MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended May 31, 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 and nine months ended May 31, 2019. This report should be read in conjunction with the Company's unaudited condensed interim financial statements for the three and nine months ended May 31, 2019 and the annual financial statements for the year ended August 31, 2018, 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 July 17, 2019, Azimut holds twenty-five (25) exploration properties comprising 9,304 claims (31 properties and 11,045 claims as at May 31, 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%); and Opinaca A, Opinaca B, Dalmas and Galinée (50% each). The Company's property portfolio comprises the following (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)
- 3 base metal properties (Cawachaga, Mercator and Corne)
- 1 chromium property (Chromaska)

In the Nunavik region:

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

Azimut has a back-in option for a 50% interest in four James Bay 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 July 17, 2019.

OVERALL PERFORMANCE

Summary of activities for the current quarter and subsequent activities:

- Azimut and SOQUEM resumed exploration on the Munischiwan Property in the James Bay region to prepare for the maiden diamond drilling program later in the year and announced the preliminary results of an induced polarization geophysical survey over the InSight gold-silver-copper prospect.
- Azimut and SOQUEM signed the final agreement for their expanded strategic alliance comprising nine (9) gold and copper-gold properties in the James Bay and Nunavik regions.
- Azimut conducted predictive modelling for copper over the James Bay region and acquired or expanded five properties based on the results: Kukamas, Masta-2, Corvet, Corne and Mercator; and
- Azimut cuts 9.52 g/t Au over 7.1 m in channel samples on Elmer after commencing its 2019 exploration program on the Elmer and Duxbury properties in the James Bay region.

Highlights for the nine months ended May 31, 2019 ("Q3 2019"):

- Azimut ended Q3 2019 with working capital of $1.24 million[1] ($1.9 million – May 31, 2018; "Q3 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 Q3 2019;
- Azimut spent $3.6 million in exploration and evaluation ("E&E") expenditures of which $2.09 million was charged back to joint venture partners; and
- Azimut received $109,000 from stock options exercised by directors and officers.

EXPLORATION AND EVALUATION ASSETS

In Q3 2019, the Company incurred E&E expenditures totalling $1,194,000 ($1,441,000 – Q3 2018). Most of the expenditures were incurred on the Eleonore South, Opinaca D, Duxbury and Elmer properties in the James Bay region. An amount of $107,000 is available for the Company's contribution to the Eleonore South drilling program.

The E&E assets for Q3 2019 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.

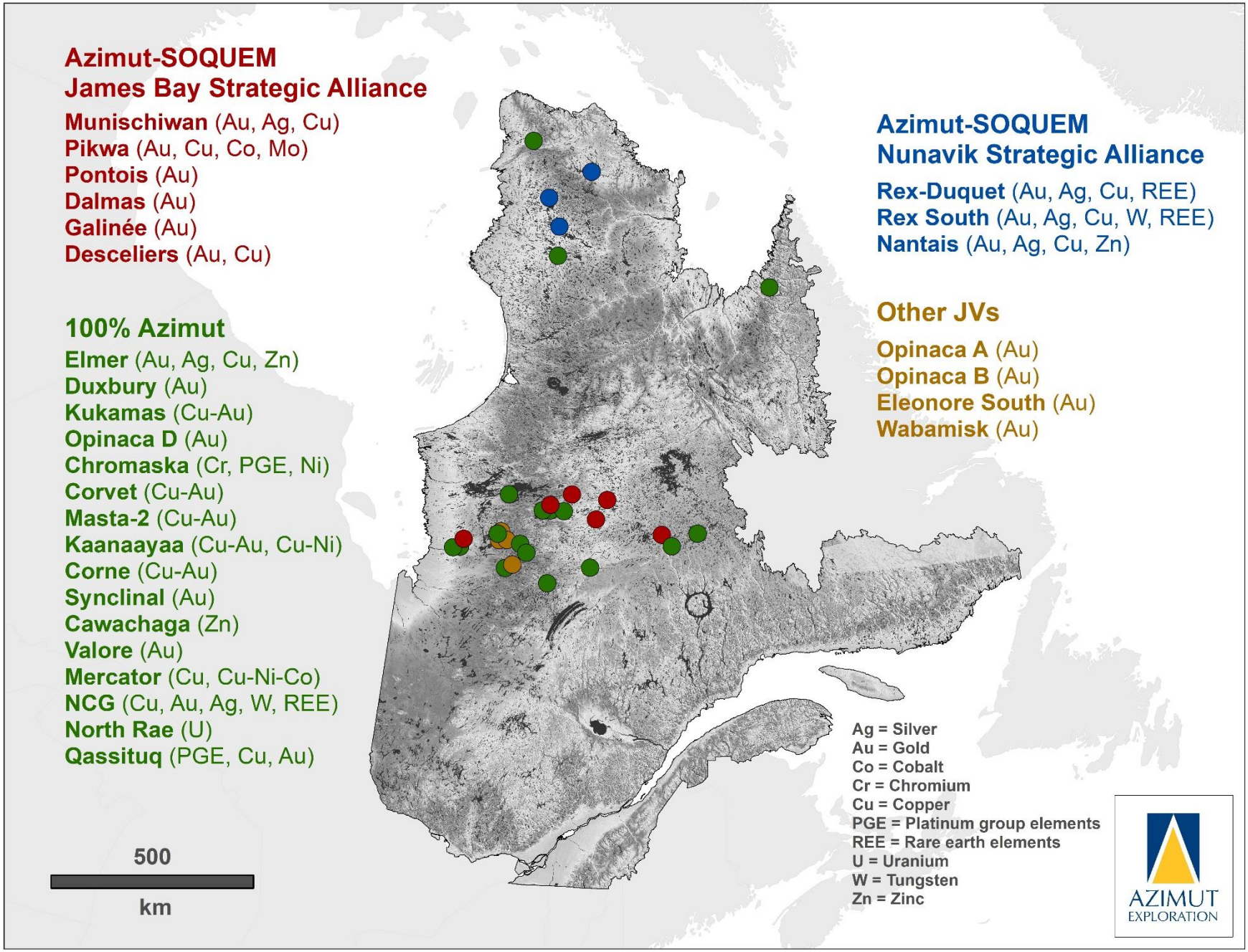

Figure 1: Map of Azimut's exploration property portfolio in Quebec.

Change in E&E assets – Q3 2019

Mineral property	Net book value as at August 31, 2018 $	Acquisition costs: Claims and permits $	Exploration costs: Geochem. surveys $	Geol. surveys $	Geophys. surveys $	Drilling $	Stripping $	Admin. & other $	Depreciation of property & equipment $	Cost incurred during the period $	Credit on duties refundable for loss and refundable tax credit for resources $	Impairment $	Net book value as at May 31, 2019 $
James Bay													
Opinaca A	63,591	88	2,069	6,545	-	-	-	-	-	8,7021	(3,200)	-	69,093
Opinaca B	5,230	-	-	625	-	-	-	-	-	625	-	-	5,855
Eleonore South	1,070,926	-	226	155,202	19	308,063	48,837	25,726	26,240	564,313	(146,400)	-	1,488,839
Opinaca D	274,981	7,080	-	25,793	-	-	-	-	-	32,873	(550)	-	307,304
Wabamisk	20,238	-	-	11,035	-	-	-	-	-	11,035	(4,500)	-	26,773
SOQUEM	4	-	-	2,512	26	-	-	-	-	2,538	(1,050)	-	1,492
Dalmas	162	-	-	1,159	-	-	-	-	-	1,159	(400)	-	921
Galinée	163	-	-	1,382	-	-	-	-	-	1,382	(500)	-	1,045
SOQUEM Alliance	30,450	12,060	-	-	-	-	-	-	-	12,060	-	-	42,510
Elmer	22,264	13,451	894	75,187	7,623	104	-	-	-	97,259	(34,900)	-	84,623
Duxbury	74,720	1,539	-	40,598	-	250	-	-	-	42,387	(10,900)	-	106,207
Other	82,073	146,837	650	38,123	-	-	-	-	-	185,610	(16,200)	-	251,483
Total – Gold	1,644,802	181,055	3,839	358,161	7,668	308,417	48,837	25,726	26,240	959,943	(218,600)	-	2,386,145
Chromaska	814,281	2,257	-	9,093	25	9,504	-	-	-	20,879	(6,500)	-	828,660
Total – Chromium	814,281	2,257	-	9,093	25	9,504	-	-	-	20,879	(6,500)	-	828,660
Cawachaga	6,729	-	149	4,898	-	-	-	-	-	5,047	(1,700)	-	10,076
Mercator	-	53,001	-	1,610	-	-	-	-	-	54,611	(600)	-	54,011
Corne	-	26,727	-	1,610	-	-	-	-	-	28,337	(600)	-	27,737
Total – Base Metal	6,729	79,728	149	8,118	-	-	-	-	-	87,995	(2,900)	-	91,824
Total – James Bay	2,465,812	263,040	3,988	375,372	7,693	317,921	48,837	25,726	26,240	1,068,817	(228,000)	-	3,306,629
Nunavik													
Rex	1,115,610	240	-	19,924	1,171	-	-	-	17	21,352	(7,900)	-	1,129,062
Duquet	4,056	3,549	-	15,000	-	-	-	-	-	18,549	(6,300)	-	16,305
Rex South	522,459	17,156	-	24,677	1,362	415	-	-	141	43,751	(10,700)	-	555,510
NCG	-	-	-	-	-	-	-	-	-	-	-	-	-
Nantais	160,339	29,138	-	10,504	1,427	-	-	-	-	41,069	(5,000)	-	196,408
Qassituq	4,408	-	-	-	-	-	-	-	-	-	-	-	4,408
Total – Gold & Polymetallic	1,806,872	50,083	-	70,105	3,960	415	-	-	158	124,721	(29,900)	-	1,901,693
North Rae	-	132	-	-	-	-	-	-	-	132	-	(132)	-
Total - Uranium	-	132	-	-	-	-	-	-	-	132	-	(132)	-
Total – Nunavik	1,806,872	50,215	-	70,105	3,960	415	-	-	158	124,853	(29,900)	(132)	1,901,693
Total – E&E assets	4,272,684	313,255	3,988	445,477	11,653	318,336	48,837	25,726	26,398	1,193,670	(257,900)	(132)	5,208,322

Change in E&E assets – Q3 2018

Mineral property	Net book value as at August 31, 2017 $	Acquisition costs: Claims and permits $	Exploration costs: Geochem. surveys $	Geol. surveys $	Geoph. surveys $	Drilling $	Stripping $	Admin. & other $	Camp main-tenance and repair $	Equip-ment $	Depre-ciation of property and equipment $	Cost incurred during the period $	Proceeds received $	Credit on duties refundable for loss and refundable tax credit for resources $	Net book value as at May 31, 2018 $
James Bay															
Opinaca A	36,464	-	-	270	-	-	-	-	-	-	-	270	-	-	36,734
Opinaca B	3,696	-	-	1,350	-	690	-	-	-	-	-	2,040	-	(710)	5,026
Eleonore South	468,673	-	4,414	43,468	7,190	576,003	19,235	(1,173)	15,067	6,496	26,241	696,941	-	(113,560)	1,052,054
Opinaca D	98,398	-	-	636	-	-	-	-	-	-	-	636	-	-	99,034
Wabamisk	19,137	-	-	935	295	-	-	-	-	-	-	1,230	-	(530)	19,837
Valore	53,276	-	-	210	-	-	-	-	-	-	-	210	-	-	53,486
SOQUEM JV	4	-	-	-	-	-	-	-	-	-	-	-	-	-	4
SOQUEM Alliance	117,353	37,120	-	-	-	-	-	-	-	-	-	37,120	-	-	154,473
SOQUEM Alliance – Others	32,457	3,267	-	5,142	-	-	-	-	-	-	-	8,409	-	-	40,866
Total – Gold	829,458	40,387	4,414	52,011	7,485	576,693	19,235	(1,173)	15,067	6,496	26,241	746,856	-	(114,800)	1,461,514
Chromaska	172,025	1,340	260	38,073	6,930	422,228	-	-	-	-	-	468,831	-	(620)	640,236
Total – Chromium-PGE	172,025	1,340	260	38,073	6,930	422,228	-	-	-	-	-	468,831	-	(620)	640,236
Cawachaga	6,729	-	-	-	-	-	-	-	-	-	-	-	-	-	6,729
Total – Zinc	6,729	-	-	-	-	-	-	-	-	-	-	-	-	-	6,729
Total – James Bay	1,008,212	41,727	4,674	90,084	14,415	998,921	19,235	(1,173)	15,067	6,496	26,241	1,215,687	-	(115,420)	2,108,479
Nunavik															
Rex	1,013,647	91,816	845	2,601	-	-	-	-	-	-	1,977	97,239	-	(1,450)	1,109,436
Duquet	4,056	-	-	-	-	-	-	-	-	-	-	-	-		4,056
Rex South	400,000	79,274	520	3,993	-	-	-	-	-	-	2,313	86,100	(16,000)	-	470,100
Nantais	96,756	21,771	520	1,708	13,187	-	-	-	-	-	-	37,186	-	(4,700)	129,242
Qassituq	-	4,371	-	65	-	-	-	-	-	-	-	4,436	-		4,436
Total – Gold & Polymetallic	1,514,459	197,232	1,885	8,367	13,187	-	-	-	-	-	4,290	224,961	(16,000)	(6,150)	1,717,270
Total – Nunavik	1,514,459	197,232	1,885	8,367	13,187	-	-	-	-	-	4,290	224,961	(16,000)	(6,150)	1,717,270
Total – E&E assets	2,522,671	238,959	6,559	98,451	27,602	998,921	19,235	(1,173)	15,067	6,496	30,531	1,440,648	(16,000)	(121,570)	3,825,749

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 James Bay exploration portfolio comprises twenty-three (23) properties (Figure 2), which includes six (6) joint venture 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

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

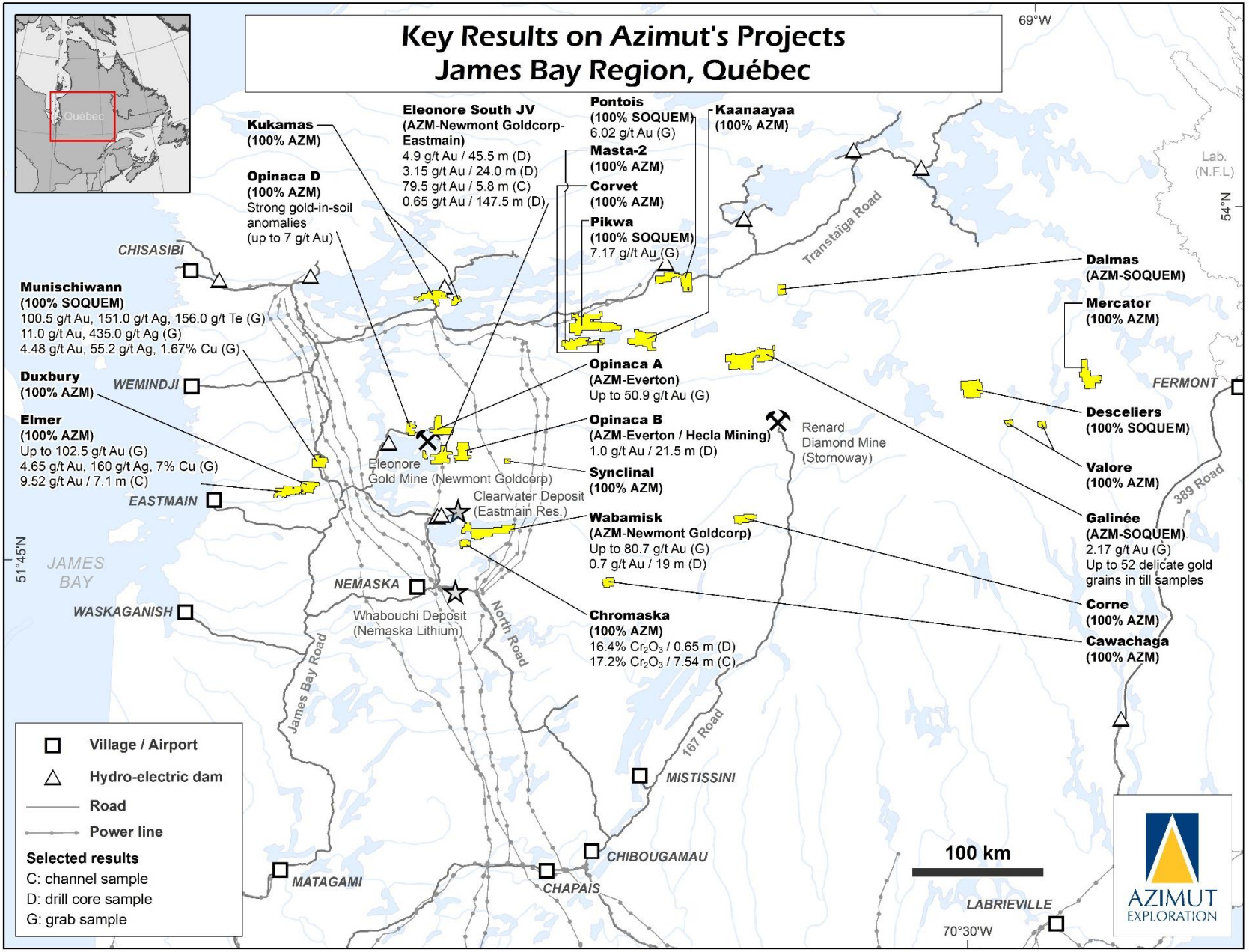

Figure 2: Azimut's project portfolio in the James Bay region of Northern Québec. Azimut has a back-in option for the four properties held by SOQUEM (see text for details).

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) on the Opinaca Reservoir (Figures 2 and 3), 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 Eleonore mine poured its first gold bar on October 1, 2014. The mine reached commercial production on April 1, 2015 and production was 305,000 ounces in 2017. The main horizon remains open down dip where it has been drill-tested 200 metres below the current mineral reserves, and exploration continues to test for extensions and structural repetitions (Newmont Goldcorp website).

Newmont Goldcorp's NI 43-101 mineral reserve and resource statement, as of June 30, 2018, announced 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 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 gold mine property are in close proximity to Azimut's project boundaries, and positive new results have recently been obtained on another adjacent property (see below for details).

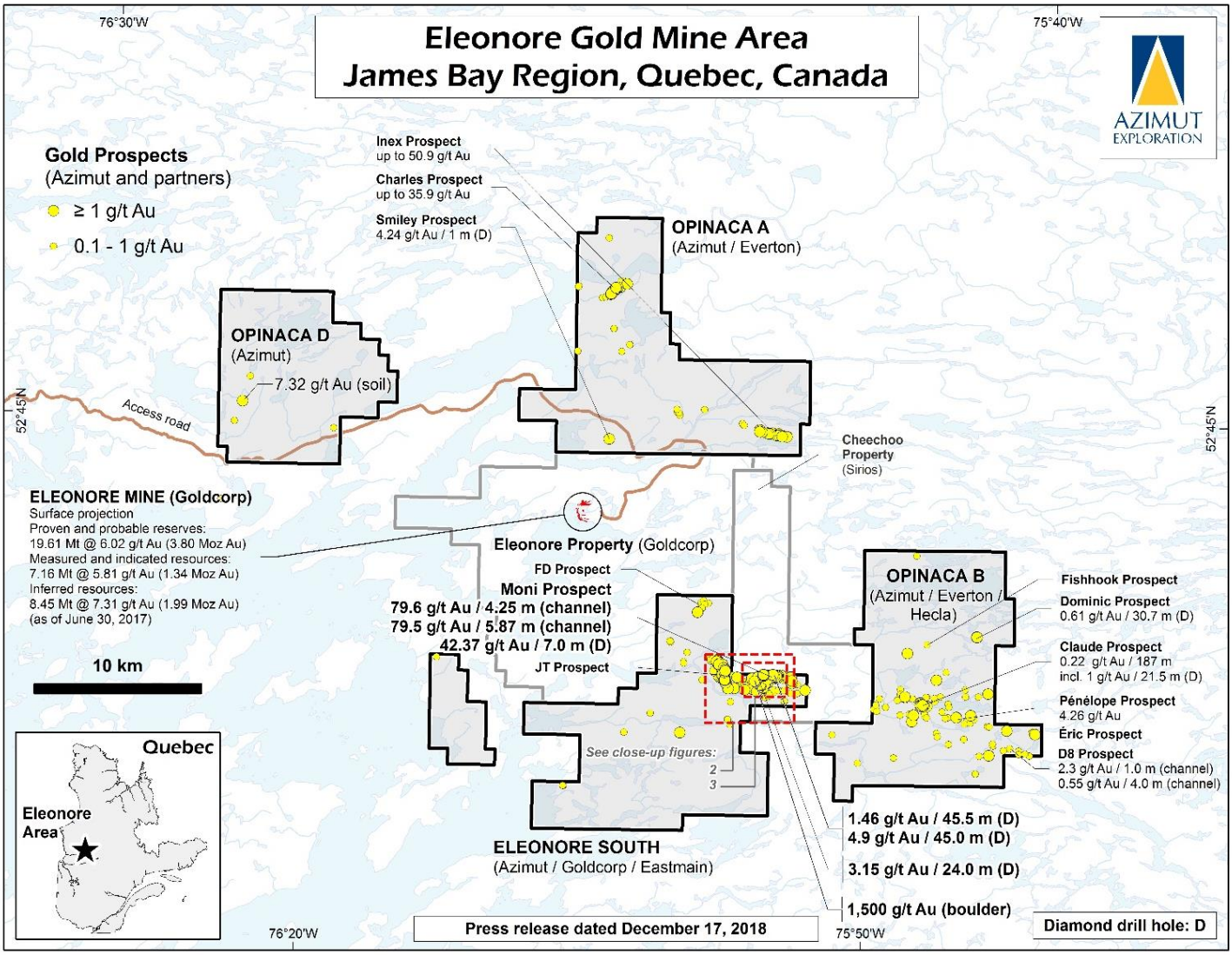

Figure 3: Azimut's gold properties in the Eleonore Gold Camp, James Bay region, Northern Québec.

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.

Gold potential and exploration programs

A reassessment of the property's gold potential using previous exploration work and new regional information (press release of July 6, 2017) concluded that two major gold prospects (Charles and Inex; see descriptions 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 Opinaca A/B program in 2014, funded and operated by Hecla. The program, which followed up on the 2007–2008 programs (ground geophysics, prospecting, drilling) included a $205,000 dedicated Opinaca A diamond drilling program (2,317 m in 9 holes) mainly on targets in the Smiley Prospect area, as well as prospecting, channelling and till sampling, which extended the Charles Prospect and improved target definition in the area. The salient results of the 2014 and earlier work programs are summarized in the descriptions below (press releases of August 9 and December 7, 2007, September 2, 2008, and March 19, 2015).

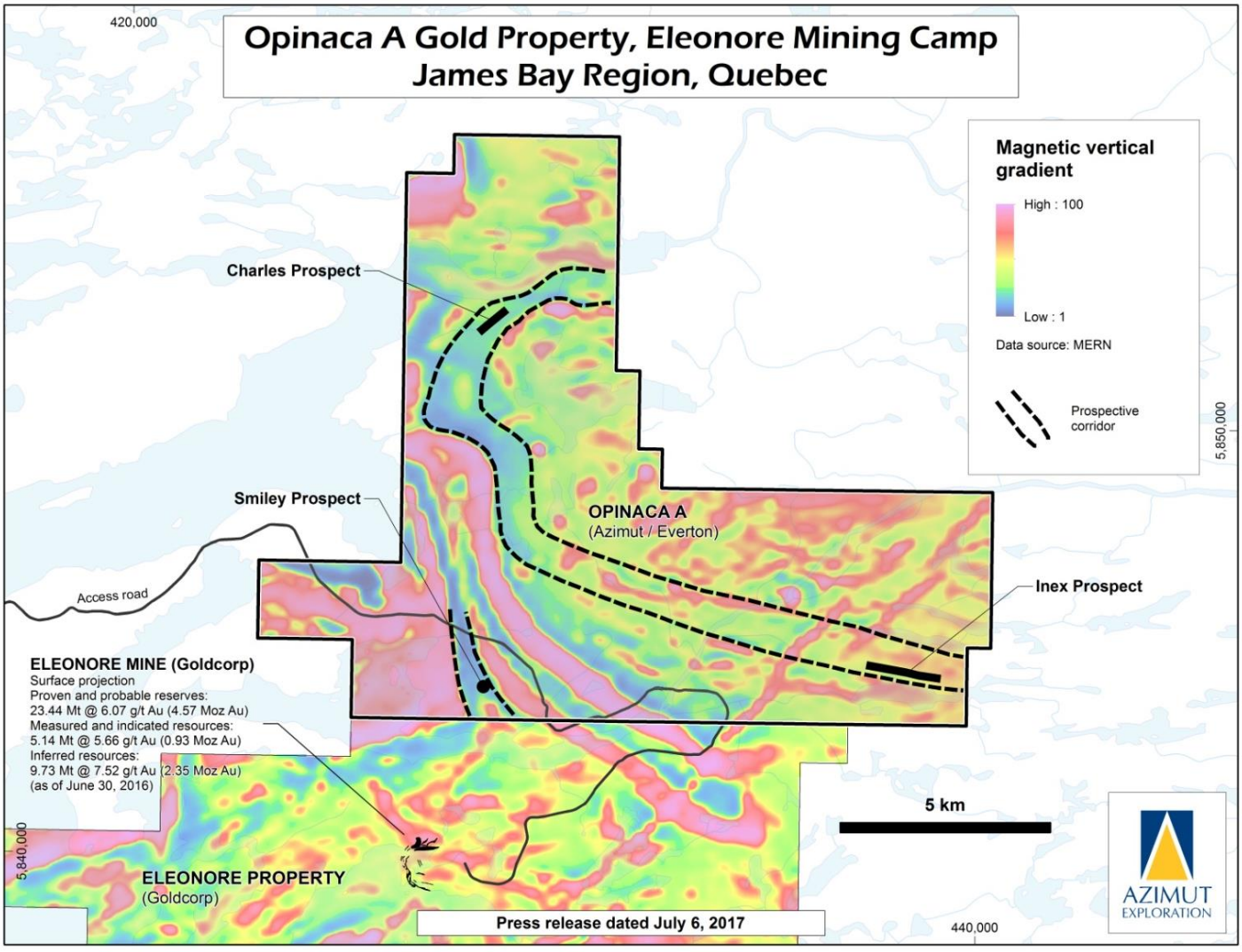

Figure 4: Map of magnetic vertical gradient showing prospective trends on the Opinaca A Property and the location of prospects (see Figure 2 in press release of July 6, 2017 for drill results).

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).

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 Q3 2019, Azimut incurred $11,000 ($Nil – Q3 2018) in exploration work for the preparation of a work report, of which $2,500 was charged back to Everton.

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 (press release 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 has 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. The Company will receive 50% of these issued shares.

Gold potential and exploration programs

The discovery potential of the Opinaca B Property has been strengthened by recent drilling on the adjacent Cheechoo Property, which yielded results of 15.61 g/t Au over 9.70 m, 15.04 g/t Au over 12.35 m and 12.08 g/t Au over 20.30 m (Sirios press release of March 29, 2016).

In 2018, Hecla funded a heliborne magnetic survey totalling 1,495 line-kilometres on the property, as well as a soil geochemical survey totalling 483 samples.

The $925,000 exploration program in 2017, funded and operated by Hecla, consisted of 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; see below for descriptions), as well as ground magnetic and electromagnetic surveying (press releases of June 19 and November 9, 2017). The best drilling result was at the Dominic Prospect with 0.61 g/t Au over 30.7 m (starting in mineralization), including 2.38 g/t Au over 2.0 m and 3.21 g/t Au over 1.7 m. Detailed results are provided below. A follow-up work program including mechanical trenching is planned for 2018.

In 2016, Hecla conducted a $756,000 exploration program consisting of prospecting (548 rock grab samples), mechanical stripping in six areas, and sampling along 10 channels for a total length of 202.2 metres (press release of January 23, 2017). In 2015, Hecla conducted a $394,000 exploration program comprising 40.5 line-kilometres of ground magnetic surveying, 21.8 line-kilometres of IP surveying, a prospecting program (473 rock grab or float samples; 96 soil samples), and a trenching program (153 channel samples from 6 sites) (press release of November 25, 2015). In 2012, field work led to the discovery of the D8, Eric and Penelope prospects. The work

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.

Everton's earlier work on the property in 2007 and 2008 included IP and magnetic ground surveys, drilling and prospecting at Claude and Dominic, and diamond drilling at Dominic (press releases of August 9 and December 7, 2007, and September 2, 2008).

Mineralization and salient results

The **Dominic Prospect**, where the most significant results have been obtained, 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. These results warrant further evaluation during the next field program, including trenching. In 2016, several grab samples returned values higher than 0.1 g/t Au, including 1.4 g/t Au and 1.1 g/t Au from outcrops of metasediments and paragneisses carrying sulphides and/or magnetite. Several channel samples in metasediments returned values higher than 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. In 2007-2008, diamond drilling yielded 0.6 g/t Au over 1.2 m, and grab samples returned 6.1 g/t Au, 4.5 g/t Au and 1.7 g/t Au in pyritized, silicified and chloritized metasedimentary rocks with quartz and pegmatite veins.

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**, originally identified by gold anomalies in soil and till, displays 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) and amphibolite-hosted quartz veins (channel sample of 2.3 g/t Au over 1.0 m) roughly 150- to 200-metre-wide package of IP anomalies. No significant values were obtained in two (2) holes drilled in 2017. In 2015, a grab sample from a boulder of chloritized wacke with quartz-feldspar-tourmaline veinlets yielded 3.0 g/t Au.

At the **Claude Prospect,** mineralization is associated with quartz-tourmaline veins and veinlets. In 2007-2008, 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. Only marginal values were obtained in the only hole drilled on the prospect.

At the **Eric Prospect,** mineralization is related to calc-silicate altered sediments and arsenopyrite-tourmaline-bearing pegmatites within a kilometre-scale arsenic-gold soil geochemistry target. In 2012, eight (8) grab samples yielded values above 0.1 g/t Au, including two above 0.5 g/t Au. Only marginal values were obtained in the single 2017 hole.

The **Penelope Prospect** yielded ten (10) grab samples with grades above 0.1 g/t Au in 2007-2008, 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 May 31, 2019, Hecla had made cumulative cash payments of $580,000 ($580,000 – Q3 2018) and had incurred a total of $6.0 million in work expenditures. Azimut has received $290,000 ($290,000 – Q3 2018) in cash payments, reflecting its 50% interest in the property. Hecla's fulfilment of its obligations to earn its 50% interest in the property is subject to the Company's validation.

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.

Gold mineralization

Since 2016, surface exploration work and diamond drilling (100 holes for more than 22,100 m) have revealed a large tonalite-hosted gold-bearing system in the eastern part of the property with the following key features (see press releases of July 18, September 11 and December 17, 2018):

- A gold corridor 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 rocks; mineralization extends towards the Sirios discovery on the adjacent Cheechoo Property to the northeast (details below) and is open to the southwest (Figure 5);
- Consistent anomalous gold values (>0.5 g/t Au) within the corridor, which is characterized by 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 (Figure 6):
    - **Contact Trend:** Mineralized and altered envelope of variable thickness in tonalite, ranging from several tens of metres to over 100 metres thick in core length with continuous intervals of anomalous gold values. This trend is characterized by clusters of quartz-albite-biotite stockwork accompanied by arsenopyrite, pyrrhotite, pyrite, scheelite and native gold. Evidence of foliation and folding within the intrusive, and injection and subsequent deformation of mafic dykes described as lamprophyres.
    - **Moni Trend:** System of pegmatitic quartz-feldspar veins and quartz-dominant veins with interstitial feldspar, carrying native gold and very low sulphide contents.
- Mineralization at an additional gold prospect to the west – the JT Prospect (see Figure 5) – occurs in the 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.

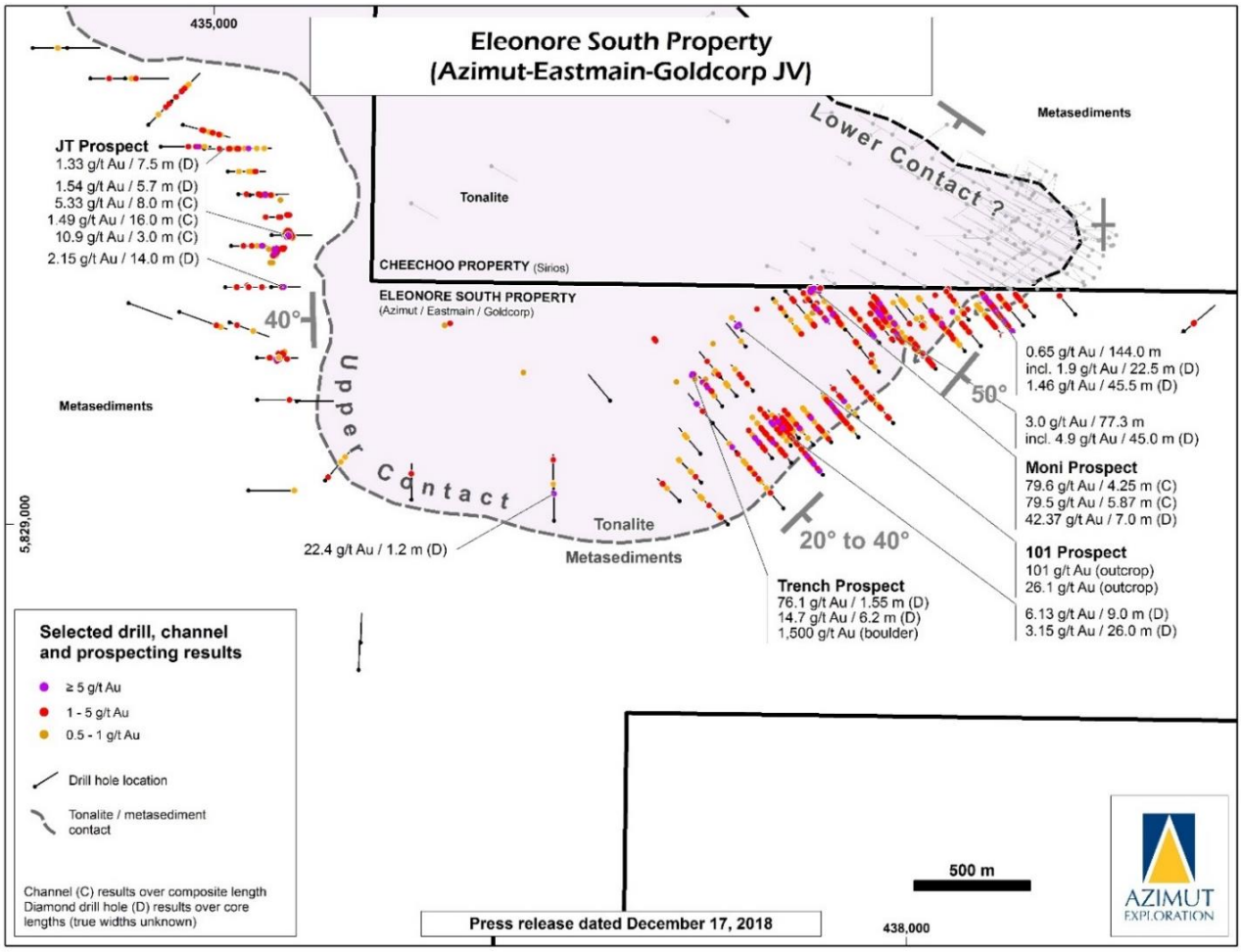

Figure 5: Map of the tonalite-metasedimentary contact on the Eleonore South Property showing selected drill, channel and prospecting results on the Moni and Contact trends (right) and the JT Prospect (left).

Recent joint exploration programs

The property has been the subject of two major exploration programs from 2016 to 2018 totalling $5.9 million, and a new $2.5 million program that was recently completed. Figures 5 and 6 show the highlights of the drilling, prospecting and channeling results from these programs (see below for details).

The Fall 2018 program included the following:

- 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);
- 7,000 metres of diamond drilling with the following objectives (see results under "*Contact Trend*" below):
    - Establish the continuity of significant previous drilling results in the intrusions;
    - Expand exploration along the intrusion-metasediment contact;
    - Assess the gold potential of the tonalite below the sediment-hosted JT Prospect, along the western edge of the intrusion (the western end of the Contact Trend); and
    - Assess the extensions of the Moni Trend and the high-grade Moni Prospect based on the results of the trenching program.

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

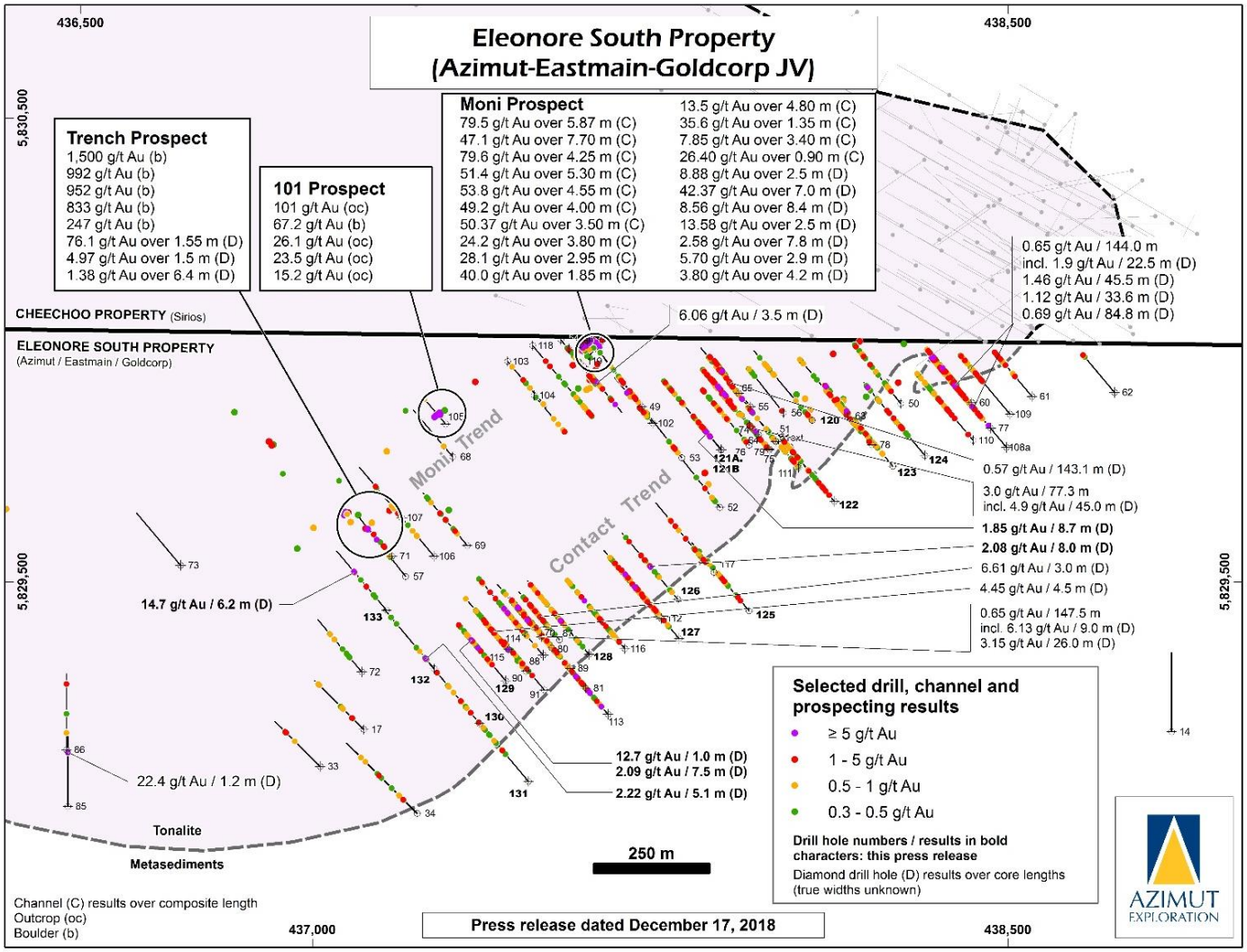

Figure 6: Details of the Moni and Contact trends showing selected drill, channel and prospecting results.

Moni Trend

The 1.8-kilometre-long northeast-striking Moni Trend is about 500 metres from the metasedimentary contact and includes the Moni, 101 and Trench prospects. The Moni Trend has been drilled with 20 holes totalling 2,351.2 metres.

This includes the extension of hole ES16-48 by 107.2 metres (final depth of 258 m for ES18-48ext). One hole was abandoned (ES18-92 at 14.6 m). The vein systems within the Moni Trend remain open at depth and laterally.

Moni Prospect

The high-grade quartzofeldspathic vein system at the Moni Prospect starts at surface and has been drill-tested to a vertical depth of 40 metres along a 60-metre strike length. The key features can be described as follows:

- The vein system is related to a larger network of quartz-feldspar veins and veinlets hosted in strongly altered tonalite. 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;
- 345 native gold grains have been observed in 42 of the 82 channel samples (see below for more details), as well as 18 of the last 32 drill holes and several previous 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 (sheeted veins); and
- The NE-SW-trending gold-bearing system is deformed: it shows some evidence of folding and is roughly parallel to the steeply dipping foliation trend.

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

The best drill intercepts include 42.37 g/t Au over 7.0 m (hole ES18-100), 8.56 g/t Au over 8.4 m (hole ES18-98) and 13.58 g/t Au over 2.5 m (hole ES18-95), which correlate well with high-grade channel results. The following highlights from Phase 2 of the 2017-2018 program was reported in the press release of July 18, 2018. Figure 7 shows a surface projection of selected drill holes on the Moni Prospect.

Hole ES18-92a:	5.7 g/t Au over 2.9 m	
Hole ES18-93:	3.8 g/t Au over 4.2 m	including 20.1 g/t Au over 0.7 m
Hole ES18-95:	13.58 g/t Au over 2.5 m	including 33.0 g/t Au over 1.0 m
Hole ES18-98:	8.56 g/t Au over 8.4 m	including 71.4 g/t Au over 1.0 m and 18.01 g/t Au over 3.9 m
Hole ES18-99:	2.58 g/t Au over 7.8 m	including 17.4 g/t Au over 0.9 m
Hole ES18-100:	42.37 g/t Au over 7.0 m	including 294.0 g/t Au over 1.0 m
Hole ES18-101:	6.06 g/t Au over 3.5 m	including 13.6 g/t Au over 1.5 m
Hole ES18-102:	1.68 g/t Au over 5.0 m 15.7 g/t Au over 0.6 m	
Hole ES18-118:	0.64 g/t Au over 25.1 m	
Hole ES18-119:	10.4 g/t Au over 1.5 m	

In 2017, a vein in a newly exposed area was sampled in 17 channels, most of which were cut perpendicular to vein strike (press release of October 17, 2017). The resulting 82 channel samples had a cumulative length of 64.95 metres and an average sample weight of 3.75 kilograms. The best composite grades were 79.6 g/t Au over 4.25 m and 79.5 g/t Au over 5.87 m. Individual sample results and composite intervals are shown in Figure 8 and highlights are listed below (from northeast to southwest). True width appears to range from 70% to 100% of apparent surface width. Gold values are uncut.

Channel 05-05':	24.2 g/t Au over 3.80 m
Channel 01:	79.5 g/t Au over 5.87 m
Channel 07:	51.4 g/t Au over 5.30 m
Channel 08:	53.8 g/t Au over 4.55 m
Channel 08':	40.0 g/t Au over 1.85 m
Channel 09:	13.5 g/t Au over 4.80 m
Channel 10:	79.6 g/t Au over 4.25 m
Channel 11:	28.1 g/t Au over 2.95 m

Another vein, located about 15 metres southeast from the abovementioned vein, returned the following composite intervals:

Channel 16:	47.1 g/t Au over 7.70 m
Channel 17:	35.6 g/t Au over 1.35 m

101 Prospect

The 101 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 (press release of November 16, 2017). The four (4) listed below had grades above 15.0 g/t Au. Grab samples are selective by nature and unlikely to represent average grades.

Grade	Sample type	Sample number
15,2 g/t Au	Subcrop	S657630
26,1 g/t Au	Outcrop	S657631
23,5 g/t Au	Outcrop	S657633
67,2 g/t Au	Boulder	S657638

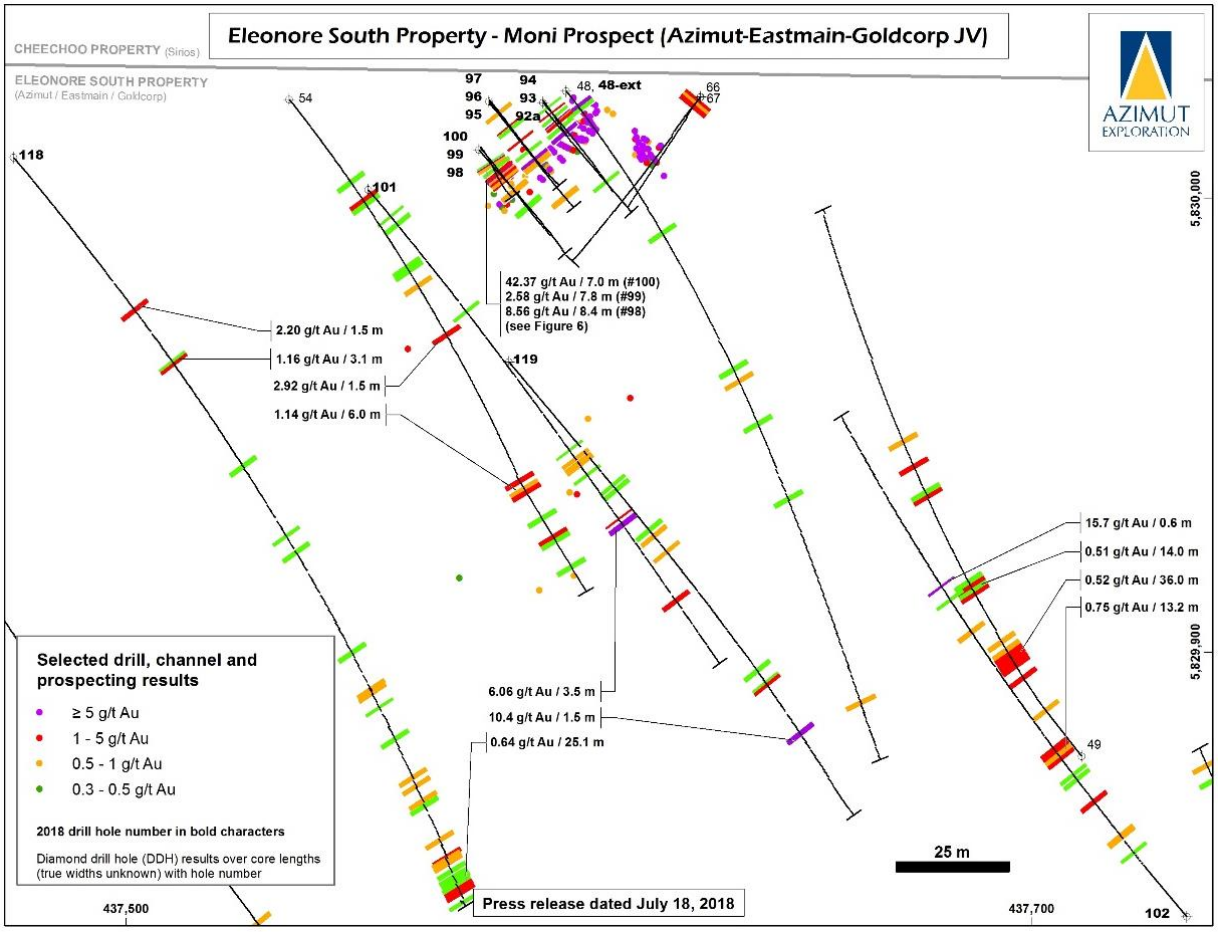

Figure 7: Selected drill, channel and prospecting results on the Moni Prospect.

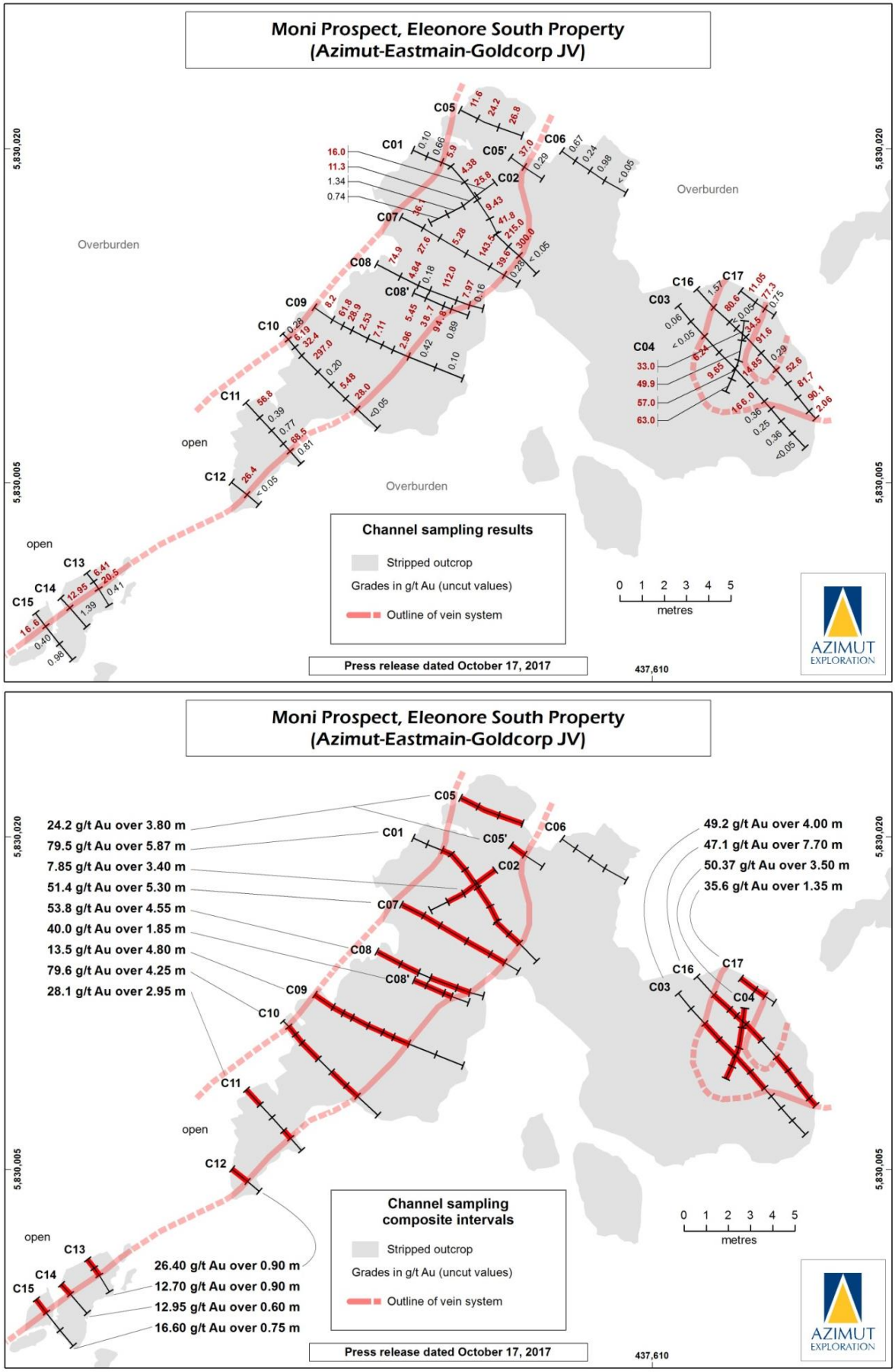

Figure 8: Maps of the Moni Prospect showing individual channel sample results (top) and composite intervals (bottom).

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) correspond to 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 (press release of November 16, 2017). The four (4) listed below had grades above 15.0 g/t Au.

Grade	Location	Sample type	Sample number
833 g/t Au	Trench Prospect	Boulder	S657739
952 g/t Au	Trench Prospect	Boulder	S657740
1500 g/t Au	Trench Prospect	Boulder	S657741
992 g/t Au	Trench Prospect	Boulder	S657743

Contact Trend

The Contact Trend has been drilled by 50 holes for more than 13,090 metres of core. 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. Recently announced highlights and observations from the Fall 2018 program (press release of December 17, 2018) are presented below.

Holes **ES18-120** to **ES18-124** tested the extensions of mineralization previously encountered in a cluster of drill holes, including ES17-74 (0.56 g/t Au over 54.0 m from 190.5 m to 244.5 m).

- Hole ES18-120 was collared 100 metres northeast of hole ES16-51 (0.6 g/t Au over 79.1 m from 170 m to 250.1 m) to test the lateral extension of mineralization in that hole, returning an interval averaging 0.40 g/t Au over 34.5 m from 220.5 m to 255.0 m.
- Hole ES18-121a was collared 100 metres southwest of hole ES17-74 and intersected several near-surface mineralized intervals starting at 57.3 m (1.85 g/t Au over 8.7 m), 78.6 m (3.83 g/t Au over 3.9 m) and 90.0 m (2.84 g/t Au over 3.9 m); however, the results did not replicate the deeper interval seen in ES17-74.
- Hole ES18-122 was collared 100 metres southeast along section of Hole ES18-111 (1.4 g/t Au over 9.4 m from 267.3 m to 276.6 m) and returned numerous mineralized intervals, including 0.81 g/t Au over 25.15 m from 57.9 m to 83.0 m.
- Hole ES18-123 was collared 85 metres southeast along section from hole ES17-78 (0.51 g/t Au over 17.1 m from 212.5 m to 229.5 m) and returned several anomalous intervals including 0.47 g/t Au over 59.0 m from 119.0 m to 178.0 m.
- Hole ES18-124 was drilled between holes ES18-123 and ES18-108a (1.1 g/t Au over 33.6 m from 208.0 m to 241.5 m). This hole returned 0.74 g/t Au over 17.4 from 116.6 m to 134.0 m and 0.50 g/t Au over 13.4 m from 185.1 m to 198.5 m.

Holes **ES18-125** to **ES18-129** were drilled along a northeast trend, testing 100 metres to the southwest and 200 metres to the northeast along the Contact Trend, starting from the centre of a cluster of previous holes drilled around ES17-80 and ES17-88.

- Hole ES18-125 was collared 100 metres to the southeast of hole ES18-117 (0.48 g/t Au over 15.4 m from 44.7 m to 60.1 m). This hole returned 0.48 g/t over 19.0 m from 123.0 m to 142.0 m.
- Hole ES18-126 was drilled 50 metres northeast of hole ES18-112 (0.70 g/t Au over 43.4 m from 108.2 m to 151.6 m), returning two notable intervals of 2.08 g/t Au over 8.0 m from 141.0 m to 149.0m and 0.51 g/t Au over 10.5 m from 167.5 m to 178.0 m.
- Hole ES18-127 was drilled on section to the southeast of ES18-112 and returned two intervals of 0.59 g/t Au over 16.5 m from 120.9 m to 137.4 m, and 0.69 g/t Au over 25.0 m from 266.7 m to 291.7 m.
- Hole ES18-128 was drilled 50 metres northeast of ES17-89 (1.04 g/t Au over 6.2 m from 74.8 m to 81.0 m and 0.57 g/t Au over 19.5 m from 164.5 m to 184 m) returning 1.0 g/t Au over 10.5 m from 139.5 m to 150 m, and 0.44 g/t Au over 11.3 m from 180 m to 191.3 m.

- Hole ES18-129 was drilled 50 metres southwest of hole ES17-90 (0.5 g/t Au over 123.5 m from 92.0 m to 215.5 m). This hole intersected several gold intervals, including: 0.50 g/t Au over 6.4 m from 94.5 m to 100.9 m, 0.79 g/t Au over 5.5 m from 129.0 m to 134.5 m, 1.51 g/t Au over 10.0 m from 143.5 m to 153.5 m (incl. 12.7 g/t Au over 1.0 m), and 2.09 g/t Au over 7.5 m from 173.0 m to 180.5 m (incl. 8.02 g/t Au over 1.5 m).

Holes **ES18-130** to **ES18-133** were drilled as a fence section located 100 to 150 metres southwest of the cluster of drill holes around ES17-80 and ES17-88.

- Holes ES18-130 and ES18-131 intersected short intervals of anomalous gold mineralization. Hole ES18-132 intersected 2.22 g/t Au over 5.1 m from 43.9 m to 49 m including 13.0 g/t Au over 0.8 m.
- Hole ES18-133 intersected 2.82 g/t Au over 3.0 m from 103.0 m to 106.0 m, and 14.7 g/t Au over 6.2 m including 80.4 g/t Au over 1.0 m. This intersection contains visible gold in tonalite but is spatially closely related to an actinolite schist, interpreted as an altered and foliated lamprophyre dyke. A similar interval is cut by hole ES16-57 located 80 m to the NE of hole ES18-133. This intersection assayed 76.1 g/t Au over 1.55 m in tonalite, spatially related in similar fashion to an adjacent lamprophyre dyke.

Earlier this year, three clusters of drill holes from Phase 2 of the 2017-2018 program yielded the following results from northeast to southwest (press release of July 18, 2018):

- 1.12 g/t Au over 33.6 m and 0.69 g/t Au over 84.8 m, including 1.17 g/t Au over 10.9 m and 1.23 g/t Au over 16.1 m (hole ES18-108a).

  Hole ES18-108a represents the downdip extension of the following previously reported results:
  1.46 g/t Au over 45.5 m, 0.53 g/t Au over 106.0 m (hole ES17-77); and
  0.65 g/t Au over 144.0 m including 1.9 g/t Au over 22.5 m, 4.74 g/t over 6.0 m (hole ES17-60).

  This cluster trends northeast and is 200 metres long by 100 metres wide with a dip of 50° to 60° to the southeast.

- 1.41 g/t Au over 9.4 m including 5.64 g/t Au over 1.0 m and 2.18 g/t Au over 5.6 m (hole ES18-111); and 0.57 g/t Au over 143.1 m including 5.0 g/t Au over 4.0 m, 14.05 g/t Au over 1.0 m, 0.81 g/t Au over 28.5 m and 1.16 g/t Au over 6.7 m (hole ES18-51ext).

  Both holes represent the extension of the following previously reported results:
  3.06 g/t Au over 77.3 m including 4.9 g/t Au over 45.0 m (hole ES17-64);
  1.58 g/t Au over 12.0 m and 0.59 g/t Au over 28.5 m (hole ES16-55); and
  0.45 g/t Au over 87.0 m (hole ES17-74).

  This cluster measures at least 300 metres by 50 metres and trends northeast with a possible subhorizontal to shallow dip to the southeast.

- 2.18 g/t Au over 3.0 m, 1.13 g/t Au over 9.9 m and 0.62 g/t Au over 16.0 m (hole ES18-113).

  This hole represents the extension of the following previously reported significant results:
  0.49 g/t Au over 76.5 m (hole ES17-87);
  0.62 g/t Au over 147.5 m including 1.11 g/t Au over 6.0 m, 5.76 g/t Au over 9.0 m (hole ES17-80);
  1.53 g/t Au over 6.0 m and 3.15 g/t Au over 24.0 m (hole ES17-88); and
  0.50 g/t Au over 123.5 m including 4.45 g/t Au over 4.5 m, 12.35 g/t Au over 1.5 m and 1.04 g/t Au over 6.0 m (hole ES17-90).

  This cluster has a northeast trend with a minimum extent of 300 metres by 100 metres and a possible subhorizontal dip.

JT Prospect

The JT Prospect is located 2.5 to 3 kilometres to the west of the Contact and Moni trends. This gold-bearing zone was explored by drilling programs from 2008 to 2010 that targeted sedimentary sequences. These sequences display comparable characteristics with the stratigraphy hosting the Eleonore gold mine located 12 kilometres to the northwest. 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 hole ES08-12 which returned 2.15 g/t Au over 14.0 m in the intrusion.

Gold intersections in tonalite at the JT Prospect near the intrusive-metasedimentary contact may be an extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long. The Cheechoo tonalite below the JT Prospect will be drill-tested in the coming months.

Updated exploration model and upside

Several key factors point toward a reduced intrusion-related deposit type for the gold-bearing system identified at Eleonore South (see press release 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 rocks 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.

Discovery on adjacent property

The continuation of the Eleonore South mineralized system onto the adjacent Cheechoo Property is strongly supported by results released by Sirios. Some of the Cheechoo holes were collared as close as 12 metres from the Eleonore South boundary, and results included the following: 15.61 g/t Au over 9.70 m and 15.04 g/t Au over 12.35 m in hole CH-15-20, 12.08 g/t Au over 20.30 m in hole CH-16-52, 11.9 g/t Au over 13.5 m in hole CH-17-95 and 6.4 g/t Au over 12.4 m in hole CH-18-176 (Sirios press releases of December 1, 2015; June 8, 2016; May 9, 2017; September 25, 2018).

Details of the Eleonore South footprint and targeting approach

In early 2016, Azimut conducted a rigorous interpretation and comparison of the geochemical footprints for the Eleonore South Property and the Eleonore gold mine. Extensive, consistent and strong coincident gold and arsenic anomalies (higher than 90th percentile) were outlined in B-horizon soil samples on Eleonore South (press release of March 30, 2016). 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 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 to be top 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%. Azimut was operator of the work programs until June 2018. As at Q3 2019, the cumulative work expenditures amounted to $5.96 million to cover exploration work (prospecting, geophysical interpretation and drilling) and building the exploration camp. The allocation of expenditures was as follows: Azimut $1.58 million, Newmont Goldcorp $2.19 million and Eastmain Resources $2.19 million.

Opinaca D Property

The Opinaca D Property (111 claims, 57.9 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 rock grab samples were collected during a prospecting program.

For Q3 2019, Azimut incurred $7,000 ($Nil – Q3 2018) in claim renewals and $26,000 ($600 – Q3 2018) in exploration work for prospecting and geophysical data interpretation.

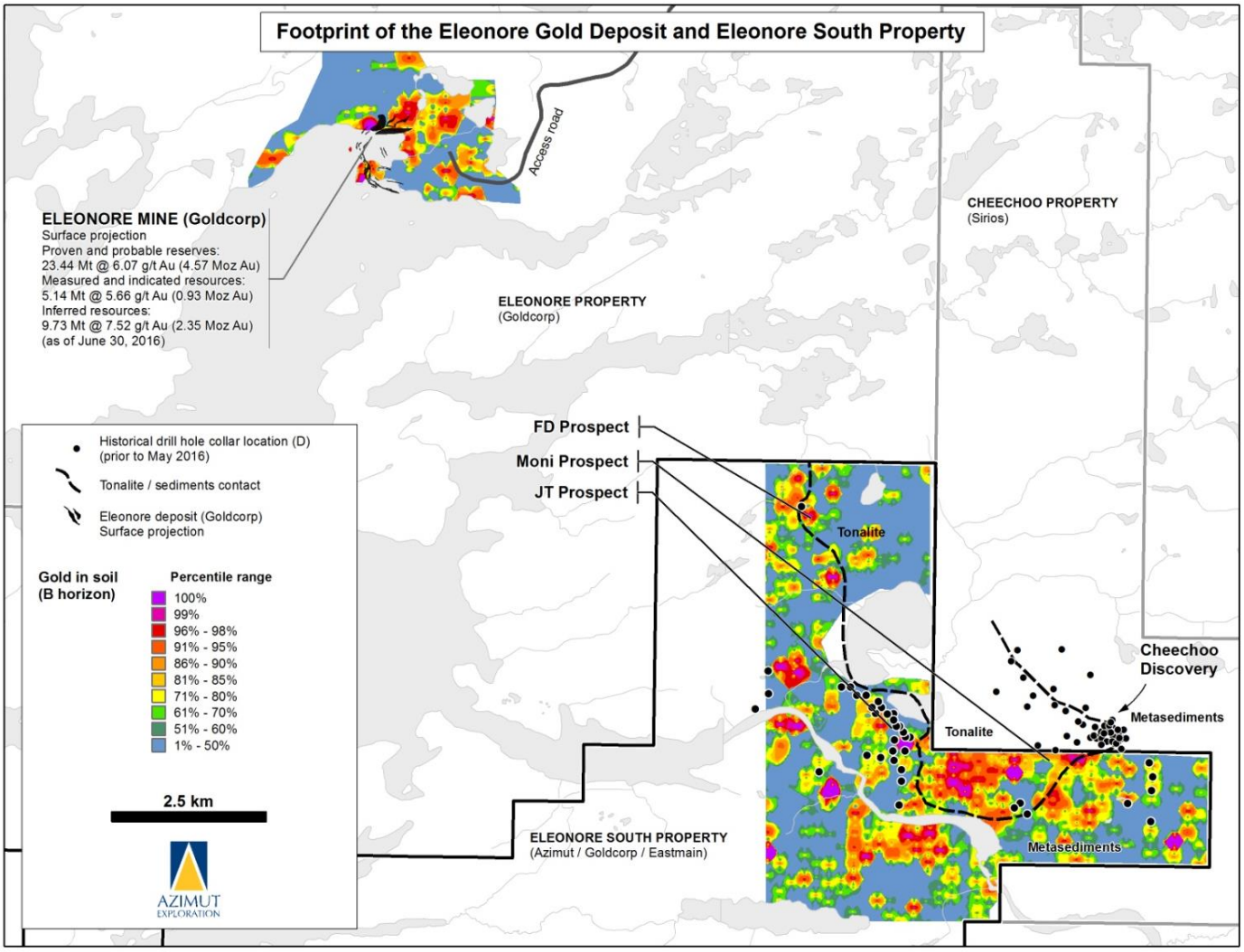

Figure 9: Map comparing the gold-in-soil footprint of the Eleonore South Property to the Eleonore mine on the adjacent property belonging to Newmont Goldcorp.

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 gold 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 press release 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 (464 claims, 245.6 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.

Recent exploration highlights

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).

In 2015, Newmont Goldcorp funded a $103,000 IP survey over altered shear zones that warranted additional work. The 2014 mapping and prospecting program (195 grab samples) had yielded best results of: 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) (press release of March 19, 2015).

Pre-2014 exploration programs

Initial exploration in 2005 identified several major gold target areas that included most of the known historical gold showings. A soil geochemistry survey in 2006 was followed by prospecting, mapping, IP surveys, and soil and rock sampling in 2007–2008. The 2009 program tested several quality gold targets in the eastern half of the property through soil sampling, prospecting, grab and channel sampling, and an initial diamond drilling program that mainly 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 main prospective areas for gold in the western half of the property. Six (6) drill 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 a 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.

In 2012 and 2013, Newmont Goldcorp funded work programs that included a soil geochemistry survey (3,890 samples), prospecting (456 grab samples) 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, where prospecting returned 12.45 g/t Au in a quartz vein grab sample and a soil survey yielded several significant gold anomalies.

Chromaska Property (chromium-PGE-nickel)

The wholly-owned Chromaska Property (79 claims, 41.9 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 occurs as disseminated to massive chromitite horizons in a well-defined prospective horizon along a 4-kilometre-long ultramafic intrusion. The initial outcrop discovery was made in 2010 during a self-funded exploration program.

Mineralization occurs as two main facies (press release of May 19, 2011): (i) ultramafic (massive to semi-massive chromite layers); and (ii) chromite-rich dykes or sills. 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 (press release 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 (press release of January 19, 2017).

Maiden drilling program

In the press release of May 29, 2018, Azimut announced it had completed a self-funded diamond drilling program consisting of four (4) holes totalling 1,002 metres. 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 (press releases 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), and to assess the property's potential for Ni-Cu-PGE massive sulphides, which are often present in this type of geological setting. More specifically, the objective was to characterize the footprint and extensions of the Dominic and Sledgehammer prospects within an area measuring 1,200 metres long by 900 metres wide. The gravity method is a proven geophysical tool for delineating the footprints of major chromite deposits in the Ring of Fire.

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. It could reflect 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 program

In late fall 2016, a total of 73 rock samples were collected during a short prospecting program (press release of January 19, 2017), comprising 14 grabs and 59 channel samples (cumulative length of 53.10 m in 5 channels). The best 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 Q3 2019, Azimut incurred $2,000 ($1,000 – Q3 2018) in claim renewal expenditures and $19,000 ($468,000 – Q3 2018) in drilling and prospecting compilations.

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 joint venture 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 joint venture 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 operator 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 operator on 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 (press release 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. Azimut has a 50% back-in option under the amended James Bay Alliance agreement.

Munischiwan Property

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

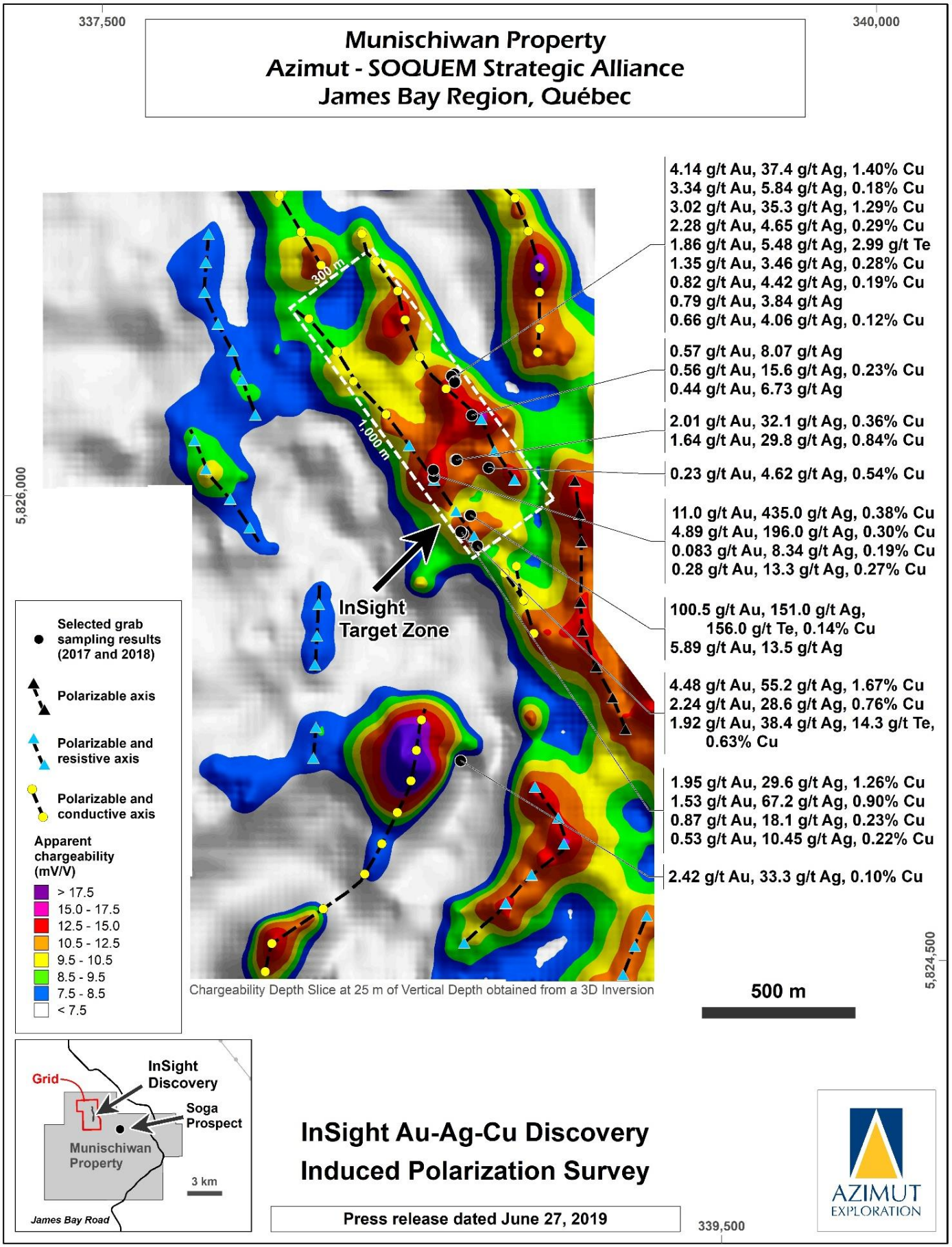

Figure 10: Map showing selected grab sample results from the InSight Prospect, Munischiwan Property.

In a press release on 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 (press releases 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 (press release of November 2, 2017), and was also guided by the results of a reconnaissance program (249 grab samples) later that year, 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 (press release of April 30, 2019) and commenced detailed surface sampling on the prospect to prepare for the maiden diamond drilling program (at least 1,200 m) scheduled for later this year (press release 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 the heliborne magnetic data strengthen 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 property is adjacent to the Mythril Property where Midland Exploration Inc. (“Midland”) 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. The Pikwa Property is characterized by a regional arsenic-bismuth-copper (As-Bi-Cu) anomaly in LBS and a 20-kilometre-long magnetic high (Figure 11).

Joint exploration programs by Azimut and SOQUEM included an in-fill LBS survey that produced 211 samples (press release of December 5, 2016), two prospecting programs in 2017 and 2018 that produced 539 grab samples (press releases of November 6 and November 27, 2018), and a 2,234-line-kilometre VTEM™ Plus and magnetic heliborne survey (press release of April 15, 2019). The preliminary geophysical results indicate a well-defined 10.5-kilometre-long corridor of strong electromagnetic conductors hosting the Hyperion Prospect, as well as other conductors that are positioned along strike with the Copperfield Prospect on the property. The strong project-scale geochemical footprint is characterized by spatially correlated arsenic and bismuth anomalies identified by a regional survey (Government of Québec), with peak values of 22 ppm As and 0.67 ppm Bi, both classical pathfinder elements for gold mineralization, and by a 38-kilometre-long copper anomaly identified by the same survey, now largely covered by the Property, with a peak value of 136 ppm Cu. The core of the copper anomaly correlates well with the As and Bi footprints.

At the Hyperion Prospect, gold mineralization is associated with disseminated to semi-massive arsenopyrite. Grab samples yielded up to 7.17 g/t Au, as well as highly anomalous cobalt (up to 0.22% Co), silver (up to 3.69 g/t Ag) and tellurium (up to 4.37 g/t Te). Another area 4 kilometres to the east displays high background gold values (up to 0.9 g/t Au) with anomalous bismuth (up to 217 g/t Bi) and molybdenum (up to 0.106% Mo). At the Copperfield Prospect, several angular boulders with chalcopyrite yielded up to 2.95% Cu, 0.22 g/t Au, 7.58 g/t Te and 1.68 g/t Ag.

The planned 2019 exploration phase will consist of focussed prospecting and mechanized stripping, a soil geochemical survey, ground geophysics and likely diamond drilling.

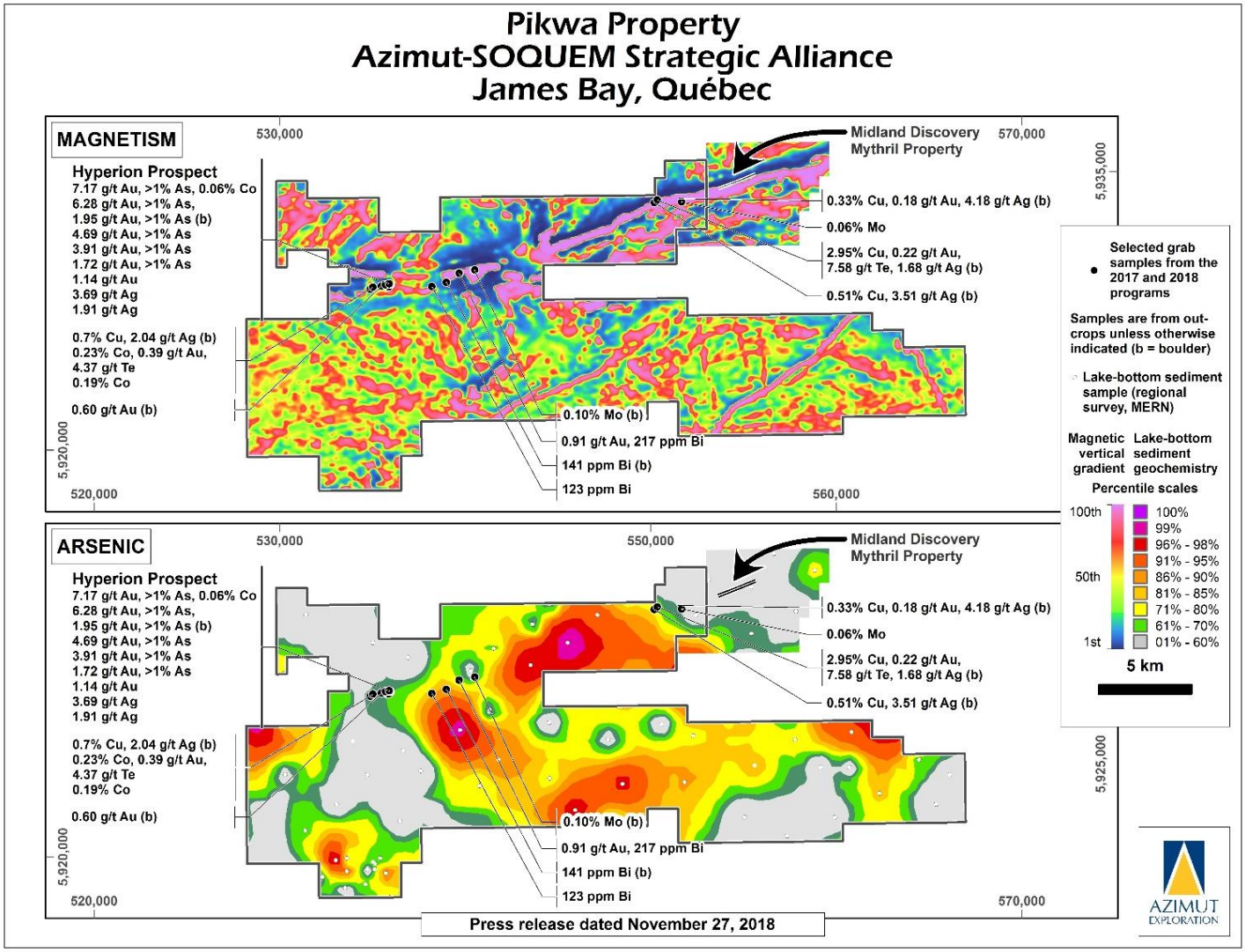

Figure 11: Selected grab samples from the 2017 and 2018 programs on the Pikwa Property superimposed on background maps of magnetism and arsenic values in LBS. The discovery on the adjacent Mythril Property (Midland Exploration) is indicated with an arrow.

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 crossed by the Trans-Taiga Road. The property 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.

Azimut's exploration program in 2018 followed up on the results from 2017 (225 grab samples; press release of June 6, 2018). There were no known showings on the property before the current exploration initiative. The best gold results in 2018 (press release 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.

The planned 2019 program includes focused prospecting.

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.

An in-fill lake bottom sediment survey in 2016 was followed by a reconnaissance program 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

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 planned 2019 program includes focused prospecting.

SOQUEM JV PROPERTIES – GOLD

The two (2) two joint venture gold 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 (press release of June 6, 2018).

Galinée Property

The Galinée Property (703 claims, 362.8 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 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.

In 2017, an LBS survey identified a main target area characterized by a very unusual cluster of high gold values measuring 8 by 9 kilometres (1,890 ppb Au, 877 ppb Au, 380 ppb Au, 217 ppb Au, etc.), associated with other geochemical gold pathfinders (As, Bi, Sb) (press release of May 31, 2018). Three additional multi-kilometre attractive targets were defined laterally by strong combined arsenic, antimony, bismuth and/or tungsten anomalies.

In 2018, the Company's exploration program produced the following highlights (press release of November 13, 2018):

- Discovery by prospecting of a subcropping gold-bearing zone in the eastern part of the property where 26 grab samples delivered values above 0.1 g/t Au, including six (6) samples returning values from 0.53 g/t Au to 0.84 g/t Au and one (1) returning 2.17 g/t Au. The zone measures 130 metres by 30 metres, trends NE-SW and is open along strike in both directions. Mineralized facies are hosted in a tonalite intrusion containing disseminated to semi-massive arsenopyrite with quartz veins and veinlets, accompanied by some pyrite and pyrrhotite and by chlorite alteration.
- About 5 kilometres to the west, till sampling identified a gold grain dispersion train, including a sample containing 52 delicate gold grains suggesting a proximal source.
- About 25 kilometres to the west, another 4-kilometre-long target area returned anomalous gold counts in till samples. Some samples included coarse gold, and overall, the results confirm the unusual cluster of previously reported high gold values (up to 1.89 g/t Au) in lake sediments.

The planned 2019 program includes focused prospecting, stripping, 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-wide LBS survey of mid-2017 identified a 7.5 km by 3 km target characterized by a strong footprint of arsenic bismuth, copper and antimony, which correlates spatially with a small under-explored greenstone belt in contact with intrusive bodies within the La Grande Subprovince. 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 planned 2019 program includes 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 (245 claims, 129.1 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 corridor, known as the **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. The recently completed compilation and reprocessing of the historical database, which includes historical prospects, confirms the potential of this Archean greenstone belt.

Geology of the Elmer Trend

The Elmer 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 of the Elmer Trend 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.

Twenty-one (21) areas of interest have been identified that warrant significant sampling. Ranking criteria include geological, structural, geophysical and mineralization factors. The current field program (systematic prospecting, channel sampling and mechanized stripping) will advance the property to the drilling stage.

Exploration model and targets

Azimut has built a robust exploration model for the Elmer Trend based on its comprehensive review and reprocessing of the property's large historical database. Azimut has identified and ranked 21 underexplored targets (areas of interest) on the property (press release of July 16, 2019). Ten are ranked as priority 1, five as priority 2, and six as priority 3. Ranking criteria include geological, structural, geophysical and mineralization factors. The current field program (systematic prospecting, channel sampling and mechanized stripping) will advance the property to the drilling stage.

The main focus of exploration is a newly interpreted 7-kilometre-long high-grade trend that includes the **Patwon, Patwon East, Gold Zone, East Zone** and **Gabbro Zone prospects** (see Figure 2). The outcropping Patwon Prospect (150 m by 100 m) is currently the main target and is open in most directions. The preliminary field assessment and analytical results point toward a sizeable target.

2019 exploration results

The salient preliminary results of the ongoing 2019 exploration program are as follows (press release of July 16, 2019):

- 292 channel samples were collected on the property (278.65 m) as along with 172 rock grab samples. Most analytical results are pending.
- Channels in the immediate vicinity of a high-grade grab sample collected in late 2018 on the Patwon Prospect (54.6 g/t Au) yielded:
    - **22.1 g/t Au over 2.94 m** (channel CH-09; open)
    - **36.3 g/t Au over 2.0 m** (channel CH-10; open)
    - **9.52 g/t Au over 7.1 m** (channel CH-11; open)
- Mineralized facies correspond to a centimetric to decametric network of quartz veins with strongly chloritized and carbonatized wall rocks containing 1% to 10% disseminated pyrite. A mafic intrusion cut by quartz feldspar porphyry dykes constitute the main host rocks.

2019 exploration results

The best grade from Azimut's preliminary assessment in 2018 (46 grab samples) was 77.8 g/t Au and 167.0 g/t Ag at the Gabbro Zone. The highlights of the program are presented below (press release of November 20, 2018):

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)

Patwon Zone: quartz veins and quartz-ankerite stockwork with pyrite in the wall rock, hosted in sheared mafic metavolcanics; 28 samples including 15 samples with grades above 1.0 g/t Au:

2.90 g/t Au over 3.50 m (channel)
5.29 g/t Au over 0.60 m (channel)
54.6 g/t Au, 6.44 g/t Ag (grab)
5.61 g/t Au, 14.25 g/t Ag (grab)
4.57 g/t Au (grab)
2.94 g/t Au (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)

For Q3 2019, Azimut incurred $13,000 ($Nil – Q3 2018) in claim acquisition expenditures and $84,000 ($Nil – Q3 2018) in exploration work for prospecting and geophysical surveys. The remainder of the 2019 work program will be adjusted according to the pending results of the first phase.

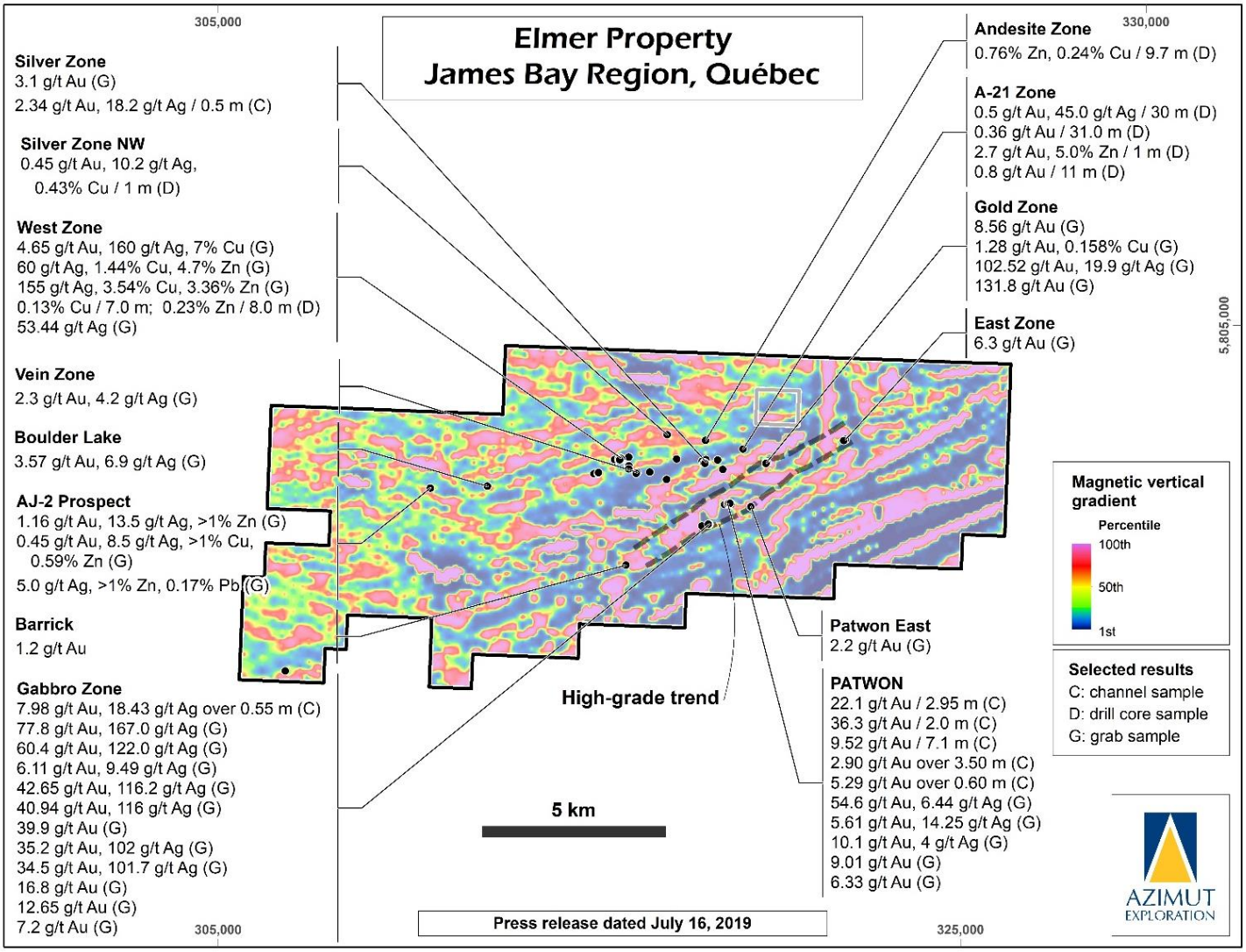

Figure 12: Magnetic map of the Elmer Property showing the location of prospects and selected historical and recent results.

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 a 32-kilometre corridor, known as the **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 to the east as well. 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 Q3 2019, Azimut incurred $1,500 ($3,000 – Q3 2018) in claim renewal expenditures and $41,000 ($4,000 – Q3 2018) 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 (press releases 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 Q3 2019, Azimut incurred $58,000 ($Nil – Q3 2018) in claim acquisition expenditures and $13,000 ($Nil – Q3 2018) in exploration expenditures for data interpretation.

Kukamas Property

The Kukamas Property (361 claims, 183.0 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) (press release 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 Q3 2019, Azimut incurred $49,000 ($Nil – Q3 2018) in claim renewals and acquisition expenditures and $13,000 ($1,500 – Q3 2018) 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 (press release 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 (press release of June 6, 2018) before SOQUEM relinquished 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.

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 (press releases of November 2, 2017 and May 31, 2018).

Cawachaga Property

The Cawachaga Property (105 claims, 56.0 km^2) is a zinc project located about 140 kilometres east of the community of Nemaska and 100 kilometres east of the electrical substation of Poste Albanel along the James Bay Road. The property comprises 105 claims covering a strong zinc anomaly in LBS about 8 kilometres across.

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 (press release 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 results of Azimut's 640,000-km^2 mineral potential assessment generated many quality exploration targets in Nunavik, several of them very large. The types of data used in the targeting process included multi-element LBS geochemistry, geophysics, geology and remote sensing. The Company's current land position comprises six (6) properties covering copper-gold or gold-polymetallic projects, and one (1) uranium property.

On May 15, 2019, Azimut announced that it had signed an agreement with SOQUEM to form a new alliance in Nunavik (the "Nunavik Alliance") under which 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. 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 will be the operator of the Nunavik Alliance.

NUNAVIK – COPPER-GOLD

In 2009, Azimut identified very large and very strong geochemical footprints for copper and REE in Nunavik and began acquiring the most significant targets that same year.

The Rex-Duquet and Rex South properties (collectively 4,232 claims, 1,827.6 km^2) provide a commanding position over what the Company calls the **Rex Trend** (Figure 13), a strong 300-kilometre-long copper anomaly in LBS coupled with a strong 100-kilometre-long REE anomaly (press releases of March 31 and July 22, 2011). Management considers the Rex Trend to be a new mineral province with the potential to host large-scale deposits, including iron oxide copper-gold ("IOCG") deposits, intrusion-related polymetallic deposits and sediment-hosted gold deposits. The Rex Trend shares similarities with the Carajás Mineral Province in Brazil (press release of April 4, 2012) and covers a deep-seated structural corridor (the "Allemand-Tasiat Zone"), which has been recognized as prospective for diamonds by the Ministère de l'Énergie et des Ressources Naturelles (the "MERN").

Azimut has gained a key exploration edge in the region by virtue of the work conducted by the Company and its partners on the Rex Trend properties: 21,379 line-kilometres of airborne geophysics, 6,226 infill LBS samples, 7,628 prospecting rock samples, and 7,070 metres of standard rotary percussion ("rotary") and reverse circulation ("RC") drilling in 82 holes.

Rex-Duquet Property

The Rex-Duquet Property (1,870 claims, 798.8 km^2) is a Au-Ag-Cu-REE project that occupies the northern segment of the Rex Trend (Figures 13 and 14). The claims extend over 80 kilometres and were formerly two properties before being amalgamated under the Nunavik Alliance with SOQUEM.

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 (press release 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 initial copper discovery on the former Rex Property was announced in the press release of October 13, 2010. Since then, Azimut has identified more than 20 other copper or polymetallic (copper-gold-silver-cobalt-tungsten) prospects. Drilling results, supported by prospecting, geological, structural and geochemical data, have confirmed several multi-kilometre IOCG-type targets.

Mineralized 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 preliminary 2011 drilling program (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 (press release of February 9, 2012). An envelope of mineralization and alteration is recognizable over the entire zone, and the drilling program 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; press release 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 (press release of February 9, 2012).

The mineralization of the RBL and CM zones is present as breccias hosted by migmatitic gneisses. The breccias contain chalcopyrite, bornite and pyrite (± covellite) and networks of magnetite and/or hematite with or without quartz veins/veinlets. Alteration is dominated by strong potassic alteration and pervasive silicification locally accompanied by albite, chlorite and epidote. Anomalous values in gold (up to 0.16 g/t Au at RBL), silver (up to 5.0 g/t Ag at RBL

and up to 9.0 g/t Ag at CM) and cobalt (up to 1,130 ppm Co) were announced for surface grab samples collected during the 2010 program (press release of October 13, 2010).

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.

The **Duquet claims** host the following historical grab and channel results:

- Gold: 74.75 g/t Au, 56.78 g/t Au, 34.29 g/t Au, 16.08 g/t Au, 12.58 g/t Au and 11.4 g/t Au (grabs)
- Silver: 552.9 g/t Ag and 331 g/t Ag (grabs), and 64 g/t Ag over 1.5 m (channel)
- Copper: 10.38% Cu, 2.9% Cu and 1.51% Cu (grabs), and 6.4% Cu over 1.5 m (channel)

A number of other prospects on the property, several of them kilometre-scale, have also yielded significant grades for copper (up to 4.4% Cu), gold (up to 16.2 g/t Au and 580.0 g/t Au), silver (up to 196.0 g/t Ag), tungsten (up to 0.87% W), molybdenum (up to 0.65% Mo), rhenium (up to 0.91 g/t Re) and bismuth (up to 285 ppm Bi) (press releases of February 9, 2012 and October 12, 2010). In addition, results in the southern part of Rex-Duquet revealed a 4-kilometre trend defined by anomalous barium values (up to 11.95% Ba) within a strong, 13-kilometre copper-molybdenum-cobalt-REE-manganese footprint in LBS. This area represents a top-priority IOCG target.

Mineral potential assessment

Azimut's management is of the opinion that the Rex-Duquet Property has the potential to become an important metal district in Northern Quebec. Field work and analytical results to date validate Azimut's assessment of the property as highly prospective for IOCG-type deposits. The IOCG deposit-type encompasses a wide spectrum of ore bodies, often polymetallic and of significant size, which may notably produce iron, copper, gold, uranium, silver, cobalt and REE. The best known IOCG example is Olympic Dam in Western Australia, one of the largest known deposits in the world. Other prospective zones on the Rex-Duquet Property may be related to deposit types typical of Archean greenstone belts, such as copper-gold mineralization in shear zones and volcanogenic massive sulphides. Azimut's assessment takes into account the results of an infill multi-element LBS program, a detailed aeromagnetic survey, a structural interpretation, and prospecting work on newly discovered ultramafic intrusive rocks and carbonatite dykes (press release of February 9, 2012).

Exploration work

Azimut's self-funded $765,000 Nunavik exploration program in 2012 aimed to increase the sampling density on known mineralized zones of the Rex-Duquet Property and to conduct reconnaissance prospecting on newly defined targets. A total of 175 rock grab samples were collected on the property. The $3.9-million 2011 program comprised the following work on the property: ground-based geophysical surveys (49.2 line-km of IP and 122.3 km of magnetics) to better define drilling targets on the RBL and CM zones; infill LBS sampling (614 samples) to further define targets in the western part of the property; 1,116 grab rock samples from outcrops and boulders during property-wide prospecting; and 2,172 metres of reconnaissance drilling. The drilling program consisted of 29 short holes (2,113 m in 26 rotary holes, and 59 m in 3 RC holes) from which 1,382 drill samples were sent for analysis. Results were published in the press release of February 9, 2012.

For Q3 2019, Azimut incurred $128,000 in ($92,000 – Q3 2018) in claim acquisition and renewal expenditures of which $124,000 was charged back to SOQUEM. The Company also incurred $169,000 ($5,000 – Q3 2018) in exploration expenditures for a technical evaluation and airborne geophysical survey of which $133,000 was charged back to SOQUEM. Azimut will pursue its assessment of the project in 2019 through a SOQUEM-funded work program.

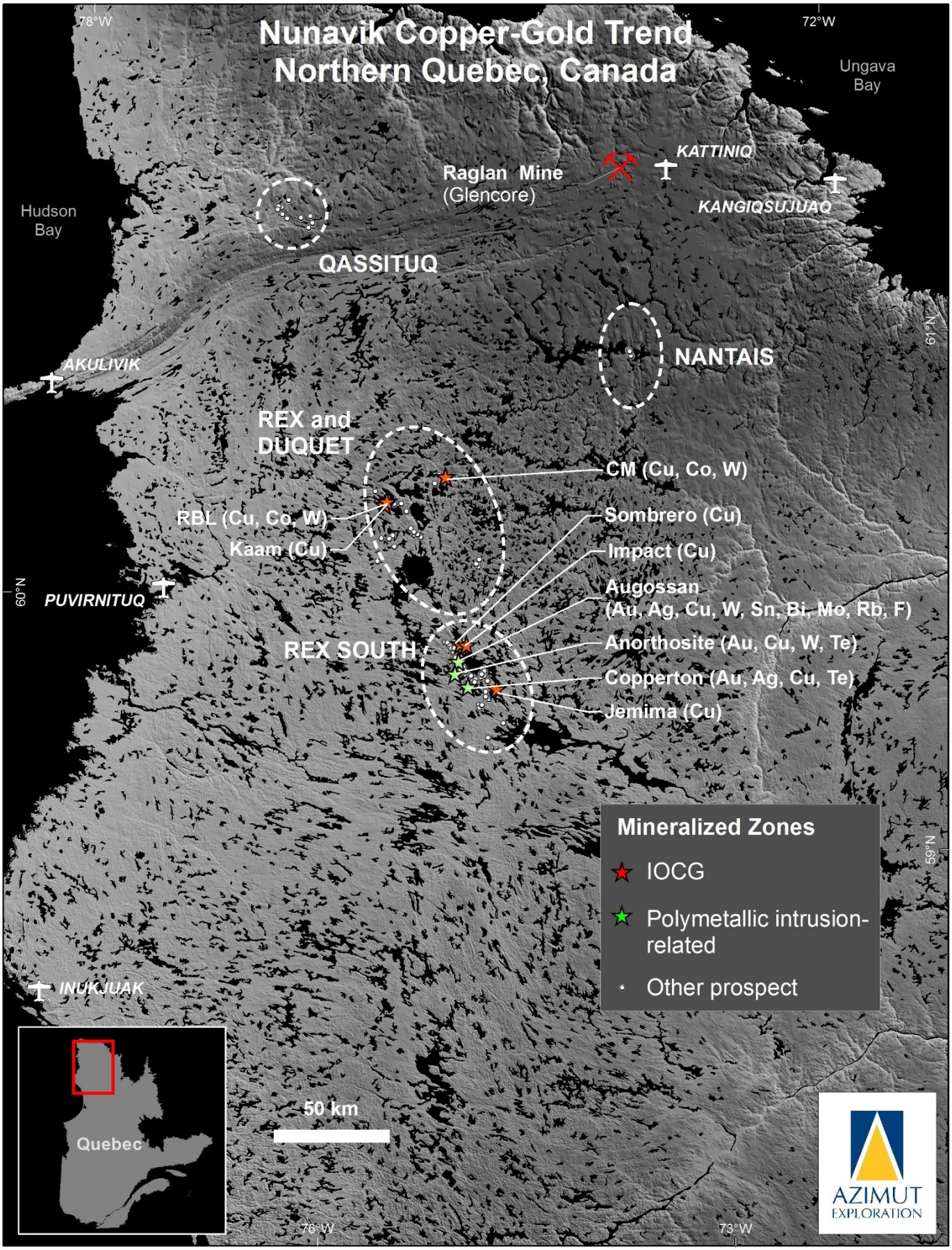

Figure 13: Location of Azimut's wholly-owned properties in Nunavik. The Rex Trend comprises the Rex-Duquet and Rex South properties.

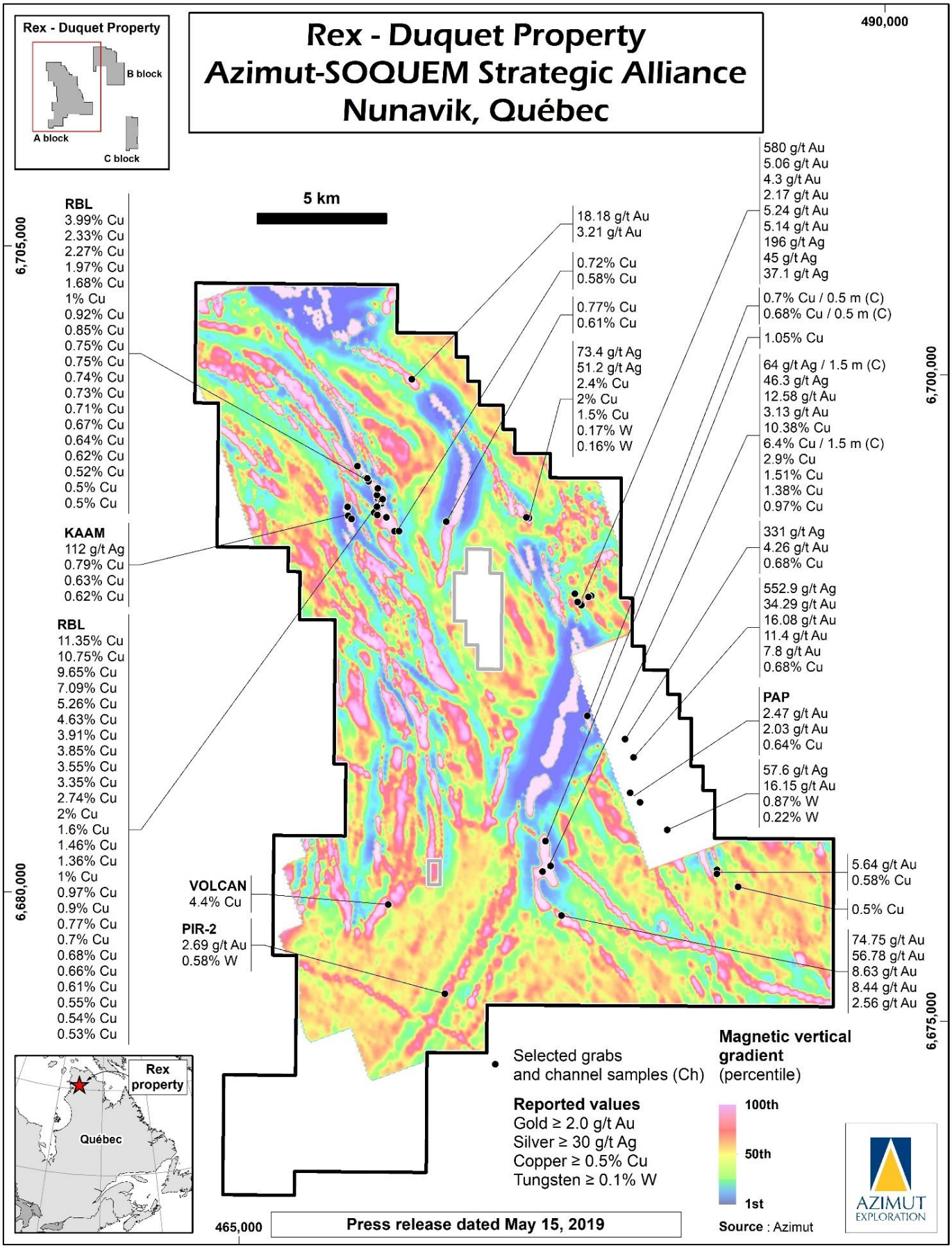

Figure 14: Map of the Rex-Duquet Property (A Block) showing salient results.

Rex South Property

The Rex South Property (2,362 claims, 1,028.9 km^2) is a Au-Ag-Cu-REE-W project that occupies the southern segment of the Rex Trend (see Figure 13). In addition to the copper-gold focus, the property has yielded high grades of a suite of other metals, including silver and tungsten.

Exploration programs

In 2012, Azimut completed a self-financed $360,000 exploration program in Nunavik that included infill grab sampling on two large zones of the Rex South Property. Results were published in press releases dated September 13 and October 4, 2012 (see below for details). In 2011, Azimut's former partner Aurizon Mines Ltd operated a jointly designed comprehensive exploration program to follow up on the results of Azimut's 2010 program comprising property-wide airborne geophysics (5,410 line-km), a detailed LBS geochemical survey (765 samples) and prospecting. The 2011 program consisted of ground-based geophysical surveys (53.9 line-km of IP and 149.5 km of magnetics), 257 infill LBS samples, 2,530 prospecting samples, 145.35 metres of channel samples (149 samples from 16 channels) and 4,934 metres of drilling in 53 holes on two zones (4,467 m of rotary and 467 m of RC; total of 3,171 samples). Results were published in press releases dated October 31, 2011 and April 4, 2012 (see below for details).

Mineralized zones

The above work yielded more than 30 new mineralized zones and prospects on Rex South (Figure 15). The most important are discussed below.

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 Augossan Zone represents a large polymetallic envelope at the contact between a fluorite-topaz-bearing granitic intrusion (the **Qalluviartuuq Intrusive Complex**) 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 best grades among 78 grab samples collected in 2012, mostly from outcrops, are as follows:

Copper (%)	Tungsten (%)	Gold (g/t)	Silver (g/t)	Sample #
0.84	1.03	-	31.4	L253840
1.71	0.02	1.3	17.9	L253842
1.27	0.18	-	45.1	L253839
0.37	0.21	0.6	62.3	L253836
0.09	1.35	0.4	-	L253803
1.08	0.02	0.6	9.0	L253849

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

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.

The **Copperton Zone**, discovered about 5 kilometres southeast of the Anorthosite Zone, is 3,500 metres long by 20 to 100 metres wide. The zone's characteristic chalcopyrite and pyrite mineralization occurs as disseminations, veinlets and massive sulphide lenses hosted in a variably sheared, steeply dipping feldspathic intrusion, as well as amphibolites and gneissic metasediments. Results from the 2012 infill sampling program revealed consistent copper-gold-silver grades within the known envelope. The best grades among the 218 grab samples are as follows:

Copper (%)	Gold (g/t)	Silver (g/t)	Sample #
7.37	3.86	56.9	L253563
2.17	9.56	31.4	L253585
1.19	1.96	11.5	L253742
0.74	4.62	4.46	L253549

The results for all 273 samples collected from Copperton Zone in 2011 and 2012 can be summarized as follows:

- Copper: 91 samples returned grades higher than 0.1% Cu, including 32 samples ranging from 0.5% to 9.28% Cu
- Gold: 89 samples returned grades higher than 0.1 g/t Au, including 19 samples ranging from 1.0 g/t to 9.56 g/t Au
- Silver: 77 samples returned grades higher than 1.0 g/t Ag, including 14 samples ranging from 10.0 g/t to 82.7 g/t Ag

Several samples returned significant tellurium (up to 38.4 g/t Te) and cobalt values (up to 500 ppm Co).

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).

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 ovoid-shaped, fluorite-topaz-bearing Qalluviartuuq Intrusive Complex measuring 15 kilometres by 5 kilometres. This includes the Augossan, Anorthosite and Copperton zones, and the Pegor, Ferrus, Dragon and Le Breuil 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 Q3 2019, Azimut incurred $147,000 ($79,000 – Q3 2018) in claim acquisition and renewal expenditures of which $130,000 was charged back to SOQUEM. The Company also incurred $183,000 ($7,000 – Q3 2018) in exploration expenditures for a technical evaluation and airborne geophysical survey of which $156,000 was charged back to SOQUEM. The assessment of the project requires follow-up airborne geophysics, prospecting, and drilling on previous drill intersections and new targets, with particular focus on the Copperton, Augossan and Jemima zones. Azimut will pursue its assessment of the project in 2019 as part of a work program funded by SOQUEM.

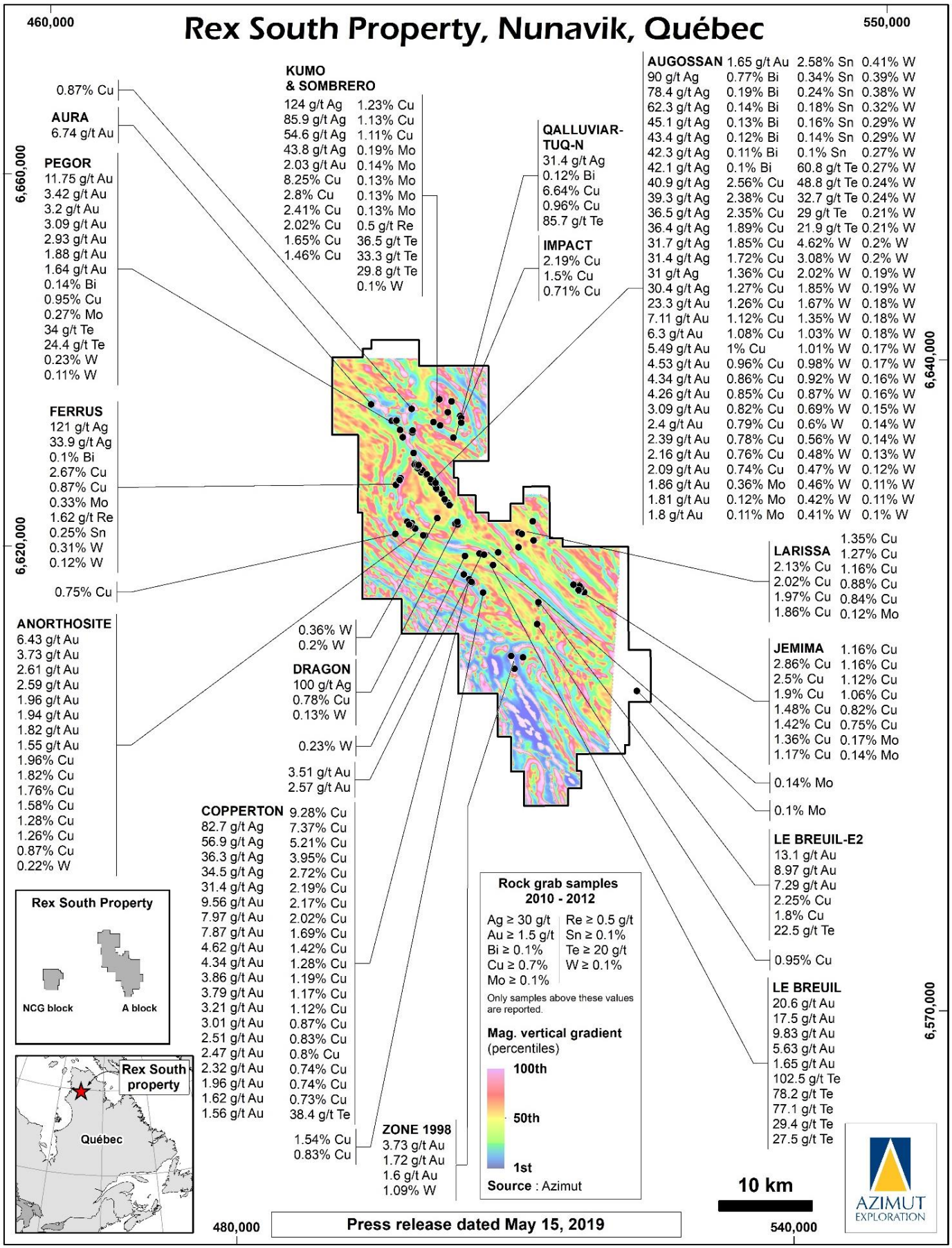

Figure 15: Main mineralized zones on the Rex South copper-gold (tungsten) property.

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 Q3 2019, Azimut did not incur any expenditures for claim renewals ($Nil – Q3 2018) or exploration work ($Nil – Q3 2018). 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 a Au-Ag-Cu-Zn project about 80 kilometres south of Glencore's Raglan nickel mine and 115 kilometres southwest of the Inuit village of Kangiqsujuaq (see Figure 13). The property covers 32 kilometres of an underexplored greenstone belt in the Nantais Complex of the Minto Block, a geological division of the Archean Superior Province.

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)).

Azimut collected 152 grab samples during prospecting programs in 2011 and 2012. The key result (Figure 16) was the discovery of a 3-kilometre by 200 metre outcropping corridor in which mineralization is hosted within a steeply dipping north-trending unit of mafic and felsic volcanic rocks. The best results from 2011 and 2012 are as follows (press releases of September 18, 2012 and April 19, 2012):

Gold (g/t)	Silver (g/t)	Copper (%)	Sample #
26.1	6.28	0.20	L253161
16.7	19.5	0.32	L253160
15.15	31.30	0.86	J351726
15.50	4.53	0.10	J351722
9.98	9.26	0.06	J351723
2.21	66.10	0.80	J351728
1.83	41.50	0.45	J351717

Many samples also returned anomalous zinc (up to 2.26% Zn) and lead values (up to 1.29% Pb). The 2011 and 2012 results can be summarized as follows:

- Gold: 31 samples with grades higher than 0.1 g/t Au, including 14 samples ranging from 1.0 g/t to 26.10 g/t Au;
- Silver: 93 samples with grades higher than 1.0 g/t Ag, including 15 samples ranging from 10.0 g/t to 99.30 g/t Ag; and
- Copper: 17 samples with grades from 0.1% to 0.86% Cu.

In 2014, Azimut continued to assess the potential of the property through a helicopter-borne VTEM-Plus time-domain electromagnetic survey and high-resolution magnetic survey covering 998 line-kilometres at a spacing of 200 metres. The objective was to advance the project to the drilling stage by delineating high-quality conductors superimposed on or along strike with known mineralized prospects and structures. Electromagnetic anomalies with a cumulative length of 18.4 kilometres have been identified on 23 distinct conductors. These include a number of conductors forming an envelope 1.2 kilometres long by up to 900 metres wide, coincident with a mineralized corridor 3 kilometres long and up to 200 metres wide, which was previously outlined by Azimut (press releases of August 27 and September 29, 2014). A remote sensing study followed up on this work in 2018.

For Q3 2019, Azimut incurred $72,000 ($22,000 – Q3 2018) in claim acquisition and renewal expenditures of which $43,000 was charged back to SOQUEM. The Company also incurred $18,000 ($15,000 – Q3 2018) in exploration expenditures for a technical evaluation and data interpretation of which $6,000 was charged back to SOQUEM. Azimut will pursue its assessment of the project in 2019 as part of a work program funded by SOQUEM that will include focused prospecting, till sampling and drill target ranking.

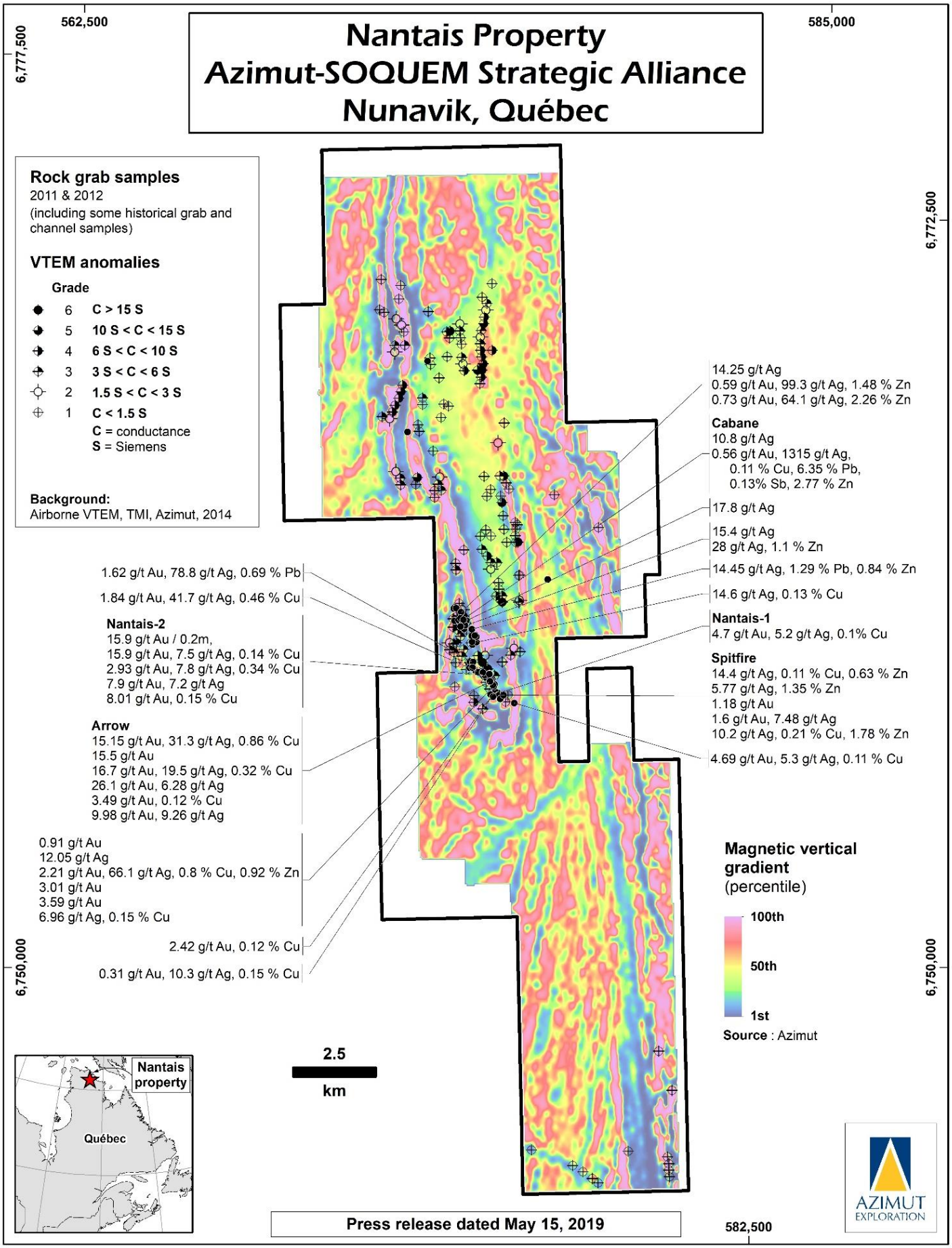

Figure 16: Map of the main mineralized zones (Au, Ag, Cu-Zn) on the Nantais Property.

NUNAVIK – POLYMETALLIC

Qassituq Property

The wholly-owned Qassituq Property (12 claims, 4.9 km^2) is a PGE-copper-gold project that lies to the north of the Cape Smith Belt at a distance of 85 kilometres from Salluit, an Inuit village on the Arctic Ocean, and 145 kilometres west of Glencore's world-class Raglan nickel mine (see Figure 13). It was acquired by map designation based on the Company's systematic data processing of the Nunavik region (press release of January 17, 2013).

The property displays very strong LBS anomalies, most notably arsenic and/or copper. It contains several historical mineralized prospects with grab sample grades up to 4.13% Cu and 2.94 g/t Au. Qassituq also displays a strong potential for PGE related to its ultramafic lithologies. A historical diamond drill hole intersected 0.75 g/t Pd, 0.29 g/t Pt and 0.18 g/t Au over 15 m (Hole H-8-97).

For Q3 2019, Azimut did not incur any expenditures for claim renewals ($4,000 – Q3 2018) or exploration work ($100 – Q3 2018). Azimut may pursue its assessment of the project in 2019 on its own if financial conditions are adequate or through a partnership.

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 Q3 2019, Azimut incurred $100 ($Nil – Q3 2018) in claim renewal expenditures but did not incur any exploration expenditures ($2,000 – Q3 2018). 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 2019.

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**	**2019 planned work program**
Opinaca B (gold)	Targets identified	Ground geophysics and drilling program funded by the partner
Eleonore South (gold)	Targets identified	Prospecting, stripping and drilling program funded by the JV partner
Wabamisk (gold)	Technical assessment underway	Drilling stage Partner-funded program to be defined
Munischiwan (gold)	Targets identified	Prospecting, stripping, drilling
Pikwa (gold)	Targets identified	Prospecting, stripping, soil geochemistry, ground geophysics, drilling
Pontois (gold)	Targets identified	Prospecting, detailed lake-bottom sediments
Desceliers (gold)	Targets identified	Prospecting
Galinée (gold)	Targets identified	Prospecting, soil sampling, till sampling, detailed lake-bottom sediments: 50% funded
Dalmas (gold)	Targets identified	Prospecting. till sampling: 50% funded
Elmer (gold-silver-copper-zinc)	Technical assessment underway	Prospecting, stripping, drilling
Cawachaga (zinc)	Technical assessment underway	Detailed LBS survey
Kaanaayaa (gold-copper)	Technical assessment underway	Detailed LBS survey

NUNAVIK REGION		
Property	**Status**	**2019 planned work program**
Rex-Duquet (copper, gold, silver, REE)	Priority targets identified	Heliborne geophysics, prospecting, soil geochemistry Partner-funded program
Rex South (gold, silver, copper, tungsten)	Priority targets identified	
Nantais (gold, silver, copper, zinc)	Priority targets identified	Detailed prospecting Partner-funded program

SELECTED FINANCIAL INFORMATION

	Three months ended May 31,		Nine months ended May 31,	
	2019 ($)	**2018 ($)**	**2019 ($)**	**2018 ($)**
Revenue				
Management income	46,903	48,926	104,127	116,097
Expenses				
G&A	118,082	297,273	355,187	486,059
General exploration	18,826	55,670	60,709	63,956
Impairment of property and equipment	-	-	-	1,784
Impairment of E&E assets	-	-	132	-
Interest income, net of finance costs	(14,680)	(8,208)	(30,023)	(19,310)
	122,228	344,735	386,005	532,489
Other loss (gain)	(7,314)	107,634	33,242	(95,750)
Deferred income tax recovery	-	265,555	72,853	300,738
Net loss for the period	(82,639)	137,888	(242,267)	(19,904)
Basic and diluted (loss) income per share	(0.002)	0.003	(0.005)	0.000

RESULTS OF OPERATIONS

Q3 2019 COMPARED TO Q3 2018

Azimut reported a net loss of $242,000 for Q3 2019 compared to $20,000 for Q3 2018. The variation is mainly due to a recovery in 2019 in the amount of $73,000 ($301,000 – Q3 2018) for future income taxes related to the tax deductions that Azimut renounced to the holders of flow-through shares. The significant variations are detailed below.

Revenue

The Company reported a revenue of $104,000 ($116,000 – Q3 2018) in management income for the Company's role as operator of its joint venture properties, mainly for the SOQUEM and SOQUEM JV properties.

Operating Expenses

G&A expenses amounted to $355,000 in Q3 2019 compared to $486,000 in Q3 2018. The decrease in Q3 2019 is due mainly to the net effect of the following:

- Stock-based compensation costs of $10,000 for Q3 2019 ($172,000 – Q3 2018) representing the fair value of stock options granted and vested; this expense did not affect cash.
- A decrease in salary and fringe benefits of $62,000 due to two main factors: the charged recorded related to the amount paid to reduce the vacation payable and the imputation of a higher rate charged to the E&E assets under the alliance with SOQUEM.
- An increase in professional fees of $53,000 related to lawyer fees for the transaction with SOQUEM to amend the terms of the existing James Bay Alliance and to create the new Nunavik Alliance.
- An increase in business development of $20,000 to establish contact with potential partners.
- An increase of $15,000 in rent for a larger space to accommodate the Company's growth.

General exploration expenses were $61,000 in Q3 2019 compared to $64,000 in Q3 2018. The decrease is the net result of a cost assessment for new opportunities in another commodity and the stock-based compensation costs of $8,000

for Q3 2019 ($28,000 – Q3 2018) 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 $33,000 for Q3 2019 compared to a gain of $96,000 for Q3 2018. The changes were primarily attributable to the change of $35,000 (gain of $84,000 – Q3 2018) in the fair value of the Company's investments, which is mainly due to its investments in Nemaska Lithium Inc. and Captor Capital Corp.

OTHER INFORMATION

	May 31, 2019	August 31, 2018
Cash and cash equivalents	$2,725,349	$2,487,979
Total assets	$8,723,035	$7,969,782
Shareholders' equity	$6,829,875	$5,859,505
Number of shares outstanding	53,300,649	48,559,496
Number of stock options outstanding	3,745,000	4,095,000
Number of warrants outstanding	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 $1,245,000 as at May 31, 2019 compared to $1,896,000 as at May 31, 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 May 31, 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 May 31, 2019, the Company's cash and cash equivalent position increased by $237,000 compared to August 31, 2018. The variation in the cash position is mainly due to the net cash received of $1,085,000 for closing the private placement, a payment of $2,300,000 received from SOQUEM for the 2019 work program, the 2016 and 2017 tax credit for resources and mining duties of $469,000 and commodity taxes of $133,000, offset by $3,600,000 for cash used for E&E assets costs and $179,000 for operational costs for the period.

Total assets increased by $754,000 since August 31, 2018, owing mainly to the acquisition of E&E assets. An increase in E&E costs incurred mainly in the James Bay region on the Eleonore South, Duxbury, Elmer and Kaanaayaa properties, and in the Nunavik region on Rex-Duquet, Rex South and Nantais. A decrease in liabilities is largely due to the net effect of a decrease in accounts payable due to reduced field work activity during the winter months, offset by an increase in advances received from a joint venture partner for exploration work.

Operating activities

For Q3 2019, net cash flows used in operating activities totalled $144,000 compared to $363,000 used in Q3 2018. The variation is mainly due to the 2016 and 2017 tax credit for resources and mining duties of $90,000 related to general exploration cost and the net change in non-cash working capital amounting to $34,000 ($161,000 – Q3 2018). The variation in amounts receivable of $130,000 results from the commodity taxes received.

Financing activities

The Company completed a non-brokered private placement of 4,421,153 units at $0.26 per unit for aggregate gross proceeds of $1,149,000. No commissions or finder's fees were paid in respect of the offering in Q3 2019 ($Nil – in Q3 2018). Also, an amount of $108,000 was received through an exercise of 320,000 stock option by directors and officers.

Investing activities

Investing activities consisted mainly of the additions to E&E assets. In Q3 2019, net cash flows from investing activities totalled $813,000 compared to $3,131,000 in Q3 2018. The variation is attributable to the net effect of the following:

- Additions to E&E assets amounting to $3,600,000 ($4,175,000 – Q3 2018). Significant costs were incurred in the James Bay region on the Eleonore South, Duxbury, Elmer and Kaanaayaa properties and all nine (9) properties under the alliance with SOQUEM. An amount of $2,092,000 was charged back to the joint venture partners for exploration work (Opinaca A, Eleonore South, and all nine (9) properties under the alliance with SOQUEM). A balance of $107,000 is available as an advance for the Company's participating interest in exploration work (drilling) on the Eleonore South Property.
- $2,300,000 received from SOQUEM for the 2019 program on the Pikwa, Munischiwan, Rex-Duquet, Rex South and Nantais properties;
- $469,000 received for the 2016 and 2017 tax credit for resources and mining duties; and
- $50,000 of the proceeds received from the sale of 50,000 shares in Nemaska Lithium Inc. for $46,000 and 19,600 shares in Albert Mining Inc. for $4,000.

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 ($)	Diluted ($)
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
31-11-2017	168,637	** 97,375	0.002	0.002
31-08-2017	35,990	*** (1,613,478)	(0.035)	(0.035)

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

Current quarter

For the three months ended May 31, 2019, the Company reported a net loss of $83,000 compared to $138,000 for the three months ended May 31, 2018. The change in 2019 was primarily attributable to no recovery in 2019 ($266,000 in Q3 2018) of future income taxes related to the tax deductions that Azimut renounced to the holders of flow-through shares and the net effect of the following:

- $118,000 in G&A expenses for the current quarter of 2019, compared to $297,000 for the same quarter in 2018. The decrease in 2019 is mainly due to:
    - Stock-based compensation costs of $10,000 for the current quarter of 2019 ($172,000 – 2018) representing the fair value of stock options granted and vested; this expense did not affect cash;
    - A decrease in salary and fringe benefits related to vacation paid and the imputation of a higher rate charged to the E&E assets under the alliance with SOQUEM; and
    - The legal fees for document preparation related to SOQUEM transactions to amend the terms of the existing James Bay Alliance and to create the new Nunavik Alliance.
- $19,000 in general exploration expenses for the current quarter of 2019 compared to $56,000 for the same quarter in 2018; the decrease is related to stock-based compensation representing the fair value of stock options granted and vested; this expense did not affect cash and the estimated tax credit receivable.
- A change of $9,000 in the fair value of the Company's investments, compared to $118,000 for the same quarter in 2018. This change is mainly attributable to the investment in Captor Capital Corp. (formerly NWT Uranium Corp).

CONTRACTUAL OBLIGATIONS

As at May 31, 2019, the Company's contractual obligation payments are as follows:

	Less than 1 year $	1–3 years $	4–5 years $	After 5 years $
Operating Leases	61,377	188,439	7,742	
Asset retirement obligations	-	251,480	-	-
Total contractual obligations	61,377	439,919	7,742	-

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 Q3 2019, the uranium property, North Rae, was fully impaired by $100 due to uncertainty surrounding the uranium industry in Quebec.

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	244,369	259,167
Director fees	27,973	-
Share-based payment	-	172,400
	272,342	431,567

An amount for salaries of $92,000 ($130,000 – Q3 2018) was capitalized to E&E assets in Q3 2019.

As at May 31, 2019, accounts payable and accrued liabilities include an amount of $184,000 owed to key management ($87,000 at May 31, 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 EVENT

No subsequent events to be reported.

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, 2018.

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, 2018.

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, 2018.

INFORMATION REGARDING OUTSTANDING SHARES

The Company can issue an unlimited number of common shares, without par value. As at July 17, 2019, there were 53,300,649 issued and outstanding shares and no shares held in escrow, and there were 2,210,576 warrants outstanding with an average exercise price of $0.35, valid until June 21, 2020.

The Company maintained a stock option plan in which a maximum of 4,544,000 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 July 17, 2019, a total of 3,745,000 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 April 11, 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, 2018.

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 July 17, 2019 and was approved by the Board on July 17, 2019. 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)
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal) (1)
Angelina Mehta, Eng., MBA, LL.M., Director (Montreal)
Jean-Charles Potvin, MBA, B.Sc., Director (Toronto) (1)
Louis P. Salley, B.A., LL.B., Director (Vancouver)
Jacques Simoneau, Eng., PhD, Director (Montreal) (1)

(1) Member of the Audit Committee

Management
Jean-Marc Lulin, President and Chief Executive Officer
Moniroth Lim, Chief Financial Officer and Corporate Secretary

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
Symbol: AZM

Contact Information
Head Office
110, De La Barre Street
Suite 224
Longueuil, QC
Canada J4K 1A3
Tel.: 1 450 646-3015
Fax: 1 450 646-3045
E-mail: info@azimut-exploration.com

Website
www.azimut-exploration.com