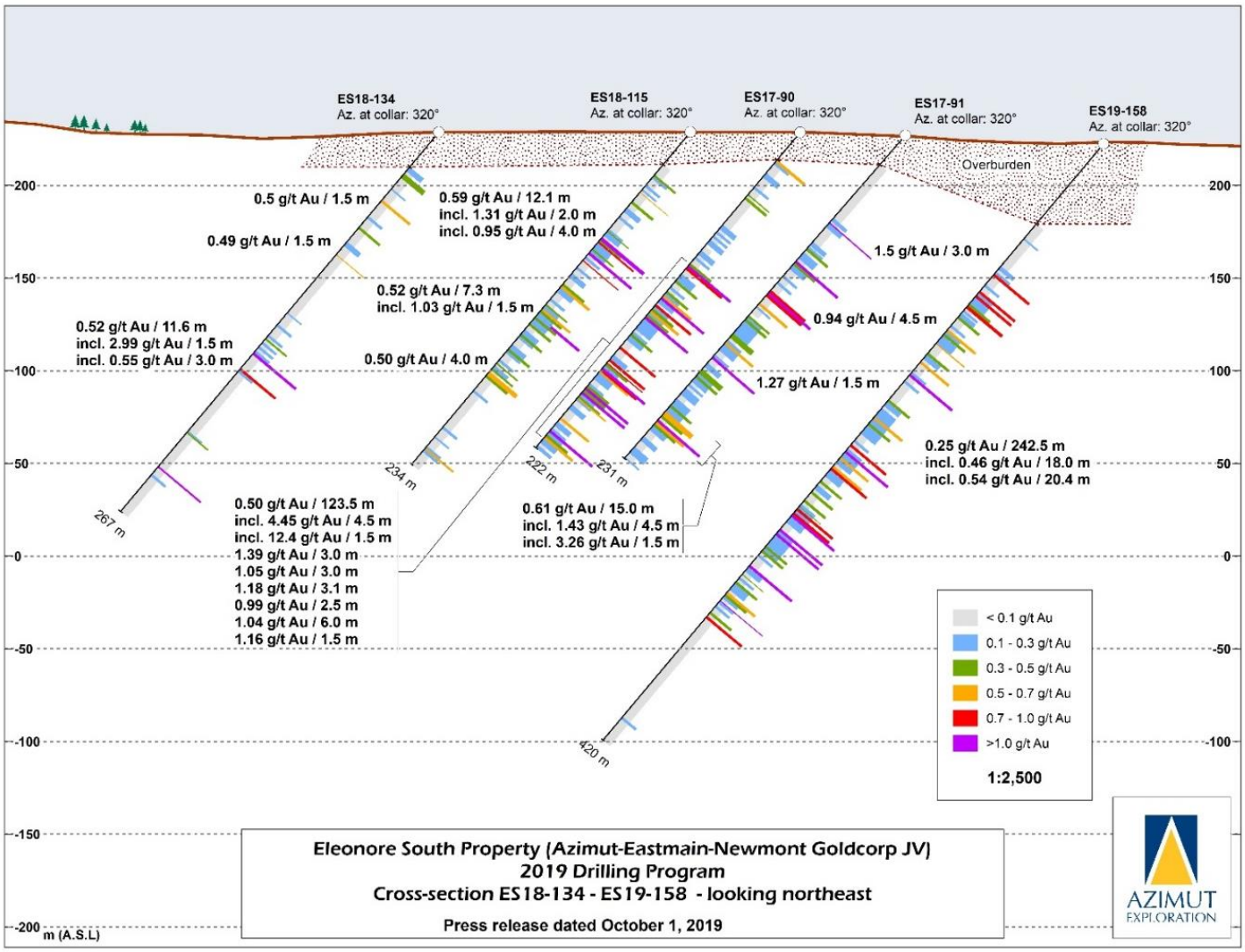


Figure 7: Cross-section showing diamond drill holes on the Eleonore South Property.

Contact Trend

This mineralized and altered envelope of variable thickness in tonalite ranges from several tens of metres to over 100 metres thick in core length, with continuous intervals of anomalous gold values. Drilling confirms the presence of consistent gold mineralization along a zone at least 1.4 kilometres long and 150 to 300 metres wide, adjacent to the contact with the surrounding metasedimentary rocks. Results show reasonably good geometric continuity to the gold mineralization and zones remain open down dip and along strike. Mineralization is characterized by clusters of quartz-albite-biotite stockworks accompanied by arsenopyrite, pyrrhotite, pyrite, scheelite and native gold. The intrusive shows evidence of foliation and folding, and the injections of mafic dykes (described as lamprophyres) are also deformed.

JT Prospect

This gold prospect is located 2.5 to 3 kilometres to the west of the Contact and Moni trends. The sedimentary sequences in this area display comparable characteristics with the stratigraphy hosting the Eleonore gold mine located 12 kilometres to the northwest. At the JT Prospect, gold was identified in the metasedimentary rocks above the tonalite-metasedimentary contact. Results from some historical drill holes indicate that the Cheechoo tonalite is also mineralized in this area (including 2.15 g/t Au over 14.0 m in hole ES08-12). Gold intersections in tonalite near the intrusive-metasedimentary contact may be an extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long.

2018-2019 Drilling Results

The most recent drilling program tested the southern and western extensions of the Contact and Moni trends. Highlights include 7.44 g/t Au over 9.7 m, incl. 63.3 g/t Au over 0.8 m (hole ES19-156, Contact Trend) and 1.02 g/t Au over 92.0 m,

incl. 7.36 g/t Au over 8.2 m (hole ES19-157, Contact Trend). The descriptions and table below were taken from the PR of October 1, 2019.

Drilling along the Contact Trend

Nine (9) holes (ES19-150 to ES19-152 and ES19-154 to ES19-159) tested the Contact Trend to establish continuity.

Hole ES19-156 intersected a section grading 7.44 g/t Au over 9.7 m. Gold mineralization in this interval is distributed in altered tonalite (12.2 g/t Au from 140.3 m to 141.1 m), lamprophyre (63.2 g/t Au from 144.7 m to 145.5 m) and pegmatite (3.86 g/t Au from 141.1 m to 142 m).

Hole ES19-157 returned 1.02 g/t Au over 92.0 m in altered tonalite cut by several units of altered pegmatite and lamprophyre. This mineralized section includes an interval of 7.36 g/t Au over 8.2 m related to deformed and altered lamprophyre dykes with quartz veining. Similar intersections of mineralized and altered tonalite intruded by pegmatites have been reported in most of the holes drilled in this sector.

Drilling along the Central Tonalite (area between the Moni and Contact trends)

Nine (9) holes (ES18-134, ES18-135, ES18-143, ES18-145 to ES19-149 and ES19-155) and one (1) extension (ES19-052 EXT) tested the relatively undrilled section of the Cheechoo tonalite between the Moni and Contact trends.

Holes ES18-143 and ES19-147 were drilled along a section northwest of hole ES18-128 to test the extension of the Contact Trend to the north. Each hole intersected a high-grade interval at depth: 8.12 g/t Au over 1.5 m (ES18-143), and 16.7 g/t Au over 1.5 m (ES19-147).

Drilling along the Western Tonalite Contact and the JT Prospect

Three (3) holes (ES18-136, ES19-153 and ES19-154) tested the western extension of the Contact Trend approximately 500 metres west of hole ES17-90 (0.5 g/t Au over 123.5 m). The holes encountered moderately altered tonalite with locally strong foliation but did not intersect significant anomalous gold mineralization.

Holes ES18-139 to ES18-142 investigated the JT Prospect about 3 kilometres west of the Contact and Moni trends. These holes tested the Cheechoo tonalite by drilling through the JT meta-sedimentary package in the vicinity of historical hole ES08-12 (2.15 g/t Au over 14 m). The best intercept is 28.3 g/t Au over 0.5 m (ES18-140) related to a narrow sulfide vein hosted in meta-greywacke close to a pegmatitic contact.

Hole	Zone	From (m)	To (m)	Length[1] (m)	Grade[2] (g/t Au)	Vertical Depth[3] (m)
2019 Program						
ES19-052EXT	Central Tonalite	239.0	264.5	25.5	0.61	192
		incl. 239	245.0	6.0	1.14	
ES19-147	Central Tonalite	130.5	138.1	7.6	1.03	103
		incl. 137.1	138.1	1.0	2.32	
		150.0	151.5	1.5	15.7	116
ES19-149	Central Tonalite	14.1	105.0	90.9	0.23	45
ES19-150	Contact Trend	11.5	29.0	17.5	0.53	15
		incl. 11.5	13.6	2.1	2.50	
		277.5	292.0	14.5	0.45	218
ES19-152	Contact Trend	91.5	124.5	33.0	0.45	83
		incl. 103.5	105.0	1.5	2.84	
ES19-156	Contact Trend	**140.3**	**150.0**	**9.7**	**7.44**	111
		incl. 140.3	141.1	0.8	12.2	
		incl. 144.7	**145.5**	**0.8**	**63.2**	
		385.5	400.5	15.0	0.84	301
		incl. 394.5	396.0	1.5	4.83	
ES19-157	Contact Trend	**157.0**	**249.0**	**92.0**	**1.02**	155
		incl. 179	**187.2**	**8.2**	**7.36**	
ES19-158	Contact Trend	91.5	334.0	242.5	0.25	162
		incl. 211.5	229.5	18.0	0.46	
		incl. 255.1	**275.5**	**20.4**	**0.54**	

Hole	Zone	From (m)	To (m)	Length[(1)] (m)	Grade[(2)] (g/t Au)	Vertical Depth[(3)] (m)
2018 Program						
ES18-134	Contact Trend	47.5	49.0	1.5	0.50	37
		66.5	68.0	1.5	0.49	52
		144.9	156.5	11.6	0.52	115
		incl. 155.0	156.5	1.5	2.99	
		166.0	169.0	3.0	0.55	125
		235.0	236.0	1	3.16	180
ES18-135	Central Tonalite	46.3	47.1	0.8	0.84	36
		75.3	76.5	1.2	0.96	58
		96.1	99.0	2.9	0.77	75
		178.5	183.0	4.5	0.66	138
ES18-138	Moni–101 Trend	90.1	91.5	1.4	1.36	70
		297.5	299.0	1.5	1.20	228
ES18-139	JT Prospect	60.0	61.5	1.5	0.89	47
		163.5	165.0	1.5	2.44	126
ES18-140	JT Prospect	57.4	57.9	0.5	28.3	44
		95.8	107.7	11.9	0.43	78
		incl. 104.7	107.7	3.0	0.97	
ES18-141	JT Prospect	17.5	18.9	1.4	2.35	14
		23.2	24.4	1.2	0.88	18
		143.1	144.5	1.4	0.67	110
ES18-142	JT Prospect	16.0	17.3	1.3	0.63	13
		60.0	61.5	1.5	0.73	47
		72.0	73.5	1.5	0.48	56
		137.0	138.5	1.5	0.53	106
		162.5	164.0	1.5	0.64	125
ES18-143	Contact Trend	48.5	49.3	0.8	0.75	37
		62.4	76.8	14.4	0.32	53
		incl. 73.5	76.8	3.3	0.76	
		203.0	204.5	1.5	0.45	156
		219.5	221.0	1.5	0.5	169
		238.5	240.0	1.5	8.12	183
ES18-144	Moni–101 Trend	206.5	207.7	1.2	0.41	159
ES18-145	Central Tonalite	60.0	63.0	3.0	0.61	47
		86.8	100.5	13.7	0.37	72
		incl. 86.8	90.6	3.8	0.67	
		incl. 97.0	100.5	3.5	0.63	
		106.8	108.0	1.2	0.78	82

Notes: (1) Intervals represent core lengths. True widths have not yet been determined; (2) Assays are not capped; (3) Vertical depth is measured from surface to the mid-point of the reported interval.

Exploration model

Several key factors point toward a reduced intrusion-related deposit type for the gold-bearing system identified at Eleonore South (see PR of July 18, 2018). The Fort Knox mine in Alaska (Kinross Gold Corporation) and the Côté Lake Project in Ontario (IAMGOLD) are useful examples of large-scale intrusion-related gold deposits. In this scenario, assessing the geometry of the intrusion and the surrounding metasedimentary rock is critical given that the tops of intrusions are typically viewed as highly prospective.

The 2.61 billion-year-old Cheechoo tonalite, late in the geological sequence, is interpreted to be a mushroom-shaped intrusion with a roughly tabular top 450 to 500 metres thick, with a shallow to moderate dip to the south along its southern contact and a moderate dip to the west along its western contact (JT Prospect area). The current interpretation suggests the intrusion has not been overturned. The Contact Trend is interpreted as a decompression stockwork zone close to the top of the intrusion.

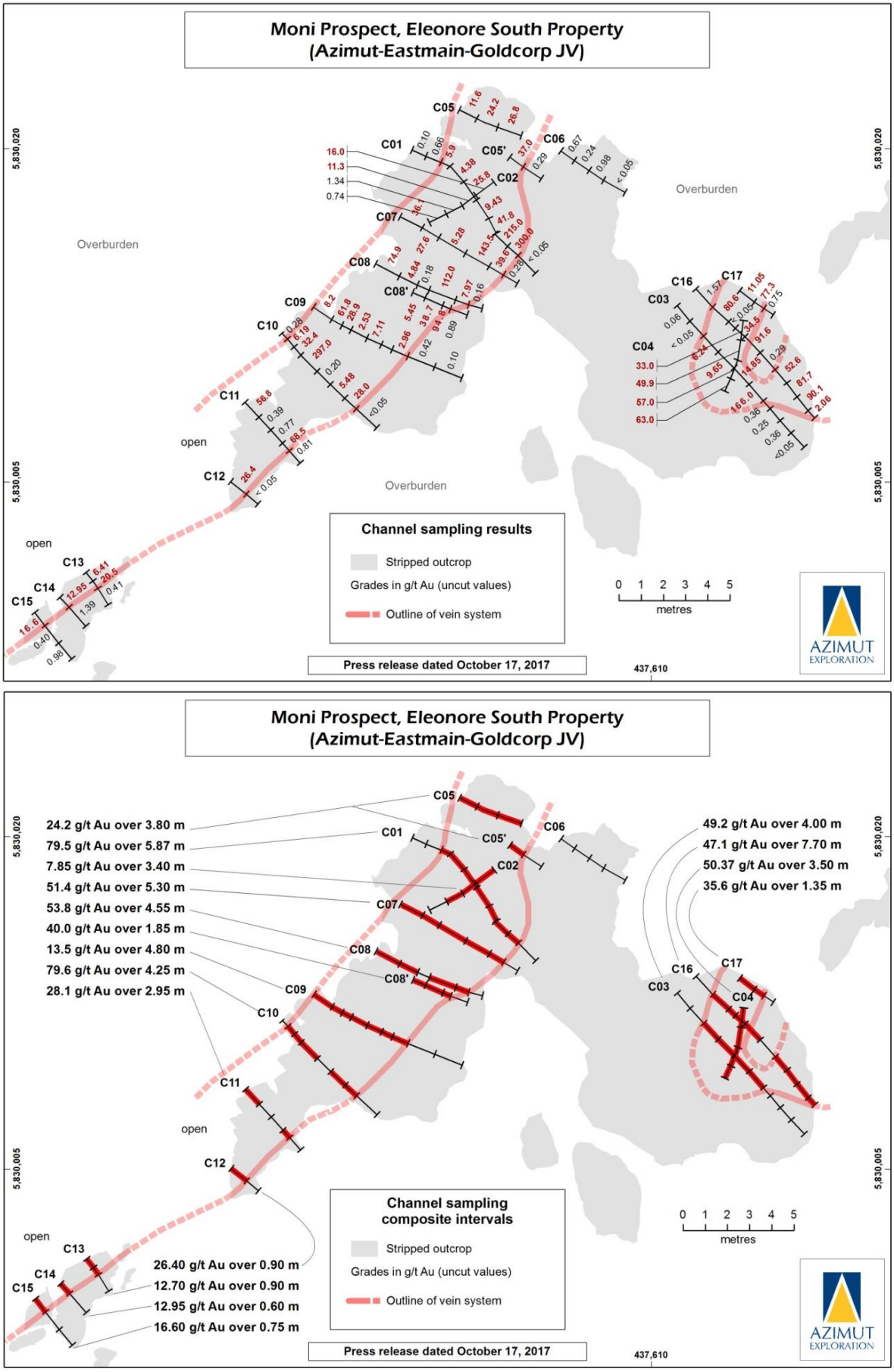


Figure 8: Map of the Moni Prospect showing individual channel sample results (top) and composite intervals (bottom).

Resource estimate on adjacent property

The continuation of the Eleonore South mineralized system onto the adjacent Cheechoo Property is strongly supported with results released by Sirios. Some of the Cheechoo holes were collared as close as 12 metres from the Eleonore South boundary. In a PR dated December 11, 2019, Sirios announced a maiden in-pit mineral resource estimate of inferred resource of 71.0 million tonnes at an average grade of 0.69 g/t Au for 1.6 million ounces of gold.

Details of the Eleonore South footprint and targeting approach

A rigorous interpretation and comparison of the geochemical footprints for Eleonore South and the Eleonore gold mine was discussed in the PR of March 30, 2016. Extensive, consistent and strong coincident gold and arsenic anomalies (higher than 90th percentile) were outlined in B-horizon soil samples on Eleonore South. In most cases, gold mineralization recognized by prospecting, trenching and drilling is spatially related to these soil anomalies (e.g., JT Prospect), and the Eleonore gold mine and property shows a comparable feature (Figure 9).

The example of the Eleonore mine footprint suggests little to no displacement of the gold-arsenic soil anomalies from their bedrock sources. Consequently, the areas with unexplored strong geochemical anomalies are considered quality targets for potential near-surface discoveries.

Ownership

The ownership of the Eleonore South Property is Azimut 26.57%, Newmont Goldcorp 36.71% and Eastmain Resources 36.72%. Since June 2018, the operatorship of the Eleonore South Property was under Eastmain Resources, the Manager of JV. Azimut contributed an amount of $653,000 in Fiscal 2019, representing its proportionate share for the winter 2018 program of $2.5 million.

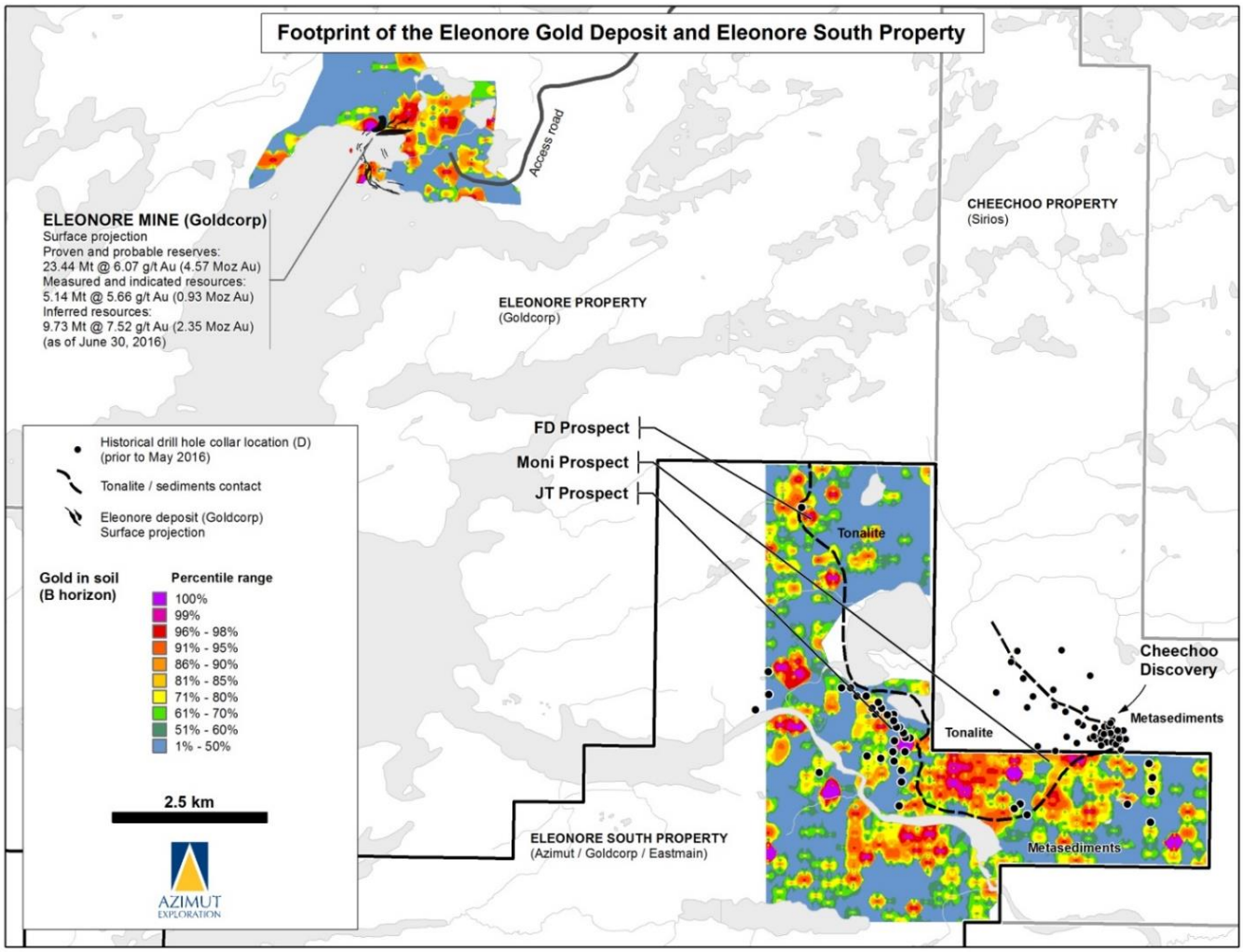


Figure 9: Map comparing the gold-in-soil footprint of the Eleonore South Property to the Eleonore mine on the adjacent property belonging to Newmont Goldcorp.

Opinaca D Property

The Opinaca D Property (110 claims, 57.3 km^2) lies about 8 kilometres northwest of Newmont Goldcorp's Eleonore Property (see Figures 2 and 3).

Exploration on the Opinaca D Property began in 2005 and has included reconnaissance geological mapping and prospecting over a number of exploration targets defined by VTEM and/or soil geochemistry anomalies. Soil geochemistry surveys confirmed a broad trend of gold, arsenic and antimony anomalies, with respective maximum values of 7.32 g/t Au, 447 ppm As and 2.3 ppm Sb. The strong gold-arsenic-antimony soil anomalies have not yet been tested by drilling. Several drill targets have been defined on the project. In 2018, 339 grab samples were collected during a prospecting program.

For Q1 2020, Azimut did not incur any claim renewal expenditures ($7,000 – Q1 2019) but did incur $500 ($16,000 – Q1 2019) in exploration work for data interpretation.

EASTMAIN RESERVOIR AREA

Azimut has two projects in the Eastmain Reservoir area: Wabamisk and Chromaska. The Eastmain Reservoir is roughly 260 kilometres northwest of Chibougamau and 60 kilometres southeast of the Eleonore mine. The area is notable for the Clearwater gold deposit (Eau Claire Project) belonging to Eastmain Resources and the Whabouchi deposit of Nemaska Lithium Inc. The NI 43-101 mineral resource estimate for Clearwater comprises an open pit component (measured and indicated resources of 1.210 Mt at 5.86 g/t Au for 228,000 oz Au, and inferred resources of 43,000 t at 5.06 g/t Au for 7,000 oz Au) and an underground component (measured and indicated resources of 3.084 Mt at 6.3 g/t Au for 625,000 oz Au, and inferred resources of 2.339 Mt at 6.56 g/t Au for 493,000 oz Au) (Eastmain Resources PR of July 4, 2018).

Wabamisk Property (gold)

Azimut acquired the Wabamisk Property in 2004 based on the results of its regional-scale gold potential modelling of the James Bay region. The property (450 claims, 238.2 km^2) is located about 70 kilometres south of Newmont Goldcorp's Eleonore gold mine (Figure 2) and has a comparable geological context and geochemical signature. In 2011, Azimut announced that Newmont Goldcorp had earned its 51% interest in the property. Later that year, Newmont Goldcorp elected to pursue its second option on the property, whereby it can earn a 70% interest by funding additional exploration work and completing a bankable feasibility study within ten (10) years. Eight (8) of the claims are subject to a 2.1% NSR payable to Virginia Mines (1.4%; now Osisko Exploration James Bay) and SOQUEM (0.7%), with a buy-back of 1.05% for $350,000.

Exploration highlights

Initial exploration in 2005 identified several major gold target areas that included most of the known historical gold showings. Since then, a soil geochemistry survey in 2006 was followed in 2007 to 2009 by prospecting (grab sampling), mapping, IP surveys, soil sampling channel sampling, and a maiden diamond drilling program that intersected sulphides or graphite with little or no gold.

In 2010, Newmont Goldcorp completed an 8-hole (2,800 m) diamond drilling program that identified two prospective areas for gold in the western half of the property. Six (6) holes in the first area, the **GH Prospect**, yielded a best result of 2.3 g/t Au over 4.3 m within a large envelope defined by an interval of 0.7 g/t Au, 0.39% Sb and 0.20% As over 19 m. This gold-antimony-arsenic zone is associated with a diorite intrusion and metasedimentary rocks. Mineralization is characterized by Sb and As sulphides as disseminations and veinlets accompanied by sericitization and silicification. The target zone is 3.5 kilometres long, outlined by coincident soil (Sb, As) and geophysical (IP) anomalies. The alteration-mineralization footprint indicates strong exploration potential along strike and at depth. The second area, the **Dome-ML Prospect**, is 1.7 kilometres long and yielded several historical high-grade gold values (up to 80.7 g/t Au) in grab samples taken from sheared and altered mafic volcanic units and a dioritic intrusion.

From 2012 to 2015, Newmont Goldcorp funded work programs that included prospecting (651 grab samples) a soil geochemistry survey (3,890 samples), an IP survey over altered shear zones that warranted additional work, and a high-resolution helicopter-borne magnetic survey (3,502 line-km). These programs led to the discovery of a new prospective area in the western part of the property characterized by gold-in-soil anomalies and an assay of 12.45 g/t Au from a quartz vein in a grab sample. Other prospecting results included 2.42% Cu, 0.41 g/t Au and 23.6 g/t Ag (grab sample); 1.42% Cu and 7.1 g/t Ag (grab sample); and 1.01% Cu, 0.67 g/t Au and 9.1 g/t Ag (boulder) (PR of March 19, 2015).

In 2018, Newmont Goldcorp contracted Geo Data Solutions Inc. to fly a heliborne SkyTEM electromagnetic survey over the property at a line spacing of 100 metres for a total coverage of 3,322 line-kilometres. The objective was to enhance target definition by delineating high-quality conductors on the project. Newmont Goldcorp funded the survey ($325,000 budget).

For Q1 2020, Azimut incurred $3,500 ($Nil – Q1 2019) in geological assessment.

Chromaska Property (chromium-PGE-nickel)

The wholly-owned Chromaska Property (73 claims, 38.7 km^2) (formerly the Eastmain West Property) is a Cr-PGE-Ni project located in a highly accessible region with major infrastructure (permanent roads, power lines, airports; Figure 2), 35 kilometres north of the Whabouchi mining project (Nemaska Lithium Inc.) and the nearby community of Nemiscau.

The property shares several attractive geological and geophysical similarities with the Black Thor Intrusive Complex, host to the major Black Thor chromite deposit in the Ring of Fire District of Northern Ontario (measured and indicated resources of 137.7 Mt at 31.5% Cr_2O_3 and inferred resources of 26.8 Mt at 29.3% Cr_2O_3: Noront Resources Ltd website); also, the ages of the two intrusive complexes appear to be very close (Black Thor: 2,734 billion years; Chromaska: 2,739 billion years).

Mineralization, mineralogy and geological context

Chromium mineralization at Chromaska was discovered in 2010 and occurs as disseminated to massive chromitite horizons in a well-defined prospective horizon along a 4-kilometre-long ultramafic intrusion. The two main mineralized facies are ultramafic (massive to semi-massive chromite layers) and chromite-rich dykes or sills (PR of May 19, 2011). The main showings are the **Sledgehammer Prospect**, which can be traced at surface for 100 metres within a magnetic high measuring 200 metres by 900 metres, and the **Dominic Prospect**, which occurs in a magnetic low.

A preliminary mineralogical study indicated very coarse chromite grains in a magnesium-rich aluminosilicate matrix (PR of May 19, 2011). Consequently, a primary grind should be sufficient to easily liberate the chromite from the silicate gangue. A subsequent mineralogical study of the chromite grains indicated a Cr_2O_3 content of 44.5% and Cr/Fe ratios ranging from 1.63 to 2.4 (PR of January 19, 2017).

Maiden drilling program

In 2018, Azimut completed a self-funded diamond drilling program consisting of four (4) holes totalling 1,002 metres (PR of May 29, 2018). Holes CHR18-03 and CHR18-04 intersected semi-massive to massive chromite-bearing horizons within a large disseminated chromite-bearing envelope. An additional phase of work (3 holes totalling 370.5 m and channel sampling) has been completed to further assess the lateral continuity of the chromitite horizons.

Ground gravity survey

In early 2017, Azimut completed a self-funded ground gravity survey (PRs of February 21 and May 8, 2017) to investigate the main target zone in the central part of the intrusion where channeling obtained 17.21% Cr_2O_3 over 7.54 m (see below), to assess the property's potential for Ni-Cu-PGE massive sulphides, and to characterize the footprint and extensions of the Dominic and Sledgehammer prospects.

The residual gravity anomaly is 1.2 kilometres long and up to 200 metres wide and remains open to the north and south. The position of the anomaly is stratigraphically high in the intrusion, which is a favourable criterion for chromite sills. Inversion modelling was done to construct subsurface 3D models of possible causative bodies to explain the anomaly. The results suggest a body of significant strike, generally more developed below a depth of 50 metres, possibly a subvertically dipping chromite body of substantial size, or disseminations/thin interdigitations of chromite within high-density host rocks (dunite, harzburgite).

Prospecting and channel sampling results

In late fall 2016, 59 channel samples were collected (cumulative length of 53.10 m in 5 channels) in addition to 14 grab samples (PR of January 19, 2017). The best channel interval was 33.2% Cr_2O_3 over 3.55 m. Channel lengths were limited by thick overburden and a creek.

Salient results are as follows:

- 17.21% Cr_2O_3 over 7.54 m, including 33.2% Cr_2O_3 and 0.41 g/t PGE (Pt, Pd) over 3.55 m (Dominic Prospect, channel 3). The best result along this channel is 40.24% Cr_2O_3 over 1.55 m;

- 5.13% Cr_2O_3 over 22.49 m, including 23.1% Cr_2O_3 over 0.55 m, 19.57% Cr_2O_3 and 0.20 g/t PGE over 2.60 m (Sledgehammer Prospect, channel 1);
- 8.59% Cr_2O_3 over 6.54 m, including 17% Cr_2O_3 and 0.22 g/t PGE over 1.18 m, 22.5% Cr_2O_3 and 0.14 g/t PGE over 0.98 m (Sledgehammer Prospect, channel 2).

For Q1 2020, Azimut did not incur any claim renewal expenditures ($9,000 – Q1 2019) but did incur $2,000 ($Nil – Q1 2019) in drilling and prospecting compilations. No provision for a budget has been made as the results obtained from the work in 2018 did not meet Azimut's objectives. Consequently, the property was fully impaired in 2019.

AZIMUT-SOQUEM JAMES BAY ALLIANCE

On September 26, 2016, Azimut announced it had formed a four-year strategic alliance with SOQUEM to cover a 176,300-km^2 surface area in the James Bay region (the "James Bay Alliance"). The objective was to identify gold targets and to explore the most prospective targets after converting them into properties. Under the terms of the original alliance agreement, Azimut provided SOQUEM with a Target Report that identified major targets and SOQUEM selected four (4) targets to convert into properties at SOQUEM's cost for an initial 50% ownership (Munischiwan, Pikwa, Pontois and Desceliers). SOQUEM had the option to acquire Azimut's interest in these properties by investing a total of $3 million in exploration work over four (4) years, including diamond drilling, at which stage Azimut would retain a 2% NSR royalty interest of which 0.8% could be bought back for $800,000 in cash. On any additional targets, SOQUEM had the option to acquire Azimut's interest by spending $750,000 per target over four (4) years, at which stage Azimut would benefit from the same royalty interest as described above. In the event that SOQUEM did not complete its minimum investment for a given target, the target would become a JV project. On any proposed target not retained by SOQUEM, Azimut would have the right to explore the target alone or with third parties. Azimut was the manager during the original James Bay Alliance.

On October 3, 2018, SOQUEM and Azimut announced that they had agreed to convert Dalmas and Galinée into JV properties (the "SOQUEM JV Properties").

On May 15, 2019, Azimut announced it had signed an agreement with SOQUEM to amend the terms of the James Bay Alliance. The amended terms include a 50% back-in option for Azimut to regain a 50% interest in Munischiwan, Pikwa, Pontois and Desceliers (now the "SOQUEM Properties") by conducting a total investment of $3.31 million in exploration work over a period of three (3) years, representing the same amount of SOQUEM's cumulative investment in work expenditures on the SOQUEM and SOQUEM JV properties. Azimut remains the manager during this earn-in option period, which will be transferred to SOQUEM thereafter. In addition, Azimut and SOQUEM each retain a 50% interest in the SOQUEM JV Properties (Galinée and Dalmas) and SOQUEM relinquishes its exclusive rights to acquire an interest in four other properties wholly owned by Azimut (Duxbury, Kukamas, Corvet and Synclinal). Azimut will be the manager of the Galinée and Dalmas properties.

SOQUEM PROPERTIES – GOLD

The four (4) SOQUEM Properties (Munischiwan, Pikwa, Pontois, Desceliers) were acquired by map designation and are located in various parts of the region (see Figure 2). They display strong multi-element geochemical footprints for gold in LBS, along with favourable geophysical, geological and structural criteria. Historically, they have seen little or no mineral exploration.

The main focus of the $1.5 million 2018 program on the original James Bay Alliance properties (PR of June 6, 2018), with a budget of $1,058,000, was follow-up work on Munischiwan, Pikwa, Pontois and Desceliers, all of which were jointly held at the time. The program included prospecting on all four properties, as well as mechanized stripping on Munischiwan and a heliborne geophysical survey on Desceliers. The 2019 exploration program is funded and operated by Azimut. See each property for details.

As at May 31, 2019, SOQUEM has earned its 100% interest in the properties by investing work expenditures of $2,715,992.

For Q1 2020, under the amended James Bay Alliance agreement, to earn back it 50% interest in the SOQUEM properties, Azimut had invested $1,596,000 in work expenditures ($941,000 – August 31, 2019).

Munischiwan Property

The Munischiwan Property (167 claims, 87.6 km^2), held 100% by SOQUEM, is located about 85 kilometres east of the Cree community of Eastmain in an area serviced by road, electric power and airport infrastructure. This Au-Ag-Cu project covers

part of the Lower Eastmain volcano-sedimentary belt in the Archean La Grande Subprovince of the Superior Province. The property is characterized by a well-defined As-Ag-Bi-Cu-Sb geochemical anomaly in LBS. Target types are intrusion-related and shear zones.

In the press release of October 25, 2018, Azimut and SOQUEM announced the discovery of an outcropping gold-copper-silver zone. Now known as the **InSight Prospect** (Figure 10), it is currently defined as a 600-metre by 150-metre envelope based on outcropping mineralization with grades up to 100.5 Au, 435 g/t Ag, 105 g/t Te and 1.67% Cu. The zone dips about 30° east, is open in all directions, and is coincident with a 300-metre by 1,000-metre IP anomaly striking NNW-SSE. Mineralization is mostly composed of disseminated chalcopyrite, quartz veins and quartz veinlets hosted in foliated metasediments with strong biotite alteration. An additional gold showing 600 metres to the south (2.42 g/t Au) may represent the extension of the Prospect. There were no known showings on Munischiwan before Azimut began exploring the property.

Grab samples from outcrops returned the following grades (PRs of October 25 and December 5, 2018) (Figure 10):

100.5 g/t Au, 151.0 g/t Ag, 156.0 g/t Te, 0.14% Cu
4.89 g/t Au, 196.0 g/t Ag, 0.30% Cu
2.28 g/t Au, 4.65 g/t Ag, 0.29% Cu
1.92 g/t Au, 38.4 g/t Ag, 14.3 g/t Te, 0.63% Cu
1.86 g/t Au, 5.48 g/t Ag, 2.99 g/t Te
1.64 g/t Au, 29.8 g/t Ag, 0.84% Cu
1.35 g/t Au, 3.46 g/t Ag, 0.28% Cu
11.0 g/t Au, 435.0 g/t Ag, 0.38% Cu
5.89 g/t Au, 13.5 g/t Ag, 0.05% Cu
4.48 g/t Au, 55.2 g/t Ag, 1.67% Cu
4.14 g/t Au, 37.4 g/t Ag, 1.40% Cu
3.34 g/t Au, 5.84 g/t Ag, 0.18% Cu
3.02 g/t Au, 35.3 g/t Ag, 1.29% Cu
2.24 g/t Au, 28.6 g/t Ag, 0.76% Cu
2.01 g/t Au, 32.1 g/t Ag, 0.36% Cu
1.95 g/t Au, 29.6 g/t Ag, 1.26% Cu
1.53 g/t Au, 67.2 g/t Ag, 0.90% Cu

The 2018 prospecting program followed an 838 line-kilometre heliborne Mag-VTEM^{TM} Plus survey flown over the property in spring 2017 with a line spacing of 100 metres (PR of November 2, 2017), and was also guided by the results of a reconnaissance program later that year (249 grab samples), which collectively led to the discovery of new prospects including the **Soga Prospect** (up to 2.53% Cu, 9.0 g/t Ag in grabs).

In 2019, Azimut and SOQUEM completed a 70-line-kilometre Mag-IP ground survey to further assess the InSight Prospect (PR of April 30, 2019) and commenced detailed surface sampling on the prospect to prepare a maiden diamond drilling program (at least 1,200 m) (PR of June 27, 2019). The survey grid is about 3.1 kilometres long by 2 kilometres wide, with 100-metre line spacing. Multiple IP anomalies, subparallel to and/or on strike with the InSight Prospect constitute highly prospective targets within a 1-kilometre by at least 3-kilometre trend. The correlation between IP anomalies and heliborne magnetic data strengthens target definition.

Pikwa Property

The Pikwa Property (703 claims, 360.4 km^2), held 100% by SOQUEM, is a Au-Cu-Co-Mo project located 40 kilometres east of the LG-3 hydroelectric infrastructure and 2 kilometres south of the Trans-Taiga Road, a major gravel highway. The project is in the Archean La Grande Subprovince. The target types are intrusion-related and shear zones.

The project is characterized by a regional arsenic-bismuth-copper (As-Bi-Cu) anomaly in LBS and a 20-kilometre-long magnetic high. It is adjacent to the Mythril Property where Midland Exploration Inc. announced the discovery of a significant mineralized zone that appears to be directly on strike with the main target zone on Pikwa, based on publicly available information.

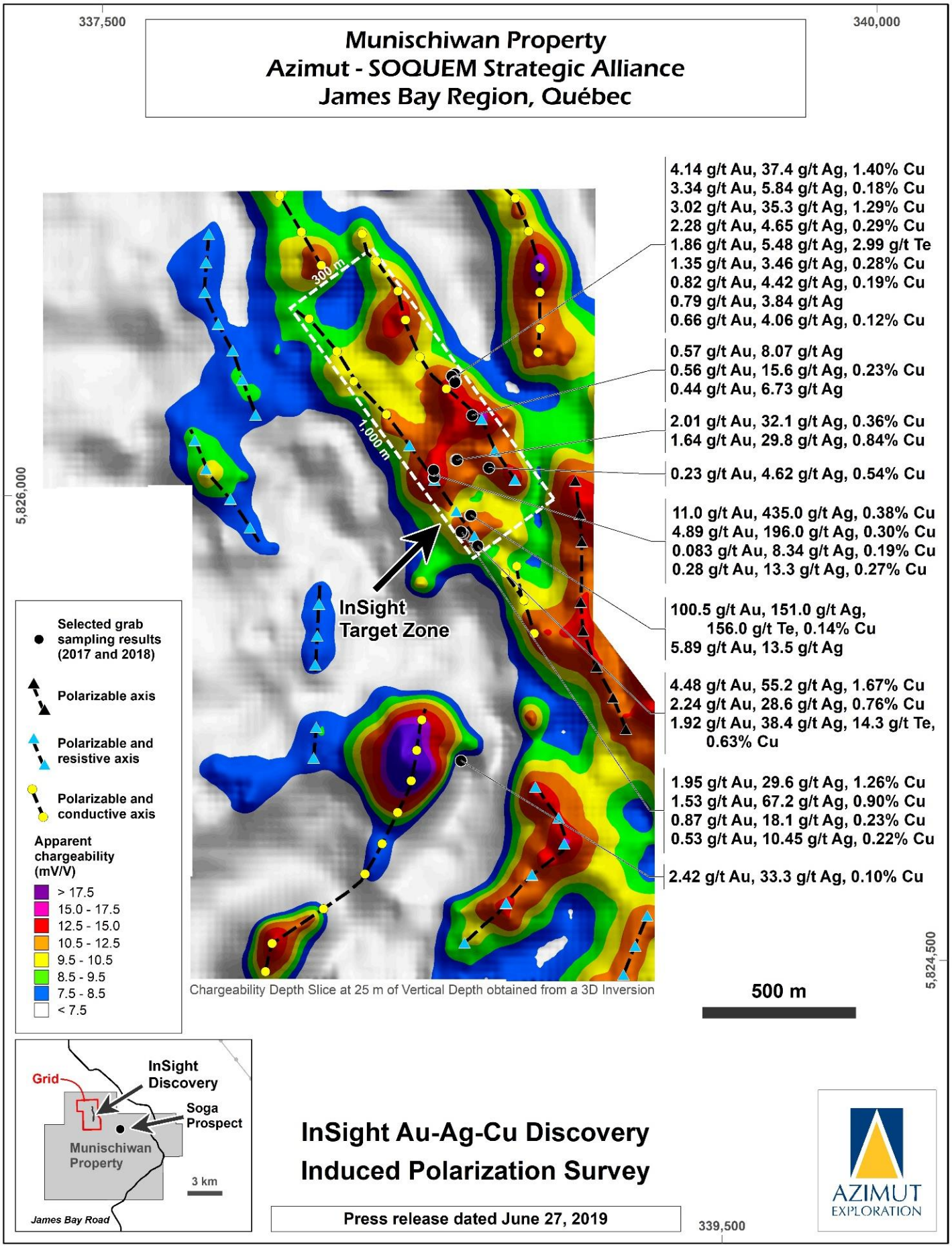


Figure 10: Map showing selected grab sample results from the InSight Prospect, Munischiwan Property.

Copperfield Trend

The Copperfield Trend (Figures 11 to 13) is a 20-kilometre-long robust copper-gold exploration target comprising two segments, each 10 kilometres long.

Copperfield East is defined as the spatial association of:

- A strong regional-scale copper anomaly in LBS centred on the Property; the footprint also includes polymetallic components (molybdenum, silver, bismuth, tungsten);
- A strong copper-in-soil anomaly, with a comparable polymetallic footprint as defined above, well-delineated as a 5.5-kilometre-long by 500-metre-wide target (locally up to 750 m) within the contours of the LBS copper anomaly; peak soil anomalies reach 294 ppm for copper, 1,610 ppb for gold, 625 ppb for silver and 24.1 ppm for molybdenum;
- A significant mineralized boulder field of mostly angular to slightly rounded boulders, well positioned within the long axis of the soil anomaly; the best grades from 141 sampled boulders were 20.1% Cu, 2.99 g/t Au, 58 g/t Ag and 0.246% Mo;
- Several high-grade mineralized outcrops within the soil anomaly in the eastern part of the target where glacial sediment cover is the thinnest; the best grades were 9.81% Cu, 13.45 g/t Au and 37.6 g/t Ag (sample A0366271); and
- Two strong VTEM electromagnetic conductors on strike with the western extension of the strong soil anomaly; in this context, the VTEM anomalies represent attractive targets for sulphide mineralization even though the soil geochemistry footprint in this area is weak due to thick glacial sediment cover.

It is assumed that the strong and extensive LBS anomaly and superimposed soil anomaly, as well as the mineralized boulder field, can be directly explained by a major Cu-Au-Ag-Mo mineralized system in the bedrock of the Property (already partly identified in mineralized outcrops).

Copperfield West is the westward strike extension of Copperfield East, and its interpretation is supported by strong copper LBS anomalies and the same magnetic pattern as Copperfield East (linear magnetic high). Limited exploration work has been conducted to date in this part of the trend.

The mineralization of the Copperfield Trend is characterized as follows:

- The main host rock is biotite-rich gneiss (interpreted as altered metadiorite or granodiorite);
- The dominant copper mineral is chalcopyrite occurring as disseminations or semi-massive veins and veinlets accompanied by frequent bornite and chalcocite, and lesser amounts of malachite and occasional azurite;
- Other sulphides include molybdenite and, less frequently, pyrite and pyrrhotite;
- The host rocks show varying degrees of alteration composed of biotite and potassium feldspar (potassic alteration), sericite, epidote, chlorite and magnetite;
- Mineralization generally occurs along foliation planes, often associated with quartz veinlets; and
- Foliation strikes ENE-WSW and dips on average 50° to 60° to the south.

Exploration programs and new prospecting results

Full results from the 2019 exploration program on the 20-kilometre-long **Copperfield Trend** were presented in on the press release of December 9, 2019. They include the discovery of high-grade mineralized outcrops and proximal boulders (up to 20.1% Cu and up to 13.45 g/t Au) that correlate with a 5.5-kilometre-long copper soil anomaly. These results warrant substantial follow-up that will comprise ground geophysics (IP) and a maiden diamond drilling program in early 2020.

The last batch of 169 grab samples from the 2019 program yielded excellent results and the best 30 samples from outcrops (o) and boulders (b) are presented in the table below. Previous results were disclosed in the press releases of October 16 and October 23, 2019.

Copper (%)	Gold (g/t)	Silver (g/t)	Molybdenum (%)	Sample #
20.1	**0.83**	**39.2**	0.012	A0366572 (b)
8.99	**1.89**	**28.3**	-	A0366518 (b)
5.04	**0.16**	9.34	**0.040**	A0366597 (b)
5.00	**0.73**	**32.3**	**0.047**	A0366447 (b)

Copper (%)	Gold (g/t)	Silver (g/t)	Molybdenum (%)	Sample #
4.13	**0.42**	**41.9**	**0.060**	A0366701 (b)
3.86	**0.77**	**27.5**	**0.106**	A0366531 (b)
3.85	**1.68**	**49.6**	0.002	A0366702 (b)
3.81	**0.43**	**25.2**	0.010	A0366714 (b)
3.14	**1.07**	**12.1**	-	A0366532 (b)
3.09	**0.70**	**30.2**	0.014	A0366533 (b)
3.01	**0.83**	**56.6**	**0.012**	A0366530 (b)
2.25	**0.11**	4.22	-	A0366575 (b)
1.96	**0.51**	**35.0**	**0.115**	A0366589 (b)
1.74	**0.15**	**12.9**	**0.111**	A0366659 (b)
1.67	**0.23**	**13.9**	**0.119**	A0366659 (b)
1.60	**0.67**	**11.4**	0.007	A0366443 (o)
1.60	**0.26**	**16.2**	0.001	A0366524 (b)
1.59	**0.28**	**11.9**	0.020	A0366444 (b)
1.20	**0.20**	**12.9**	**0.043**	A0366528 (b)
1.17	**0.15**	6.8	0.001	A0366521 (b)
1.16	0.08	3.6	-	A0366657 (b)
1.08	**1.34**	5.5	0.004	A0366523 (b)
1.07	**0.14**	**10.4**	**0.033**	A0366663 (b)
1.06	**0.142**	8.73	0.002	A0366446 (b)
0.91	0.05	1.9	-	A0366448 (b)
0.56	**2.01**	**24.1**	0.019	A0366440 (o)
0.50	**1.38**	2.2	**0.145**	A0366571 (o)
0.43	**3.54**	**13.0**	**>1.0**	A0366570 (o)
0.37	**0.79**	4.6	**0.135**	A0366442 (o)
0.20	**2.85**	**11.0**	**>1.0**	A0366441 (o)

The grab samples (268) collected from the area in the Copperfield Trend covered by the geochemical soil survey comprise 141 samples from boulders and 127 from outcrops. Outcrop exposure on the main soil anomaly is generally poor. The key results obtained to date can be summarized as follows:

Copper: 80 samples returned grades above 0.2% Cu, including 17 samples from 0.5% Cu to 1.0% Cu, and 40 samples above **1.0% Cu** up to **20.1% Cu**;

Gold: 41 samples returned grades above 0.2 g/t Au, including 12 samples from 0.5 g/t Au to 1.0 g/t Au, and 11 samples above **1.0 g/t Au** up to **13.45 g/t Au**;

Silver: 40 samples returned grades above 5.0 g/t Ag, including 15 samples from 10 g/t Ag to 20.0 g/t Ag, and 16 samples above **20 g/t Ag** up to **58 g/t Ag**;

Molybdenum: 18 samples returned grades above 0.05% Mo, including 12 samples higher than **0.1% Mo** up to **1.0% Mo.**

Comparison with the Aitik Porphyry Deposit in Sweden

As reported in the press release of October 16, 2019, several features of the Copperfield Trend suggest it may represent an Archean analogue to Sweden's giant Paleoproterozoic Aitik porphyry deposit (Cu-Au-Ag-Mo).

The relevant geological features of the Aitik deposit are:

- A geological context characterized by foliated and metamorphosed dioritic and volcano-sedimentary rocks of the Fennoscandian Shield;
- Host rocks are biotite gneisses, quartz-muscovite-(sericite) schists and diorite;

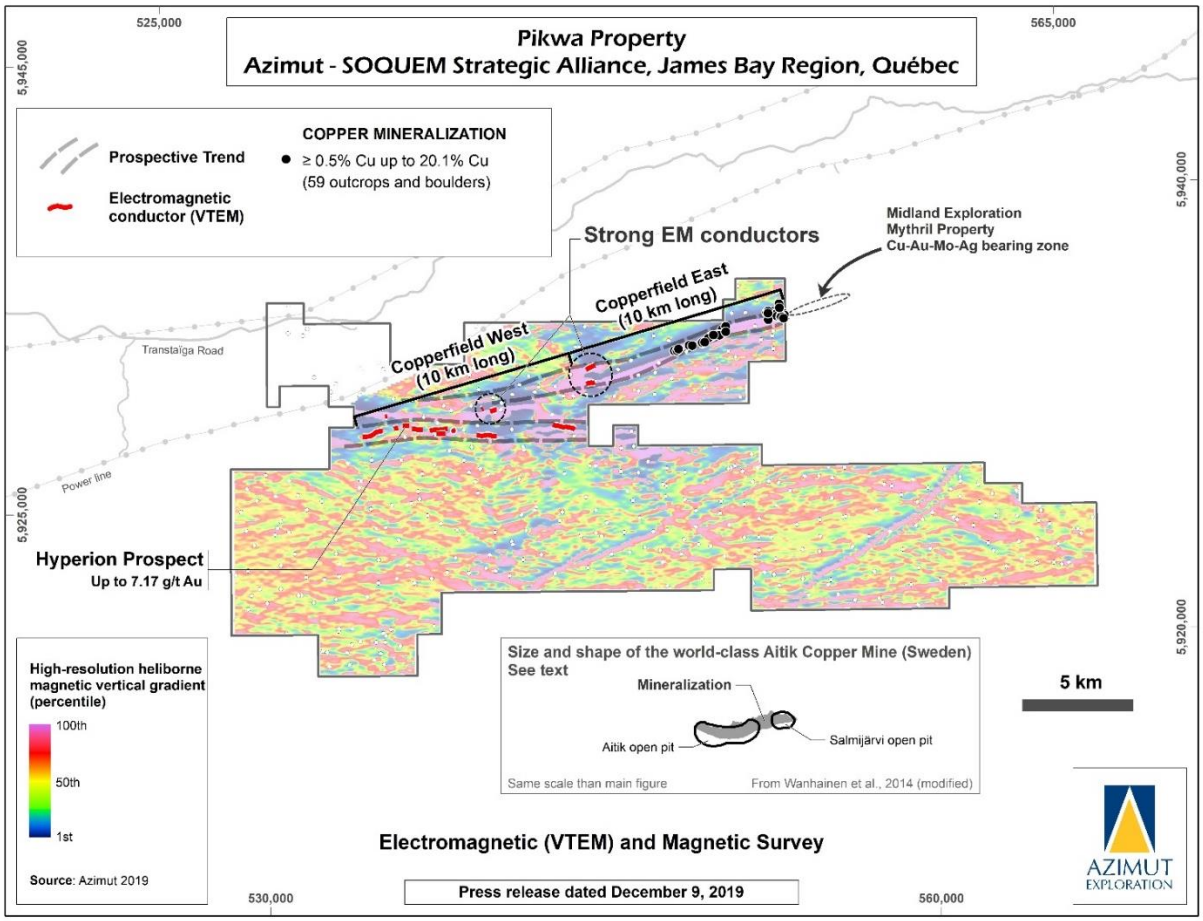


Figure 11: Geophysical signature of the Copperfield Trend on the Pikwa Property.

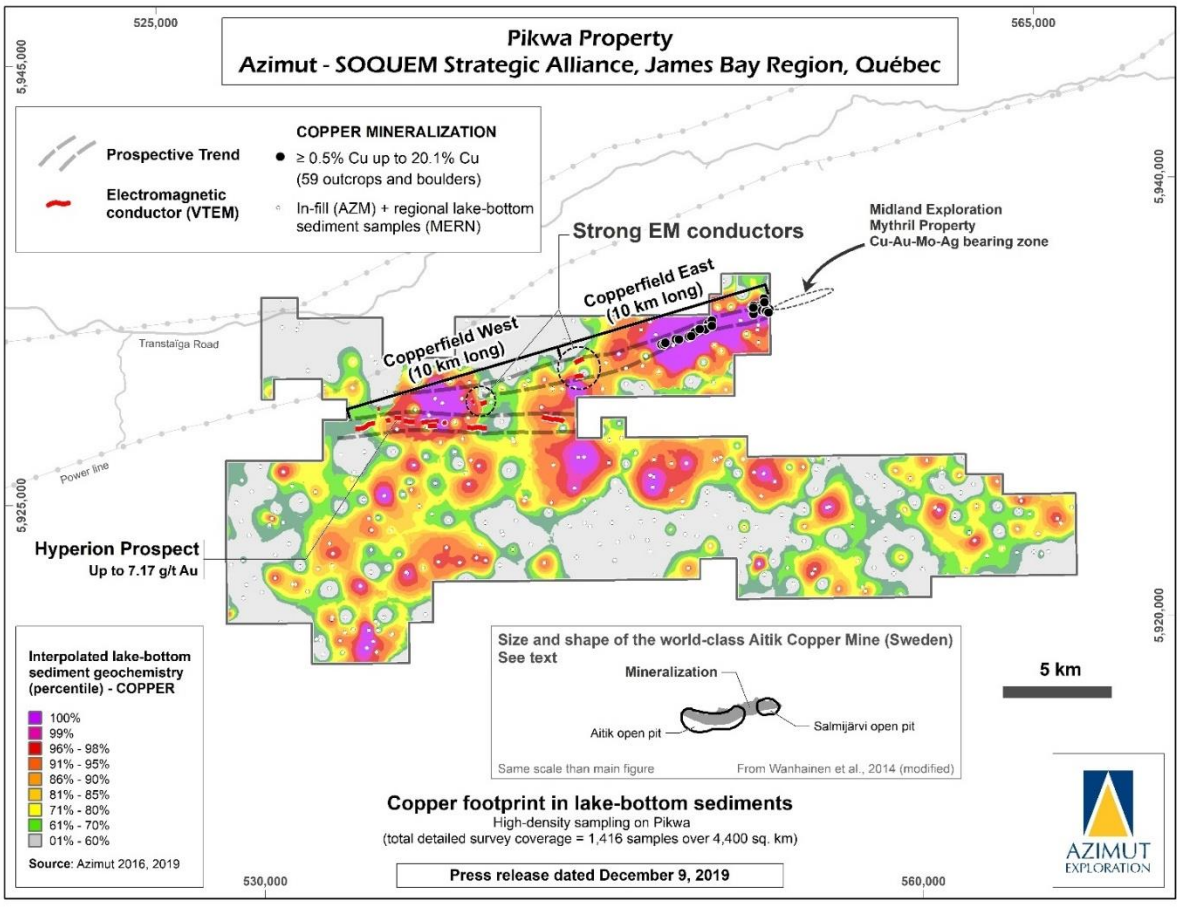


Figure 12: Copper LBS footprint of the Copperfield Trend on the Pikwa Property.

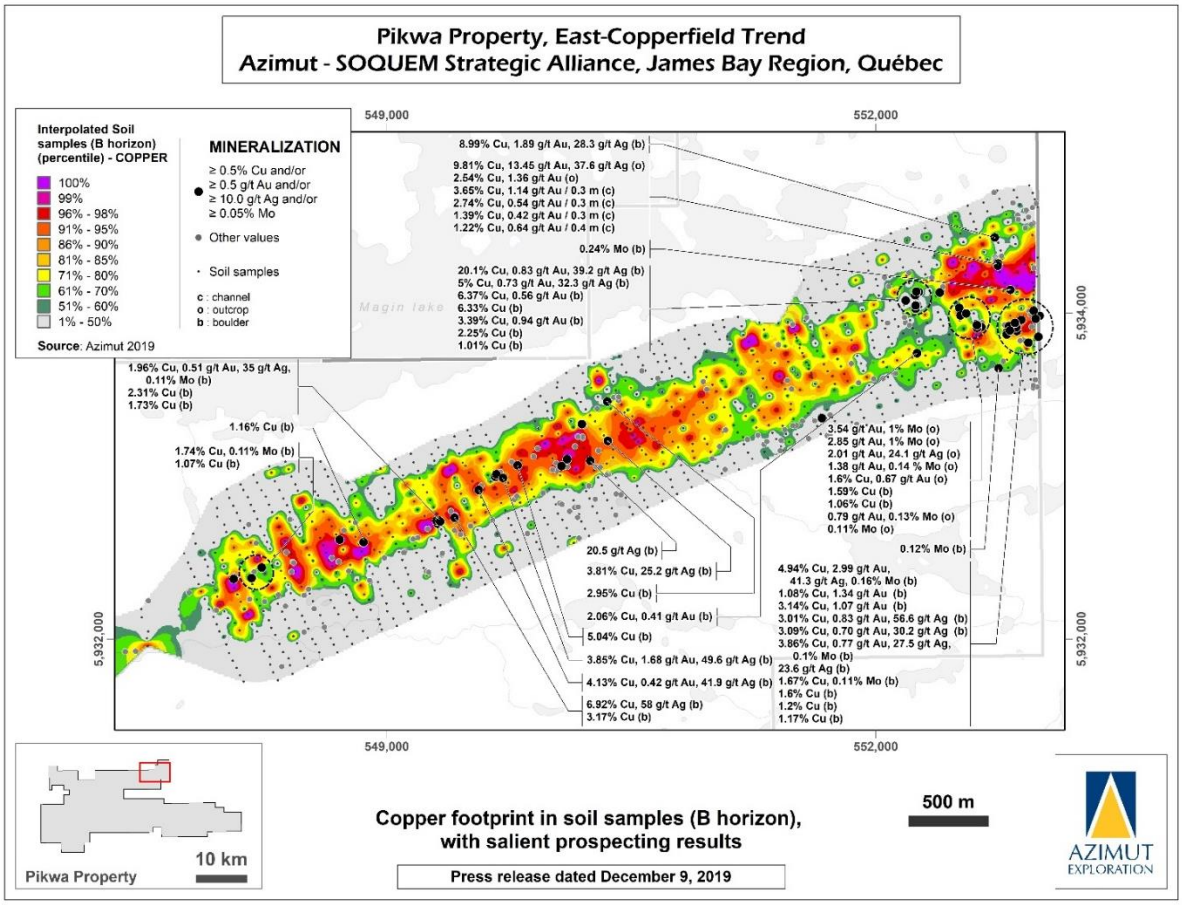


Figure 13: Copper-in-soil footprint of the Copperfield Trend on the Pikwa Property.

- The main sulphide minerals are disseminated chalcopyrite, pyrite and pyrrhotite and trace amounts of molybdenite, local bornite and chalcocite;
- Alteration mostly characterized by biotite, sericite and potassic alteration; epidote-calcite-chlorite-quartz assemblages occur mainly along fault zones; quartz stockworks are present along the margins of the intrusion; and
- Foliation is well developed in the host rocks, dipping about 50° to the west; mineralization is mainly structurally controlled; the entire rock package has been metamorphosed to amphibolite grade.

In production since 1968, the Aitik mine owned by Boliden is the largest open pit operation in northern Europe. The Aitik mine provides valuable parameters regarding geometry, size and grades that could optimize the exploration strategy at Copperfield:

- The main open pit (Aitik) measures 4 kilometres by 1.1 kilometre at surface and reaches a depth of 450 metres. A second pit (Salmijärvi) measures 0.9 by 0.6 kilometre and reaches a depth of 165 metres. The deposits average about 500 metres wide;
- In 2018, mineral reserves (proven and probable) were estimated at 1.148 billion tonnes at 0.22% Cu, 0.14 g/t Au and 1.2 g/t Ag. Total historical ore production from 1968 to 2018 is 821 million tonnes at 0.29% Cu, 0.17 g/t Au and 1.8 g/t Ag (Boliden Summary Report 2018); and
- A cut-off grade of 0.06% Cu is used for reserves and resources in the Aitik pit. The historical stripping ratio (waste/ore) is 0.95.

Pontois Property

The Pontois Property (399 claims in 1 claim block, 203.2 km^2), held 100% by SOQUEM, is a gold project situated immediately south of the LG-4 hydroelectric dam and is crossed by the Trans-Taiga Road. The property covers an underexplored sheared greenstone belt and corresponds to a strong As-Sb-W signature in LBS. The volcano-sedimentary rocks and iron formations of the La Grande belt, the bounding tonalitic intrusions, and the distribution of several regional faults and shear zones collectively provide a favourable geological and structural setting.

The main result thus far is the discovery of the Black Hole Prospect (up to 6.02 g/t Au) related to mafic intrusive facies (PR of April 22, 2019). Additional prospecting and a detailed LBS survey were conducted in 2019.

During the previous exploration program in 2018, Azimut followed up on the results from 2017 (225 grab samples; PR of June 6, 2018). There were no known showings on the property before the current exploration initiative. The best gold results in 2018 (PR of Nov. 8, 2018) were 6.02 g/t Au, 2.56 g/t Au and 0.90 g/t Au in grab samples from outcrops. Other values included silver (up to 2.61 g/t Ag) and tellurium (up to 23.7 g/t Te). Significant copper values (up to 0.18% Cu) were obtained 2 kilometres from the prospect, along the same geological trend. Gold is hosted in mafic metavolcanics and intrusive dykes with quartz veins, near a sheared contact with metasediments. The intrusive facies contains disseminated fine pyrite. This 40 by 20 metre area is open along strike in both directions.

Desceliers Property

The Desceliers Property (363 claims, 188.4 km^2), held 100% by SOQUEM, is a gold-copper project located 175 kilometres east of provincial highway 167 that leads to the Renard mine (Stornoway) in the eastern part of the James Bay region. The property is underlain by Archean rocks of the Opinaca Subprovince and is characterized by a strong geochemical signature in Au-As-Cu-W in LBS. This area has seen minimal exploration in the past and very little is known about its geology. The nature and size of the geochemical footprint (an especially strong Au-Cu association) and the untested potential of the area make this property highly attractive.

In 2018, an heliborne magnetic, electromagnetic (DIGHEM) and spectrometric survey (1,017 line-km) was followed by a short prospecting program (60 grab samples). Collectively, the above work has defined robust targets, namely for IOCG and magmatic Ni-Cu deposits. The 2019 program included focused prospecting.

Previously, an in-fill LBS survey in 2016 was followed by reconnaissance in 2017 (192 grab samples) that yielded the following results:

- A mineralized boulder field (anomalous Au, Ag, As, Bi, Co and Cu values) within a target area measuring 7 kilometres by 4 kilometres. The bedrock source of the boulders is considered proximal. The best results include:
    - 0.33 g/t Au, 493 ppm Cu
    - 0.2 g/t Au, 1.03 g/t Ag, 173 ppm Co, 562 ppm Cu, 0.14% Zn
    - 5.90 g/t Ag, >1% As, 287 ppm Cu
    - 0.22 g/t Au, 8.36 g/t Ag, >1% As, 551 ppm Cu.
- Two mineralized outcrops located 1.7 kilometres apart within a target area measuring 4 kilometres by 3 kilometres. Samples yielded the following results:
    - >500 ppm REE, >500 ppm Y, 377 ppm Zr, >1% P, 619 ppm Mo, 0.32% Pb
    - 140 ppm Cu, 235 ppm Y, >500 ppm Zr

SOQUEM JV PROPERTIES – GOLD

The two (2) gold JV projects with SOQUEM under the James Bay Alliance (Galinée and Dalmas) were acquired by map designation in the eastern part of the James Bay region (see Figure 2). They display strong multi-element geochemical footprints for gold in LBS, along with favourable geophysical, geological and structural criteria. Historically, they have seen little or no mineral exploration.

The second component of the $1.5 million 2018 program on the James Bay Alliance properties, with a budget of $464,000, focused on Dalmas and Galinée, which were wholly owned by Azimut at the time (PR of June 6, 2018).

On April 25, 2019, the Company and SOQUEM signed an agreement to amend the terms of the existing James Bay Alliance to form a JV under which each partner retains a 50% interest in the property. SOQUEM had invested $107,045 (Dalmas) and $494,390 (Galinée) in cumulative work expenditures before the JV was formed. During field seasons, SOQUEM has the right to provide up to 30% of Azimut's field personnel at the imputed rate agreed to by SOQUEM and the Company. Azimut remains the operator.

Galinée Property

The Galinée Property (707 claims, 364.9 km^2) is a gold project located about 50 kilometres north-northwest of the Renard mine (Stornoway Diamond Corp.) and 60 kilometres south of the Trans-Taiga Road. The 36-kilometre-long gold property

provides a controlling position over an extensive LBS anomaly marked by a strong arsenic-bismuth-antimony footprint. The property is underlain by the La Grande Subprovince, about 15 kilometres north of the contact with the Opinaca Subprovince. There were no known showings on the Property before the current exploration initiative. Target types are shear zones and intrusion-related mineralization.

Field work (PR of November 13, 2018) led to the discovery of the tonalite-hosted Gamora Prospect (up to 2.17 g/t Au) recognized over an area 130 metres long by 30 metres wide. About 5 kilometres to the west, a gold grain dispersal train in till included a sample containing 52 delicate gold grains suggesting a proximal common source. A very unusual multi-kilometre cluster of LBS gold values has also been identified (PR of May 31, 2018). Planned follow-up work on the project includes focused prospecting, soil and till sampling, and an additional detailed LBS survey.

For Q1 2020, the JV partners have cumulatively invested $207,000 ($183,000 – August 31, 2019), of which $103,500 ($91,500 – August 31, 2019) represents Azimut's share. The work expenditures consist of prospecting, LBS geochemistry, soil geochemistry and till sampling.

Dalmas Property

The Dalmas Property (88 claims, 44.9 km^2) is a gold project located 25 kilometres south of the Trans-Taiga Road. The property covers a sheared greenstone belt in the La Grande Subprovince with a strong arsenic-bismuth-copper-antimony footprint in LBS. The target deposit type is shear zone-hosted gold.

In 2018, an initial prospecting phase identified a 3-kilometre trend of anomalous gold, arsenic and copper in grab samples. The 2019 program includes prospecting and till sampling.

For Q1 2020, the JV partners have cumulatively invested $170,000 ($105,000 – August 31, 2019) in work expenditures, of which $85,000 ($52,500 – August 31, 2019) represents Azimut's share. The work expenditures consist of prospecting and till sampling.

OTHER PROPERTIES IN THE JAMES BAY REGION

Azimut holds eleven (11) other properties in the James Bay region acquired by map designation: eight (8) that focus on gold (Elmer, Duxbury, Kaanaayaa, Kukamas, Masta-2, Corvet, Valore and Synclinal) and three (3) that focus on base metals (Cawachaga, Mercator and Corne) (see Figure 2). They comprise a total of 1,662 claims covering 858.5 km^2 (see Figure 2).

Elmer Property

The Elmer Property (331 claims, 174,4 km^2) is a highly accessible Au-Ag-Cu-Zn project situated 40 kilometres west of the James Bay Road, a major paved highway, and 60 kilometres east of the municipality of Eastmain. Together with the adjacent Duxbury Property, the project provides a controlling position over a 35-kilometre-long gold-bearing corridor, known as the **Elmer Trend**, in an underexplored greenstone belt of the La Grande Subprovince.

High-grade drilling discovery

On January 14, 2020, Azimut announced the discovery of substantial gold mineralization in multiple drill hole intersections, in all seven (7) holes of its maiden diamond drilling program on a main target in the Elmer Trend. The intersections included frequent high-grade intervals and visible gold.

2018-2019 exploration programs

The main area of interest during the 2018-2019 exploration programs was a 7-kilometre-long target zone (Figure 14) that includes the **Patwon, Patwon East, Gold Zone, East Zone** and **Gabbro Zone prospects**. The Patwon Prospect outcrops over an area roughly 150 m by 100 m in a central position on the property.

Drilling results and highlights

The initial phase of drilling (996 m of oriented core in 7 holes) focused on a high-priority target area measuring 2.1 kilometres by 0.7 kilometre that includes the Patwon Prospect (Figure 15).

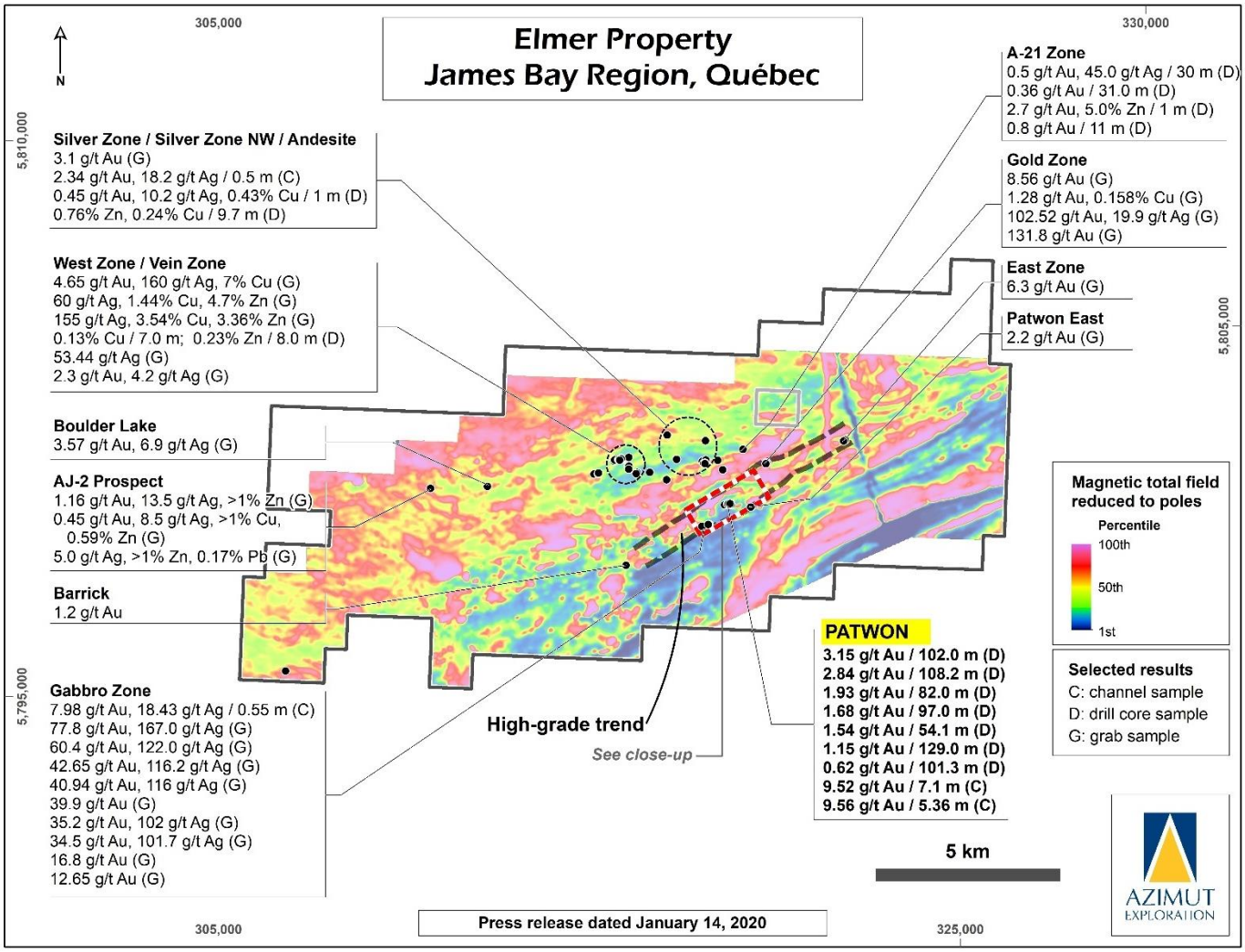


Figure 14: Magnetic map of the Elmer Property showing salient historical and recent exploration results and the location of the main gold trend (grey dashed outline) and the target area of the 2019 drilling program (red dashed outline).

Drill results indicate that gold-bearing mineralization occurs in three different orientations: 1) along an extensive set of veins oblique to the schistosity; 2) parallel to the schistosity; and 3) as flat-lying veins. Drill holes were oriented to intersect all three types of veins.

Based on previously reported surface information (see press releases of July 16, September 19, October 22 and November 28, 2019), the objectives were to:

- Cut perpendicularly the main NW-SE vein system, with six holes totalling 849 metres (holes ELM19-001 to 006) in two parallel 40-metre-spaced drill sections of three drill holes each; and
- Cut perpendicularly shear veins striking NE-SW subparallel to the schistosity with one hole (ELM19-007, 147 m); schistosity is roughly parallel to the fabric of the magnetic gradient and to lithological contacts (see Figure 4).

Core logging provided the following critical preliminary information:

- Gold mineralization is related to different sets of quartz veins and veinlets and their wall rocks, and more locally to metre-scale hydrothermal breccias. Quartz veining seems to be principally related to a felsic intrusion, either at or close to the lithological contacts between the intrusion and the surrounding mafic volcanics and gabbros;
- Three sets of quartz veins contain gold, two of which corroborate surface observations:
    - Subvertical veins striking NW-SE (main system);
    - Veins striking NE-SW, subparallel to the schistosity and dipping 65° to 80° to the north; and
    - Subhorizontal veins so far observed in drill core only;

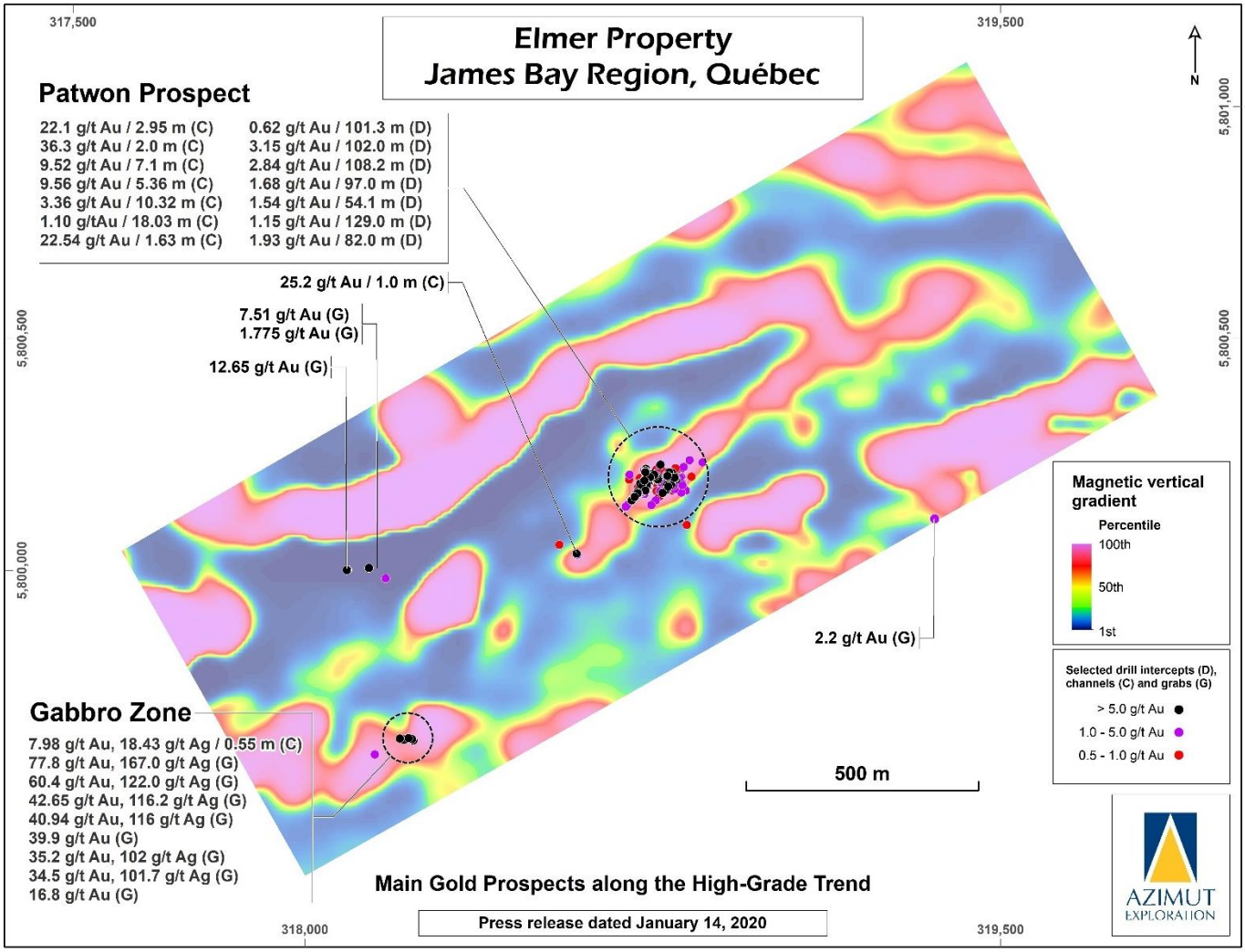


Figure 15: Main prospects along the known high-grade portion of the gold trend on the Elmer Property.

- Variable amounts of pyrite (1% to 30%) are present as coarse-grained disseminations or centimetric stringers, both forms associated with quartz veining and their wall rocks;
- Native gold grains are frequent, generally associated with quartz veins, or as isolated grains in pyrite stringers; and
- Gold-bearing facies are accompanied by pervasive silica, chlorite, sericite and carbonate alteration, and occasionally by tourmaline seams in quartz veins.

A cross section of selected drill holes is shown in Figure 16, and assay highlights (PR of January 14, 2020) are presented below. Grades are not capped and intervals are presented as core lengths; true widths have not yet been determined. Visible gold was encountered in every hole (Figure 17).

Hole ELM19-001 **0.58 g/t Au over 109.4 m** (from 5.5 m to 114.8 m) including:
0.78 g/t Au over 32.1 m (from 27.4 m to 59.4 m)
2.45 g/t Au over 8.1 m (from 85.0 m to 93.0 m)

Hole ELM19-002 **3.15 g/t Au over 102.0 m** (from 34.0 m to 136.0 m) including:
5.15 g/t Au over 9.0 m (from 33.5 m to 42.5 m)
1.10 g/t Au over 28.5 m (from 58.7 m to 87.2 m)
10.1 g/t Au over 20.5 m (from 96.5 m to 117.0 m)
including **12.43 g/t Au over 6.0 m** (from 99.5 m to 105.5 m)
and **107 g/t Au over 1.0 m** (from 116.0 m to 117.0 m)
3.22 g/t Au over 11.0 m (from 125.0 to 136.0 m)

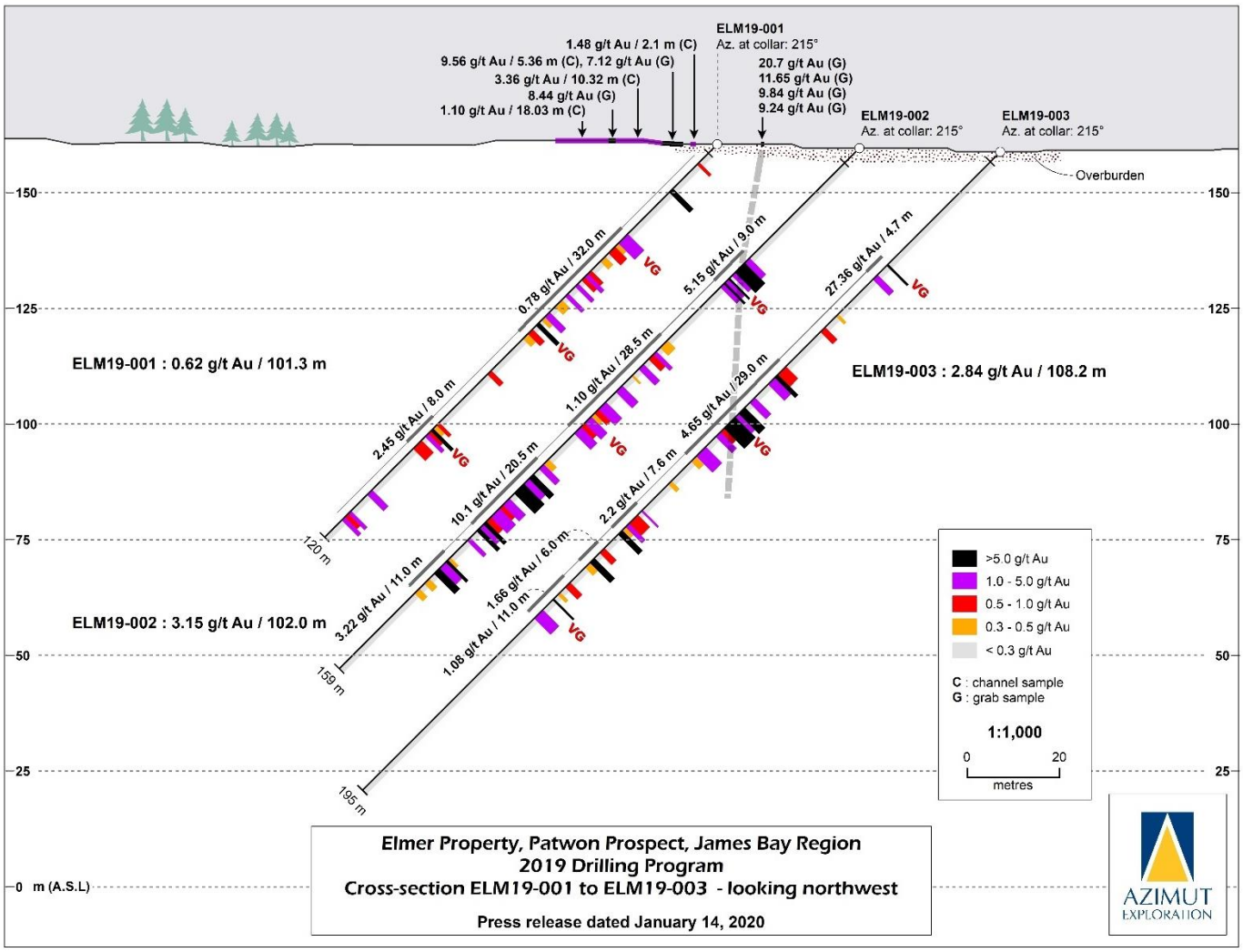


Figure 16a: Cross section of selected drill holes on the Patwon Prospect (looking northwest, ELM19-001 to ELM19-003).

Hole ELM19-003 **2.84 g/t Au over 108.2 m** (from 34.3 m to 142.5 m) including
27.36 g/t Au over 4.7 m (from 34.3 m to 39.0 m)
including **254 g/t Au over 0.5 m** (from 34.3 to 34.8 m)
4.65 g/t Au over 29.0 m (from 65.5 m to 94.5 m)
including **16.0 g/t Au over 6.5 m** (from 78.0 m to 84 5 m)
2.2 g/t Au over 7.6 m (from 109.3 m to 116.9 m)
1.66 g/t Au over 6.0 m (from 121.0 m to 127.0 m)
1.08 g/t Au over 11.0 m (from to 131.5 m to 142.5 m)

Hole ELM19-004 **1.68 g/t Au over 97.0 m** (from 5.0 m to 102.0 m) including
4.16 g/t Au over 15.5 m (from 5.0 m to 20.5 m)
7.85 g/t Au over 5.6 m (from 25.5 m to 31.0 m)
including **80.0 g/t Au over 0.5 m** (from 25.5 m to 26.0 m)
3.78 g/t Au over 11.0 m (from 44.5 m to 55.5 m)
including **59.5 g/t Au over 0.5 m** (from 51.2 m to 51.7 m)

Hole ELM19-005 **1.54 g/t Au over 54.1 m** (from 28.4 m to 82.5 m) including
29.8 g/t Au over 0.5 m (from 28.4 m to 28.9 m)
2.53 g/t Au over 13.5 m (from 50.0 m to 63.5 m)
3.91 g/t Au over 5.6 m (from 74.8 m to 80.4 m)
including **37.0 g/t Au over 0.5 m** (79.9m to 80.4 m)

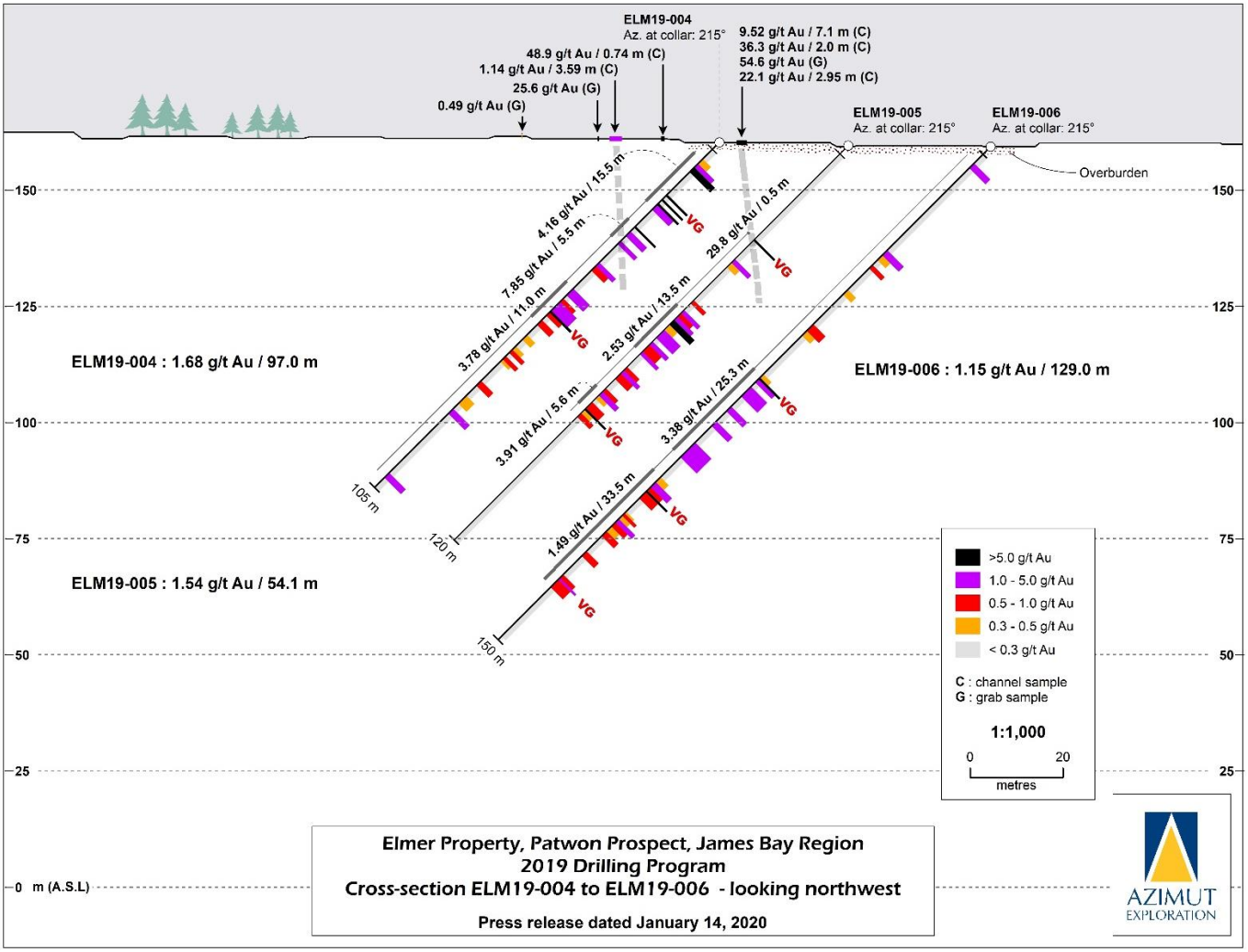


Figure 16b: Cross section of selected drill holes on the Patwon Prospect (looking northwest, ELM19-004 to ELM19-006).

Hole ELM19-006 **1.15 g/t Au over 129.0 m** (from 5.0 m to 134.0 m) including
3.38 g/t Au over 25.3 m (from 69.2 m to 94.5 m)
including **121.0 g/t Au over 0.5 m** (from 70.2 m to 70.7 m)
1.49 g/t Au over 33.5 m (from 100.5 m to 134.0 m)
including **64.9 g/t Au over 0.5 m** (from 104.6 m to 105.1 m)

Hole ELM19-007 **1.93 g/t Au over 82.0 m** (from 21.0 m to 103.0 m) including
3.46 g/t Au over 44.1 m (from 30.0 m to 74.1 m)
including **13.09 g/t Au over 6.6 m** (from 34.4 m to 41.0 m)
and **25.35 g/t Au over 1.9 m** (from 45.4 m to 47.3 m)

Channel sampling

The highlights of channel samples from the outcropping part of the Patwon Prospect (332 samples over 303.18 m) are presented below (PRs of November 28, 2019 and September 19, 2019):

9.52 g/t Au over 7.1 m	Elm-11
36.3 g/t Au over 2.0 m	Elm-10
22.1 g/t Au over 2.95 m	Elm-9
0.79 g/t Au over 12.52 m	Elm-30, 31, 31'
22.54 g/t Au over 2.95 m	Elm-12""
2.16 g/t Au over 2.98 m	Elm-6

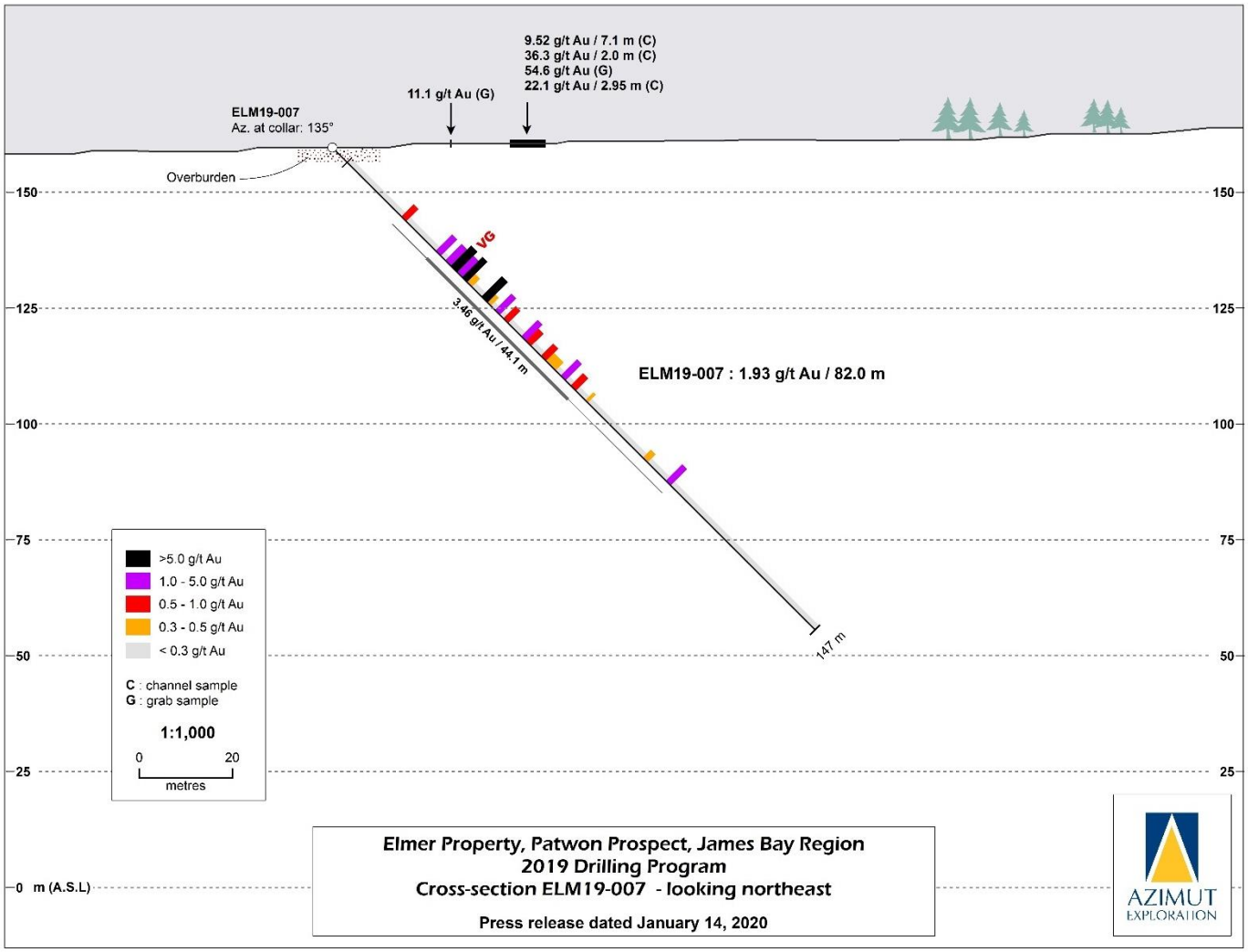


Figure 16c: Cross section of selected drill holes on the Patwon Prospect (looking northeast, ELM19-007).

2.9 g/t Au over 3.52 m	Elm-R2018-2
6.47 g/t Au over 1.96 m	Elm-4
3.61 g/t Au over 1.56 m	Elm-3
9.56 g/t Au over 5.36 m	Elm-40, 44, 44'
3.36 g/t Au over 10.32 m	Elm-33, 33'
1.1 g/t Au over 18.03 m	Elm-42, 43
5.61 g/t Au over 0.59 m	Elm18-001
2.90 g/t Au over 3.52 m	Elm18-002
1.38 g/t Au over 1.96 m	Elm-2, 2'
1.28 g/t Au over 0.98 m	Elm-5
1.14 g/t Au over 3.59 m	Elm-12, 12'
1.88 g/t Au over 1.0 m	Elm-19
3.33 g/t Au over 8.0 m incl. 5.33 g/t Au over 4.0 m	Elm-33
2.03 g/t Au over 1.39 m	Elm-38
24.36 g/t Au over 0.92 m	Elm-40

Grab samples

In addition to high-grade grab samples from Patwon, prospecting work also yielded the significant grades on other targets (PR of November 20, 2018):

Hole ELM19-001: Native gold in quartz vein at 87.15 m

Hole ELM19-002: Native gold in an extensional quartz vein at 39.9 m

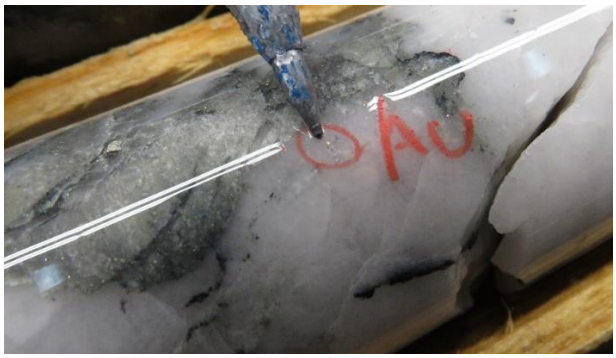
Hole ELM19-003: Native gold in quartz-carbonate veinlet subparallel to schistosity at 34.6 m

Hole ELM19-004: Native gold in milky quartz vein with tourmaline selvages at 16. 2 m

Hole ELM19-005: Native gold in a thin chloritic veinlet at 104.7 with 1% to 3% pyrite and sericite-silica alteration

Hole ELM19-006: Native gold grain in a pyritic stringer in felsic intrusion at 70.7 m

Hole ELM19-006: Native gold in a quartz chlorite vein hosted by a porphyritic felsic intrusion at 104.7 m



Hole ELM-007: Native gold in a quartz vein at 37.5 m with chloritic selvages and trace of tourmaline

Figure 17: Photographs of visible gold in drill core from the Patwon Prospect. All depths are along holes.

Gabbro Zone: hematized and boudinaged quartz veins with traces of pyrite hosted in sheared gabbro; 11 samples including 4 samples with grades above 1.0 g/t Au:

7.98 g/t Au, 18.43 g/t Ag over 0.55 m (channel)
77.8 g/t Au, 167.0 g/t Ag (grab)
60.4 g/t Au, 122.0 g/t Ag (grab)
6.11 g/t Au, 9.49 g/t Ag (grab)

Gold Zone: quartz-ankerite veins with pyrite, pyrrhotite and chalcopyrite hosted in sericitized mafic metavolcanics; 7 samples including 2 with grades above 1.0 g/t Au:

8.56 g/t Au (grab)
1.28 g/t Au, 0.158% Cu (grab)

Preliminary interpretation of main target area and ongoing work

The interpretation of mineralization at the Patwon Prospect at this early discovery stage is based on drilling results and detailed surface sampling. The main characteristics are:

- Mineralization has been recognized over a 200-metre length (open laterally to the NE and SW) with an apparent width at surface ranging from 50 to 70 metres;
- Mineralization is known down to 100 metres, open at depth;
- The principal control on mineralization appears to be a dextral NE-SW shear zone generating two main vein sets: NE-SW shear veins and NW-SE extensional veins (Riedel type);
- Both vein types commonly display sulphide-rich wall rocks; and
- The intensity of quartz veining in the felsic intrusion may be partly controlled by the rheologic contrast with the surrounding mafic host rocks.

The Patwon Prospect has potential kilometre-scale strike extensions that have seen very little exploration. Two high-grade occurrences (25.2 g/t Au over 1.0 m, 12.65 g/t Au), respectively 270 metres and 840 metres southwest of Patwon, underscore the area's potential.

A detailed IP survey is currently underway over the discovery area on a grid 2.1 kilometres by 0.7 kilometre (see Figure 3) to prepare for a more comprehensive upcoming drilling program.

Geological context and potential of the Elmer Trend

The greenstone belt containing the Elmer Trend is considered highly prospective for intrusion-related and shear-related gold deposits. The trend is dominated by felsic volcanics, andesite, diorite, basalt, gabbro, and porphyry dykes. Alteration is characterized by sericitization in the felsic volcanics and porphyry dykes, and chloritization and carbonatization in the mafic lithologies (gabbros, diorite, basalts). At the scale of the Elmer Property, there is a strong association between gold and sericitized porphyry dykes. The geological setting and mineralized context share strong similarities with the Windfall Project in the Abitibi region (Osisko Mining Inc.). Other exploration companies have compared its features to the Hemlo and Bousquet-Doyon mining camps.

For Q1 2020, Azimut did not incur any claim acquisition expenditures ($8,000 – Q1 2019) but did incur $598,000 ($38,000 – Q1 2019) in exploration work for drilling, prospecting, channel sampling and geophysical surveys.

Duxbury Property

The Duxbury Property (184 claims, 96.9 km^2) is a highly accessible gold project adjacent to the Elmer Property. It is 5 kilometres west of the James Bay Road and about 70 kilometres east of the Cree community of Eastmain. Together with the adjacent Elmer Property, the project provides a controlling position over the 35-kilometre **Elmer Trend** in an underexplored greenstone belt of the La Grande Subprovince that is considered highly prospective for intrusion-related and shear-related gold deposits (see Elmer Property for further details).

The property is characterized by a well-defined As-Bi-Sb footprint in LBS that continues westward onto Elmer. One grab sample graded 1.9 g/t Ag and 0.58% Cu. Gold showings are known along strike to the west on Elmer and also to the east. Geological and magnetic data suggest a 10-kilometre-long corridor of prospective stratigraphy on the property. In 2018, 77 rock grab samples were collected during an initial prospecting program.

For Q1 2020, Azimut did not incur any claim renewal expenditures ($1,000 – Q1 2019) but did incur $2,000 ($31,000 – Q1 2019) in exploration work for prospecting.

Kaanaayaa Property

The Kaanaayaa Property (390 claims, 200.5 km^2) is a copper-gold and copper-nickel project situated 35 kilometres south of the Trans Taiga Road and a Hydro-Québec powerline and 42 kilometres south of the LG-4 airport, just east of the Pikwa and Corvet properties. The property has the following notable features (PRs of March 28 and July 8, 2019):

- Strong regional-scale geochemical footprint in LBS of bismuth-silver-molybdenum-copper-tungsten; and
- Favourable geology marked by metasediments and mafic to intermediate volcanics crosscut by several small granitic intrusions. A multi-kilometre fold may control the location of some of these intrusions. The fertile nature of these intrusions for mineralization may be revealed by the polymetallic footprint present on the project.

Past exploration on the project is very limited. An adjacent property, jointly held by Osisko Exploration James Bay and Newmont Goldcorp, hosts several significant gold prospects about 5 kilometres southwest of Kaanaayaa, notably the Marco Prospect (1.07 g/t Au over 27.0 m and 10.1 g/t Au over 5.2 m) and the Contact West Zone (11.82 g/t Au over 4.7 m).

For Q1 2020, Azimut did not incur any claim acquisition expenditures ($47,000 – Q1 2019) but did incur $500 ($Nil – Q1 2019) in exploration expenditures for data interpretation.

Kukamas Property

The Kukamas Property (376 claims, 190.7 km^2) is a copper-gold project located 20 kilometres east-northeast of the La Grande-3 airstrip (next to the Trans-Taiga Road), and 115 kilometres east-southeast of the town of Radisson. The project is located within the La Grande Subprovince, about 7 kilometres north of its boundary with the Opinaca Subprovince. The geology is characterized by sheared metasediments, including iron formation and metavolcanics surrounding granitic intrusions. The 36-kilometre strike of the project covers strong Ag-As-Bi-Cu-Sb anomalies in LBS and several historical gold and copper prospects are present on the property (up to 1.21 g/t Au and up to 20.7% Cu) (PR of July 8, 2019). Several other gold showings are found nearby (Tour Elle: 18.1 g/t Au; Girard-Dupras: 3.6 g/t Au over 1.0 m (channel); La Guiche Zone: 2.72 g/t Au; and Dune Zone: 2.2 g/t Au, 4.3% Cu).

For Q1 2020, Azimut did not incur any claim renewal or acquisition expenditures ($Nil – Q1 2019) but did incur $500 ($Nil – Q1 2019) in exploration expenditures for data interpretation.

Masta-2 and Corvet properties

The Masta-2 and Corvet properties (340 claims combined, 174.8 km^2) are contiguous blocks of claims just south of the Pikwa Property west of Lac de la Corvette, 55 kilometres southwest of the La Grande-4 airstrip next to the Trans-Taiga Road, and 225 kilometres east-southeast of Radisson. The two properties constitute a copper-gold project that straddles the La Grande-Opinaca boundary and displays a strong spatial association between Ag-As-Bi-Cu-Sb in LBS (PR of July 8, 2019). A reconnaissance program in 2017 on the Corvet claims produced 53 grab samples. The results included anomalous values in gold (0.111 g/t Au), copper (0.12% Cu) and arsenic (668 ppm As) within a target area measuring 7 by 1.5 kilometres. In 2018, Azimut carried out reconnaissance and prospecting (123 grab samples) on the Corvet claims as part of a multi-property exploration program managed by Azimut and funded by SOQUEM (PR of June 6, 2018) before SOQUEM relinquished its rights to the property.

For Q1 2020, Azimut did not incur any claim acquisition expenditures for the Masta-2 Property ($Nil – Q1 2019) but did incur $200 ($Nil – Q1 2019) in exploration expenditures for data interpretation. For the Corvet Property Azimut incurred $1,000 ($11,000 – Q1 2019) in claim renewals and $500 ($Nil – Q1 2019) in exploration expenditures for data interpretation. No exploration expenditures were incurred by Azimut before February 2019 because the exploration work was fully funded by SOQUEM who then decided to relinquish its rights to the property.

Valore Property

The Valore Property (108 claims in 2 claim blocks, 56.4 km^2) is a gold project located 185 kilometres east of the Renard mine, in the eastern part of the James Bay region. The property is in an area of poor geological coverage in the Opatica Subprovince and has seen very little historical exploration. Azimut carried out a preliminary infill LBS survey in 2008 that identified several strong gold anomalies, including 2.13 g/t Au and 2.12 g/t Au, and a till survey and geological

reconnaissance program in late fall 2016. The claims are still in good standing as at December 23, 2019, but Azimut has elected to no longer pursue its assessment of the project due to other regional priorities. Consequently, the Property was partially impaired in 2019.

Synclinal Property

The Synclinal Property (32 claims, 16.8 km^2) is a gold project located about 58 kilometres southeast from the Eleonore gold mine, in the Opinaca Subprovince and close to the contact with the La Grande Subprovince. The target is characterized by a Bi-Sb anomaly in LBS underlain by a monzonite body. This context presents some analogies with the environment of the Eleonore mine, thus enhancing the interest of the target. In 2018, 32 rock grab samples were collected during reconnaissance prospecting. The 2017 program, managed by Azimut and funded by SOQUEM before it relinquished its rights to the property, included a comprehensive LBS geochemical survey (PRs of November 2, 2017 and May 31, 2018). The claims are still in good standing as at January 24, 2020, but Azimut has elected to no longer pursue its assessment of the project due to other regional priorities. Consequently, the Property was fully impaired in 2019.

Mercator Property

The Mercator Property (351 claims, 182.1 km^2) is a newly acquired copper and copper-nickel-cobalt property measuring 22 kilometres long by 16 kilometres wide, located within the Opinaca Subprovince at the edge of the Ashuanipi Subprovince. The project displays strong geochemical signatures in LBS including copper, bismuth and molybdenum, as well as, more locally, nickel and cobalt. This area has no record of past exploration.

Corne Property

The Corne Property (177 claims, 93.6 km^2) is a coper-gold project that covers a 17-kilometre strike over a well-marked copper-bismuth-arsenic LBS anomaly. This newly acquired property (PR of July 8, 2019) is located within the metasedimentary Opinaca Subprovince, close to the boundary with the Opatica Subprovince. The property has seen very limited exploration. A small copper-molybdenum-silver intrusion-related deposit is located about 20 km to the northwest (MacLeod, Pointe Richard).

NUNAVIK REGION

Management believes Nunavik (the region in Northern Quebec above the 55th parallel) has significant potential for large-scale deposits of copper, gold, silver, tungsten, rare earth elements ("REE") and uranium. The Company's current land position (the Rex-Duquet, Rex South and Nantais gold-copper properties) is the result of copper-gold predictive modelling using the Company's AZtechMine^{TM} expert system over a 1,247,900 km^2 surface area.

On May 15, 2019, Azimut announced that it had signed an agreement with SOQUEM to form a new alliance in Nunavik (the "Nunavik Alliance") comprising two option phases representing a total investment of up to $40 million. Under the first option, SOQUEM has the option to earn an initial 50% interest in the Rex-Duquet, Rex South and Nantais properties by investing $16 million in exploration work over a period of four (4) years, the first two (2) years being a firm commitment of $4 million each year. Under the second option, SOQUEM may earn an additional 10% interest in each designated property (for a total 60% interest in each such property) by investing $8 million per designated property over a period of two (2) years and delivering a preliminary economic assessment. Azimut is the operator of the Nunavik Alliance.

By the end of Q1 2020, the $4-million Nunavik Alliance exploration program had been completed. The properties may represent district-scale targets as suggested by the initial discovery of at least seven (7) multi-kilometre gold and/or polymetallic zones and more than 200 distinct prospects.

NUNAVIK – COPPER-GOLD

Since 2009, the Company has acquired a controlling land position over a vast underexplored region of Nunavik (the "**Rex Trend**"; Figure 18) through its Rex-Duquet and Rex South properties (collectively 4,396 claims, 1,897.6 km^2). The Rex Trend is a strong 300-kilometre-long copper anomaly in LBS coupled with a strong 100-kilometre-long REE anomaly (PRs of March 31 and July 22, 2011). Azimut considers the Rex Trend to be a new mineral province related to a deep-seated structural corridor (the "Allemand-Tasiat Zone") with the potential to host large-scale deposits. This includes iron oxide copper-gold ("IOCG") deposits, reduced intrusion-related gold-polymetallic systems, copper-gold mineralization in shear zones, and volcanogenic massive sulphides. The Rex Trend displays common features with the world-class Carajás Mineral Province in Brazil (PR of April 4, 2012).

Rex-Duquet Property

The Rex-Duquet Property (2,053 claims, 877.0 km^2) occupies the northern segment of the Rex Trend (Figures 18 and 19). The claims extend over 80 kilometres and were formerly two properties before being amalgamated under the Nunavik Alliance. The project is considered a district-scale polymetallic project for gold, copper, silver, tellurium, molybdenum and tungsten.

Azimut began acquiring claims for the former Rex Property in 2009, and the Duquet claims were added in 2015 when they were acquired from joint owners Osisko Gold Royalties Ltd (through the wholly-owned subsidiary Osisko Exploration James Bay Inc.), Newmont Northern Mining ULC and SOQUEM (PR of October 7, 2015). All the rights, titles and interests in the former Duquet Property were transferred to Azimut in consideration of an aggregate 2.25% net smelter return royalty ("NSR") on those claims, with a 0.75% NSR granted to each of the three previous joint owners.

The 2019 work program comprised a heliborne magnetic, electromagnetic and spectrometric survey (1,720.7 line-km) as well as detailed prospecting, which led to the discovery of multiple new mineralized zones with grades up to 141 g/t Au and 13.65% Cu (see *Mousquetaires* and *Subtle* below; PR of November 6, 2019). The upcoming 2020 exploration program, funded with an additional $4 million Nunavik Alliance budget, will accelerate the assessment of the best mineralized zones by diamond drilling. It will include additional heliborne geophysics and prospecting.

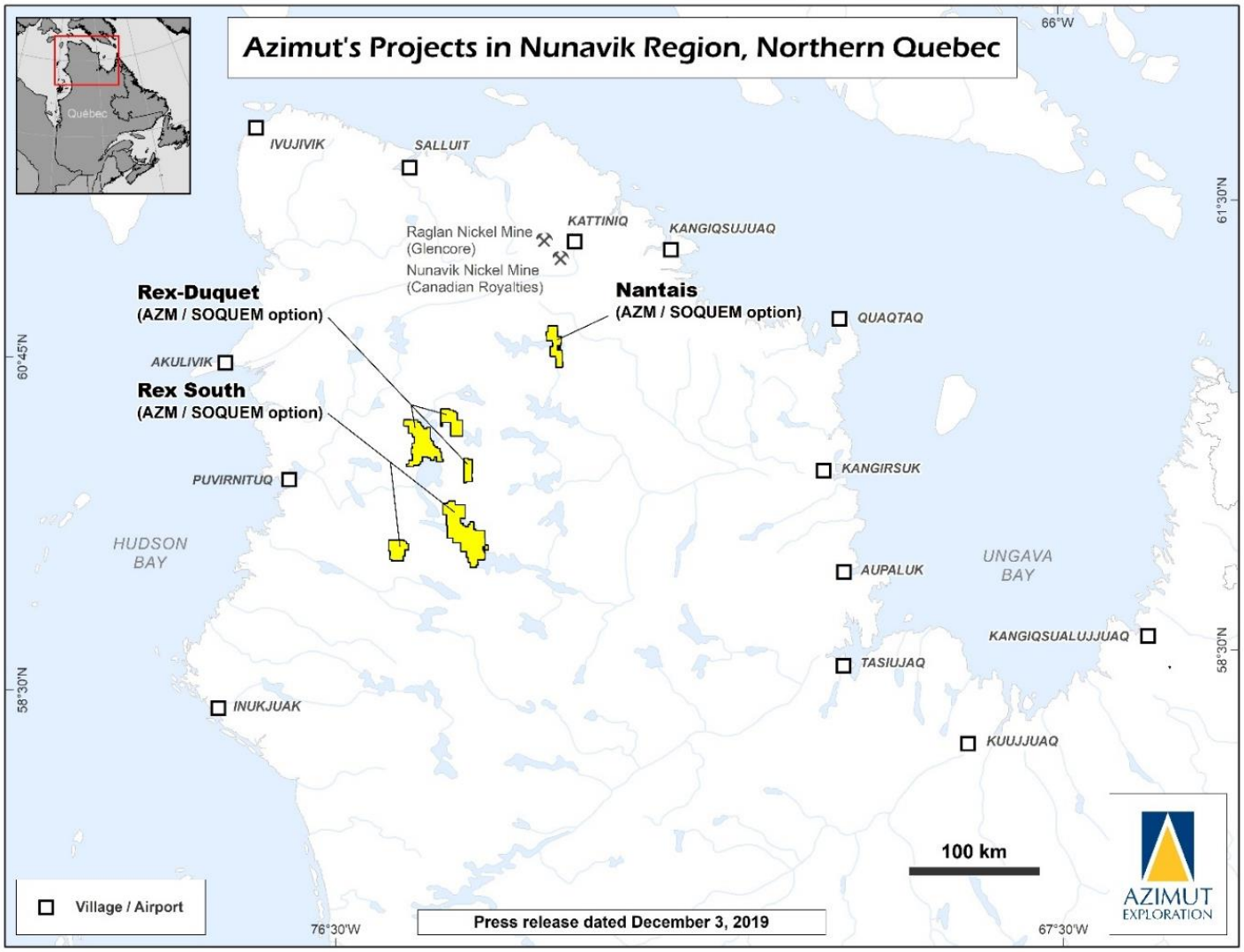


Figure 18: Location of the Rex-Duquet, Rex South and Nantais properties in the Nunavik region of Quebec.

Mineralized zones

More than 20 copper or polymetallic (copper-gold-silver-cobalt-tungsten) prospects have been identified since the initial copper discovery was announced in 2010. Drilling results, supported by prospecting, geological, structural and geochemical data, have confirmed several multi-kilometre IOCG-type targets. The most important are described below (PRs of September 4, 2019 and November 6, 2019).

Mousquetaires Zone

The Mousquetaires Zone corresponds to a copper-bearing brittle fault crosscutting a foliated iron formation, returning grades of up to 13.65% Cu, 0.12% Mo and 25.9 g/t Te. This zone may represent the strike extension of the 3-kilometre-long fault-controlled copper-bearing RBL Zone located 10 kilometres to the NNW, which returned grades of up to 11.6% Cu.

The zone is recognized over a 1,050-metre-long by 80-metre-wide area, striking NNW-SSE with a 70° to 80° NE dip, crosscutting a strongly magnetic iron formation, and largely open along strike. Host rocks are variable: iron formation, gabbro, diorite, mafic and felsic volcanics, and paragneiss. Mineralization is dominated by semi-massive to disseminated chalcopyrite, with pyrite, pyrrhotite, magnetite and some bornite, associated with quartz veins and veinlets in a brittle tectonic context. Alteration is characterized by chlorite, hematite as well as magnetite veinlets proximal to mineralization; by epidote, silica and felspar more distal to mineralization. The main control on mineralization is a brittle fault with possible significant down-dip extensions.

Subtle Zone

The Subtle Zone is a shear-hosted high-grade gold system with silver and zinc, returning grades of up to 580 g/t Au (found in 2012) and 141 g/t Au, 915 g/t Ag and 7.87% Zn. This zone appears on strike with a group of 10 prospects located 5 to 12 kilometres further south on the property, returning up to 133.5 g/t Au, 851 g/t Ag, 9.09% Zn, >500 g/t Te, 1.6% Cu and 0.87% W.

The zone is recognized over an area 500 metres long by 150 metres wide, striking NNW-SSE with a subvertical dip and largely open along strike. Host rocks are paragneiss, orthogneiss and amphibolite. Mineralization is dominated by pyrite associated with centimetric to decimetric quartz veins generally subparallel to foliation, accompanied by sphalerite, galena, chalcopyrite, pyrrhotite and arsenopyrite. The zone is marked by high gold grades (up to 580 g/t Au) associated with silver (up to 915 g/t Ag), zinc (up to 7.87% Zn) and, locally, tellurium (up to 11.7 g/t Te), tungsten (up to 0.5% W) and molybdenum (up to 0.25% Mo). Alteration is characterized by silica, chlorite, sericite and hematite. The main control on mineralization is foliation. Isoclinal folding, as suggested by the magnetic pattern, may increase the width of the zone.

RBL and CM Zones

The RBL Zone is at least 3 kilometres long by 50 to 200 metres wide, with a maximum grade to date of 11.3% Cu (grab sample). The maiden drilling program in 2011 (1,764 m in 23 short holes: 21 rotary + 2 RC) yielded the following best grades: 0.34% Cu over 4.58 m, 0.13% Cu over 9.14 m, 0.14% Cu over 13.72 m, 0.64% Cu over 1.52 m and 0.17% Cu over 6.10 m (PR of February 9, 2012). An envelope of mineralization and alteration is recognizable over the entire zone, and drilling results revealed that copper values are frequently associated with anomalous values of cobalt and tungsten in a wide (up to 200 m) envelope containing anomalous barium, manganese, phosphorus and iron.

The CM Zone measures at least 2.5 kilometres long by 50 to 100 metres wide with a maximum grade to date of 4.3% Cu (grab sample; PR of October 13, 2010). An envelope of mineralization and alteration is recognizable over the entire zone at surface, and the 2011 drilling program (408 m in 6 short holes: 5 rotary + 1 RC) revealed a strong alteration system 150 metres wide, containing anomalous copper, cobalt, tungsten, molybdenum, barium, manganese, phosphorous and iron values (PR of February 9, 2012).

Hosted in migmatitic gneisses, the RBL and CM zones are described as extensive late-tectonic brittle hydrothermal systems with veins, veinlets and breccias. Both contain chalcopyrite, bornite and pyrite, as well as intense networks of magnetite and/or hematite with or without quartz veins and veinlets. Alteration is dominated by strong potassic alteration and pervasive silicification locally accompanied by albite, chlorite and epidote. Located 30 kilometres apart, the zones are spatially associated with two major subparallel structures suggesting significant deep-rooted regional-scale systems.

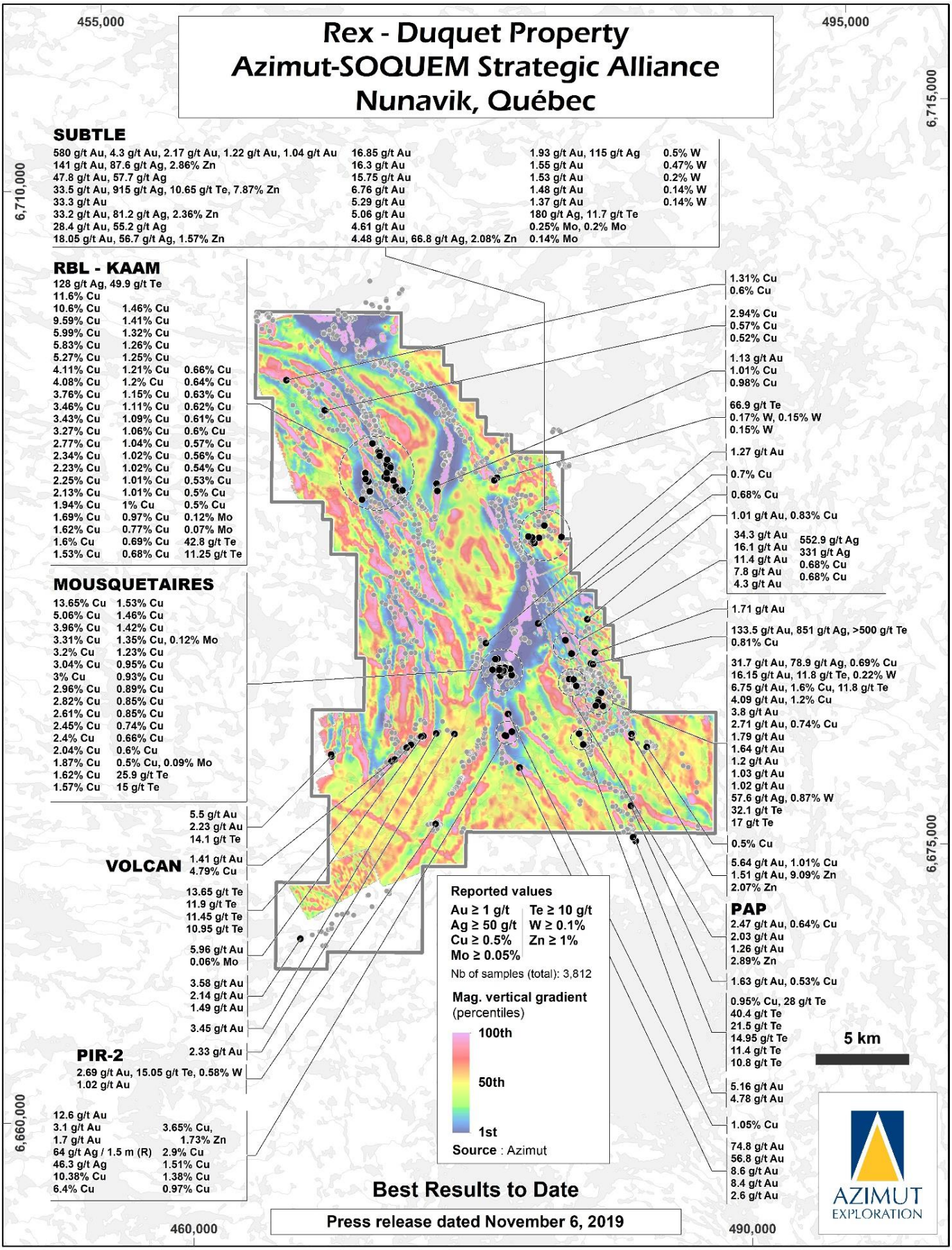


Figure 19: Map of the Rex-Duquet Property (A Block) showing best grab and channel sample results to date.

The geological context of the RBL and CM zones (large alteration and breccia systems spatially associated with regional-scale structures) suggest significant depth to the systems, and both zones show excellent potential for extensions based on their strong magnetic signatures and geochemical footprints in LBS. Azimut considers them to be significant IOCG-type targets. Furthermore, the two zones, spaced 27 kilometres apart, demonstrate the regional scale of mineralization on the Rex-Duquet Property.

For Q1 2020, Azimut incurred $22,000 ($4,000 – Q1 2019) in claim acquisition and renewal expenditures and $535,000 ($600 – Q1 2019) in exploration expenditures for a technical evaluation, prospecting, and airborne geophysical survey, of which the fully amount was charged back to SOQUEM. Azimut will pursue its assessment of the project in 2020 through a SOQUEM-funded work program.

Rex South Property

The Rex South Property (2,343 claims, 1,020.6 km^2) occupies the southern segment of the Rex Trend (see Figure 18). The project is considered a district-scale polymetallic project for copper, gold and a suite of other commodities (silver, tellurium, molybdenum, tungsten and tin).

Exploration programs

The 2019 work program focused on the eastern claim block. A total of 320 grab samples were collected primarily from outcrops. A heliborne magnetic, electromagnetic and spectrometric survey (4,611.7 line-km) was flown over the property. The work led to the discovery of a new mineralized zone (see *Boreal* below; PR of November 25, 2019) with grades up to 3.07% Cu, and the extension of previously known zones.

The upcoming 2020 program, funded with an additional $4 million Nunavik Alliance budget, will accelerate the assessment of the best mineralized zones by diamond drilling and prospecting. The results of previous programs are presented in PRs dated September 13, 2012, October 4, 2012, April 4, 2012 and October 31, 2011.

Mineralized zones

The property hosts at least 11 mineralized zones with kilometre-scale extensions, most of them surrounding or in the vicinity of a 15 kilometre by 5 kilometre ovoid fluorite-topaz-bearing granitic intrusion (the "Qalluviartuuq Intrusive Complex" or "QIC") (Figures 20 and 21). The most important are discussed below.

Boreal Zone
The Boreal Zone appears as a hydrothermal breccia with angular fragments hosted in felsic orthogneiss. It was identified over an area 300 metres long by 10 metres wide, with a NW-SE trend and a subvertical dip. The zone remains largely open along strike. Mineralization is dominated by chalcopyrite accompanied by lesser pyrite and traces of bornite. Alteration is characterized by abundant epidote, albite and silica. Ten (10) grab samples returned grades above 0.5% Cu, including five (5) samples above 1% Cu with a peak of 3.07% Cu.

Copperton Zone
The Copperton Zone, discovered about 5 kilometres southeast of the Anorthosite Zone, is 3,500 metres long by 20 to 100 metres wide. It is hosted in a variably sheared steeply dipping feldspathic intrusion, as well as amphibolites and gneissic metasediments. The mineralized envelope is recognized over a strike length of 3.5 kilometres and a width of 20 to 100 metres. Mineralization is mainly disseminated to semi-massive chalcopyrite and pyrite.

The best grades obtained during the latest prospecting program were 5.0 g/t Au, 1.75% Cu and 4.83 g/t Au, 1.5% Cu, while the best sample from 2012 graded 7.37% Cu, 3.86 g/t Au and 56.9 g/t Ag.

Dragon Zone
The Dragon Zone is hosted in foliated mafic and felsic volcanics with a NW-SE strike and a dip to the NE. This zone is approximately 450 metres long by 90 metres wide and appears spatially correlated with a magnetic high. Mineralization is mainly chalcopyrite accompanied by lesser pyrite and magnetite, with highest values of 4.05% Cu, 0.6% Mo, 2.78% Cu and 0.13% Mo in grab samples. Alteration is marked by silicification.

Lebreuil Zone
The Lebreuil Zone is hosted by felsic orthogneiss. Mineralization is in the form of chalcopyrite in quartz veins and veinlets associated with tourmaline. Alteration is marked by epidote and hematite. The best grades from grab samples are 3.67% Cu, 11.2 g/t Au and 48.5 g/t Te. The preliminary strike extent of the Lebreuil Zone is about 2 kilometres, but widths are still undefined.

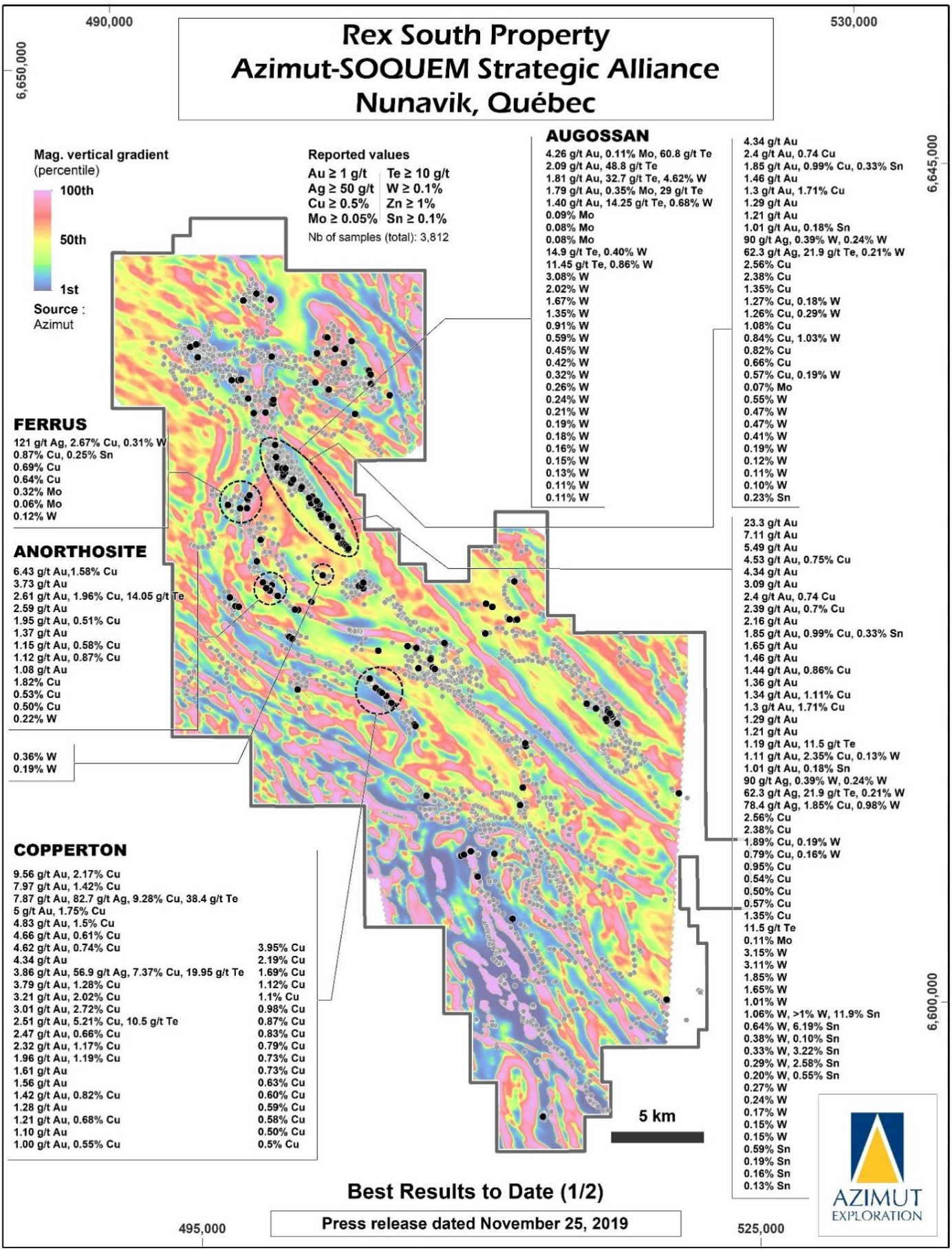


Figure 20a: Map of the Rex South Property showing some of the most significant zones and best grab samples to date (continued in next figure).

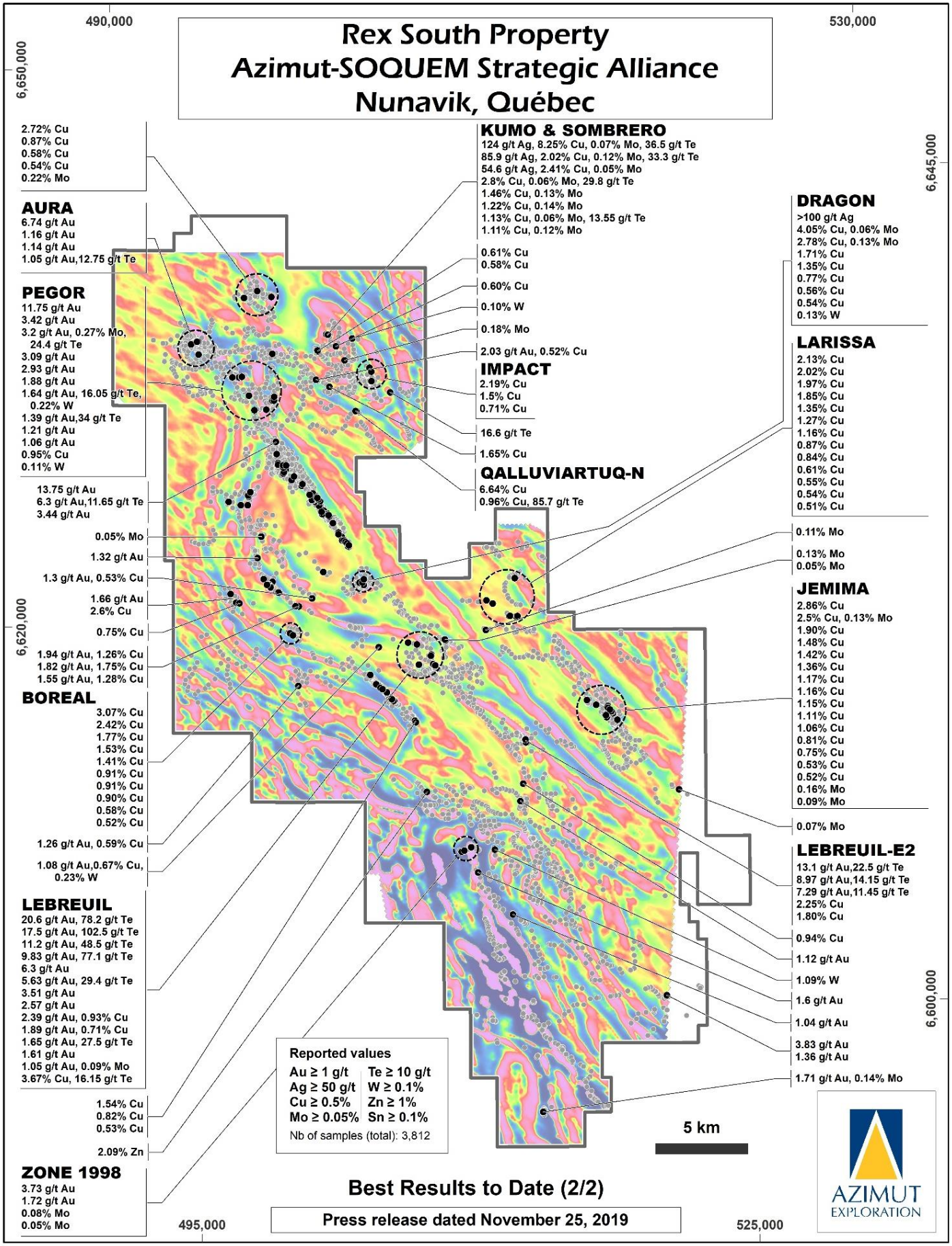


Figure 20b: Map of the Rex South Property showing the remaining zones and best results to date.

Augossan Zone

The Augossan Zone (gold-silver-copper-tungsten-tin) represents the first reported occurrence of significant tungsten grades in the Nunavik region. Other commodities of interest are bismuth, tantalum, beryllium, rubidium, molybdenum, rhenium, tellurium and lithium.

The zone represents a large polymetallic envelope at the contact between the QIC and volcano-sedimentary rocks. It is 7,000 metres long and 100 to 350 metres wide, as defined by drilling, channelling and prospecting data. It remains open in all directions, notably toward the intrusion.

The results for the 788 grab samples collected in this zone from 2010 to 2012 can be summarized as follows:

- Copper: 136 samples returned grades higher than 0.1% Cu, including 25 samples with grades ranging from 0.5% to 2.56% Cu
- Tungsten: 71 samples returned grades higher than 0.05% W, including 49 samples with grades ranging from 0.1% to 4.62% W
- Gold: 141 samples returned grades higher than 0.1 g/t Au, including 28 samples with grades ranging from 1.0 g/t to 23.3 g/t Au
- Silver: 209 samples returned grades higher than 1.0 g/t Ag, including 49 samples with grades ranging from 10.0 g/t to 90.0 g/t Ag

Channel sampling highlights from 2011 include: 13.75 g/t Au, 15.8 g/t Ag and 0.23% Cu over 1.1 m; 3.15% W over 1 m; and 0.64% W over 3 m. Channels were cut perpendicular to the apparent orientation of mineralization.

Drilling highlights from 2011 include: 0.14% W over 15.24 m with an interval of 4.20 g/t Ag, 893 ppm Bi, 0.12% W and 0.35% Cu over 7.62 m; 1.28 g/t Au, 8.41 g/t Ag and 0.12% Cu over 6.1 m; 1.10 g/t Au and 2.60 g/t Ag over 9.14 m; 0.56% W, 2.84 g/t Ag and 0.11% Cu over 1.52 m. True widths of the drilling intervals were estimated to be approximately 75% to 100% of core length.

Anorthosite Zone

The gold-copper-tungsten Anorthosite Zone was discovered in 2010 several kilometres south of the Augossan Zone. A few reconnaissance holes and prospecting data outlined a preliminary envelope 4 kilometres long by 200 metres wide with Au, Ag, Cu, W and Te mineralization.

Aura–Pegor Zone

The Aura–Pegor Zone, 2 kilometres long, is characterized by disseminated pyrite and strong alteration, including tourmaline in veinlets or stockworks accompanied by silica and albite. Grab sample assays include 15 samples with grades ranging from 0.5 g/t Au to 11.75 g/t Au. In addition, this zone presents anomalous values in copper (up to 0.37% Cu), tungsten (up to 0.06% W), bismuth (up to 0.14% Bi) and tellurium (up to 34 g/t Te).

Jemima Zone

The Jemima Zone is a mineralized corridor 2 kilometres long by 30 to 100 metres wide, characterized by disseminated to semi-massive chalcopyrite and bornite associated with hematite-magnetite in veins, veinlets or breccia cement, accompanied by strong pervasive potassic alteration, silica, chlorite and epidote. Mineralization and associated alteration are related to a brittle structure that clearly crosscuts the Archean gneissic country rocks. Assays for 15 grab samples ranged from 0.5% to 2.86% Cu, up to 0.17% Mo (molybdenum) and up to 0.422 g/t Re (rhenium).

Evidence of large-scale systems and comparison to other mineral provinces

Overall, the Rex South Property demonstrates evidence for two types of district-scale mineralized systems:

1. A system mainly emplaced around the QIC. This includes the Augossan, Anorthosite, Copperton, Dragon, Lebreuil and Boreal zones, and the Pegor and Ferrus prospects. Considerable additional exploration potential exists along the 30-kilometre contact between the intrusion and the volcano-sedimentary host rocks, as well as within the intrusion itself. This 30-kilometre prospective trend is marked by a linear magnetic anomaly around the intrusion. The Aura-Pegor and Le Breuil zones, both characterized by abundant tourmaline and lesser fluorite, may represent a less eroded part of the system (possible roof zones) along the northwest and southeast extensions of the Augossan trend.
2. IOCG mineralization associated with brittle structures and characterized by copper-dominant values accompanied by hematite and pervasive potassic alteration, represented by the Jemima Zone and the Sombrero and Impact prospects. The Larissa, Agaku-1, Agaku-2, Agaku-4 prospects may also represent IOCG mineralization.

A comparison can be made between the context of the Rex Trend and the world-class Carajás Mineral Province in Brazil. The latter hosts several large IOCG deposits (Sossego, Salobo, Alemao, Gameleira and Cristalino) and intrusion-related Cu-Au-(W-Bi-Sn) and W deposits (Breves, Aguas Claras) associated with anorogenic granite intrusions. The ages for the Carajás IOCG deposits range from Archean (2.77 Ga) to Paleoproterozoic (1.73 Ga), and the intrusion-related Breves deposit is Paleoproterozoic (1.88 Ga). The Breves deposit (50 Mt @ 1.22% Cu, 0.75 g/t Au, 2.4 g/t Ag, 0.12% W, 70 ppm Sn, 175 ppm Mo, and 75 ppm Bi) has a number of features in common with the Qalluviartuuq mineralized system at Rex South, particularly the presence of fluorite, tourmaline, chalcopyrite, pyrite, arsenopyrite, wolframite, cassiterite, bismuthinite and native bismuth.

For Q1 2020, Azimut incurred $100 ($8,000 – Q1 2019) in claim acquisition and renewal expenditures and $172,000 ($2,000 – Q1 2019) in exploration expenditures for technical evaluation, prospecting and an airborne geophysical survey, of which the fully amount was charged back to SOQUEM. The assessment of the project requires follow-up prospecting and drilling on several attractive targets, with particular focus on the Copperton, Dragon and Lebreuil zones. Azimut will pursue its assessment of the project in 2020 as part of a SOQUEM-funded work program.

NCG Property

The NCG Property (1 claim, 0.4 km^2) is a Cu-Au-Ag-W-REE project at the southern end of the Rex Trend. For Q1 2020, Azimut did not incur any expenditures in claim renewals ($Nil – Q1 2019) or exploration work ($Nil – Q1 2019). The property was fully impaired because Azimut elected to no longer pursue its assessment of the project due to other regional priorities.

Nantais Property

The Nantais Property (541 claims, 226.6 km^2) is about 110 kilometres east of the Rex Trend, and about 80 kilometres south of Glencore's Raglan nickel mine or 115 kilometres southwest of the Inuit village of Kangiqsujuaq (Figure 22). This Au-Ag-Cu-Zn project covers 32 kilometres of an underexplored greenstone belt in the Nantais Complex of the Minto Block, a geological division of the Archean Superior Province.

Mineralization and target types

Mineralization (pyrrhotite, pyrite, chalcopyrite, arsenopyrite, sphalerite, galena) is hosted within a steeply dipping north-trending unit of mafic and felsic volcanic rocks. This mineralized corridor correlates well with electromagnetic conductors (see PRs of August 27, 2014 and September 29, 2014).

Target types are gold-rich polymetallic VMS and shear zones. Historical showings include Nantais-1 (4.7 g/t Au, 5.2 g/t Ag, 0.11% Cu (grab)), Nantais-2 (7.9 g/t Au, 7.2 g/t Ag (grab); 15.9 g/t Au, 7.5 g/t Ag, 0.14 % Cu over 0.2 m (channel); 8.0 g/t Au (grab); 0.15% Cu over 0.6 m (channel)), and Cabane (0.47 g/t Au, 1,600 g/t Ag, 0.15% Sb, 0.12% Cu, 2.48% Zn, 7.00% Pb (grab)).

Exploration results

The 2019 work program consisted of systematic prospecting on target areas defined by integrating all previous data from heliborne electromagnetic-magnetic surveys, remote sensing, LBS geochemical modelling, and prospecting. A total of 518 grab samples were collected primarily from outcrops (PR of December 3, 2019). The upcoming 2020 exploration program, funded with an additional $4 million Nunavik Alliance budget, will assess the best targets by diamond drilling and prospecting.

The Company also conducted field work in 2011 and 2012 (PRs of September 18, 2012 and April 19, 2012), and flew a geophysical survey over the property in 2014.

The highlights of the 2019 program are described below (Figure 22).

- Discovery of a 1.6-km-long gold-bearing area with grades up to 6.91 g/t Au, 16.4 g/t Ag and 0.22% Cu (sample Y90610), spatially associated with a 1.1-km-long electromagnetic conductor; grab samples collected in this area, mostly from angular boulders, are composed of sheared mafic volcanics with quartz veins and pyrite; and
- Improved definition, through infill prospecting, of a previously recognized polymetallic corridor, 3.1 km long by up to 500 m wide, in the central part of the Property (see PRs of April 19, 2012 and September 18, 2012). The most significant new grab sample results are presented below from north to south:

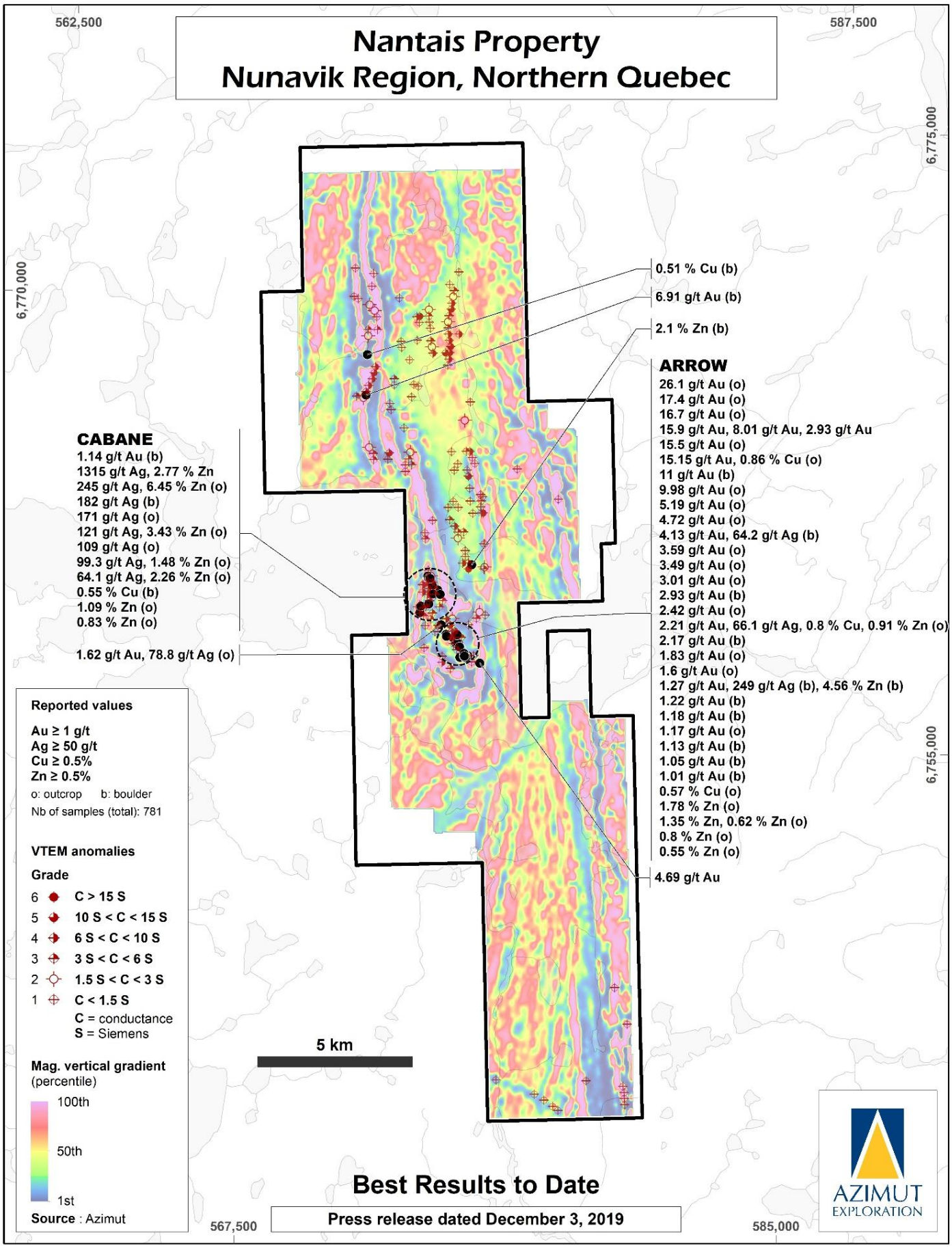


Figure 21: Map of the Nantais Property showing the main zones and best results to date.

- 245 g/t Ag, 1.62% Pb, 6.45% Zn (sample Y090060)
- 121 g/t Ag, 3.43% Zn (sample Y090165)
- 0.26 g/t Au, 182 g/t Ag, 0.31% Cu (sample Y090129)
- 1.27 g/t Au, 249 g/t Ag, 0.11% Cu, 1.29% Pb, 4.56% Zn (sample Y090145)
- 17.4 g/t Au, 8.82 g/t Ag, 0.2% Cu (sample Y090136)
- 4.13 g/t Au, 64.2 g/t Ag, 0.3% Cu (sample Y090256)

For Q1 2019, Azimut did not incur any claim acquisition or renewal expenditures ($Nil – Q1 2019) but did incur $96,000 ($1,000 – Q1 2019) in exploration expenditures for technical evaluation and data interpretation, of which the full amount was charged back to SOQUEM. Azimut will pursue its assessment of the project in 2020 as part of a SOQUEM-funded work program that will include drill target ranking.

NUNAVIK – URANIUM

North Rae Property

Azimut considers Nunavik to be highly prospective for large-tonnage uranium deposits related to intrusive rocks in high-grade metamorphic environments. Azimut's only uranium property, the North Rae Property (1 claim, 0.5 km^2), is located in a part of the eastern Ungava Bay region that management considers to be a new uranium province in Canada.

For Q1 2020, Azimut did not incur any claim renewal expenditures ($100 – Q1 2019) or exploration work expenditures ($Nil – Q1 2019). The property was fully impaired because no E&E expenditures were planned due to the uncertainty surrounding the uranium industry in Quebec.

REGIONAL MODELLING AND PROJECT GENERATION

Azimut continues to pursue its mineral potential modelling of several regions in Quebec with the objective of generating new projects, most notably for gold and copper. Opportunities in other regions and for other commodities are also considered.

PERSPECTIVE

The following tables present the status of the current work programs on Azimut's key properties and the planned exploration programs for 2020.

Azimut maintains its conservative business approach by minimizing equity dilution and preserving its cash position, especially in the current context of the mining industry. Azimut's strategy is to focus on developing new partnerships in Quebec in order to safeguard the value added to Azimut's projects. The Company also continues to assess quality exploration opportunities based on its systematic data processing approach.

The Company is maintaining its long-standing exploration focus in the James Bay region, primarily with its gold properties in the Opinaca Reservoir (Eleonore Gold Camp) and Eastmain Reservoir areas. The Company also continues to hold a commanding position over the Rex Trend, the 300-kilometre-long mineral belt in Nunavik containing major gold-polymetallic targets.

Management believes the Company has adequate financial resources to keep its properties in good standing and to pay its ongoing G&A expenses.

JAMES BAY REGION		
Property	**Status**	**2020 planned work program**
Opinaca B (gold)	Targets identified	Drilling stage Partner-funded program to be defined
Eleonore South (gold)	Targets identified	Drilling stage Partner-funded program to be defined
Wabamisk (gold)	Technical assessment underway	Drilling stage Partner-funded program to be defined
Munischiwan (gold)	Targets identified	Prospecting, drilling
Pikwa (gold)	Targets identified	Prospecting, ground geophysics, drilling
Pontois (gold)	Targets identified	Prospecting
Desceliers (gold)	Targets identified	Prospecting
Galinée (gold)	Targets identified	Prospecting 50% funded
Dalmas (gold)	Targets identified	Prospecting 50% funded
Elmer (gold-silver-copper-zinc)	Technical assessment underway	Prospecting, stripping, ground geophysics, drilling
Kaanaayaa (gold-copper)	Technical assessment underway	Detailed LBS survey

NUNAVIK REGION		
Property	**Status**	**2020 planned work program**
Rex-Duquet (copper, gold, silver, REE)	Priority targets identified	Ground geophysics, drilling Partner-funded program
Rex South (gold, silver, copper, tungsten)	Priority targets identified	
Nantais (gold, silver, copper, zinc)	Technical assessment underway	Drilling stage Partner-funded program

SELECTED FINANCIAL INFORMATION

	November 30,	
	2019 ($)	**2018 ($)**
Revenue		
Management income	82,510	35,799
Expenses		
G&A	85,754	96,390
General exploration	2,852	13,342
Impairment of E&E assets	1,152	132
Interest income, net of finance costs	(9,038)	(8,571)
	80,722	101,293
Other loss	15,788	37,124
Deferred income tax recovery	-	42,219
Net loss for the period	(14,001)	(61,400)
Basic and diluted loss per share	(0.000)	(0.001)

RESULTS OF OPERATIONS

Q1 2020 COMPARED TO Q1 2019

Azimut reported a net loss of $14,000 for Q1 2020 compared to $61,000 for Q1 2019. The variation is mainly due to management income for the Company's role as operator of the SOQUEM JV and Nunavik Alliance properties. Other significant variations are detailed below.

Revenue

The Company reported a revenue of $83,000 ($36,000 – Q1 2019) in management income for the Company's role as operator of the Nunavik and James Bay alliances.

Operating Expenses

G&A expenses amounted to $86,000 in Q1 2020 compared to $96,000 in Q1 2019. The decrease in Q1 2020 is due mainly to the net effect of a decrease in salary and fringe benefits of $5,000 due to the wage parity rate used by SOQUEM and the consequent imputation of a higher rate charged to the E&E assets under the James Bay Alliance.

General exploration expenses were $3,000 in Q1 2020 compared to $13,000 in Q1 2019. The decrease is the net result of decreased activity in the assessment for new opportunities in other commodities and no cost recorded for the stock-based compensation costs in Q1 2020 ($4,000 – Q1 2019 representing the fair value of 33,000 stock options vested during the period; this expense did not affect cash).

Other gains and losses

The Company reported other losses of $16,000 for Q1 2020 compared to $37,000 for Q1 2019. The changes were primarily attributable to the change in the fair value of the Company's investments in Captor Capital Corp.

OTHER INFORMATION

	November 30, 2019	August 31, 2019
Cash and cash equivalents	$1,365,986	$2,979,133
Total assets	$8,720,726	$9,366,456
Shareholders' equity	$7,451,463	$6,119,055
Number of shares outstanding	57,386,361	53,300,649
Number of stock options outstanding	3,745,000	3,745,000
Number of warrants outstanding	4,253,431	2,210,576

Since its incorporation, the Company has not declared cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs for its exploration programs and its future financial growth, and any other factor that the Board of Directors deem necessary to consider in the circumstances. It is unlikely that any dividends will be paid in the near future.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

Azimut is currently in the exploration and evaluation stage and has not earned significant revenues.

Financial Position

The Company's working capital was $561,000 as at November 30, 2019 compared to $819,000 as at November 30, 2018. Management is of the opinion that the current cash position is sufficient to meet current commitments on a continuous basis for at least the next twelve (12) months. To pursue the exploration and evaluation programs and operations of the Company beyond November 30, 2020, it will be necessary to periodically raise additional funds through the issuance of new equity instruments and/or the exercise of stock options and warrants and/or the signing of option agreements with partners on its E&E assets. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company, or that they will be available on terms that are acceptable to the Company.

As at November 30, 2019, the Company's cash and cash equivalent position decreased by $1,613,000 compared to August 31, 2019. The variation in the cash position is mainly due to the net cash received of $1,346,000 for closing the private placement, the tax credit received for resources and mining duties of $115,000 and commodity taxes of $237,000, offset by $3,189,000 for cash used for E&E assets costs and $136,000 for operational costs for the period.

Total assets decreased by $646,000 since August 31, 2019, owing mainly to $872,000 in cash used for exploration work performed on behalf of a partner, $1,280,000 in cash used to pay off the August 2019 payables, the operational cost for the period, and investments in E&E assets. The increase in E&E costs was incurred mainly in the James Bay region on the SOQUEM (Pikwa) and Elmer properties. The decrease in liabilities is largely due to advances received from JV partners that were applied to exploration costs incurred, and the August 2019 payables were paid-off during the period.

Operating activities

For Q1 2020, net cash flows from operating activities totalled $136,000 compared to $253,000 in Q1 2019. The variation is mainly due to the net change in non-cash working capital amounts to $119,000 ($233,000 – Q1 2019). The variation in amounts receivable results from the August 2019 commodity taxes received in Q1 2020. The variation in accounts payable results from the volume of activity for the ongoing field work activity.

Financing activities

The Company completed a non-brokered private placement of 4,085,712 units at $0.35 per unit for aggregate gross proceeds of $1,430,000. No commissions or finder's fees were paid in respect of the offering in Q1 2020 ($Nil – in Q1 2019).

Investing activities

Investing activities consisted mainly of the additions to E&E assets. In Q1 2020, net cash flows used in investing activities totalled $3,080,000 compared to $1,922,000 in Q1 2019. The variation is attributable to the net effect of the following:

- Additions to E&E assets amounting to $3,189,000 ($2,051,000 – Q1 2019). Significant costs were incurred in the James Bay region on the Elmer, SOQUEM, Dalmas properties and in the Nunavik region on the Rex-Duquet, Rex South and Nantais properties; and
- $115,000 received for the 2018 tax credit for resources and mining duties.

Advanced exploration on the Company's properties and the ongoing work to identify early-stage and major exploration targets are pursuits that require substantial financial resources. In the past, the Company has been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that the Company will be successful in raising additional funds in the future.

QUARTERLY INFORMATION

The information presented below details the total income (expenses), net earnings (loss), and net earnings (loss) per share for the last eight quarters. The information is based on the financial statements, which have been prepared in accordance with IFRS.

Quarter ended	Income (expenses)	Net earnings (loss)	Net earnings (loss) per share	
	$	$	Basic ($)	Diluted ($)
30-11-2019	66,721	(14,001)	0.000	0.000
31-08-2019	292,554	*** (714,069)	(0.013)	(0.013)
31-05-2019	48,503	(82,637)	(0.002)	(0.002)
28-02-2019	32,621	(98,232)	(0.002)	(0.002)
30-11-2018	(1,325)	(61,400)	(0.001)	(0.001)
31-08-2018	12,801	* 979	0.000	0.000
31-05-2018	(58,708)	(137,888)	(0.003)	(0.003)
28-02-2018	101,918	** 20,609	0.000	0.000

* Gain arising from changes in fair value on investments.
** Gain on option payments received.
*** Impairment of E&E assets, and stock-based compensation.

CONTRACTUAL OBLIGATIONS

As at November 30, 2019, the Company's contractual obligation payments are as follows:

	Less than 1 year $	1–3 years $	4–5 years $	After 5 years $
Leases	62,095	231,112	-	
Asset retirement obligations	-	-	251,480	-
Total contractual obligations	62,095	231,112	251,480	-

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CARRYING AMOUNT OF EXPLORATION AND EVALUATION ASSETS

At the end of each quarter, management reviews the carrying value of its E&E assets to determine whether any write-offs or write-downs are necessary. Based on an impairment analysis performed in Q1 2020, the following properties were impaired given that no E&E expenses were budgeted and that some claims were abandoned or were not expected to be renewed: the uranium property in the Nunavik region by $100, gold properties in the James Bay region by $50, and the chromium-PGE property in the James Bay region by $1,000.

The Company has sufficient funds to respect its short-term obligations. The estimation of impairment charges requires judgment from the management.

RELATED PARTY TRANSACTIONS

The related parties of the Company include key management and companies owned by the key management team. Key management includes directors, the chief executive officer ("CEO"), and the chief financial officer ("CFO").

The compensation paid or payable to key management for services is as follows:

	2019 $	2018 $
Salaries	78,547	78,547
Director fees	9,750	9,250
	88,297	87,797

An amount for salaries of $45,000 ($38,000 – Q1 2019) was capitalized to E&E assets in Q1 2020.

As at November 30,2019, accounts payable and accrued liabilities include an amount of $157,000 owed to key management ($158,000 at November 30,2018).

In the event that termination of employment is for reasons other than gross negligence, the CEO will be entitled to receive an indemnity equal to twelve (12) months of salary. The indemnity paid must not represent more than 10% of the Company's liquidities at such time.

In the event of a change of control or a termination of employment following a change of control, the CEO will be entitled to receive an indemnity equal to twenty-four (24) months of salary and the CFO will be entitled to receive an indemnity equal to eighteen (18) months of salary.

SUBSEQUENT EVENTS

On December 18, 2019, the Company completed a non-brokered private placement of 1,189,365 flow-through shares at $0.66 per share, for aggregate gross proceeds of $785,000. The finder fees totalling $21,698 have been paid to third parties dealing at arm's length. Directors and officers of the Company participated in the private placement for a total consideration of $80,071 under the same terms as other investors.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A detailed summary of the Company's significant accounting policies is provided in note 2 of the annual financial statements as at August 31, 2019 and the interim financial statements for the three-month period ended November 30, 2019.

NEW ACCOUNTING STANDARDS OR AMENDMENTS

A detailed summary of new accounting standards or amendments adopted in the current year or to be adopted in later years is provided in notes 2 and 3 of the annual financial statements as at August 31, 2019.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

A detailed summary of the Company's critical accounting policies and estimates is provided in note 4 of the annual financial statements as at August 31, 2019.

INFORMATION REGARDING OUTSTANDING SHARES

The Company can issue an unlimited number of common shares, without par value. As at January 24, 2020, there were 58,675,726 issued and outstanding shares and no shares held in escrow, and there were 4,253,431 warrants outstanding with an average exercise price of $0.40 and expiry dates ranging from June 21, 2020 to April 10, 2021.

The Company maintained a stock option plan in which a maximum of 5,857,000 stock options may be granted. The exercise price of the options is set at the closing price of the Company's shares on the TSX Venture Exchange the day before the grant date. The options have a maximum term of ten (10) years following the granting date; the options are granted fully vested, unless otherwise approved by the Board of Directors. As at January 24, 2020, a total of 3,795,000 stock options were outstanding and vested. Their exercise prices range from $0.19 to $1.25 and the expiry dates range from March 7, 2020 to December 19, 2029.

RISK RELATED TO FINANCIAL INSTRUMENTS

The Company has exposure to various financial risks, such as credit risk, liquidity risk and market risk from its use of financial instruments. A detailed summary is provided in note 19 of the annual financial statements as at August 31, 2019.

OUTLOOK

In the coming fiscal year, the Company will continue advancing the Eleonore South Property and six (6) other gold properties acquired under the James Bay Alliance with SOQUEM and will conduct technical assessment work on the Elmer property in the James Bay region. The Company will also advance the Rex-Duquet, Rex South and Nantais properties under the Nunavik Alliance with SOQUEM. The Company will continue its efforts to find new partners for available properties, and it intends to develop new business opportunities to apply its big data approach to other regional and country-scale settings. Furthermore, based on industry trends and demand, the Company will also continue to pursue its mineral potential modelling of several regions in Quebec with the objective of generating new projects. Financing may be required for this purpose in the upcoming fiscal year.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This Management's Discussion and Analysis report is dated January 24, 2020 and was approved by the Board on January 24, 2020. The Company regularly discloses additional information through press releases and its financial statements on the SEDAR website (www.sedar.com).

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements, which reflect the Company's current expectations regarding future events. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". The forward-looking statements involve risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. There are many factors that could cause such differences, particularly volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies, and failure to obtain necessary permits and approvals from government authorities, as well as other development and operating risks. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, other than as required to do so by applicable securities laws.

(s) Jean-Marc Lulin	(s) Moniroth Lim
President and CEO	CFO and Corporate Secretary

CORPORATE INFORMATION

Azimut Exploration Inc.

Board of Directors
Michel Brunet, LL.B., Director (Montreal) (1)
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal) (2)
Angelina Mehta, Eng., MBA, LL.M., Director (Montreal) (1)
Jean-Charles Potvin, MBA, B.Sc., Director (Toronto) (2)
Louis P. Salley, B.A., LL.B., Director (Vancouver)
Jacques Simoneau, Eng., PhD, Director (Montreal) (1) (2)

(1) Member of the Governance and Compensation Committee
(2) Member of the Audit Committee

Management
Jean-Marc Lulin, President and Chief Executive Officer
Moniroth Lim, Chief Financial Officer and Corporate Secretary
Mathieu Landry, VP Technology and Business Development

Legal Counsel
XploraMines S.A. (Montreal)

Auditors
PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. (Montreal)

Transfer Agent
AST Trust Company Canada (formerly Canadian Stock Transfer Company Inc.) (Montreal)

Listing
TSX Venture
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