



## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal years ended August 31, 2023 and 2022

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## SCOPE OF MANAGEMENT'S DISCUSSION AND ANALYSIS

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The following management discussion and analysis (the "MD&A") of the activities and financial position of Azimut Exploration Inc. ("Azimut" or the "Company") for the fiscal years ended August 31, 2023 ("Fiscal 2023") and 2022 ("Fiscal 2022") should be read in conjunction with the Company's audited annual financial statements for the years then ended. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB"). The MD&A and the financial statements are available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under Azimut's issuer profile and on the Company's website ([www.azimut-exploration.com](http://www.azimut-exploration.com)). Unless otherwise noted, all figures are in Canadian dollars, the functional and presentation currency of the Company.

## NATURE OF ACTIVITIES

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Azimut is a publicly traded Canadian mineral exploration company with a successful track record of target generation and partnership development. The Company combines a pioneering and proprietary approach to big data analytics (AZtechMine™) with strong field-validation expertise to create a competitive edge. The Company holds the largest multi-commodity exploration portfolio in the province of Quebec, which is recognized as a leading mining jurisdiction globally. The Company has advanced its wholly owned flagship Elmer Gold Project to the initial resource stage in the Eeyou Istchee James Bay ("James Bay") region.

Azimut maintains rigorous financial discipline and a strong balance sheet. It has \$10.6 million in cash and 85.2 million shares issued and outstanding as at December 27, 2023. The Company is listed on the TSX Venture Exchange ("TSXV") under the symbol AZM and trades on the OTCQX® Best Market ("OTCQX") under AZMTF.

## OVERALL PERFORMANCE

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Summary of exploration activities for the quarter ended August 31, 2023 and subsequent activities:

- All of the Company's exploration programs have resumed since the Government of Quebec lifted its wildfire-related access bans in the James Bay region.
- On December 8, 2023, the Company signed an option to joint venture agreement with Ophir Gold Corp. ("Ophir Gold") for its wholly owned Pilipas Property (PR of December 11, 2023). Under the agreement, Ophir Gold can earn up to a 70% interest in the property from the Company over three (3) years by funding \$4 million in exploration expenditures and making payments totalling 6 million Ophir Gold shares and \$100,000 in cash.
- In November 2023, Azimut announced an initial mineral resource estimate for the Patwon Gold Zone on the Company's wholly owned Elmer Property (PR of November 21, 2023). The estimate yielded Indicated Resources of 311,200 oz in 4.99 Mt grading 1.93 g/t Au and Inferred Resources of 513,900 oz in 8.22 Mt grading 1.94 g/t Au.
- In November 2023, Azimut and SOQUEM Inc. ("SOQUEM") released new drill intercepts of spodumene pegmatites on the Galinée JV project (PR of November 29, 2023). These results added to the previously announced wide lithium-bearing pegmatite intercepts (PR of October 23, 2023), confirming a significant lithium discovery currently recognized over 700 m laterally. Earlier in the season, the partners discovered a spodumene-bearing pegmatite boulder field on the property with grades up to 4.09% Li<sub>2</sub>O (PR of September 6, 2023).
- In August 2023, Azimut defined major lithium exploration targets on its wholly owned JBL project region (PR of August 28, 2023).
- On July 7, 2023, Azimut signed two option-to-JV agreements with Rio Tinto Exploration Canada Inc. ("Rio Tinto") for its wholly owned Corvet and Kaanaayaa lithium properties (PR of July 10, 2023). The agreements contemplate an aggregate value of up to \$115.7 million in expenditures and cash payments. Under the agreements, Rio Tinto can acquire an initial 50% interest on each of the properties over four (4) years by funding \$7 million in exploration expenditures and making cash payments totalling \$850,000 per property (combined \$14 million in expenditures and \$1.7 million in payments, including \$250,000 on signing per property).

Financial and corporate highlights for Q4 2023 and subsequent activities:

- In October 2023, the Company granted a total of 1,032,000 stock options to directors, officers, employees and consultants (PR of October 27, 2023).
- In September 2023, Azimut announced it had closed a bought deal private placement financing for total gross proceeds of \$8.18 million (PR of September 28, 2023).
- Azimut incurred \$11.4 million on exploration and evaluation assets ("E&E assets") during Fiscal 2023.

## OUTLOOK 2024

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In the James Bay region, Azimut will continue advancing its flagship Elmer gold project and its wholly-owned lithium project (JBL) in the coming fiscal year. Azimut will be the operator of two exploration programs funded 50% by the joint venture (“JV”) partner (Galinée, and Pontois) and four programs funded 100% by the optionee (Corvet, Kukamas, Kaanaayaa and Wapatik). On Pilipas, the Company’s most recently optioned property, the optionee will be the operator. In the Nunavik region, Azimut and its joint venture partner will continue the technical assessment of the Rex-Duquet and Rex South properties. **Table 1** presents the current status of the Company’s properties and the planned work programs for 2024.

Azimut is particularly sensitive to adapting its exploration strategy to the significant demand for metals related to the transition to a low-carbon economy, especially lithium, nickel, copper and cobalt. Lithium is considered a critical commodity by the Quebec and Canadian governments for its role in economic security and the energy transition.

Based on industry trends and demand, Azimut will continue to model the mineral potential of several regions in Quebec to generate new projects. The Company will also continue to seek new partners for available properties to safeguard the value added to its projects. Rising inflation triggered by higher prices of goods and services, combined with the effects of the COVID-19 pandemic, have caused disruptions to supply chains that may continue to create operational uncertainties for the Company. In addition, access bans in response to widespread wildfires caused significant delays to the Company’s summer exploration programs. See the section *Risks and Uncertainties* for further information.

Azimut has a proven funding strategy of leveraging its investments and funds through a combination of negotiated partnerships with government entities and selected private sector partners to fund its progress on specific properties and its annual development program. In the opinion of management, this strategy preserves and optimizes shareholder value and optionality while limiting dilution and preserving strategic market funding timing and access. Based on this approach and the Company’s proven ability to raise additional funds on a timely basis—although there can be no assurance it will be able to do so in the future—management is confident that it has adequate resources to fund projected expenditures and corporate liabilities and commitments for the 12 months beyond Fiscal 2023.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

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Azimut aims to deliver value for its shareholders, stakeholders and host communities by discovering major mineral deposits that support economic and sustainable social development. The Company is committed to conducting exploration activities safely while minimizing environmental impacts and respecting local communities. Actions are taken to promote harmonious stakeholder relations and ensure that environmental and health & safety practices comply with industry standards and applicable regulations.

### ***Governance***

- The Company implemented a *Code of Business Conduct and Ethics* outlining the behaviour expected from all directors, officers and employees.
- The Company also implemented a *Workplace Psychological or Sexual Harassment Prevention Policy* outlining the behaviour expected from all directors, officers, employees and contractors.
- The Company intends to complete its application for UL ECOLOGO® certification when possible. ECOLOGO is a program that promotes the widespread application of environmental, social and economic best practices in the mineral exploration industry.

### ***Health & Safety***

- The Company’s fieldwork activities continue to adhere to the Government of Quebec regulations and operational rules and protocols.
- The Company upgraded its standards regarding personal protective equipment to address the cold working conditions encountered during winter drilling programs.

### ***Environment Stewardship***

- The Company routinely obtains all required permits before conducting fieldwork to comply with environmental laws.
- After completing exploration programs in Nunavik, the Company ships out scrap metal for recycling.
- The Company is actively involved in a restoration initiative to clean up historical exploration sites in Nunavik.
- The Company is also involved in similar clean-up programs in the James Bay region.

## Community Relations

- The Company strives to develop business activities supported by host communities and Indigenous stakeholders. In Fiscal 2023, the Company spent \$5.4 million (\$5.4 million – Fiscal 2022) acquiring goods and services in the Eeyou Istchee James Bay region, including services provided by residents of the Cree village of Eastmain.
- The Company sends letters to inform communities of the Company’s exploration activities in compliance with provincial law and holds information meetings with stakeholders on a timely basis.
- The Company engages the services of a local Inuit business to provide logistical support for the Nunavik exploration programs.
- The Company offers employment opportunities to members of local communities.

## REGIONAL ALLIANCES

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Azimut has two regional-scale alliances in effect as at December 27, 2023.

### JAMES BAY ALLIANCE

In 2016, Azimut signed a four-year strategic alliance with SOQUEM, covering 176,300 km<sup>2</sup> in the James Bay region (the “JB Alliance”). The objective was to identify gold targets and explore the most prospective targets after converting them into properties at SOQUEM’s cost. Under the terms of the agreement, SOQUEM selected four (4) targets from Azimut’s target report to convert into properties with an initial 50/50 ownership. These became the Munischiwan, Pikwa, Pontois and Desceliers properties, collectively listed under *SOQUEM – JB Alliance* in **Table 2** and **Table 3**. As per the agreement terms, SOQUEM acquired Azimut’s interest in these properties by investing \$3 million in exploration work over four (4) years, including diamond drilling. In 2019, the agreement was amended to include a 50% back-in option for Azimut to regain a 50% interest in the properties by conducting \$3.3 million in exploration work over three (3) years. In 2021, Azimut fulfilled this requirement and regained its interest in all four properties, which became 50/50 JV projects.

### NUNAVIK ALLIANCE

In 2019, Azimut signed a strategic alliance agreement with SOQUEM for the Nunavik region (the “Nunavik Alliance”) comprising two option phases for a total investment of up to \$40 million. Under the first option, SOQUEM can earn an initial 50% interest in the Rex-Duquet, Rex South and Nantais properties by investing \$16 million in exploration work over four (4) years, the first two (2) years being a firm commitment of \$4 million each year. Under the second option, SOQUEM can earn an additional 10% interest in each designated property (for a total of 60% interest in each property) by investing \$8 million per designated property over two (2) years and delivering a PEA. Azimut is the operator of the Nunavik Alliance. The COVID-19 pandemic considerably impacted the Nunavik operations; consequently, Azimut and SOQUEM decided to postpone the fieldwork. On April 1, 2023, SOQUEM decided to extend the suspension of its financial obligations for a maximum additional period of one (1) year. These properties have significant mineral potential, and various options are currently being reviewed to advance them.

## EXPLORATION PORTFOLIO

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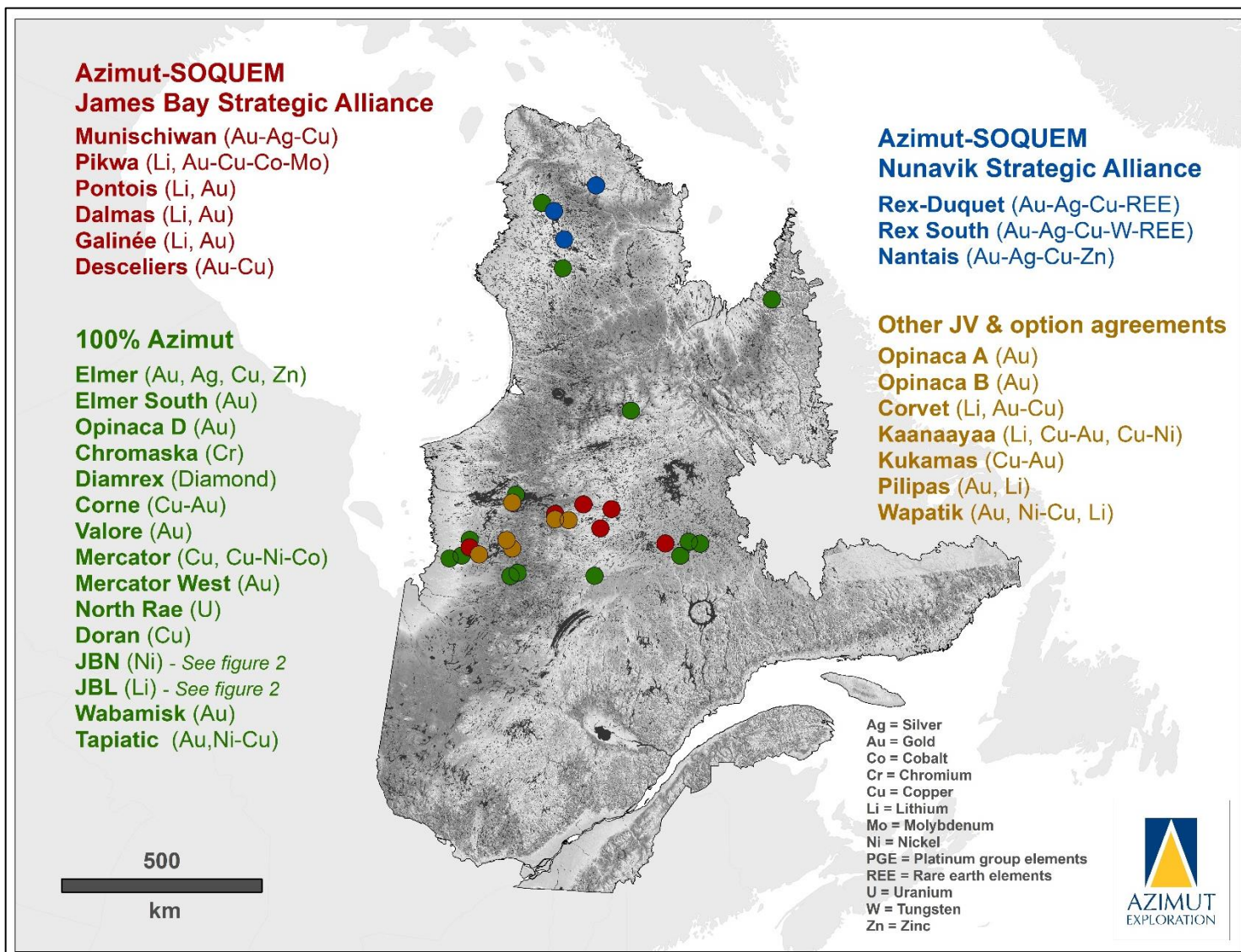
As at December 27, 2023, the Company holds an exploration portfolio of 16,454 claims in Quebec (16,677 claims as at August 31, 2023), representing thirty-one (31) properties (**Figure 1, Table 1**). They are summarized below by region and commodities of interest:

### James Bay

- 19 gold or gold-copper properties; lithium potential on 7 of these projects
- 1 gold nickel-copper, lithium property
- 2 base metal properties
- 1 chromium property
- 1 nickel project with multiple claim blocks
- 1 lithium project with multiple claim blocks

### Nunavik:

- 3 gold-polymetallic properties
- 1 copper property
- 1 uranium property
- 1 diamond property



**Figure 1:** Map of Azimut’s exploration property portfolio in Quebec. See Table 1 notes for abbreviations.

The Company owns a 100% interest in twenty-three (23) of the properties and partial interests in the other eight (8) (see **Table 1**). This MD&A describes the progress and material changes in the Company’s property portfolio in Fiscal 2023 and Fiscal 2022. For additional details on individual projects, the reader should consult the Company’s press releases (“PRs”), website and previous MD&A reports.

All claim totals, surface areas and property descriptions in this report are effective as at December 27, 2023. Azimut follows standard industry practices regarding quality assurance/quality control (“QA/QC”) protocols for its assay programs (see the relevant PRs for details). The reader is cautioned that grab samples are selective by nature and unlikely to represent average grades.

Jean-Marc Lulin (P.Geo.), Azimut’s President and CEO, and a qualified person (“QP”) under *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* (“NI 43-101”), has reviewed the technical disclosures presented herein.

## EXPLORATION AND EVALUATION EXPENDITURES

In Fiscal 2023, Azimut incurred \$11.4 million (\$17.1 million – Fiscal 2022) on its E&E assets. Most of the expenditures were incurred in the James Bay region to explore the Elmer and Wabamisk properties and acquire JBL claim blocks. **Table 2** and **Table 3** detail the Company’s expenditures for the work on its E&E assets in Fiscal 2023 and 2022, respectively.

**Table 1:** Azimut’s property portfolio (as at December 27, 2023)

<b>JAMES BAY REGION</b>							
<b>Property</b>	<b>Target commodities <sup>(1)</sup></b>	<b>Claims</b>	<b>Area (km<sup>2</sup>)</b>	<b>Undivided interest</b>	<b>JV or option <sup>(2)</sup></b>	<b>Current status <sup>(1)</sup></b>	<b>Planned 2024 work program <sup>(1)</sup></b>
Chromaska	Cr	119	63.1	100%	-	Technical assessment	Program TBD
Corne	Cu-Au	177	93.6	100%	-	Reconn.	Detailed LBS geochemistry
Corvet	Li, Au-Cu	877	451.2	100%	Option to Rio Tinto	Technical assessment	Prospecting, possibly drilling Partner-funded
Dalmas	Li, Au	120	61.3	50%	50% SOQUEM	Technical assessment	Prospecting 50% funded
Desceliers	Au-Cu	271	140.7	50%	50% SOQUEM	-	-
Elmer	Au-Ag-Cu-Zn	515	271.3	100%	-	MRE stage, new targets identified	MRE follow-up drilling program
Elmer South	Au	39	20.6	100%	-	-	-
Galinée	Li, Au	649	335.0	50%	50% SOQUEM	Targets identified	Drilling, prospecting 50% funded
JBL	Li	2955	1,539.2	100%	-	Technical assessment	Prospecting, possibly drilling
JBN	Ni	3,647	1,899.4	100%	-	Technical assessment	Data processing, reconn.
Kaanaayaa	Li, Cu-Au, Cu-Ni	421	216.4	100%	Option to Rio Tinto	Technical assessment	Prospecting, possibly drilling Partner-funded
Kukamas	Cu-Au	537	272.5	100%	Option to KGHM	Technical assessment	Prospecting, possibly drilling Partner-funded
Mercator	Cu, Cu-Ni-Co	351	182.1	100%	-	Reconn.	Detailed LBS geochemistry
Mercator West	Au	133	68.9	100%	-	Technical assessment	Program TBD
Munischiwán	Au-Ag-Cu	167	87.6	50%	50% SOQUEM	Targets identified	Data processing 50% funded
Opinaca A	Au	43	22.4	50%	50% Everton	-	-
Opinaca B	Au	248	129.7	25%	25% Everton 50% Hecla	Targets identified	Program TBD Partner-funded
Opinaca D	Au	5	2.6	100%	-	-	-
Pikwa	Li, Au-Cu-Co-Mo	509	260.9	50%	50% SOQUEM	-	Prospecting 50% funded
Pilipas	Au, Li	135	70.7	100%	Option to Ophir	Technical assessment	Prospecting Partner-funded
Pontois	Li, Au	226	115.1	50%	50% SOQUEM	-	Prospecting 50% funded
Tapiatic	Au, Ni-Cu	72	36.6	100%	-	Technical assessment	-
Valore	Au	20	10.4	100%	-	-	-
Wabamisk	Au	522	276.3	100%	-	Technical assessment	Program TBD
Wapatik	Au, Ni-Cu, Li	220	115.7	100%	Option to Mont Royal	Targets identified	Prospecting, follow-up drilling Partner-funded

**NUNAVIK REGION**

<b>Property</b>	<b>Target commodities <sup>(1)</sup></b>	<b>Claims</b>	<b>Area (km<sup>2</sup>)</b>	<b>Undivided interest</b>	<b>JV or option <sup>(2)</sup></b>	<b>Current status <sup>(1)</sup></b>	<b>Planned 2024 work program <sup>(1)</sup></b>
Doran	Cu	436	210.7	100%	-	Technical assessment-	Prospecting
Diamrex	Diamonds	427	181.8	100%	-	-	-
Nantais	Au-Ag-Cu-Zn	137	74.9	100%	Option to SOQUEM	Technical assessment	Data processing (program TBD)
North Rae	U	1	0.5	100%	-	-	-
Rex-Duquet	Au-Ag-Cu-REE	1,401	599.3	100%	Option to SOQUEM	Priority targets identified	Data processing, prospecting (program TBD)
Rex South	Au-Ag-Cu-W-REE	1,201	537.3	100%	Option to SOQUEM	Priority targets identified	Data processing, prospecting (program TBD)

(1) Abbreviations and acronyms used in this report:

**Chemical elements**

Ag	silver	Ga	gallium	Re	rhenium
As	arsenic	Li	lithium	REE	rare earth elements
Au	gold	Mo	molybdenum	Sn	tin
Bi	bismuth	Ni	nickel	Ta	tantalum
Co	cobalt	Pb	lead	Te	tellurium
Cs	cesium	PGE	platinum group elements	W	tungsten
Cu	copper	Rb	rubidium	Zn	zinc

**Units**

g/t	gram per tonne	m	metre	oz	ounce (troy ounce)
km	kilometre	Mt	million tonne	t	tonne (metric ton)

**Other abbreviations**

DDH	diamond drill hole	PEA	preliminary economic assessment
IOCG	iron oxide copper-gold	P&P	proven and probable
IP	induced polarization	PR	press release
JV	joint venture	QA/QC	quality assurance quality control
LBS	lake-bottom sediment	QP	qualified person
M&I	measured and indicated	Reconn.	reconnaissance stage
MRE	mineral resource estimate	RC	reverse circulation
MRNF	Ministry of Natural Resources and Forests (Quebec)	TBD	to be determined
NI 43-101	National Instrument 43-101	VMS	volcanogenic massive sulphides

(2) JV and option partners

Everton = Everton Resources Inc.; Hecla = Hecla Québec Inc.; KGHM = KGHM International Ltd; Mont Royal = Mont Royal Resources Ltd; Newmont = Newmont Corporation; Ophir = Ophir Gold Corp.; Rio Tinto = Rio Tinto Exploration Canada Inc.; SOQUEM = SOQUEM Inc.

**Table 2: Change in E&E assets – Fiscal 2023**

Mineral property	Acquisition costs		Exploration costs							Costs incurred during the period	Option payments	Credit on duties refundable for loss and refundable tax credit for resources	Impairment	Net book value as at August 31, 2023
	Net book value as at August 31, 2022	Claims & permits	Geochem. surveys	Geol. surveys	Geophys. surveys	Drilling	Admin. And others	Depreciation of property and equipment	PPE*					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>James Bay</b>														
Elmer	23,830,043	38,780	19,610	309,083	3,651	8,565,917	41,470	28,352	100,785	9,107,648	-	(3,945,875)	-	28,991,817
SOQUEM – JB Alliance	2,495,767	38,474	2,162	51,740	27,038	6,359	1,368	-	-	127,141	-	(41,882)	-	2,581,026
Dalmas-Galinée	193,961	27,082	(6,688)	154,154	-	7,499	6,488	-	-	188,535	-	(73,950)	-	308,545
Opinaca	40,029	-	-	63	-	-	-	-	-	63	-	-	-	40,092
Wabamisk	62,092	41,580	297,110	25,360	700	470	93	-	-	365,313	-	(141,000)	-	286,405
Wapatik	35,957	-	-	-	-	-	-	-	-	-	(20,000)	-	-	15,957
Kukamas	144,168	-	104	5,829	1,645	-	4,230	-	-	11,808	(50,000)	-	-	105,976
Others	51,853	32,802	-	7,537	-	-	-	-	-	40,339	-	(3,289)	-	88,903
<b>Total – Gold</b>	<b>26,853,870</b>	<b>178,718</b>	<b>312,298</b>	<b>553,766</b>	<b>33,034</b>	<b>8,580,245</b>	<b>53,649</b>	<b>28,352</b>	<b>100,785</b>	<b>9,840,847</b>	<b>(70,000)</b>	<b>(4,205,996)</b>	<b>-</b>	<b>32,418,721</b>
Chromaska	11,642	3,523	-	705	4,751	-	-	-	-	8,979	-	(2,380)	-	18,241
<b>Total – Chromium-PGE</b>	<b>11,642</b>	<b>3,523</b>	<b>-</b>	<b>705</b>	<b>4,751</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,979</b>	<b>-</b>	<b>(2,380)</b>	<b>-</b>	<b>18,241</b>
Mercator	87,255	59,670	-	7,585	-	-	-	-	-	67,255	-	(3,310)	-	151,200
Corne	59,879	30,090	-	6,364	-	-	-	-	-	36,454	-	(2,778)	-	93,555
Others	-	680	-	835	-	-	-	-	-	1,515	-	-	-	1,515
<b>Total – Base Metals</b>	<b>147,134</b>	<b>90,440</b>	<b>-</b>	<b>14,784</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105,224</b>	<b>-</b>	<b>(6,088)</b>	<b>-</b>	<b>246,270</b>
JBN	399,357	149,668	235	92,916	4,722	-	1,625	-	-	249,166	-	(43,400)	-	605,123
<b>Total – Nickel</b>	<b>399,357</b>	<b>149,668</b>	<b>235</b>	<b>92,916</b>	<b>4,722</b>	<b>-</b>	<b>1,625</b>	<b>-</b>	<b>-</b>	<b>249,166</b>	<b>-</b>	<b>(43,400)</b>	<b>-</b>	<b>605,123</b>
Corvet	106,903	111,430	962	46,569	-	-	7,150	-	-	166,111	(247,014)	(26,000)	-	-
Kaanaayaa	182,465	17,200	856	61,597	-	-	7,149	-	-	86,802	(237,380)	(31,887)	-	-
JBL	-	450,864	6,580	116,013	470	-	7,278	-	-	581,205	-	(56,893)	-	524,312
<b>Total - Lithium</b>	<b>289,368</b>	<b>579,494</b>	<b>8,398</b>	<b>224,179</b>	<b>470</b>	<b>-</b>	<b>21,577</b>	<b>-</b>	<b>-</b>	<b>834,118</b>	<b>(484,394)</b>	<b>(114,780)</b>	<b>-</b>	<b>524,312</b>
<b>Total – James Bay</b>	<b>27,701,371</b>	<b>1,001,843</b>	<b>320,931</b>	<b>886,350</b>	<b>42,977</b>	<b>8,580,245</b>	<b>76,851</b>	<b>28,352</b>	<b>100,785</b>	<b>11,038,334</b>	<b>(554,394)</b>	<b>(4,372,644)</b>	<b>-</b>	<b>33,812,667</b>
<b>Nunavik</b>														
Rex-Duquet	1,202,874	81,794	1,188	17,497	300	17,788	-	-	53,939	172,506	-	(15,500)	(486,835)	873,045
Rex South	688,522	68,186	(334)	13,891	300	8,356	-	-	96,147	186,546	-	(9,600)	(342,559)	522,909
Nantais	197,510	8,100	-	619	-	-	-	-	-	8,719	-	-	-	206,229
Other	127	-	-	-	-	-	-	-	-	-	-	-	-	127
<b>Total – Gold</b>	<b>2,089,033</b>	<b>158,080</b>	<b>854</b>	<b>32,007</b>	<b>600</b>	<b>26,144</b>	<b>-</b>	<b>-</b>	<b>150,086</b>	<b>367,771</b>	<b>-</b>	<b>(25,100)</b>	<b>(829,394)</b>	<b>1,602,310</b>
Doran	79,549	-	6,050	23,967	-	-	896	-	-	30,913	-	(13,493)	-	96,969
<b>Total – Base Metals</b>	<b>79,549</b>	<b>-</b>	<b>6,050</b>	<b>23,967</b>	<b>-</b>	<b>-</b>	<b>896</b>	<b>-</b>	<b>-</b>	<b>30,913</b>	<b>-</b>	<b>(13,493)</b>	<b>-</b>	<b>96,969</b>
Diamrex	60,833	-	-	-	-	-	-	-	-	-	-	-	-	60,833
<b>Total - Diamond</b>	<b>60,833</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,833</b>
North Rae	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Uranium</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total – Nunavik</b>	<b>2,229,415</b>	<b>158,080</b>	<b>6,904</b>	<b>55,974</b>	<b>600</b>	<b>26,144</b>	<b>896</b>	<b>-</b>	<b>150,086</b>	<b>398,684</b>	<b>-</b>	<b>(38,593)</b>	<b>(829,394)</b>	<b>1,760,112</b>
<b>Total – E&amp;E assets</b>	<b>29,930,786</b>	<b>1,159,923</b>	<b>327,835</b>	<b>942,324</b>	<b>43,577</b>	<b>8,606,389</b>	<b>77,747</b>	<b>28,352</b>	<b>250,871</b>	<b>11,437,018</b>	<b>(554,394)</b>	<b>(4,411,237)</b>	<b>(829,394)</b>	<b>35,572,779</b>

\*PPE: Property, plant and equipment



**Table 2: Change in E&E assets – Fiscal 2022**

Mineral property	Net book value as at August 31, 2021	Acquisition costs		Exploration costs					Depreciation of property and equipment	Costs incurred during the period	Option payment	Reclassification	Credit on duties refundable for loss and refundable tax		Net book value as at August 31, 2022	
		Claims & permits	Geochem. surveys	Geol. surveys	Geophys. surveys	Drilling	Other	PPE*					Impairment	credit for resources		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>James Bay</b>																
Elmer	10,460,788	11,676	37,461	478,346	91,782	14,657,803	63,146	26,005	14,594	15,380,813	-	-	(2,011,558)	-	23,830,043	
SOQUEM – JB Alliance	2,251,179	11,688	327	163,667	-	248,826	489	-	-	424,997	-	-	(180,409)	-	2,495,767	
Dalmas-Galinée	165,760	27,085	1,330	646	-	-	-	-	-	29,061	-	-	(860)	-	193,961	
Eleonore South	1,632,245	3,700	-	-	-	-	270,293	-	-	273,993	-	(1,906,238)	-	-	-	
Opinaca	39,958	-	-	126	-	-	-	-	-	126	-	-	(55)	-	40,029	
Wabamisk	31,491	20,960	-	14,309	800	-	2,000	-	-	38,069	-	-	(7,468)	-	62,092	
Wapatik	55,957	-	-	-	-	-	-	-	-	-	(20,000)	-	-	-	35,957	
Others	153,560	22,848	(1,394)	60,820	1,860	-	6,976	-	-	91,110	-	-	(31,159)	(17,490)	196,021	
<b>Total – Gold</b>	<b>14,790,938</b>	<b>97,957</b>	<b>37,724</b>	<b>717,914</b>	<b>94,442</b>	<b>14,906,629</b>	<b>342,904</b>	<b>26,005</b>	<b>14,594</b>	<b>16,238,169</b>	<b>(20,000)</b>	<b>(1,906,238)</b>	<b>(2,231,509)</b>	<b>(17,490)</b>	<b>26,853,870</b>	
Chromaska	-	9,577	-	235	2,985	445	-	-	-	13,242	-	-	(1,600)	-	11,642	
<b>Total – Chromium-PGE</b>	<b>-</b>	<b>9,577</b>	<b>-</b>	<b>235</b>	<b>2,985</b>	<b>445</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,242</b>	<b>-</b>	<b>-</b>	<b>(1,600)</b>	<b>-</b>	<b>11,642</b>	
Mercator	63,348	-	-	41,448	-	-	978	-	-	42,426	-	-	(18,519)	-	87,255	
Corne	37,663	-	-	39,424	-	-	-	-	-	39,424	-	-	(17,208)	-	59,879	
<b>Total – Base Metals</b>	<b>101,011</b>	<b>-</b>	<b>-</b>	<b>80,872</b>	<b>-</b>	<b>-</b>	<b>978</b>	<b>-</b>	<b>-</b>	<b>81,850</b>	<b>-</b>	<b>-</b>	<b>(35,727)</b>	<b>-</b>	<b>147,134</b>	
JBN	3,624	349,235	-	76,181	6,336	-	-	-	-	431,752	-	-	(36,019)	-	399,357	
<b>Total – Nickel</b>	<b>3,624</b>	<b>349,235</b>	<b>-</b>	<b>76,181</b>	<b>6,336</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>431,752</b>	<b>-</b>	<b>-</b>	<b>(36,019)</b>	<b>-</b>	<b>399,357</b>	
Corvet	73,791	12,768	-	36,103	-	-	-	-	-	48,871	-	-	(15,759)	-	106,903	
Kaanaayaa	155,277	-	30,920	16,350	-	-	978	-	-	48,248	-	-	(21,060)	-	182,465	
JBL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total - Lithium</b>	<b>229,068</b>	<b>12,768</b>	<b>30,920</b>	<b>52,453</b>	<b>-</b>	<b>-</b>	<b>978</b>	<b>-</b>	<b>-</b>	<b>97,119</b>	<b>-</b>	<b>-</b>	<b>(36,819)</b>	<b>-</b>	<b>289,368</b>	
<b>Total – James Bay</b>	<b>15,124,641</b>	<b>469,537</b>	<b>68,644</b>	<b>927,655</b>	<b>103,763</b>	<b>14,907,074</b>	<b>344,860</b>	<b>26,005</b>	<b>14,594</b>	<b>16,862,132</b>	<b>(20,000)</b>	<b>(1,906,238)</b>	<b>(2,341,674)</b>	<b>(17,490)</b>	<b>27,701,371</b>	
<b>Nunavik</b>																
Rex-Duquet	1,182,722	3,535	-	550	100	1,550	4,220	-	12,999	22,954	-	-	(2,802)	-	1,202,874	
Rex South	649,719	-	-	550	200	7,994	5,198	-	30,947	44,889	-	-	(6,086)	-	688,522	
Nantais	197,289	-	-	392	-	-	-	-	-	392	-	-	(171)	-	197,510	
Other	-	127	-	-	-	-	-	-	-	127	-	-	-	-	127	
<b>Total – Gold</b>	<b>2,029,730</b>	<b>3,662</b>	<b>-</b>	<b>1,492</b>	<b>300</b>	<b>9,544</b>	<b>9,418</b>	<b>-</b>	<b>43,946</b>	<b>68,362</b>	<b>-</b>	<b>-</b>	<b>(9,059)</b>	<b>-</b>	<b>2,089,033</b>	
Doran	68,638	-	-	19,363	-	-	-	-	-	19,363	-	-	(8,452)	-	79,549	
<b>Total – Base Metals</b>	<b>68,638</b>	<b>-</b>	<b>-</b>	<b>19,363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,363</b>	<b>-</b>	<b>-</b>	<b>(8,452)</b>	<b>-</b>	<b>79,549</b>	
Diamrex	-	52,948	13,993	-	-	-	-	-	-	66,941	-	-	(6,108)	-	60,833	
<b>Total - Diamond</b>	<b>-</b>	<b>52,948</b>	<b>13,993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,941</b>	<b>-</b>	<b>-</b>	<b>(6,108)</b>	<b>-</b>	<b>60,833</b>	
North Rae	-	139	-	-	-	-	-	-	-	139	-	-	-	(139)	-	
<b>Total - Uranium</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(139)</b>	<b>-</b>	
<b>Total – Nunavik</b>	<b>2,098,368</b>	<b>56,749</b>	<b>13,993</b>	<b>20,855</b>	<b>300</b>	<b>9,544</b>	<b>9,418</b>	<b>-</b>	<b>43,946</b>	<b>154,805</b>	<b>-</b>	<b>-</b>	<b>(23,619)</b>	<b>(139)</b>	<b>2,229,415</b>	
<b>Total – E&amp;E assets</b>	<b>17,223,009</b>	<b>526,286</b>	<b>82,637</b>	<b>948,510</b>	<b>104,063</b>	<b>14,916,618</b>	<b>354,278</b>	<b>26,005</b>	<b>58,540</b>	<b>17,016,937</b>	<b>(20,000)</b>	<b>(1,906,238)</b>	<b>(2,365,293)</b>	<b>(17,629)</b>	<b>29,930,786</b>	

# JAMES BAY REGION - EXPLORATION UPDATES

This section presents exploration updates on Azimut’s properties in the James Bay region (Figure 2, see Table 1). The region has been one of Canada’s most active gold exploration areas since the early 2000s, and a new exploration wave for lithium is now taking place. It has major infrastructure, including permanent highways and access roads, an extensive hydroelectric power grid, airports, several operating mines, and active mining or mine development projects. The region is notable for the Eleonore gold mine of Newmont Corporation (“Newmont”), the Whabouchi lithium mining project of Nemaska Lithium Inc. (NI 43-101 compliant open pit P&P reserves of 27.9 million tonnes at 1.33% Li<sub>2</sub>O and underground reserves of 8.7 million tonnes at 1.21% Li<sub>2</sub>O), and the Eau Claire gold deposit of Fury Gold Mines Ltd (NI 43-101 compliant M&I resources of 4.294 Mt at 6.18 g/t Au for 853,000 oz Au and inferred resources of 2.382 Mt at 6.53 g/t Au for 500,000 oz Au).

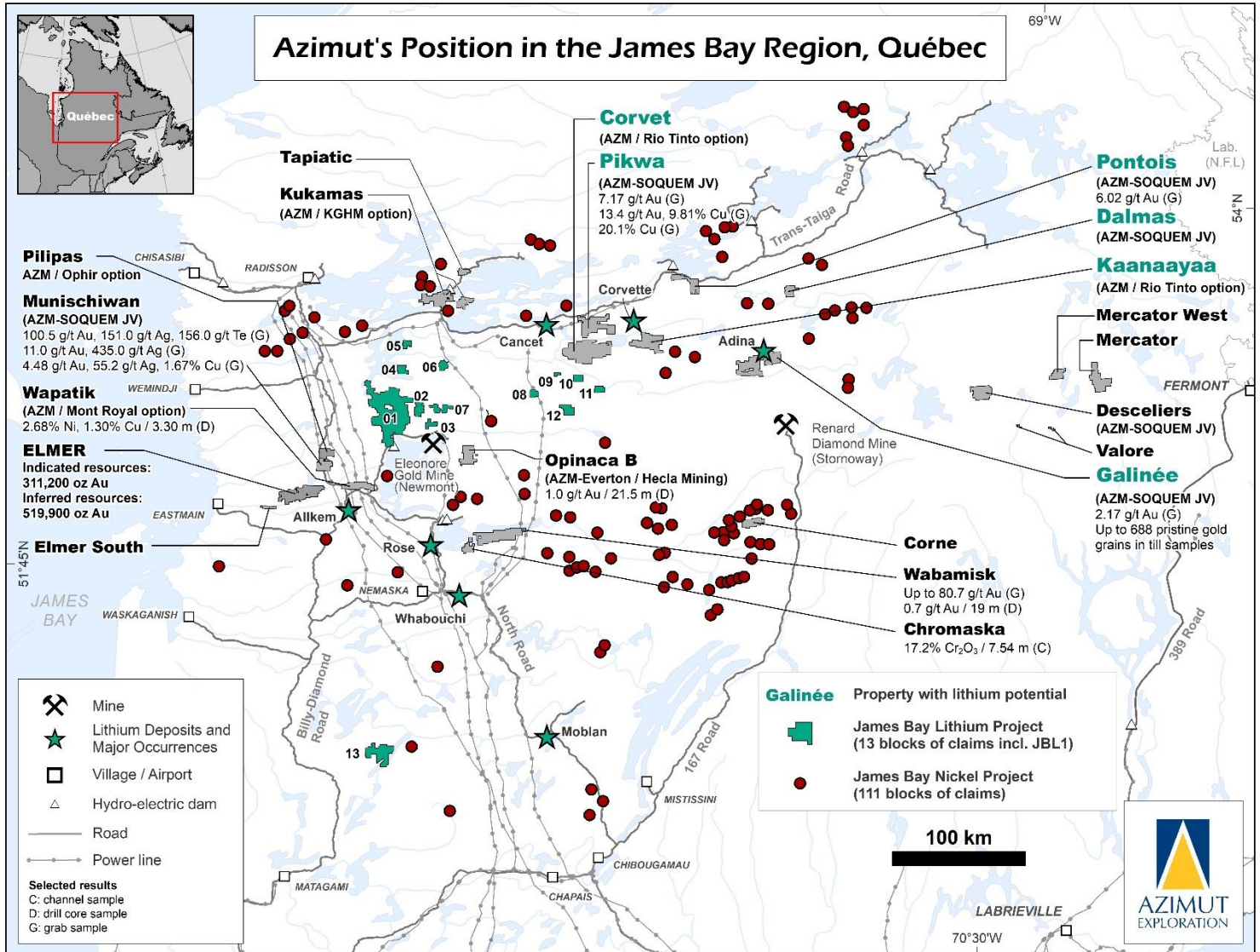
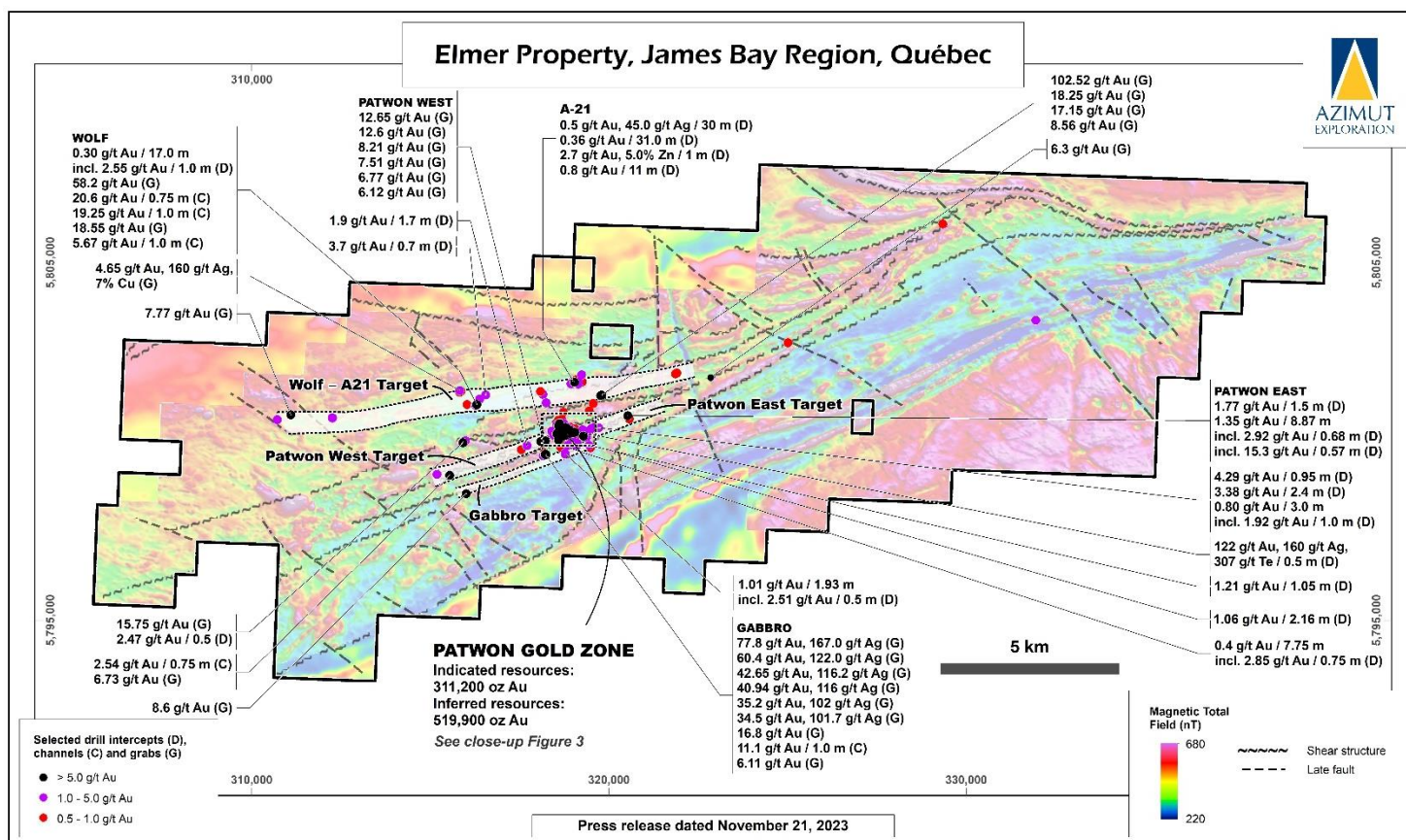


Figure 2: The Company’s project portfolio in the James Bay region showing key results as at December 27, 2023.

## ELMER (AU-AG-CU-ZN)

The wholly owned Elmer Property is the Company’s flagship project (Figure 2 and Figure 3). The initial MRE for the **Patwon Gold Zone** (PR of November 21, 2023) yielded Indicated Resources of 311,200 oz in 4.99 Mt grading 1.93 g/t Au and Inferred Resources of 513,900 oz in 8.22 Mt grading 1.94 g/t Au. InnovExplo Inc., an independent mining consulting firm based in Val-d’Or (Québec), prepared the MRE in accordance with NI 43-101 guidance. The effective date of the MRE is November 14, 2023.



**Figure 3:** Magnetic map of the Elmer Property showing the location of the Patwon Zone (MRE) and salient historical and recent results on nearby exploration targets.

The Elmer Property is located 5 km west of the Billy Diamond Highway (a major all-season paved highway) and 60 km from Eastmain, a Cree community on the east coast of James Bay. It provides a controlling position over a 35-km-long gold corridor known as the **Elmer Trend** in the underexplored Lower Eastmain greenstone belt. Together, the Elmer and Wapatic properties cover 60 km of favourable geological strike considered highly prospective for shear-zone hosted and intrusion-related gold deposits.

#### **Patwon MRE and key geologic features (PRs of November 21, 2023 and June 29, 2023)**

The Patwon MRE (Table 4; Figure 4, Figure 5, Figure 6) comprises the following mineral resources using three potential mining methods:

##### **Open-pit resources** using a 0.55 g/t Au cut-off:

Indicated: 309,200 oz in 4.97 Mt grading 1.93 g/t Au

Inferred: 310,700 oz in 4.21 Mt grading 2.29 g/t Au

##### **Bulk underground resources** using a 1.05 g/t Au cut-off:

Inferred: 163,700 oz in 3.49 Mt grading 1.46 g/t Au

##### **Selective underground resources** using a 1.90 g/t Au cut-off:

Indicated: 2,000 oz in 0.022 Mt grading 2.83 g/t Au

Inferred: 39,500 oz in 0.52 Mt grading 2.36 g/t Au

The MRE is based on approximately 60,609 m of diamond drill core in 167 holes drilled by the Company between November 2019 and March 2023. The results have been published in multiple press releases and previous MD&A reports, and a complete list of results is available on the Company's website.

Patwon is currently defined along a strike length of 600 m from surface to a vertical depth of 860 m (900 m down-dip), with an average estimated true width of 35 m and a dip of 75° to the north. The open-pit resources are defined from surface to a maximum depth of 376 m. 3D modelling of the gold zone indicates that Patwon remains open along strike and at depth. Incremental drilling at shallow depth along strike could add resources to the initial MRE.

A sensitivity analysis indicates low variability of the MRE under various gold price and cut-off grade scenarios, underscoring the robustness of the Patwon Gold Zone. Preliminary metallurgical tests indicate non-refractory free-milling gold that is easily

recoverable through a combination of a gravity circuit and conventional cyanide leaching. Recovery rates reach up to 94%, with gravity recoveries up to 37% (see PRs of May 4 and November 21, 2021).

The zone appears geometrically simple, with no internal complexity from folding or cross-cutting barren dykes, which would create internal dilution. The mineralization is mainly related to three shear-controlled mineralized quartz vein sets, with pyrite as the dominant sulphide and frequent visible gold grains. Traces of galena, chalcopyrite and molybdenite are present. Alteration consists of pervasive silica accompanied by sericite, carbonate, chlorite, feldspar, tourmaline and occasional fluorite.

Patwon is an orogenic gold system in a 3-km-thick sequence of felsic volcanics with porphyritic intrusions, mafic volcanics, polymictic conglomerates and gabbroic sills. This deposit type has the potential for kilometre-scale vertical extension. One possible geologic analog is the Goldex mine, owned and operated by Agnico Eagle.

**Table 4:** Patwon Gold Zone – 2023 Mineral Resource Estimate (November 21, 2023)

<b>Patwon Gold Project</b>			
<b>Bulk Underground Mineral Resource (at 1.05 g/t Au cut-off)</b>			
<b>Category</b>	<b>Tonnes</b>	<b>Grade</b>	<b>Ounces</b>
	<b>(t)</b>	<b>(g/t Au)</b>	<b>(oz Troy Au)</b>
<b>Indicated</b>			
<b>Inferred</b>	<b>3,496,000</b>	<b>1.46</b>	<b>163,700</b>
<b>Selective Underground Mineral Resource (at 1.9 g/t Au cut-off)</b>			
<b>Category</b>	<b>Tonnes</b>	<b>Grade</b>	<b>Ounces</b>
	<b>(t)</b>	<b>(g/t Au)</b>	<b>(oz Troy Au)</b>
<b>Indicated</b>	<b>22,000</b>	<b>2.83</b>	<b>2,000</b>
<b>Inferred</b>	<b>520,000</b>	<b>2.36</b>	<b>39,500</b>
<b>Open-Pit Mineral Resource (at 0.55 g/t Au cut-off)</b>			
<b>Category</b>	<b>Tonnes</b>	<b>Grade</b>	<b>Ounces</b>
	<b>(t)</b>	<b>(g/t Au)</b>	<b>(oz Troy Au)</b>
<b>Indicated</b>	<b>4,972,000</b>	<b>1.93</b>	<b>309,200</b>
<b>Inferred</b>	<b>4,212,000</b>	<b>2.29</b>	<b>310,700</b>
<b>Patwon Gold Project Total Resources</b>			
<b>Classification</b>	<b>Tonnes</b>	<b>Grade</b>	<b>Ounces</b>
	<b>(t)</b>	<b>(g/t Au)</b>	<b>(oz Troy Au)</b>
<b>Total Indicated</b>	<b>4 994 000</b>	<b>1.93</b>	<b>311,200</b>
<b>Total Inferred</b>	<b>8,228,000</b>	<b>1.94</b>	<b>513,900</b>

Notes to accompany the Patwon Mineral Resource Estimate:

1. These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The MRE follows current CIM Definition Standards (2014) and CIM MRMR Best Practice Guidelines (2019). A technical report supporting the MRE will be filed within 45 days in accordance with NI 43-101. The results are presented undiluted and are considered to have reasonable prospects for eventual economic extraction (“RPEEE”).
2. The independent and qualified persons (“QPs”) for the mineral resource estimate, as defined in NI 43-101, are Martin Perron, P.Eng., Chafana Hamed Sako, P.Geo., and Simon Boudreau, P.Eng., all from InnovExplo Inc. The effective date is November 14, 2023.
3. The estimate encompasses six (6) mineralized domains and one (1) dilution zone developed using LeapFrog Geo and interpolated using LeapFrog Edge.
4. 1.0-m composites were calculated within the mineralized zones using the grade of the adjacent material when assayed or a value of zero when not assayed. High-grade capping on composites (supported by statistical analysis) was set between 15.0 and 40.0 g/t Au for high-grade envelopes, 0.2 and 12.5 g/t Au for lower-grade envelopes, and 1.0 g/t Au for the dilution envelope.
5. The estimate was completed using a sub-block model in Leapfrog Edge, with a parent block size of 4m x 4m x 4m (X,Y,Z) and a sub-block size of 1m x 1m x 1m (X,Y,Z).
6. Grade interpolation was obtained by the Inverse Distance Squared (ID2) method using hard boundaries.
7. Density values of 2.76 to 2.8 g/cm<sup>3</sup> were assigned to all mineralized zones.
8. Mineral resources were classified as Indicated and Inferred. Indicated resources are defined with a minimum of three (3) drill holes in areas where the drill spacing is less than 20 m, and Inferred resources with two (2) drill holes in areas where the drill spacing is less than 40 m and there is reasonable geological and grade continuity.
9. The MRE is locally pit-constrained. The out-pit resources meet the RPEEE requirement by applying constraining volumes to all blocks (combined bulk and selective underground long-hole extraction scenario) using Deswik Mineable Shape Optimizer (DSO).
10. The RPEEE requirement is satisfied by having cut-off grades based on reasonable parameters for surface and underground extraction scenarios, minimum widths, and constraining volumes. The estimate is presented for potential underground scenarios (realized in Deswik) over a minimum width of 2 m for blocks 20 to 24 m high by 16 to 20 m long at a cut-off grade of 1.05 g/t Au for the bulk long-hole method (BLH) and 1.90 g/t Au

for the selective long-hole method (SLH). Cut-off grades reflect the currently defined geometry and dip of the mineralized envelopes. The potential open-pit component (OP) of the 2023 MRE is locally constrained by an optimized surface in GEOVIA Whittle™ using a rounded cut-off grade of 0.55 g/t Au. The surface cut-off grade was calculated using the following parameters: mining cost = CA\$3.55/t; mining overburden cost = CA\$2.49/t; processing cost = CA\$22.00/t; G&A cost = CA\$15.60/t; selling costs = CA\$5.00/t; gold price = US\$1,800/oz; USD/CAD exchange rate = 1.30; overburden slope angle = 30°; bedrock slope angle = 50°; and mill recovery = 94%. The underground MRE was based on two mining methods, the choice of which depends on the width of the mineralization. The underground cut-off grade was calculated using the following parameters: mining cost = CA\$35.00/t (bulk long-hole) to CA\$95.00/t (selective longhole); processing cost = CA\$22.00/t; G&A cost = CA\$15.60/t; selling costs = CA\$5.00/t; price = US\$1,800/oz; USD/CAD exchange rate = 1.30; and mill recovery = 94%.

11. Cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rates, mining costs etc.).
12. The number of metric tons (tonnes) was rounded to the nearest thousand, following the recommendations in NI 43-101. The metal contents are presented in troy ounces (tonnes x grade / 31.10348) rounded to the nearest hundred. Any discrepancies in the totals are due to rounding effects.
13. The QPs are not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, or marketing issues or any other relevant issue not reported in the Technical Report that could materially affect the Mineral Resources Estimate.

### ***Exploration targets and upside***

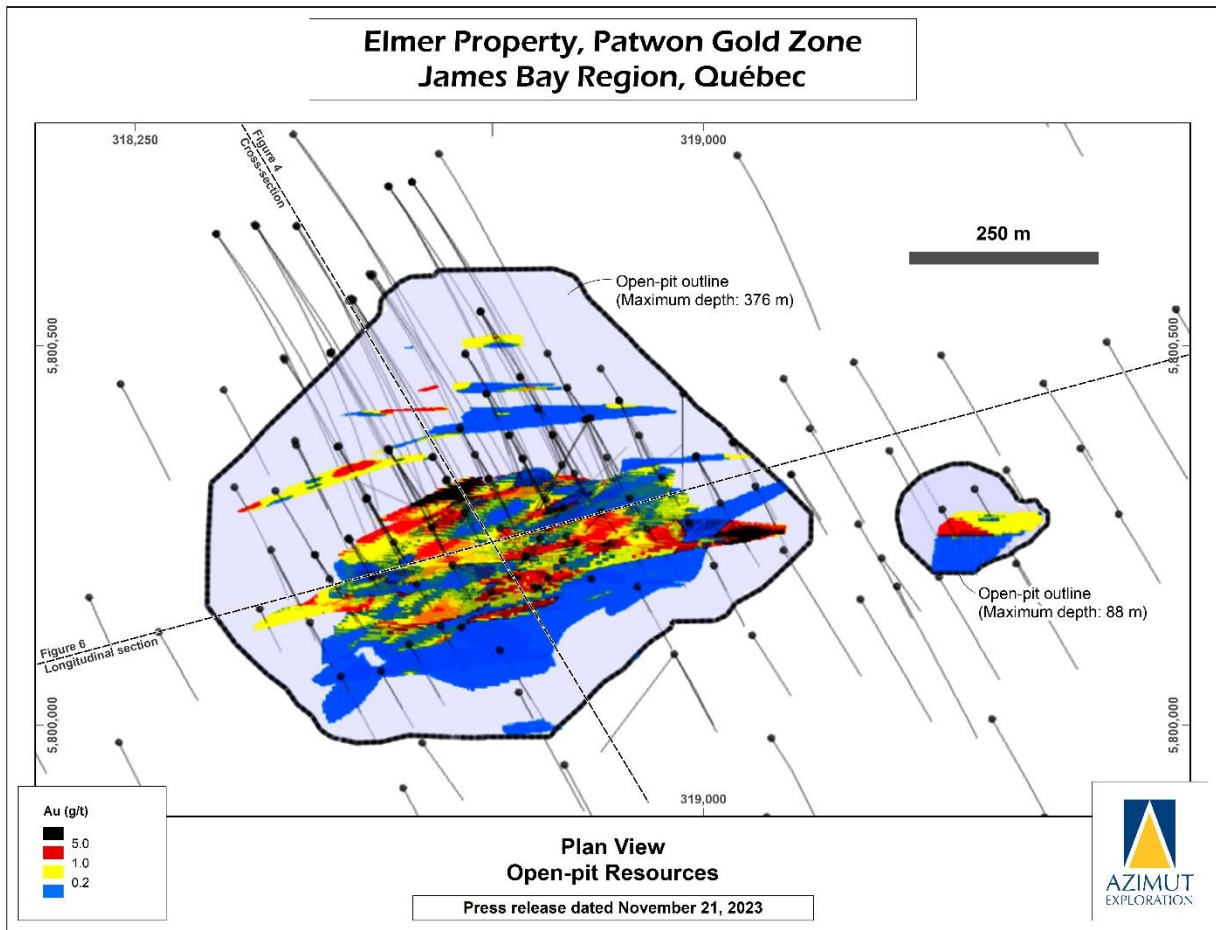
Azimut considers the 35-km-long Elmer Property to remain at an early exploration stage with strong gold potential supported by the following salient features (PR of November 21, 2023):

1. A favourable geological and structural context:
  - Archean greenstone belt dominated by felsic intrusions, felsic volcanics and gabbroic sills
  - Extensive shear zones along the belt
  - Low-grade greenschist metamorphic window over a large part of the property
  - Close to a major geological subprovince boundary
2. The presence of numerous gold prospects outlining a highly prospective area (12 km by 3 km) containing frequent high-grade gold values often accompanied by a broad and consistent alteration footprint (Ag-Bi-Mo-Pb-S-Te-W).
3. A low level of exploration maturity with limited follow-up drilling on many of the property's prospects.

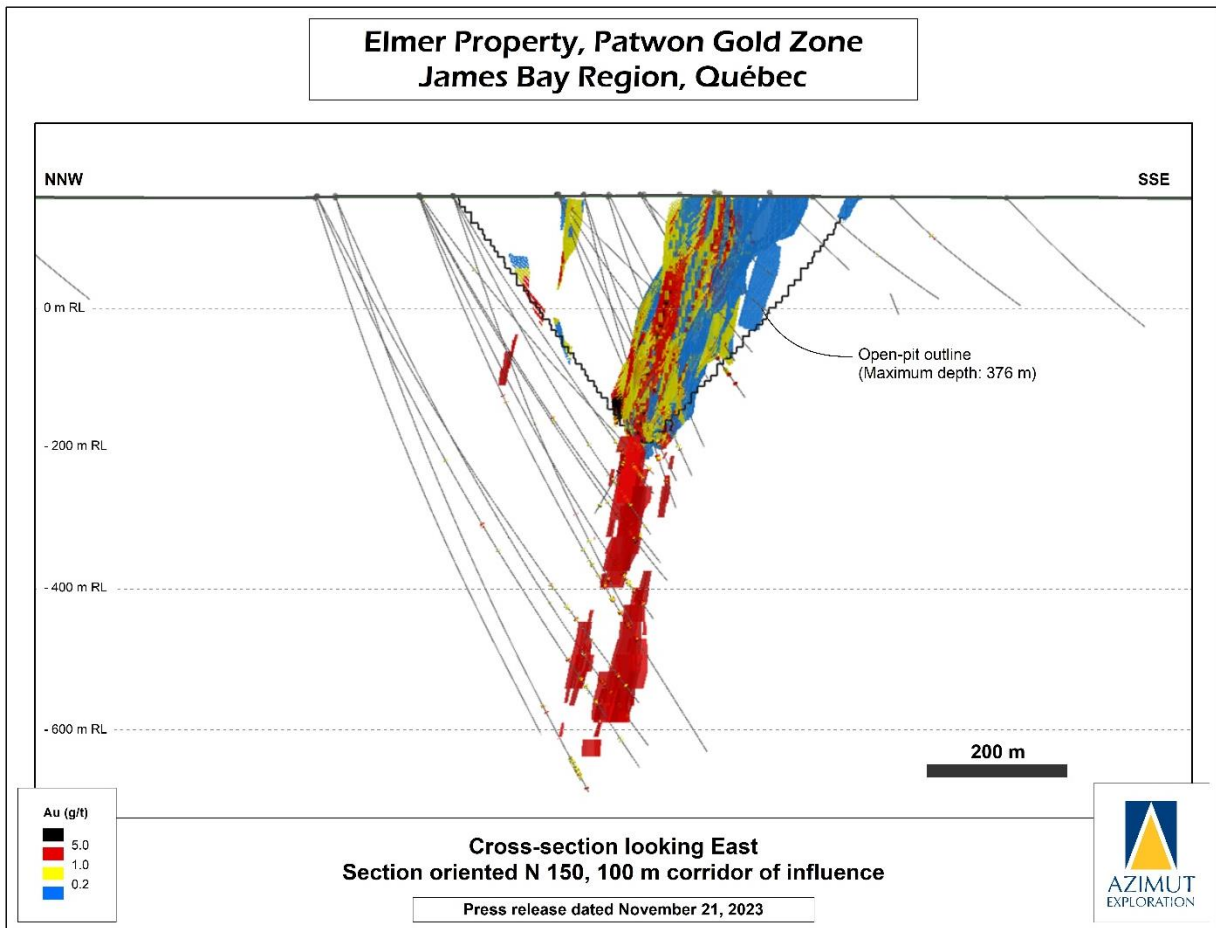
Several target areas outside the Patwon Zone have been tested by 15,554 m of diamond drill core in 75 holes drilled by Azimut. **Patwon North** (PR of June 29, 2023) was identified through drilling about 300 m north of Patwon. It is a narrow, discontinuous vein system subparallel to Patwon with a minimum strike length of 460 m. It has higher silver and tellurium grades than Patwon. This new zone requires further drilling but could potentially be included in an open pit shell.

In addition, four extensive target areas (Patwon East, Patwon West, Wolf–A21, Gabbro) have been prioritized for follow-up drilling (see **Figure 3**; PR of November 21, 2023).

- **Patwon East:** A gold-bearing shear zone at least 2.3 km long, with a good correlation between gold intercepts and IP anomalies. The best intercepts in 10 mineralized holes include 1.35 g/t Au over 8.87 m, including 15.30 g/t Au over 0.57 m (ELM22-225) and 122.0 g/t Au over 0.5 m (ELM21-088).
- **Patwon West:** A gold-bearing shear zone at least 3.5 km long, with surface mineralization grading up to 12.65 g/t Au in grab samples. The best intercepts in two (2) mineralized holes include 1.90 g/t Au over 1.70 m (ELM20-043) and 0.52 g/t Au over 1.50 m (ELM20-045).
- **Wolf–A21:** A 12-km-long trend of altered felsic volcanics, with gold-rich polymetallic potential (Au, Cu, Zn, Ag volcanogenic target). Samples of surface mineralization grades up to 19.25 g/t Au over 1.00 m and 12.03 g/t Au over 1.75 m (channels) and up to 58.2 g/t Au (grabs). The best intercepts in seven (7) mineralized holes include 3.70 g/t Au over 0.70 m (ELM21-107) and 0.30 g/t Au over 17.0 m, including 2.55 g/t Au over 1.00 m (ELM22-212).
- **Gabbro:** A gold-bearing shear zone at least 2.7 km long, with surface mineralization grading up to 77.8 g/t Au, 167.0 g/t Ag in grab samples. The best intercepts in nine (9) mineralized holes include 1.06 g/t Au over 2.16 m (ELM22-183), 1.38 g/t Au over 1.50 m (ELM22-185), 0.40 g/t Au over 7.75 m, including 2.85 g/t Au over 0.75 m (ELM22-187), and 2.51 g/t Au over 0.50 m (ELM22-182).

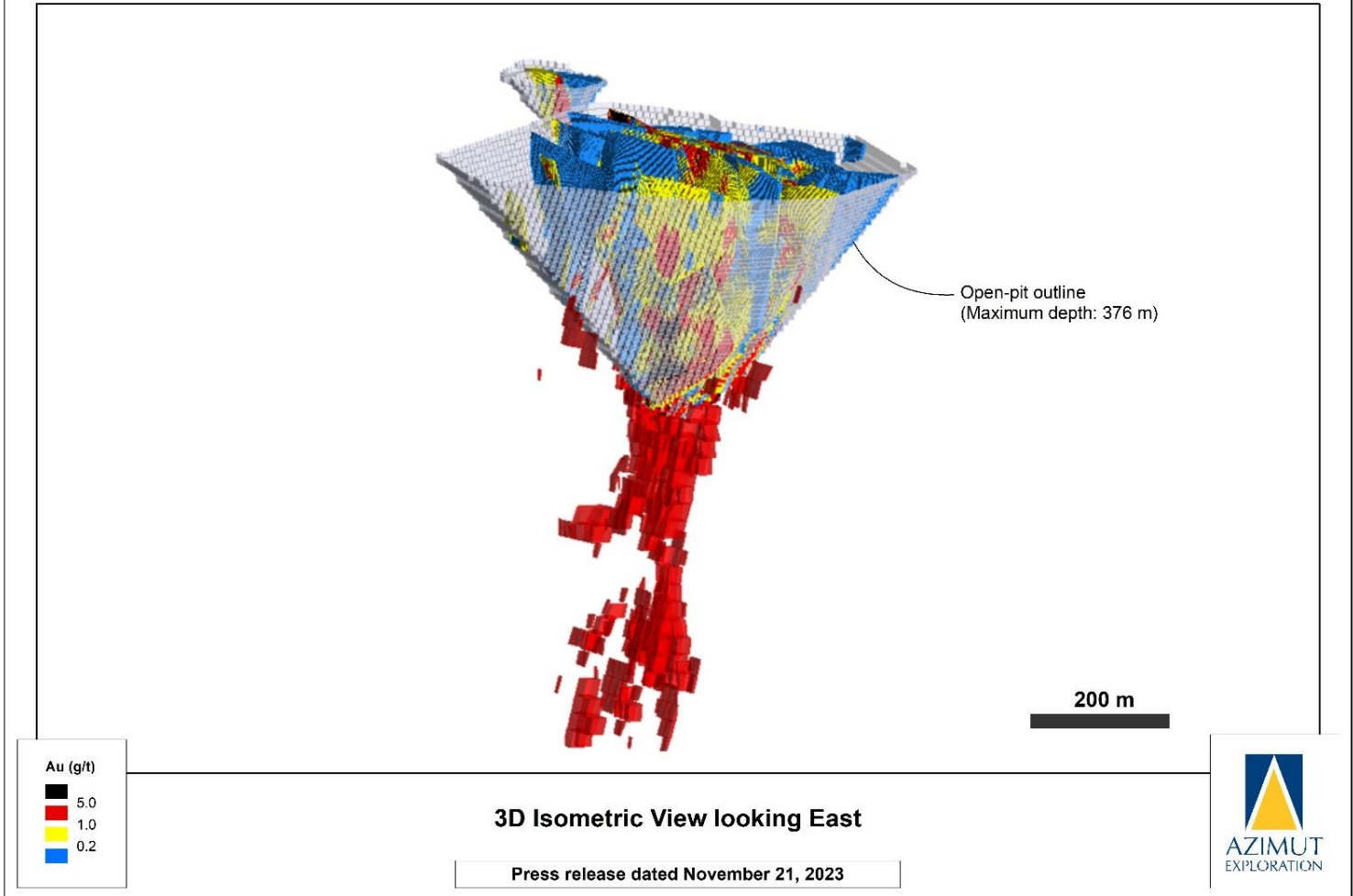


**Figure 4:** Plan view of the Patwon mineral resources showing the outlines of potential open pits.



**Figure 5:** Cross-section (looking east) of the Patwon mineral resources showing the outline of the potential open pit.

## Elmer Property, Patwon Gold Zone James Bay Region, Québec



**Figure 6:** Isometric view of the Patwon mineral resources showing the outline of the potential open pit.

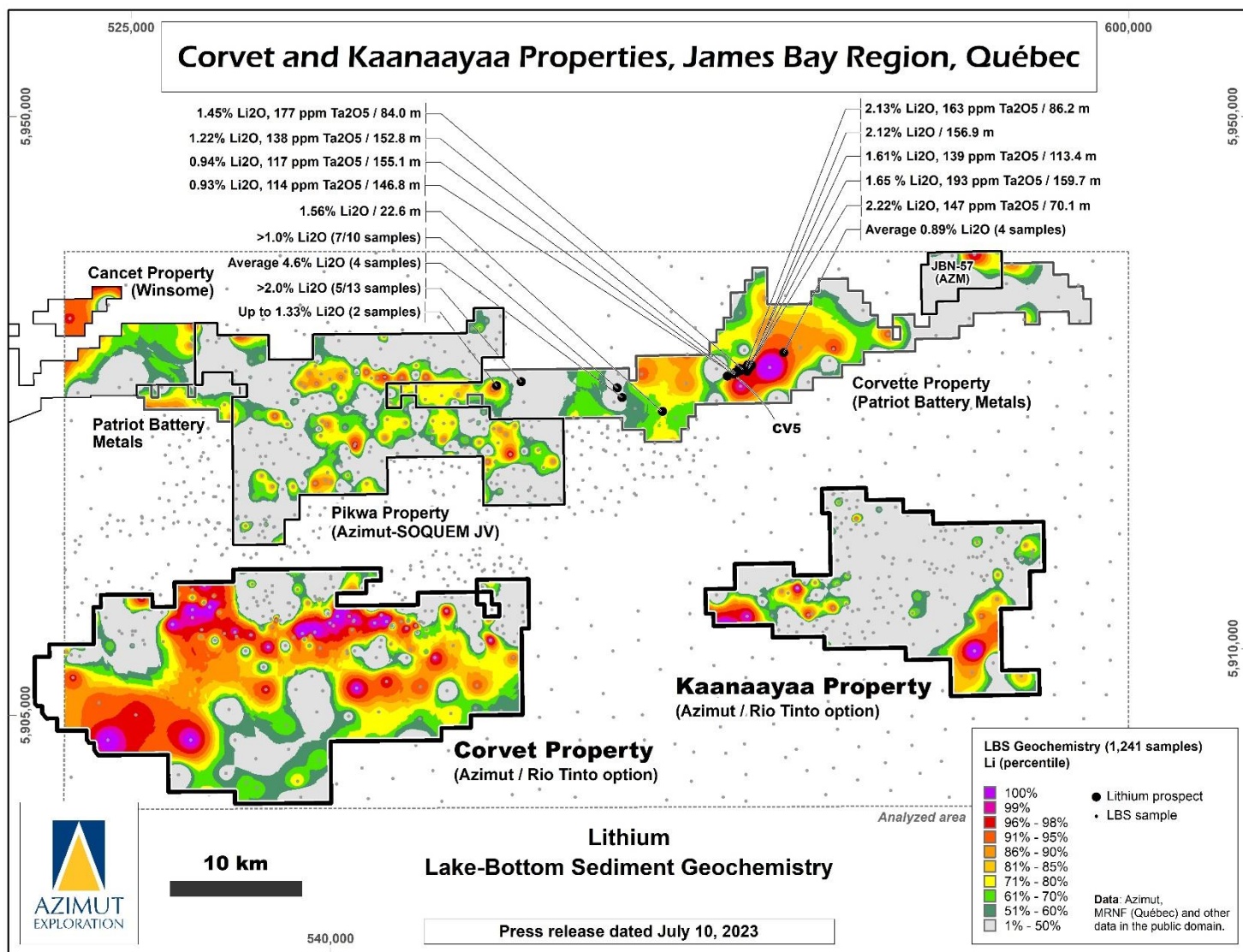
## PIKWA (LI, AU-CU-CO-MO)

The Pikwa Property, a 50/50 JV project held with SOQUEM, is located 2 km south of the Trans-Taiga Road (a 666-km gravel highway branching off the Billy-Diamond Highway) and 40 km east of the LG-3 hydroelectric generating station belonging to Hydro-Québec. The property contains two primary areas of interest: the potential extension of a geologic trend hosting lithium-bearing pegmatite bodies on the adjacent Corvette (Patriot Battery Metals Inc.) and Cancet (Winsome Resources Ltd) projects (**Figure 8**) and the 20-km-long **Copperfield Trend**, a copper-gold mineralized system that extends onto the adjacent Mythrill Property (Midland Exploration Inc.). Patriot Battery Metals recently reported an initial MRE of 109.2 Mt at 1.42% Li<sub>2</sub>O (inferred resources) for the CV5 Zone on its Corvette Property.

### *Lithium potential*

The summer-fall field campaign (PR of May 17, 2023), focused on eight (8) extensive lithium target areas identified through a systematic review of the data from previous exploration programs on Pikwa. Although these programs did not focus on lithium, the data generated provided excellent support for lithium targeting.

Additional criteria comprised: a) advanced in-house processing of multispectral remote sensing data to identify potential pegmatite outcrops; b) project-scale distribution of lithium and lithium pathfinder elements (Cs, Rb, Ga, Sn and Ta) in bedrock (see below); and c) extensive LBS anomalies in underexplored sectors, outlined by the same pathfinder elements. One of the most attractive targets is characterized by several peraluminous granitic bodies of the Vieux Comptoir intrusive suite in a favourable position along the prominent magnetic trend.



**Figure 7:** Magnetic vertical gradient map showing the location of the Pikwa, Corvet and Kaanaayaa properties in relation to the Corvette Property (Patriot Battery Metals Inc.), where major lithium grades were recently announced.

Bedrock grab samples from Pikwa have returned highly anomalous values in lithium (up to 447 ppm Li) and other associated pathfinder elements, including tantalum (up to 79.2 ppm Ta), cesium (up to 167 ppm Cs) and rubidium (up to 960 ppm Rb) (PR of January 23, 2023). This range of values can be indicative of proximal lithium mineralization. It should be noted that lithium was not the focus of the prospecting work when the samples were collected. The LBS footprints for lithium and other pathfinder elements (Cs, Rb, Ga, Sn) roughly coincide with the favourable geologic-magnetic trend. In 2023, 646 rock grab samples were collected for which assay results are pending.

### **Copper and gold potential**

The Copperfield Trend is characterized by several spatially correlated features, notably a continuous IP corridor 10 km long by up to 400 m wide, coincident magnetic highs, electromagnetic conductors, a strong polymetallic (Cu-Au-Ag-Mo) soil anomaly, and mineralized outcrops and boulders in the eastern end where the overburden is thinnest. The main host rock is biotite-rich gneiss (presumably altered metadiorite or granodiorite). The dominant copper mineral is chalcopyrite (as disseminations or semi-massive veins and veinlets), accompanied by frequent bornite and chalcocite and lesser amounts of malachite and occasional azurite. Other sulphides include molybdenite and, less frequently, pyrite and pyrrhotite. Collectively, the data point to a Cu-Au-Ag-Mo porphyry system (already partly identified in mineralized outcrops) emplaced along the margins of an intrusion and subsequently sheared during regional-scale tectonic events. A summary of the copper-gold results was reported in the PR of May 17, 2023.

In Fiscal 2023, the JV partners incurred \$249,000 (\$219,000 – Fiscal 2022) in work expenditures for drilling and data interpretation and \$31,000 in claim-related costs (\$1,000 – Fiscal 2022). The costs were split 50-50 between Azimut and SOQUEM.



## PONTOIS (LI, AU)

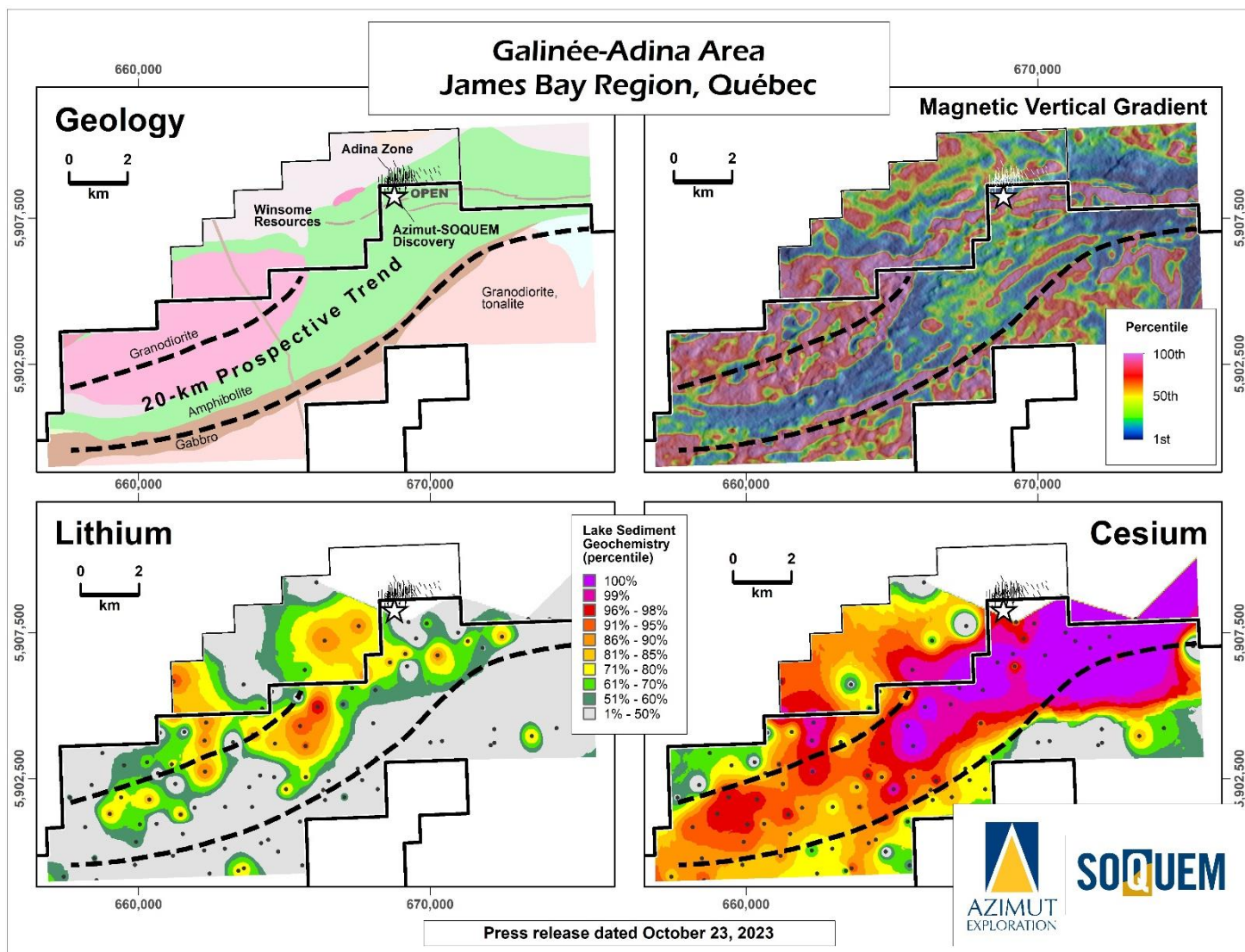
The Pontois Property is held as a 50/50 JV project with SOQUEM. It straddles the Trans-Taiga Road (at Km 316), several kilometres south of the LG-4 hydroelectric generating station. Pontois covers a strong multi-element (As-Sb-W) LBS signature in a favourable geological and structural setting within the underexplored La Grande greenstone belt. Azimut's past prospecting work led to the discovery of the **Black Hole Prospect** (6.02 g/t Au, 2.56 g/t Au and 0.90 g/t Au), 40 m long by 20 m wide and open along strike in both directions. Gold is hosted in mafic metavolcanics and dykes carrying quartz veins and fine disseminated pyrite near a sheared contact with metasediments. Other anomalous metals include silver and tellurium. The property's lithium potential is currently under review. In 2023, a high-resolution heliborne magnetic survey and, a prospecting program (132 rock grab samples) were conducted. Assay results from the prospecting program are pending.

In Fiscal 2023, the JV partners incurred \$36,000 (\$8,000 – Fiscal 2022) in work expenditures for data interpretation and \$400 in claim-related costs (\$1,000 – Fiscal 2022). The costs were split 50-50 between Azimut and SOQUEM.

## GALINÉE (LI, AU)

The 36-km-long Galinée Property, held in a 50/50 JV project with SOQUEM, is located 50 km north-northwest of the Renard diamond mine (Stornoway Diamonds (Canada) Inc.) and 60 km south of the Trans-Taiga Road. On November 29, 2023, the partners reported new intercepts of spodumene pegmatites from the maiden ongoing core drilling program, adding to the previously reported intercepts (PR of October 23, 2023), confirming a significant lithium discovery currently recognized over 700 m laterally. The zone remains completely open to the east and south.

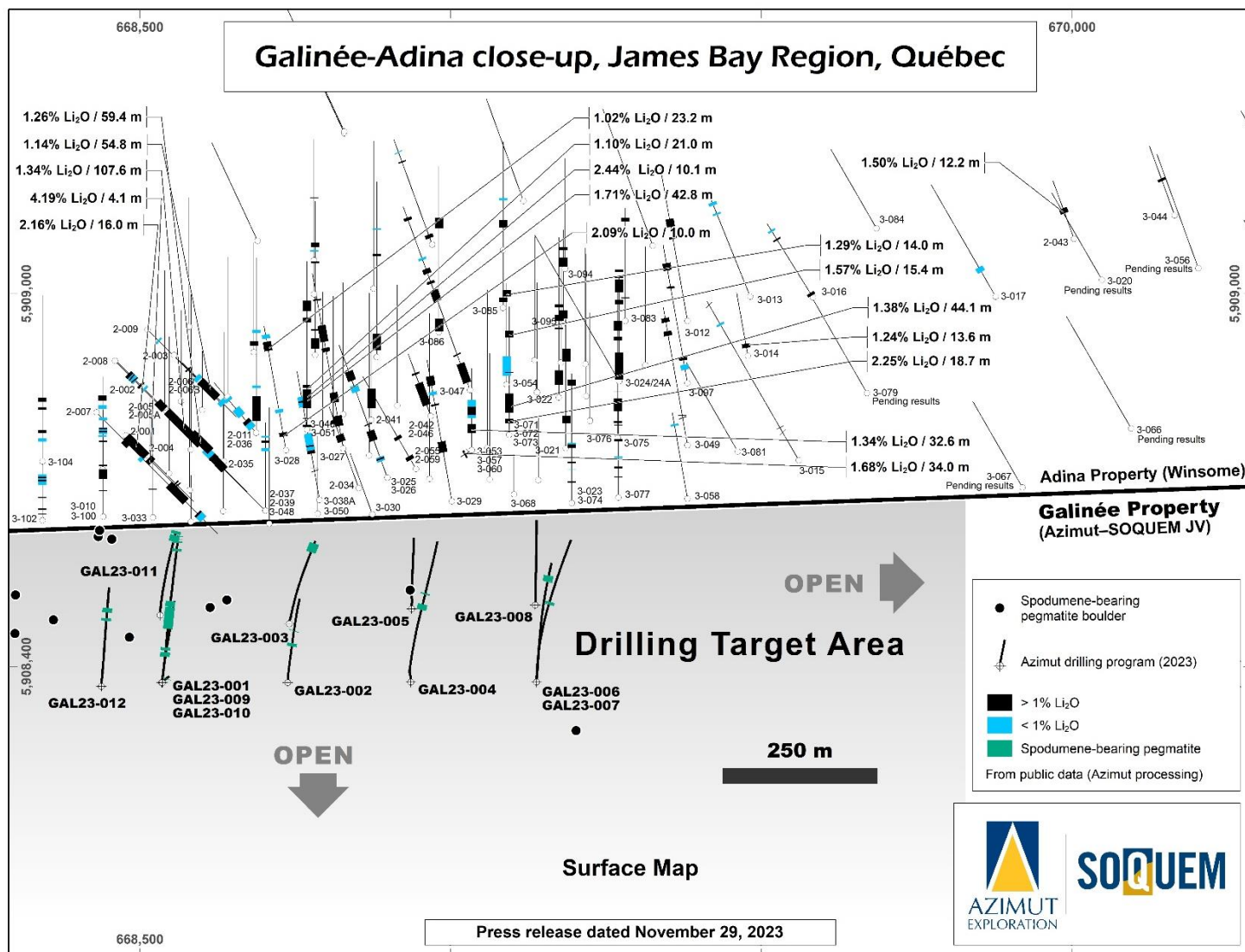
Galinée lies directly south of a major drill interval (1.34% Li<sub>2</sub>O over 107.6 m) reported by Winsome Resources Ltd (“Winsome”) on their Adina Property (Winsome PR of January 5, 2022; **Figure 8**). Additional drilling by Winsome has since extended the strike length of the Adina Main Zone mineralization to over 1,300 m. Winsome recently released an initial MRE of 59 Mt at 1.12% Li<sub>2</sub>O (inferred resources) for the Main and Footwall zones (Winsome'PRs of November 27, 2023 and December 11, 2023). The publicly available data suggests that the mineralized zones on Adina dip south toward Galinée (**Figure 9**).



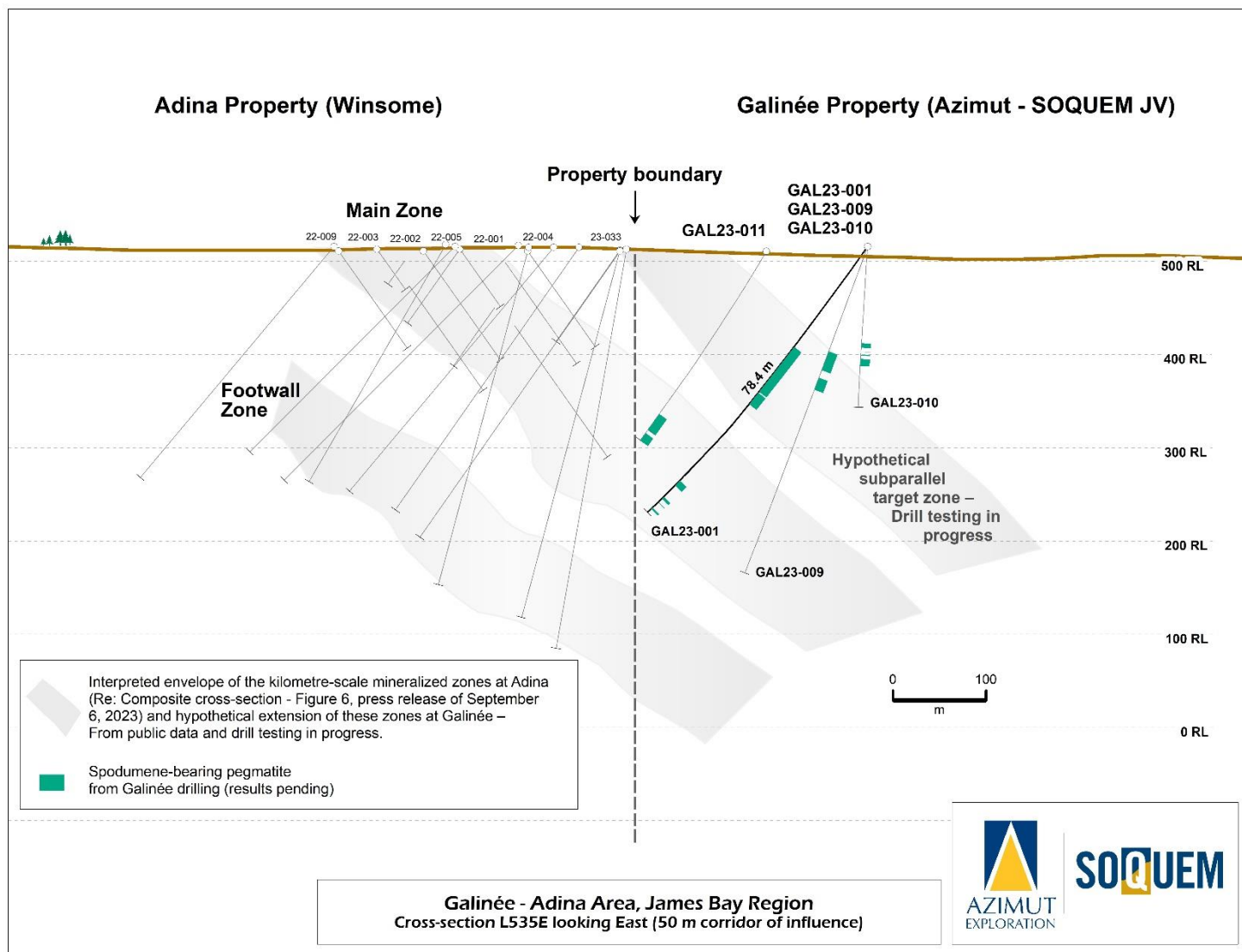
**Figure 8:** Maps of the Galinée Property showing the position of the discovery relative to the adjacent Adina Zone (Winsome Resources Ltd) against backgrounds of geology, magnetic vertical gradient, and lithium and cesium lake sediment anomalies.

Azimut reported the following significant spodumene-bearing intercepts in the core from Galinée in the PRs of November 29 and October 23, 2023 (visual observations, assay results pending):

- Hole GAL23-001: 78.4 m (from 133.8 m to 212.2 m), including a 1.3 m amphibolite interval (from 195.1 m to 196.4 m) and another intercept of 7.25 m (from 323.4 m to 330.65 m).
- Hole GAL23-002: 8.9 m (from 105.5 m to 114.4 m; hole abandoned at a depth of 253.8 m due to drilling difficulties).
- Hole GAL23-003: 26.85 m (from 195.5 m to 222.35 m).
- Hole GAL23-004: 16.5 m (from 203.6 m to 220.1 m).
- Hole GAL23-006: 11.6 m (from 216.8 m to 228.4 m, incl. a 0.8 m fault gouge from 222.2 m to 223.0 m): 5% to 30%-40% coarse spodumene crystals
- Hole GAL23-007: 12.3 m (from 228.7 m to 241.0 m): generally less than 5% spodumene but including a spodumene-rich interval (20%) from 234.45 m to 235.0 m.
- Hole GAL23-009: 21.5 m (from 120.3 m to 141.8 m): 10% to 15% coarse spodumene crystals  
14.0 m (from 150.4 m to 164.4 m): 15% to 20% coarse spodumene crystals  
13.8 m (from 345.0 m to 358.8 m): 5% to 30% spodumene
- Hole GAL23-010: 4.85 m (from 104.15 m to 109.0 m): less than 5% spodumene  
1.10 m (from 116.4 m to 117.5 m): less than 5% spodumene  
7.65 m (from 121.2 m to 128.85 m): up to 7% spodumene
- Hole GAL23-011: 31.6 m (from 203.6 m to 220.1 m, incl. 3.95 m of amphibolite from 231.95 m to 235.9 m): 15% to 25% (locally up to 60%-65%) coarse spodumene crystals.
- Hole GAL23-012: 7.4 m (from 186.6 m to 194.0 m): 15% to 20% coarse spodumene crystals  
12.7 m (from 210.5 m to 223.2 m): 25% to 30% coarse spodumene crystals.



**Figure 9:** Plan view showing Galinée drill hole traces on the adjacent Adina Property (Winsome Resources Ltd).



**Figure 10:** Cross-section showing the extensions of the Adina zones onto the Galinée Property (preliminary interpretation).

Azimut and SOQUEM are also exploring by prospecting ten (10) multi-kilometre-scale lithium target areas outlined on Galinée through a systematic review of the data acquired during the partners' previous work programs (PR of June 13, 2023). Results from a recently identified mineralized boulder field yielded grades up to 4.09%  $\text{Li}_2\text{O}$  (PRs of September 6 and October 23, 2023). In addition, 107 rock grab samples have been collected for which assay results are pending.

Regarding gold, earlier prospecting work by Azimut led to the discovery of the subcropping, tonalite-hosted **Gamora Prospect** (up to 2.17 g/t Au). Furthermore, about 5 km to the west of the prospect, a gold grain dispersal train in till yielded a sample containing up to 688 gold grains, including pristine grains, suggesting a proximal common source.

In Fiscal 2023, the JV partners incurred \$287,000 (\$4,000 – Fiscal 2022) in work expenditures for data interpretation and \$68,000 in claim-related costs (\$52,000 – Fiscal 2022). The costs were split 50/50 between Azimut and SOQUEM.

## JBL (Li)

In 2022, Azimut completed a comprehensive lithium potential assessment at the scale of the James Bay region, which identified multiple unexplored lithium targets with even stronger footprints than known lithium deposits in the region. The subsequently acquired claim blocks (see **Figure 2**) form the James Bay Lithium (“JBL”) project (PR of January 23, 2023). The Company considers the largest claim block, JBL1 (52 km by 28 km), to be one of the strongest and largest lithium footprints in lake sediments in the James Bay region, supported by other pathfinder elements (Cs, Rb, Ga and Sn) related to LCT pegmatites. These geochemical anomalies correlate well with already recognized pegmatites and peraluminous granites with pegmatitic textures (PR of August 27, 2023). Multispectral remote sensing analysis revealed numerous additional targets (>100). Due to the extensive wildfires during the summer of 2023, the planned prospecting program had to be postponed until spring 2024. Screening on other blocks identified 82 outcropping targets on JBL 2 to JBL 7 and another 16 on JBL8 to JBL12.

## CORVET (LI, AU-CU)

The wholly owned Corvet Property lies immediately south of the Pikwa Property near the Trans-Taiga Road, 55 km southwest of the La Grande-4 airstrip and 225 km southeast of Radisson. On July 7, 2023, Azimut signed an option-to-joint venture agreement with Rio Tinto for the Corvet Property (PR of July 10, 2023). Under the agreement, Rio Tinto can acquire an initial 50% interest in the property from Azimut over four (4) years by funding \$7 million in exploration expenditures and making cash payments totalling \$850,000. Azimut is the operator during this first option phase. The terms include a firm commitment of \$1.5 million in the first 12 months, commencing August 20, 2023. Rio Tinto can earn an additional 20% interest over five (5) years with further work expenditures of \$50 million. Rio Tinto will act as the operator during this second option phase. Azimut holds the right, should it choose, to be funded to production by way of a secured loan from Rio Tinto by granting Rio Tinto an additional 5% interest in the property (for a total interest of 75%). The first-year exploration program will aggressively assess and test the lithium potential of the property (\$1.5 million). In 2023, 176 rock grab samples were collected for which assay results are pending.

The lithium exploration target on Corvet is represented by a prominent 26-km-long Li anomaly in LBS coupled with strong Rb, Cs, Ga and Sn footprints (PR of January 23, 2023). The property occupies a strategic location relative to the emerging Corvette (Patriot Battery Metals) lithium district (see **Figure 8**). The main geological features are several granitic intrusions surrounded by metasediments, and the property straddles the major tectonic boundary between two geological subprovinces. The Company performed reconnaissance fieldwork in 2017 and 2018, yielding gold, copper and arsenic anomalies in grab samples (lithium was not a focus at the time of the work program).

In Fiscal 2023, the Company incurred \$119,000 (\$13,000 – Fiscal 2022) in claim renewals and \$317,000 (\$36,000 – Fiscal 2022) in exploration expenditures for data interpretation, of which \$151,000 was charged back to Rio Tinto.

## KAANAAYAA (LI, CU-AU, CU-NI)

The wholly owned Kaanaayaa Property is located 35 km south of the Trans-Taiga Road and its adjacent powerline and 42 km south of the LG-4 airport. On July 7, 2023, Azimut signed an option-to-joint venture agreement with Rio Tinto for the Kaanaayaa Property (PR of July 10, 2023). Under the agreement, Rio Tinto can acquire an initial 50% interest in the property from Azimut over four (4) years by funding \$7 million in exploration expenditures and making cash payments totalling \$850,000. Azimut is the operator during this first option phase. The terms include a firm commitment of \$1.5 million in the first 12 months, commencing August 20, 2023. Rio Tinto can earn an additional 20% interest over five (5) years with further work expenditures of \$50 million. Rio Tinto will act as the operator during this second option phase. Azimut holds the right, should it choose, to be funded to production by way of a secured loan from Rio Tinto by granting Rio Tinto an additional 5% interest in the property (for a total interest of 75%). The first-year exploration program will aggressively assess and test the lithium potential of the property (\$1.5 million). In 2023, 147 rock grab samples have been collected for which assay results are pending.

Kaanaayaa's significant lithium potential is supported by data analysis, its strategic location relative to the emerging Corvette (Patriot Battery Metals) lithium district (see **Figure 8**), Li-Cs anomalies in LBS, and the property's favourable geology marked by several small but potentially fertile granitic intrusions intruded into metasediments and mafic to intermediate volcanics (PR of January 23, 2023). Kaanaayaa's multi-element footprint, which includes Bi-Ag-Mo-Cu-W anomalies in LBS, is comparable to that of the Copperfield Trend on the Pikwa Property, 15 km to the northwest. The main target types are intrusion-hosted lithium and shear-related copper-gold mineralization. An adjacent property, jointly held by Osisko Exploration James Bay Inc. and Newmont Corporation ("Newmont"), hosts several significant gold prospects, including 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).

In Fiscal 2023, the Company incurred \$17,000 (\$48,000 – Fiscal 2022) in claim renewals and \$177,000 (\$Nil – Fiscal 2022) in exploration expenditures for an infill LBS survey and data interpretation. An amount of \$106,000 has been charged back to Rio Tinto.

## KUKAMAS (CU-AU)

The wholly owned Kukamas Property covers a 41-km cumulative strike length along a highly prospective greenstone belt. It is located in an area with significant road and power infrastructure, situated just 4 km north of the Trans-Taiga Road (at Km 100) and the LG-3 airstrip, along an access road leading to the LG-3 hydroelectric generating station. The nearest town is Radisson, 80 km to the north-northwest. Historical grab samples from the property grade up to 10.63 g/t Au and 20.7% Cu.

Kukamas displays one of the strongest geochemical footprints for copper-gold systems in the James Bay region, marked by strong Cu, Ag, As and Sb values in LBS. The geology in this part of the greenstone belt (La Grande Subprovince) is characterized by sheared metasediments, including iron formations and metavolcanics surrounding granitic intrusions.

Although several prospects sit on or adjacent to the property, Kukamas is considered largely underexplored. Shear-related copper-gold and intrusion-related nickel-copper-cobalt-PGE systems are the main target types.

In December 2022, Azimut announced the signing of a JV option agreement with KGHM International Ltd (“KGHM”), a subsidiary of KGHM Polska Miedź S.A, a major international copper and silver producer (PR of December 8, 2022). Under the agreement, KGHM can acquire from Azimut an initial 50% interest in the property over 4 years with \$5 million in exploration expenditures and can earn an additional 20% interest with a further investment of at least \$4.2 million to complete and deliver a preliminary economic assessment (“PEA”).

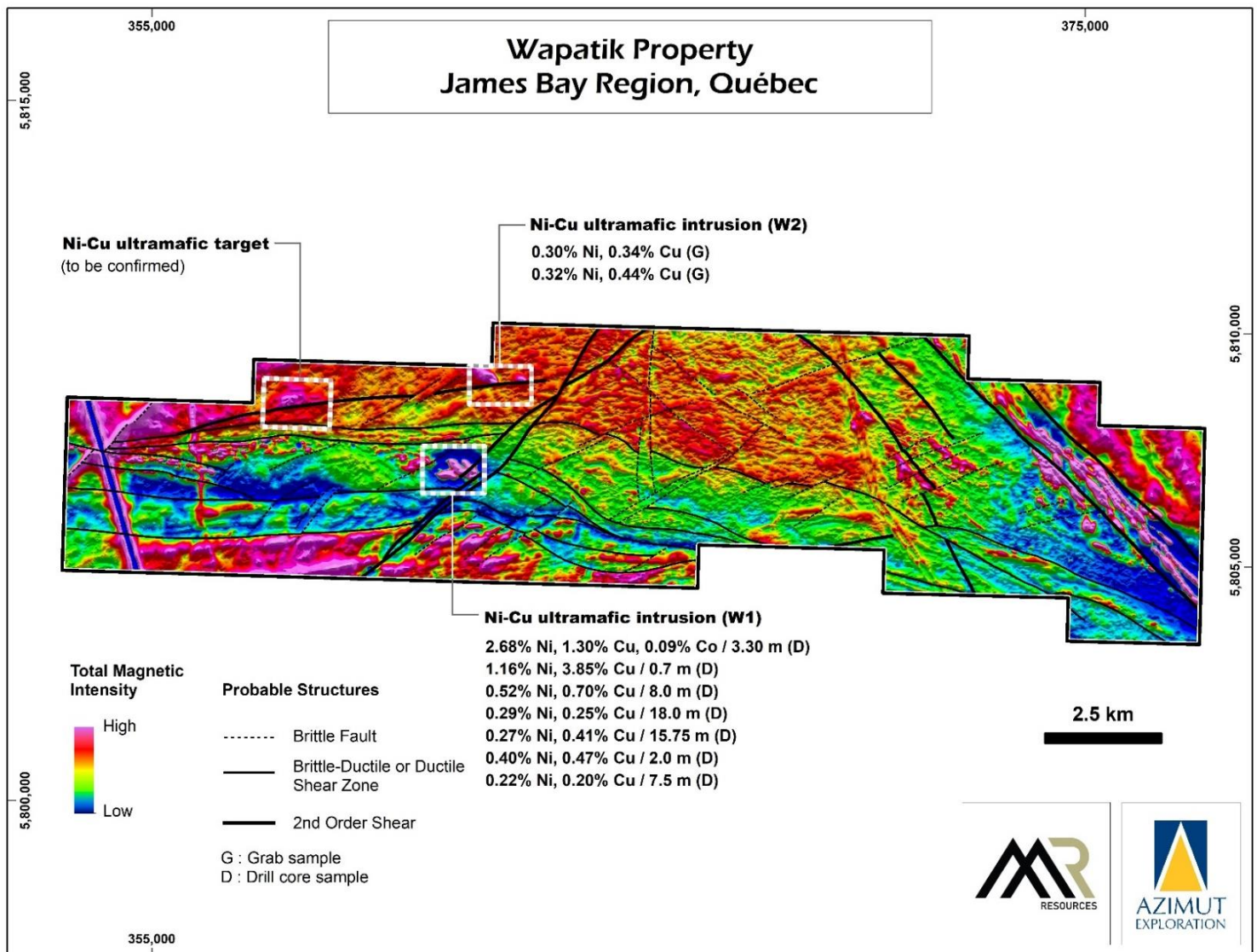
In February 2023, Azimut announced the start of a partner-funded 3,000-line-km helicopter-borne high-resolution magnetic and VTEM<sup>TM</sup>Plus electromagnetic survey to cover the entire property (PR of February 8, 2023). Geotech Ltd of Aurora (Ontario) conducted the survey using 100-m spaced lines. During a ground prospecting follow-up program, 115 rock grab samples were collected (assay pending). Azimut is the operator of the partner-funded exploration program.

In Fiscal 2023, the Company incurred \$779,000 (\$54,000 – Fiscal 2022) in exploration expenditures for helicopter-borne high-resolution magnetic and VTEM<sup>TM</sup>Plus electromagnetic surveys and data interpretation and \$66,000 in claim-related costs (\$20,000 – Fiscal 2022). An amount of \$833,000 in expenditures has been charged back to KGHM.

## **WAPATIK (AU, NI-CU, LI)**

The wholly owned Wapatik Property is a 25-km-long project on strike from the Elmer Property. Together, the two properties cover 60 km of favourable geological strike in a largely underexplored part of an Archean greenstone belt. Wapatik is located in an area with significant road and power infrastructure. The road to Newmont’s Eleonore gold mine passes through the eastern end of the property, and the Billy Diamond Highway crosses its western end. Three powerlines also traverse the property. Exploration programs on Wapatik have focused on gold and nickel-copper, but the property’s lithium potential is also under review. A lithium-focused prospecting program was undertaken in 2023 and 202 rock grab samples were collected.

The Wapatik Property is under option to Mont Royal (PR of September 22, 2020), a company listed on the Australian Securities Exchange. Mont Royal can acquire a 50% interest from Azimut by spending \$4 million in exploration expenditures over four (4) years and a further 20% interest with an additional investment of \$3 million and the delivery of a PEA. As at August 31, 2023, the Company has incurred a cumulative amount of \$2,537,000 (\$1,778,000 – Fiscal 2022) on behalf of Mont Royal for exploration work (drilling, heliborne magnetics, structural study, till sampling and prospecting). This amount has been charged back to Mont Royal in full, together with the operator fees of \$43,000 for Fiscal 2023 (\$62,000 – Fiscal 2022). Mont Royal has renewed its option on the property for the third year and has given the Company an option payment of \$20,000. Azimut is the operator of the partner-funded exploration programs.



**Figure 11:** Magnetic map of the Wapatik Property showing structures and the locations of known mineralized intrusions.

### *Ni-Cu exploration highlights*

As reported on April 24, 2023, a three-phase 15-hole drilling program (3,395.3 m) revealed significant nickel-copper mineralization related to an ultramafic intrusion 900 m long by 400 m wide, designated as “W1” (**Figure 11**). W1 has been interpreted as a folded synvolcanic sill. The highlight during the maiden drilling phase was an interval grading 2.68% Ni, 1.30% Cu and 0.09% Co over 3.30 m (PR of June 29, 2022), one of the best nickel-copper results reported in the James Bay region. The mineralization (disseminated to semi-massive (locally massive) sulphides with chalcopyrite, pyrrhotite and pentlandite) has been delineated over a 750-m strike length thus far. The intrusion comprises three main lithologies: peridotite, pyroxenite and a late gabbroic phase. The system remains entirely open at depth and on strike and appears to consist of two horizons: a basal horizon along or close to the contact with metasediments or paragneiss and a middle horizon within the ultramafic intrusion.

The recently discovered W2 intrusion (**Figure 11**; PR of April 24, 2023) displays comparable mineralization at the surface and will be further assessed by a heliborne survey. A potential third nickel-copper target in the western part of the property will also be covered by the survey.

Highlights from the three drilling phases on the W1 intrusion are as follows (PRs of October 19, 2022 and April 24, 2023):

Hole WAP22-003:	2.68% Ni, 1.30% Cu, 0.09% Co over 3.30 m (from 143.4 m to 146.7 m), including: 3.63% Ni, 0.48% Cu, 0.12% Co over 1.0 m, and 3.04% Ni, 0.75% Cu, 0.10% Co over 1.1 m
Hole WAP22-009:	1.16% Ni, 3.85% Cu over 0.8 m (from 152.0 m to 152.8 m)
Hole WAP22-007:	0.29% Ni, 0.25% Cu over 18.0 m (from 129.0 m to 147.0 m)

Hole WAP22-010:	0.27% Ni, 0.41% Cu over 15.75 m (from 60.0 m to 75.75 m)
Hole WAP22-008:	0.33% Ni, 0.35% Cu over 1.1 m (from 116.9 m to 118.0 m), and 0.34% Ni, 0.43% Cu over 1.71 m (from 129.54 m to 131.25 m)
Hole WAP22-013:	0.15% Ni, 0.66% Cu, 0.012% Co, 7.18 g/t Ag over 3.3 m (from 72.0 m to 75.3 m)
Hole WAP22-014:	0.20% Ni, 0.13% Cu, 0.017% Co, 0.78 g/t Ag over 21.5 m (from 125.5 m to 147.0 m) including 0.40 % Ni, 0.47% Cu, 0.025% Co, 2,46 g/t Ag over 2.0 m 0.52% Ni, 0.70% Cu, 0.020% Co, 3.27 g/t Ag over 8.0 m (from 169.0 m to 177.0 m) including 1.34% Ni, 1.21% Cu, 0.050% Co, 4.76 g/t Ag over 1.1 m
Hole WAP22-015:	0.22% Ni, 0.20% Cu, 0.018% Co, 0.97 g/t Ag over 7.5 m (from 47.0 m to 54.5 m)

The massive to semi-massive sulphide mineralization in the interval from Hole 003 comprises coarse-grained pentlandite, chalcopyrite and pyrrhotite. It displays brecciated textures containing angular to subangular fragments of ultramafic rocks and metasediments and is schematically positioned at the interface between overlying ultramafic intrusive rocks and underlying foliated host rocks dominated by pyrrhotite-bearing metasediments.

The drilling program was guided by the results of a very responsive electromagnetic (“SQUID”) ground survey and modelling (PR of April 19, 2022; **Figure 12**). Pulse-EM borehole surveys were performed during the first phase to maximize the search radius for each hole and provide information about the possible extension of any conductors encountered.

### ***Gold exploration highlights***

New gold targets have been defined at Wapatik following a systematic property-wide evaluation that included a high-resolution magnetic survey, remote sensing analysis, lithostructural interpretation and an extensive till survey (154 samples) to characterize the gold grain counts of these samples (see PR of October 25, 2021). Excellent additional results have recently been received for the dense mineral fraction from the 2021 till survey. Twenty-two (22) samples returned values higher than 0.5 g/t Au, including 14 samples with values higher than 1.0 g/t Au, with one maximum value of more than 30 g/t Au.

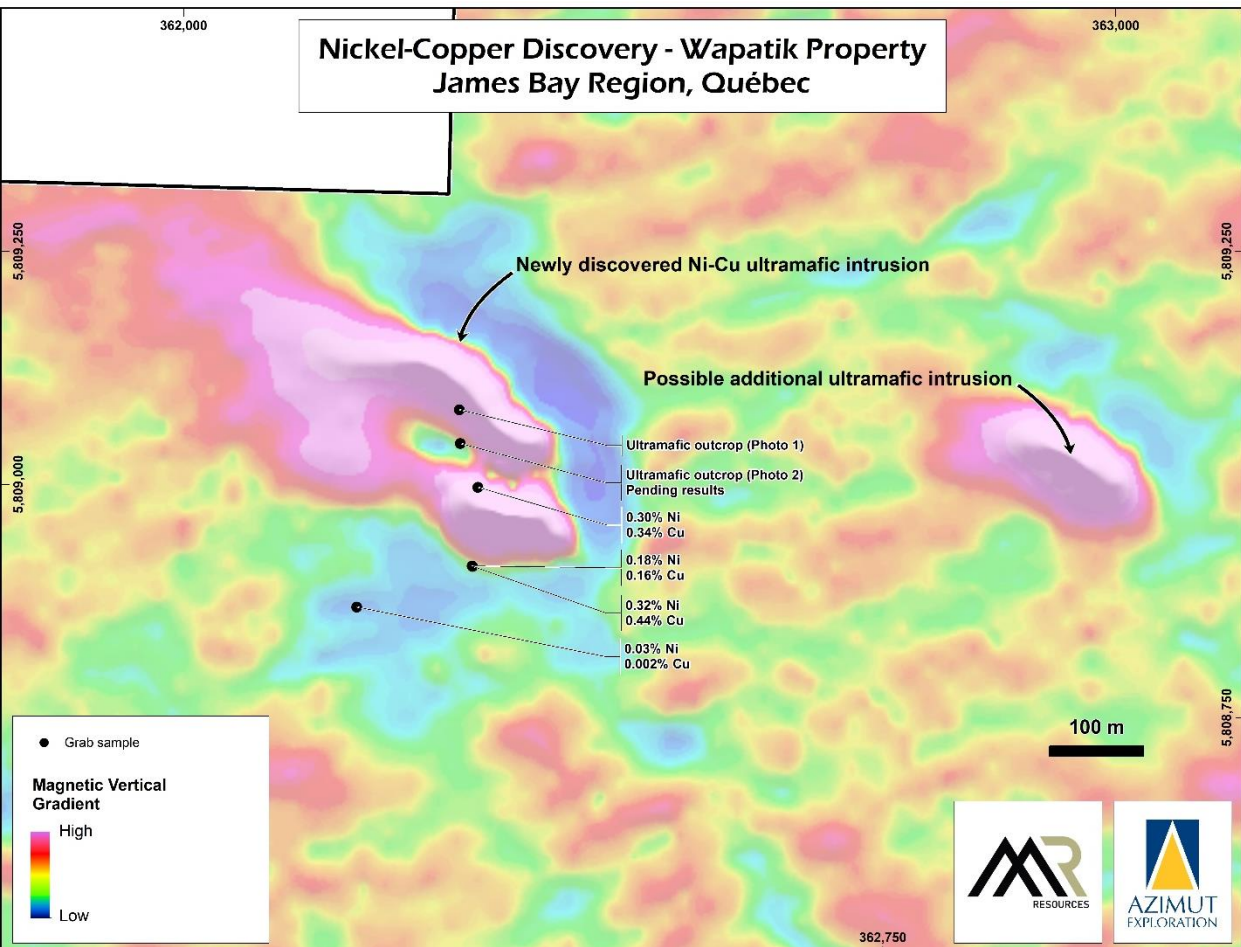
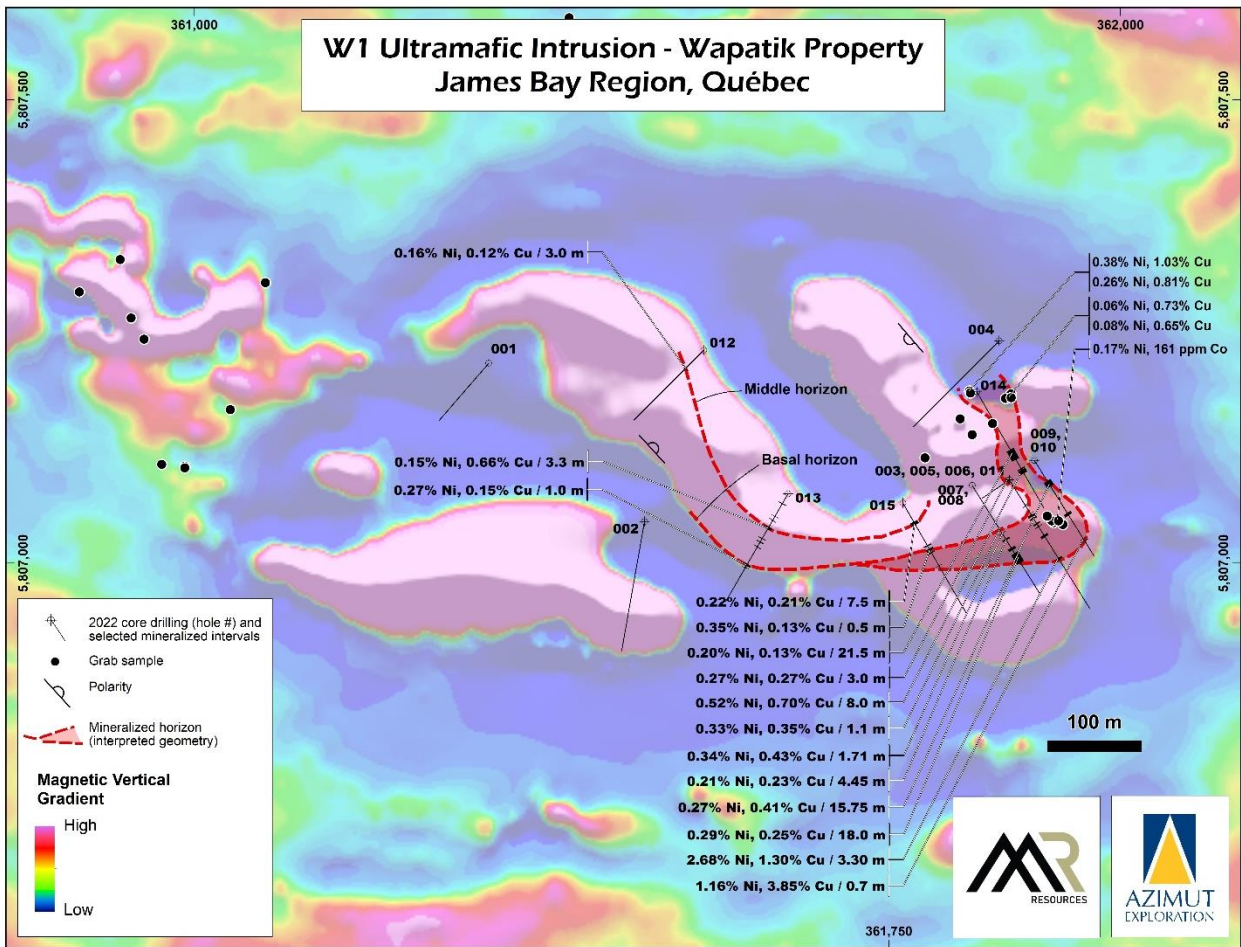
## **PILIPAS (AU, LI)**

The wholly owned Pilipas Property is a gold project adjacent to the north of the Munischiwan Property. The Billy-Diamond Highway passes through the centre of the property. The project lies along the immediate potential extensions of the InSight Prospect (Au-Ag-Cu) on the Munischiwan Property. Like Munischiwan, Pilipas is underlain by volcano-sedimentary rocks of the Lower Eastmain greenstone belt. The target deposit types are intrusion-related systems, VMS, iron formation-hosted mineralization and gold-bearing shear zones. The lithium potential also appears to be significant, based mainly on prospecting results recently reported on the adjacent Elmer East project (Quebec Precious Metals Corporation).

On December 8, 2023, Azimut signed an option-to-joint venture agreement with Ophir Gold for the Pilipas Property. Under the agreement, Ophir Gold can earn up to a 70% interest in the property over three (3) years by funding \$4 million in exploration expenditures and making payments totalling 6 million Ophir Gold shares and \$100,000 in cash. The agreement is subject to regulatory approvals by the TSXV.

In Fiscal 2023, the Company incurred \$3,000 (\$17,000 – Fiscal 2022) in exploration expenditures for data interpretation but did not incur any claim-related costs (\$Nil – Fiscal 2022).





**Figure 12:** Magnetic expression of the second mineralized ultramafic intrusion (“W2”) on the Wapatik Property.

## OTHER PROPERTIES IN THE JAMES BAY REGION

### Corne (Cu-Au)

The wholly owned Corne Property lies about 25 km west of Route 167, a permanent all-season road connecting the provincial highway network to Stornoway's Renard diamond mine via the communities of Mistissini and Chibougamau (see **Figure 2**). The Government of Quebec has proposed a second phase to extend Route 167 northward for approximately 125 km, where it would connect with the Trans-Taiga Road. The Corne Property covers 17 km of a well-marked Cu-Bi-As anomaly in LBS in the metasedimentary Opinaca Subprovince, close to the tectonic boundary with the Opatoca Subprovince. Azimut carried out preliminary exploration work on Corne guided by interdisciplinary data. In 2018, the Government of Quebec (MRNF) collected grab samples on the property as part of a larger mapping program. The property has never been drilled or explored by other companies, and there are no known prospects.

A small copper-molybdenum-silver intrusion-related deposit (MacLeod-Pointe Richard) sits about 20 km to the northwest, with indicated resources of 18.18 Mt grading 0.60% Cu, 0.094% Mo, 4.48 g/t Ag and 0.06 g/t Au (NI 43-101 compliant MRE of April 2011).

### Dalmas (Li, Au)

The Dalmas Property is held in a 50/50 JV with SOQUEM. It is located 25 km south of the Trans-Taiga Road. The property covers a sheared greenstone belt with a strong arsenic-bismuth-copper-antimony footprint in LBS. Azimut has performed prospecting and till sampling as part of its field assessment of the property. Shear zone-hosted gold is the main target type. The lithium potential is also under review, and the property will be the subject of a lithium-focused program in 2024.

In Fiscal 2023, the JV partners incurred \$5,000 related to claim renewals and \$17,000 in exploration expenditures (\$Nil – Fiscal 2022).

### Desceliers (Au-Cu)

The Desceliers Property is held in a 50/50 JV project with SOQUEM. It is located 150 km west of Route 389, a 570-km-long stretch of highway from the city of Baie-Comeau to the iron mining town of Fermont (Quebec). A 10-year joint federal-provincial highway improvement program is underway. Desceliers is underlain by Archean rocks of the Opinaca Subprovince and characterized by a strong LBS signature of Au-As-Cu-W, accompanied by favourable geophysical criteria. The property is attractive for the nature and size of its geochemical footprint (strong Au-Cu association) and the untested potential of the area. Work to date has defined several robust targets, namely for IOCG and magmatic Ni-Cu mineralization.

In Fiscal 2023, the JV partners incurred \$1,500 (\$4,000 – Fiscal 2022) in work expenditures for data interpretation and \$400 in claim-related costs (\$4,000 – Fiscal 2022). The costs were split 50-50 between Azimut and SOQUEM.

### JBN (Ni)

The Company's management considers the James Bay region to be underexplored for nickel. Starting in 2021, the Company began acquiring a portfolio of attractive nickel targets by map designation, collectively forming the James Bay Nickel ("JBN") project (see PR of July 5, 2022). The project now consists of over a hundred claim blocks. Most of the claims cover hectometre-to kilometre-scale mafic to ultramafic intrusions, likely representing subvolcanic conduits, dykes and sills intruded in volcano-sedimentary sequences. The majority of the claim blocks have little or no exploration history. The exploration concept supporting the JBN claim position is based on a specific high-grade nickel deposit model, best illustrated by the Eagle's Nest deposit in the Ring of Fire (Ontario, Canada) and the Eagle deposit (Michigan, USA). The project also presents a significant potential for copper, cobalt and PGE, which are commonly associated with nickel deposits, and one of the claim blocks, JBN-57, lies within an area of high lithium potential (PR of January 23, 2023). Given the current global energy transition period, all these commodities are expected to be in high demand in the long term. Azimut is implementing efficient in-house exploration protocols to rapidly validate and advance the JBN targets to the drilling stage.

### Mercator (Cu, Cu-Ni-Co)

The wholly owned Mercator Property is 22 km long by 16 km wide, located roughly 100 km west of Route 389. Geologically, it lies in the Opinaca Subprovince at the tectonic boundary with the Ashuanipi Subprovince. The property displays strong Cu, Bi, Mo, Ni and Co signatures in LBS. This area has no record of past exploration.

### Mercator West (Au)

The wholly owned Mercator West Property is located roughly 100 km west of Route 389. This area has no record of past exploration. The property was recently acquired based on its strong geochemical footprint for gold.

## Munischiwan (Au-Ag-Cu)

The Munischiwan Property is held in a 50/50 JV with SOQUEM. It is located about 11 km north of the Elmer Property. The Billy-Diamond Highway passes through the property. Munischiwan partly covers a well-defined As-Ag-Bi-Cu-Sb anomaly in LBS within the Lower Eastmain greenstone belt, accompanied by favourable geophysical, geological and structural criteria. Intrusion-related and shear zone-hosted systems are the main target types. There were no known showings on Munischiwan before Azimut began exploring the property.

The main showing is the kilometre-scale **Insight Prospect**, an outcropping Au-Cu-Ag zone roughly 600 by 150 m at the surface, with a best grab sample grade of 100.5 g/t Au, 151.0 g/t Ag, 156.0 g/t Te and 0.14% Cu. The zone dips about 30° to the east, is open in all directions, and coincides with an IP anomaly 1,000 m long by 300 m wide, striking NNW-SSE. Mineralization consists of disseminated chalcopyrite and quartz veins or veinlets hosted in foliated metasediments affected by strong biotite alteration. An additional gold showing 600 m to the south (2.42 g/t Au) could be an extension.

In Fiscal 2023, the JV partners incurred \$72,000 (\$453,000 – Fiscal 2022) in work expenditures for drilling and \$7,000 in claim-related costs (\$1,000 – Fiscal 2022). The costs were split 50-50 between Azimut and SOQUEM.

## Tapiatic (Au, Ni-Cu)

The Tapiatic Property is a wholly owned gold and nickel-copper project comprising a single 10-km-long claim block roughly 12 km north-northeast of Kukamas, on the north shore of La Grande River.

## Wabamisk (Au)

The Wabamisk Property is a wholly owned gold project (40 km by 10 km) situated 13 km east of the Clearwater Property (Fury Gold Mines Ltd), 42 km northeast of the Whabouchi lithium deposit (Nemaska Lithium Inc.), and 70 km south of Newmont's Eleonore gold mine. Major powerlines pass through or close to the property's eastern end. The North Road (Route du Nord), a 400-km gravel highway connecting the mining town of Chibougamau to the Billy Diamond Highway, passes 37 km to the south. The nearest town is Nemaska, a Cree village municipality 55 km to the southeast.

Wabamisk has a geological context and geochemical signature comparable to the Eleonore gold mine. Eight (8) of the property's claims are subject to a 2.1% NSR payable to Virginia Mines (1.4%; now Osisko Exploration James Bay Inc.) and SOQUEM (0.7%), with a buy-back of 1.05% for \$350,000.

In September 2022, Azimut closed a transaction with former partner Newmont (PR of August 8 and September 9, 2022), pursuant to which Newmont exercised its right to voluntarily withdraw from the Wabamisk JV, thereby ceasing to be a participant. In connection with the withdrawal, Newmont transferred its 51% participating interest in the JV to Azimut, resulting in Azimut regaining a 100% interest in all the claims forming the property.

While a substantial amount of quality exploration work has been conducted by Azimut's past partners on the project (\$5.7 million in expenditures), the Company's management still considers the property to be underexplored. It hosts multiple significant prospects, including the **GH Prospect** (2.27 g/t Au over 4.3 m within an envelope grading 0.7 g/t Au, 0.39% Sb and 0.20% As over 19.0 m), which remains open. Mineralization is characterized by Sb and As sulphides as disseminations and veinlets accompanied by sericitization and silicification. The target zone is 3.5 km long, outlined by coincident soil (Sb, As) and geophysical (IP) anomalies. The alteration-mineralization footprint indicates strong exploration potential along strike and at depth. Several other extensive target zones can rapidly reach the drilling stage, including the 1.7-km-long **Dome-ML Prospect**, which yielded several historical high-grade gold values (up to 80.7 g/t Au) in grab samples.

## NUNAVIK REGION - EXPLORATION UPDATES

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Azimut holds six (6) properties in Nunavik, the region in Northern Quebec above the 55<sup>th</sup> parallel (**Figure 13**). Management believes the region offers significant potential for commodities deemed critical or strategic by the Quebec and Canadian governments, specifically copper, tellurium, bismuth, tungsten, tin, molybdenum, rhenium and REE. The Company also recognizes the region's potential for gold, uranium and diamonds.

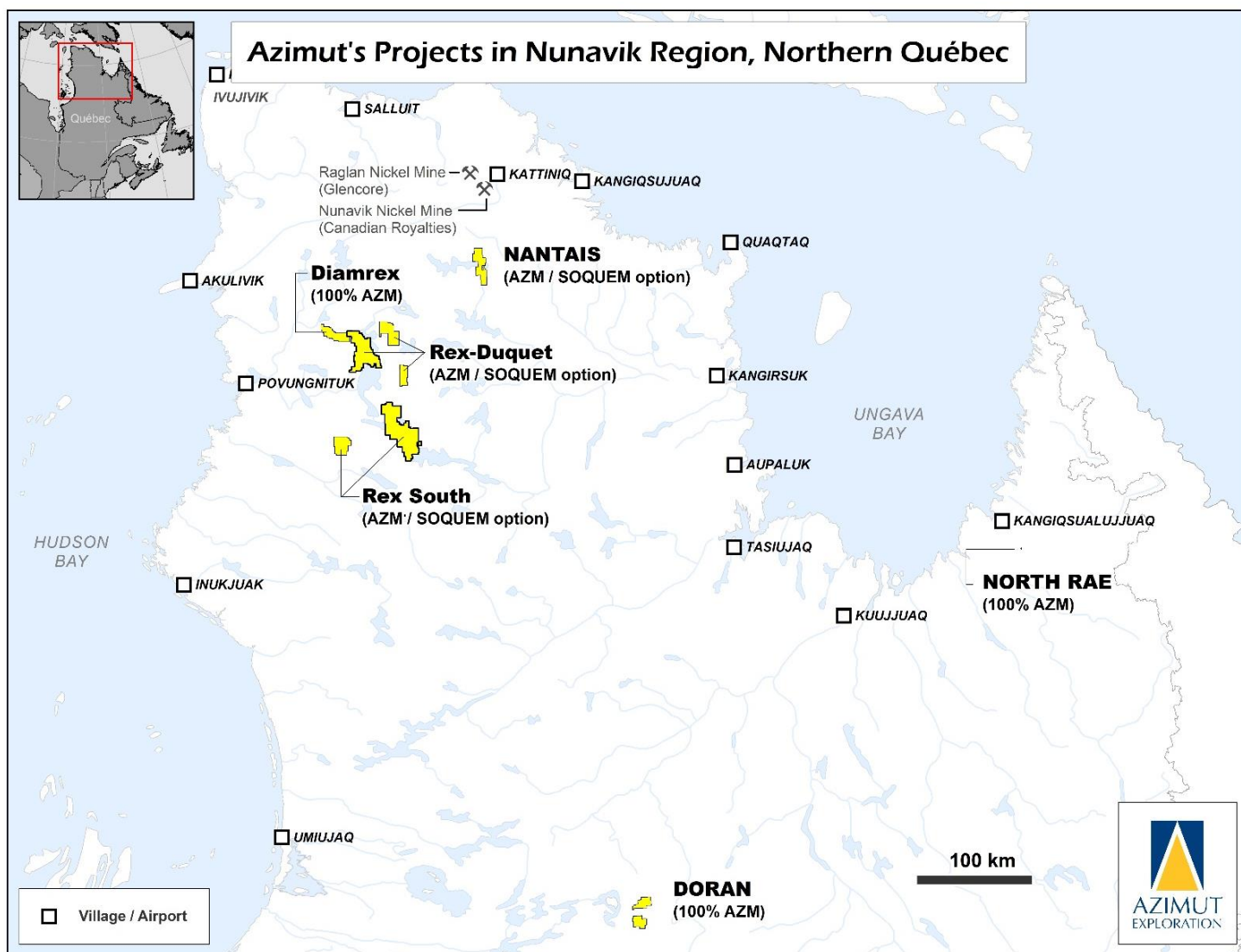


Figure 13: Map of Azimut's Nunavik property portfolio as at December 27, 2023.

## REX TREND

The Company's Rex-Duquet and Rex South properties provide the Company with a controlling land position over the **Rex Trend**, a vast underexplored area in the Nunavik region characterized by a strong 300-km-long copper anomaly in LBS, coupled with a strong 100-km-long REE anomaly. The main targets are IOCG deposits, reduced intrusion-related gold-polymetallic systems, copper-gold mineralization in shear zones, and VMS. A comparison can be made between the Rex Trend context and the world-class Carajás Mineral Province in Brazil. The latter hosts several large IOCG deposits and intrusion-related Cu-Au-(W-Bi-Sn) and W deposits associated with anorogenic granite intrusions.

### Rex-Duquet (Au-Ag-Cu-REE)

The wholly owned Rex-Duquet Property (**Figure 14**) occupies the northern segment of the Rex Trend. The claim blocks are spread over 80 km. In Fiscal 2023, the Company incurred \$91,000 (\$199,000 – Fiscal 2022) in exploration expenditures and \$82,000 in claim-related costs (\$76,000 – Fiscal 2022). In the past, all costs were charged back to SOQUEM in full, but the Company is currently in charge of the costs on an interim basis starting May 1, 2022. On April 1, 2023, SOQUEM decided to extend the suspension of its financial obligations for a maximum additional period of one (1) year. Azimut and SOQUEM will continue their technical assessment of this property.

Rex-Duquet demonstrates evidence for district-scale IOCG mineralization associated with brittle structures and characterized by copper-dominant values accompanied by magnetite, hematite and pervasive potassic alteration, primarily represented by the RBL, Mousquetaires and CM zones.

The Rex-Duquet component of the SOQUEM-funded 2021 exploration program consisted of diamond drilling (2,152 m in 12 holes), geophysics (IP and magnetics) and channel sampling (see PR of September 15, 2021 for details). The latest set of acquired data is under review. The key features of the drill-tested target zones are summarized below (see also **Figure 14**).

#### RBL Zone

The RBL Zone is at least 3 km long by 50 to 200 m wide, with up to 11.3% Cu in grab samples. Mineralization primarily consists of chalcopyrite (lesser digenite, covellite) and pyrite. Copper mineralization is present as disseminations or in veinlets, stockworks, centimetric to decimetric massive sulphide blebs, semi-massive veins and breccia cement. RBL exhibits characteristics of a major IOCG-type hydrothermal-magmatic system with possible significant down-dip extensions.

#### Mousquetaires Zone

Mousquetaires is a target zone at least 1.5 km long by 200 m wide related to a copper-bearing brittle fault cutting a foliated iron formation. The zone returned grades up to 13.65% Cu, 0.12% Mo, 25.9 g/t Te and 14.25 g/t Re from different grab samples. This zone may represent the strike extension of the RBL Zone located 10 km to the north-northwest.

#### Subtle Zone

The Subtle target zone is recognized over an area 500 m long by 150 m wide, striking NNW with a subvertical dip and largely open along strike. It is interpreted as a shear-hosted mineralized system, returning best grab sample grades of 580 g/t Au, 915 g/t Ag and 7.87% Zn, including up to 11.7 g/t Te, 0.5% W and 0.25% Mo.

#### PAK Zone and PAK North Zone

These zones lie on strike with the Subtle Zone. They form a group of 10 prospects spread over 7 km that yielded up to 133.5 g/t Au, 851 g/t Ag, 9.09% Zn, >500 g/t Te, 1.6% Cu and 0.87% W in grab samples and proximal boulders.

### **Rex South (Au-Ag-Cu-W-REE)**

The wholly owned Rex South Property occupies the southern segment of the Rex Trend. In Fiscal 2023, the Company incurred \$119,000 (\$240,000 – Fiscal 2022) in exploration expenditures and \$68,000 in claim-related costs (\$81,000 – Fiscal 2022). In the past, all costs were charged back to SOQUEM in full, but the Company is currently in charge of the costs on an interim basis starting May 1, 2022. On April 1, 2023, SOQUEM decided to extend the suspension of its financial obligations for a maximum additional period of one (1) year. Azimut and SOQUEM will continue their technical assessment of this property.

The Rex South component of the 2021 exploration program consisted of diamond drilling (738 m in 5 holes), geophysics (IP and magnetics) and channel sampling (see PR of September 15, 2021 for details). The latest set of acquired data is being reviewed. The key features of the drill-tested target zones (**Figure 15** and **Figure 16**) are summarized below. Overall, the Rex South Property shows evidence for two types of district-scale mineralized systems:

1. Intrusion-related polymetallic system associated with an oval (5 km by 15 km) fluorite-topaz-bearing A-type intrusive complex (Qalluviartuuq Intrusive Complex: “QIC”). This includes the Augossan, Anorthosite, Copperton, Dragon, Lebreuil and Boreal zones and the Pegor and Ferrus prospects. Considerable exploration potential exists along the 30-km contact between the QIC and the volcano-sedimentary host rocks, as well as within the intrusion itself. The Aura-Pegor and Lebreuil zones may represent a less eroded part of the system (possible roof zones) along the extensions of the trend. The QIC system has several features in common with the Breves deposit in Brazil (see PR of April 4, 2012).
2. IOCG mineralization associated with brittle structures and copper-dominant values (Jemima Zone, Sombrero Prospect, Impact Prospect). Mineralization is accompanied by magnetite, hematite and pervasive potassic alteration.

#### Augossan Zone

The Augossan Zone represents the first reported occurrence of significant tungsten grades in the Nunavik region. It is a large polymetallic envelope (Au, Ag, Cu, W, Sn, Te, Bi, Rb, Mo) about 8 km long by 100 to 350 m wide at the contact between the QIC and volcano-sedimentary rocks. The zone remains open in all directions, notably toward the intrusion. Grab samples yielded maximum values of 47.2 g/t Au, 90.0 g/t Ag, 2.56% Cu, 60.8 g/t Te, 4.62% W, 7.53% Sn, 0.36% Mo, 0.77% Bi and 0.25% Rb. Channel sampling yielded 7.53% Sn, 0.72% W and 0.14% Cu over 2.7 m. RC drilling highlights included 0.14% W over 15.24 m; 0.12% W and 0.35% Cu over 7.62 m; 1.28 g/t Au, 8.41 g/t Ag and 0.12% Cu over 6.1 m; 1.10 g/t Au and 2.60 g/t Ag over 9.14 m.

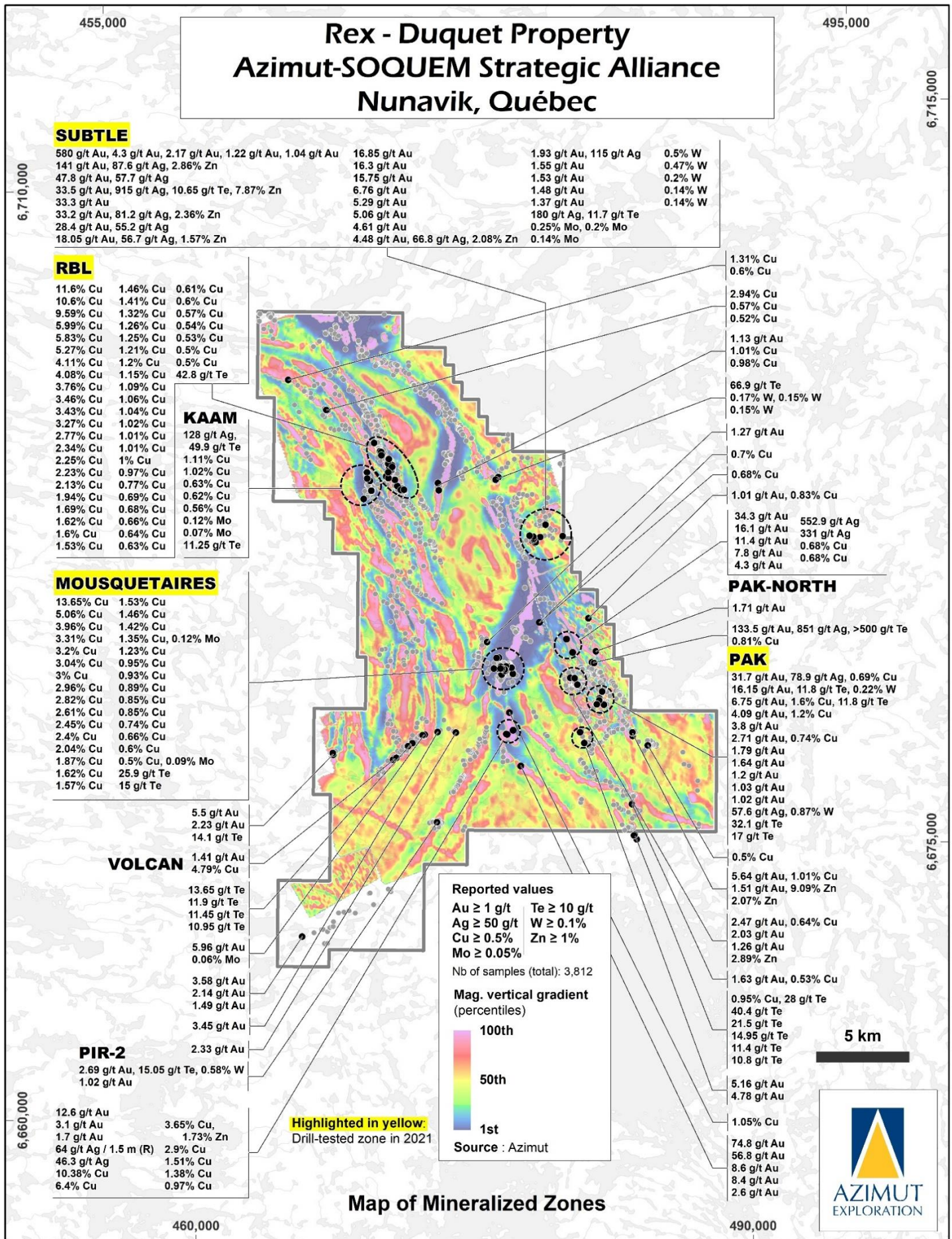


Figure 14: Map of the Rex-Duquet Property (main "A" block) showing the best grab and channel sample results as of September 15, 2021.

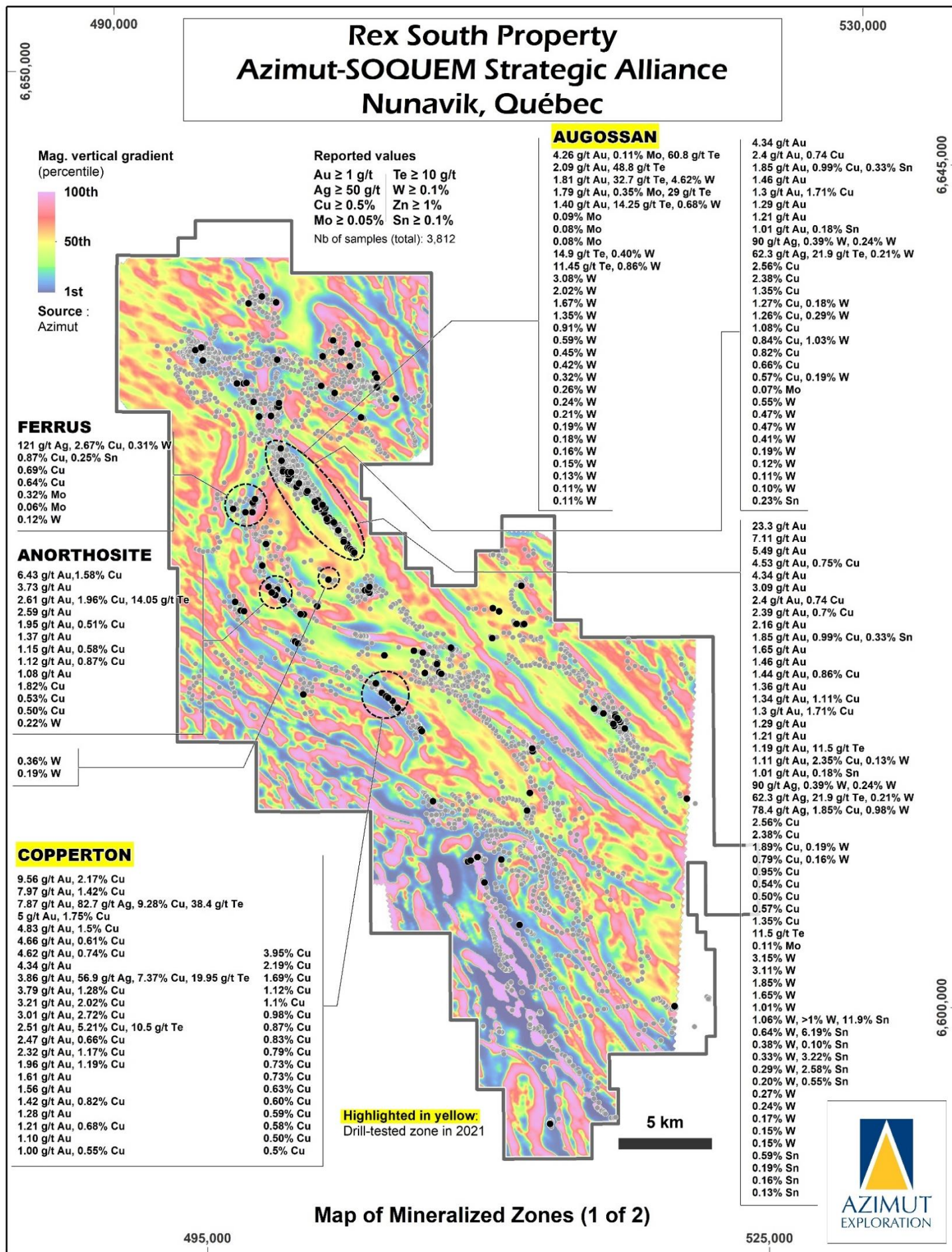


Figure 15: Map of the Rex South Property showing some of the significant zones and best grab samples as of September 15, 2021 (more in next figure).

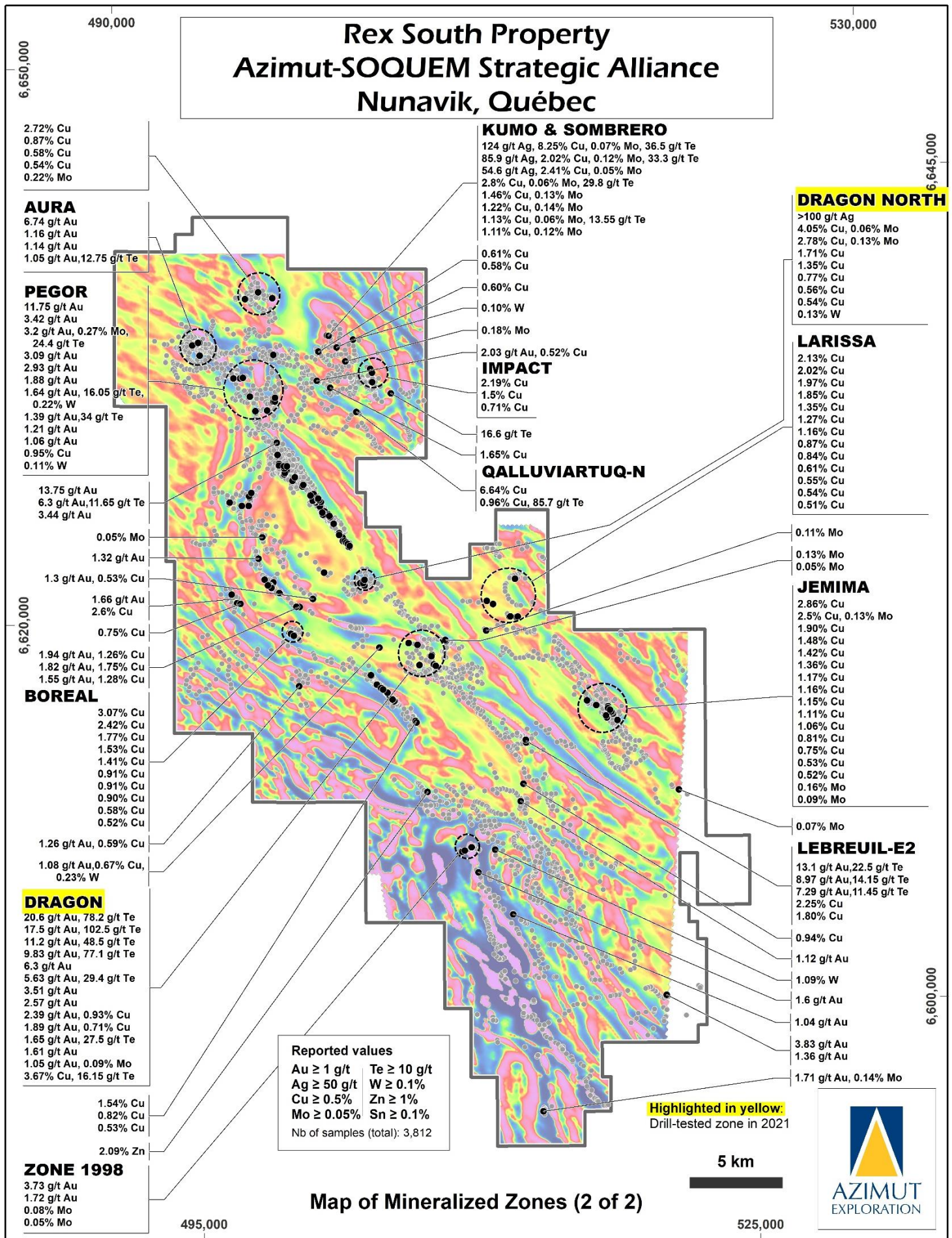


Figure 16: Map of the Rex South Property showing the remaining significant zones and best results as of September 15, 2021.



### Copperton Zone

The Copperton Zone, 3.5 km long by 20 to 100 m wide, is hosted in a variably sheared, steeply dipping feldspathic intrusion, amphibolites and gneissic metasediments. Sulphides comprise disseminated to semi-massive chalcopyrite, pyrite and pyrrhotite. The best grades were 9.56 g/t Au, 82.7 g/t Ag, 9.56% Cu, 38.4 g/t Te and 0.23% W in various grab samples.

### Dragon North Zone

The Dragon North Zone, 450 m long by 90 m wide, is hosted in foliated mafic and felsic volcanics striking NW and dipping to the NE. Mineralization is mainly chalcopyrite accompanied by lesser pyrite and magnetite. The best grab samples are 4.05% Cu, 0.6% Mo and 2.78% Cu, 0.13% Mo. Alteration is mainly silicification.

### Dragon Zone

The Dragon Zone, roughly 2 km in strike length, is hosted in felsic orthogneiss. Mineralization occurs as chalcopyrite in quartz veins and veinlets associated with tourmaline. Alteration is marked by epidote and hematite. The best grades from grab samples are 3.67% Cu, 11.2 g/t Au and 48.5 g/t Te.

### Anorthosite Zone

A few reconnaissance holes and the prospecting data for this gold-copper-tungsten zone have outlined a preliminary envelope 4 km long by 200 m wide, with Au, Ag, Cu, W and Te mineralization.

### Aura–Pegor Zone

The Aura–Pegor Zone, 2 km long, is characterized by disseminated pyrite and strong alteration, including tourmaline in veinlets or stockworks accompanied by silica and albite. Grab sample grades range from 0.5 g/t Au to 11.75 g/t Au, with anomalous values of other elements up to 0.37% Cu, 0.06% W, 0.14% Bi and 34 g/t Te.

### Jemima Zone

The Jemima Zone, 2 km long by 30 to 100 m wide, is 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. Grab samples assayed from 0.5% to 2.86% Cu, with up to 0.17% Mo and 0.422 g/t Re.

## **OTHER NUNAVIK PROPERTIES**

### **Nantais (Au-Ag-Cu-Zn)**

This wholly owned Nantais Property covers 32 km of an underexplored greenstone belt about 110 km east of the Rex Trend, 80 km south of Glencore's Raglan nickel mine and 115 km southwest of the Inuit village of Kangiqsuaq. Three historical showings are present on the property. Target deposit types are gold-rich polymetallic VMS and shear zones. The Company's prospecting results, supported by other data, have outlined a 1.6-km-long gold-bearing area (best grab sample grade of 6.91 g/t Au, 16.4 g/t Ag and 0.22% Cu from an angular boulder). A polymetallic corridor in the central part of the property, 3.1 km long by up to 500 m wide, yielded a best grab sample grade of 17.4 g/t Au, 8.82 g/t Ag, 0.2% Cu and 245 g/t Ag, 1.62% Pb, 6.45% Zn.

In Fiscal 2023, the Company incurred \$600 (\$Nil – Fiscal 2022) in exploration expenditures and \$8,000 in claim-related costs (\$6,000 – Fiscal 2022). In the past, all costs were charged back to SOQUEM in full, but the Company is currently in charge of the costs on an interim basis starting May 1, 2022. On April 1, 2023, SOQUEM decided to extend the suspension of its financial obligations for a maximum additional period of one (1) year. Azimut and SOQUEM will continue their technical assessment of this property.

### **Doran (Cu)**

The wholly owned Doran Property is of interest for its copper potential. A chalcocite showing in a granite outcrop yielded >40% Cu and 12 g/t Ag. A major structure on the property correlates with a 25-km copper anomaly in LBS (up to 316 ppm Cu).

### **Diamrex (diamonds)**

The wholly owned Diamrex Property is adjacent to the western limit of the Rex-Duquet Property. The claim blocks are spread over an area measuring 25 km by 15 km. Azimut conducted generative work to assess the potential for diamond targets related to the deep-seated structural corridor known as the Allemand-Tasiat Zone. Diamrex covers several areas of interest identified by that work. The Allemand-Tasiat Zone has been recognized as prospective for diamonds by the Government of Quebec (MRNF).

## SELECTED FINANCIAL INFORMATION

	August 31,		
	2023 (\$)	2022 (\$)	2021 (\$)
Revenues			
Operator income	139,555	107,435	314,592
Expenses			
G&A	1,477,158	1,672,592	1,272,388
Impairment of exploration and evaluation assets	829,394	17,629	352,887
General exploration	194,431	208,597	316,275
Interest income, net of finance costs	(152,202)	(30,677)	(27,328)
	2,348,781	1,868,141	1,914,222
Other losses (gain)	(378,260)	22,001	(25,344)
Deferred income tax recovery	-	3,399,557	1,023,527
Net loss (income) for the year	1,830,966	(1,616,850)	550,759
Basic loss (income) per share	0.02	(0.02)	0.01
Diluted loss (income) per share	0.02	(0.02)	0.01

## RESULTS OF OPERATIONS

### FISCAL 2023 COMPARED TO FISCAL 2022

The Company reported a net loss of \$1.8 million for Fiscal 2023 compared to a net income of \$1.6 million for Fiscal 2022. The variation is mainly due to the non-cash items consisting of a gain on the sale of the Company's participating interest in the ELSJV in the amount of \$378,000 (\$Nil in Fiscal 2022) and no deferred income tax recovery related to tax deductions renounced by the Company to flow-through shareholders in Fiscal 2023 (\$3.4 million – Fiscal 2022). Other significant variations are detailed below.

#### Revenue

The Company reported revenue of \$140,000 (\$107,000 – Fiscal 2022) in operator income for projects on which Azimut is the operator (Wapatik, Kukamas, Corvet, Kaanaayaa, Galinée and SOQUEM JB Alliance properties).

#### Operating expenses

G&A expenses amounted to \$1,477,000 in Fiscal 2023 compared to \$1,673,000 in Fiscal 2022. The variation is mainly due to the net effect of the following: (i) higher salaries and fringe benefits and director fees (\$379,000 in Fiscal 2023 compared to \$211,000 in Fiscal 2022) due to the addition at the end of Fiscal 2022 of a Vice-President Corporate Development; (ii) lower stock-based compensation costs (\$115,000 in Fiscal 2023 compared to \$825,000 in Fiscal 2022); (iii) an increase in professional and maintenance fees (\$324,000 in Fiscal 2023 compared to \$202,000 in Fiscal 2022) in connection with activist shareholder matters; (iv) an increase in business development and administration fees (\$256,000 in Fiscal 2023 compared to \$110,000 in Fiscal 2022) in connection with activist shareholder matters; and (v) higher insurance costs (\$89,000 in Fiscal 2023 compared to \$49,000 in Fiscal 2022) due to the greater involvement in mineral exploration activities and the Company's listing on the OTCQX.

The impairments on E&E assets amounted to \$829,000 (\$18,000 in Fiscal 2022) due to some claims that had been abandoned or were not expected to be renewed on the Rex-Duquet and Rex South properties.

General exploration expenses were \$194,000 in Fiscal 2023 compared to \$209,000 in Fiscal 2022. The decrease is mainly due to the net effect of salaries and stock-based compensation related to project generation.

#### Other gains or losses

The Company reported other gains of \$378,000 for Fiscal 2023, compared to \$22,000 for Fiscal 2022. The variation was mainly due to the gain on the sale of the Company's participating interest in the ELSJV of \$378,000 (\$Nil in Fiscal 2022).

## OTHER INFORMATION

	August 31, 2023	August 31, 2022
Cash and cash equivalents	\$3,320,226	\$14,035,435
Total assets	\$46,672,316	\$54,205,106
Equity	\$43,533,645	\$47,175,225
Number of shares outstanding	79,963,844	82,193,844
Number of stock options outstanding	5,598,000	6,079,000
Number of underwriter's options outstanding	-	501,695

The Company has not declared cash dividends on its outstanding common shares since its incorporation. Any future dividend payment will depend on the Company's financial needs for its exploration programs and future financial growth or any other factor that the Board deems necessary to consider under the circumstances. It is unlikely that 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 \$3.4 million as at August 31, 2023, compared to \$14.6 million as at August 31, 2022. Management believes that the Company's current cash position is sufficient to continue advancing its flagship project (Elmer), pursue its budgeted exploration expenditures on its other properties, and meet current commitments as they become due for at least the next twelve (12) months. A bought deal was closed in September 2023 for an amount of \$8.18 million. To pursue the Company's exploration and evaluation programs and operations beyond August 31, 2024, it may 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 the Company's E&E assets. While the Company has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future or that sources of funding or initiatives will be available to the Company or on terms that are acceptable to the Company.

Total assets amounted to \$46.7 million as at August 31, 2023, compared to \$54.2 million as at August 31, 2022, owing mainly to (i) the sale of the Company's participating interest in the ELSJV, (ii) the \$2.4 million received for the 2021 tax credit and mining rights, and (iii) the reduction of the accounts payable of \$3.7 million. The commodity taxes receivable of \$67,000 (\$835,000 – August 31, 2022) is lower because significant reduction in the Company's expenditures related to exploration activity in the summer was interrupted for which caused by access bans in response to widespread wildfires. The increase in E&E costs was incurred mainly in the James Bay region on the Elmer, Wabamisk and JBL projects. The decrease in current liabilities is due to a reduction in accounts payable and liabilities, mainly attributable to less drilling activity on the Elmer Property and the postponing of field activity caused by forest fires in James Bay region. The reduction in equity to \$43.5 million (\$47.2 million – August 31, 2022) is mainly attributable to the cancellation of 2.9 million shares of the Company received for the sale of its 23.77% participating interest in the ELSJV and the net loss for the year.

### OPERATING ACTIVITIES

In Fiscal 2023, net cash flows from operating activities amounted to negative \$736,000 compared to net cash flows of \$1,765,000 from operating activities in Fiscal 2022. The net change in non-cash working capital, amounting to \$197,000 (\$2,345,000 – Fiscal 2022), comprises the variation in amounts receivable mainly related to the commodity taxes receivable and mining credits receivable. The net variation in accounts payable and accrued liabilities is mainly related to the Company's current operations.

### FINANCING ACTIVITIES

In Fiscal 2023, 670,000 stock options were exercised for total cash received of \$215,000 (\$206,300 – Fiscal 2022).

## INVESTING ACTIVITIES

Investing activities consisted mainly of additions to E&E assets. In Fiscal 2023, the net cash flows used in investing activities totalled \$10.1 million compared to \$15.5 million in Fiscal 2022. The variation is attributable to the net effect of the following:

- Additions to E&E assets in the amount of \$16.5 million (\$16.2 million – Fiscal 2022). The Company incurred significant costs in the James Bay region on the Elmer, James Bay Lithium and Wabamisk properties;
- Additions to property and equipment in the amount of \$320,000 (\$544,000 – Fiscal 2022), mainly for the acquisition of specialized equipments to conduct exploration work and the Elmer Camp expansion;
- Advances received from partners in the amount of \$1.8 million (\$1.2 million – Fiscal 2022) to conduct exploration work on the Wapatik and Kukamas properties; and
- \$4.8 million received in Fiscal 2023 for the Company’s 2022 and 2023 tax credits and mining rights (\$80,000 – Fiscal 2022).

Advanced exploration work on the Company’s properties and ongoing work to identify major early-stage exploration targets are pursuits that require substantial financial resources. In the past, the Company has relied on its ability to raise financing in privately negotiated equity offerings. There is no assurance that the Company will raise 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 Company’s financial statements prepared in accordance with IFRS Accounting Standards.

Quarter ended	Income (expense) \$	Net earnings (loss) \$	Net earnings (loss) per share	
			Basic (\$)	Diluted (\$)
31-08-2023	60,762	(639,298)	(0.03)	(0.03)
31-05-2023	46,748	****(1,372,031)	(0.015)	(0.015)
28-02-2023	8,082	(31,445)	(0.000)	(0.000)
30-11-2022	*402,223	*211,808	0.003	0.003
31-08-2022	18,831	*** (1,130,408)	(0.014)	(0.014)
31-05-2022	37,420	** 1,055,235	0.013	0.012
28-02-2022	(1,220)	** 1,178,831	0.014	0.014
30-11-2021	30,405	** 513,191	0.006	0.006

- \* Disposition of available for sale asset
- \*\* Deferred income tax recovery
- \*\*\* Stock-based compensation
- \*\*\*\* Impairment of exploration and evaluation assets

### Current quarter

For the three months ended August 31, 2023 (“Q4 2023”), the Company reported a net loss of \$639,000, compared to a net loss of \$1,130,000 for the three months ended August 31, 2022 (“Q4 2022”). The variations in 2023 were primarily attributable to the following:

- Stock options granted in Q2 2022 had an impact on the stock-based compensation expense of \$797,000 (\$Nil – Q4 2023).

## CONTRACTUAL OBLIGATIONS

As at August 31, 2023, the Company’s contractual obligation payments are as follows:

	Carrying amount \$	Contractual cash flows \$	0 to 12 months \$	12 to 24 months \$	More than 24 months \$
Accounts payable and accrued liabilities, and advances received for exploration work	1,483,590	1,483,590	1,483,590	-	-
Lease liabilities	105,157	117,680	64,189	53,491	-

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

## CARRYING AMOUNT OF EXPLORATION AND EVALUATION ASSETS

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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 each quarter of 2023, the Company impaired the Rex-Duquet and the Rex South properties for a total of \$0.8 million.

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

## RELATED PARTY TRANSACTIONS

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The Company's related parties include key management personnel and companies they own. Key management includes the directors, the chief executive officer ("CEO"), the chief financial officer ("CFO"), the Vice-President Corporate Development ("VPD") and the Vice-President Exploration ("VPE"). The compensation paid or payable for services provided by key management was as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Salaries	947,000	554,215
Director fees	140,000	98,629
Stock-based payment	223,698	807,516
	<u>1,310,698</u>	<u>1,460,360</u>

An amount of \$531,000 for salaries (\$282,000 in 2022) was capitalized to E&E assets.

As at August 31, 2023, accounts payable and accrued liabilities included an amount of \$169,000 (\$235,000 as at August 31, 2022) owed to key management. These amounts are unsecured, non-interest bearing, and due on demand.

If termination of employment is for reasons other than gross negligence, the CEO and CFO will be entitled to receive an indemnity equal to twelve (12) months of salary, and the VPD shall be entitled to receive an indemnity equal to twelve (12) weeks of salary after completing the first year of employment, increasing by four (4) weeks for every additional year of employment to a maximum of one (1) year of salary. The VPE shall be entitled to receive an indemnity equal to four (4) weeks of salary after completing up to the first year of employment, to twelve (12) weeks after one (1) year of employment and increasing by four (4) weeks for every additional year of employment to a maximum of one (1) year of salary after two (2) years of employment. The indemnity paid must not represent more than 10% of the Company's cash and cash equivalents at such time. As at August 31, 2023, the entitled indemnity amounted to \$593,000.

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 of \$680,000, equal to twenty-four (24) months of salary. The CFO will be entitled to receive an indemnity of \$285,000, equal to eighteen (18) months of salary. The VPD will be entitled to receive an indemnity of \$267,000 within the twelve (12) months following the change of control, equal to sixteen (16) months of salary. The VPE will be entitled to receive an indemnity of \$147,000 within the twelve (12) months following the change of control, equal to eight (8) months of salary.

## SUBSEQUENT EVENTS

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On September 28, 2023, the Company closed a \$8.18 million bought deal private placement financing. The private placement consisted of 2,442,100 premium flow-through common shares at a price of \$2.0475 that will be used for critical mineral exploration expenditures, 550,600 flow-through common shares at a price of \$1.8165 per share, and 2,082,100 common shares at a price of \$1.05.

On October 16, 2023, the Company issued 100,000 common shares upon exercise of stock options with an exercise price of \$0.20.

On October 26, 2023, the Company granted 1,032,000 stock options to its directors, officers, employees and consultants, with an exercise price of \$0.95 per stock option, expiring after 10 years.

On December 8, 2023, the Company signed an Option to Joint Venture agreement with Ophir Gold Corp. ("Ophir Gold") for the Pilipas Property. Under the agreement, Ophir can earn up to a 70% interest in the property from the Company over three (3) years by funding \$4 million in exploration expenditures and making payments totalling 6 million Ophir Gold shares and \$100,000 in cash. The agreement is subject to regulatory approvals by the TSXV.

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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A detailed summary of the Company's significant accounting policies is provided in Note 2 of the annual financial statements as at August 31, 2023.

## **NEW ACCOUNTING STANDARDS OR AMENDMENTS**

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A detailed summary of new accounting standards or amendments adopted in the current year or to be adopted in later years is provided in Note 3 of the annual financial statements as at August 31, 2023.

## **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

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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, 2023.

## **RISK RELATED TO FINANCIAL INSTRUMENTS**

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The Company has exposure to various financial risks from its use of financial instruments, such as credit risk, liquidity risk and market risk. A detailed summary is provided in Note 21 of the annual financial statements as at August 31, 2023.

## **RISKS AND UNCERTAINTIES**

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The Company has exposure to various risks and uncertainties related to the following:

### **Inflation**

A general price hike for all goods and services and less purchasing power may significantly impact the Company's liquidity, resulting in increased operating and E&E asset costs. The Company is financially and operationally flexible and capable of adjusting to changing situations as appropriate. Management will continue to monitor the situation closely.

### **Workforce**

Skilled workforce attraction and retention remain under pressure due to the full employment context in the mining sector. Although the Company has implemented favourable salary and benefit packages comparable to its peers, it has had to outsource some of its work activities to service providers to fulfill its needs. Management continues to look for ways to attract and retain new workers.

### **Metal Prices**

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities, and worldwide production levels. The effect of these factors cannot be accurately predicted.

### **Industry Conditions**

Mining and milling operations are subject to government regulations. Operations may be affected to varying degrees by government regulations such as restrictions on production, price controls, tax and mining duty increases, expropriation of property, pollution controls, or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The Company undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

### **Property Title Risk**

The Company has taken steps to verify property titles relating to its mineral properties in which it holds an interest, and those steps satisfy industry standards given the current exploration stage of the properties. However, these procedures do not guarantee the Company's right to the property title. The property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

## Equity Price Risk

The Company is subject to market risk related to the market price of the equity of the Company, which trades on the TSXV. Historically, the Company has relied primarily on equity financings from the sale of its common shares to fund its operations. Movements in the price of the Company's common stock have been volatile in the past and may continue to be volatile in the future. As a result, there is a risk that the Company may not be able to complete equity financings at acceptable prices when required. Also, a prolonged decline in the market price of the Company's common shares or a reduction in the Company's accessibility to global markets may result in its inability to secure additional financing, which would have an adverse effect on operations.

## Financial Risks

Management believes it has sufficient funds to pay its ongoing G&A expenses, pursue its budgeted exploration expenditures, and meet its liabilities, obligations and existing commitments for at least the next twelve (12) months as they fall due. The Company will spend its existing working capital and raise additional funds as needed to continue exploring its properties and carrying out its operations beyond August 31, 2023. 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 to the Company or that they will be available on terms that are acceptable to the Company. The financial risk associated with receivables from partners arises from the possibility that the partners may not be able to repay their debts. These receivables result from option payments and exploration work carried out on properties under option and operated by the Company.

## Environmental Risk

The Company is susceptible to various environmental incidents during exploration work, including forest fires and conditions related to climate change. The Company implements and maintains an environmental risk management system that includes operational plans and practices. The Company is in compliance with regulatory requirements.

## Uninsured Hazards

Hazards, such as unusual geological conditions, are involved in exploring and developing mineral deposits. The Company may become subject to liability for pollution or other hazards that it cannot be insured against or against which it may elect not to insure due to high premium costs or other reasons. The payment of any such liability could result in the loss of Company assets or the insolvency of the Company.

## Competition

The mining industry is intensely competitive in all its phases. The Company seeks partners to advance exploration work and the development of its mineral properties and, in so doing, must compete with many other companies possessing properties that are considered attractive in terms of potential return and investment cost, as well as for recruitment and retention of qualified employees.

## Conflicts of Interest

Certain directors and officers of the Company are already or may also become directors, officers or shareholders of other companies similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director involved in the conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the voting directors will primarily consider, in addition to economic value, the degree of risk to which the Company may be exposed and its financial position at that time.

## Key Employees

Management relies on a few key officers and losing any of them could have a detrimental effect on its operations. The Company is the beneficiary of a \$1.0 million life insurance policy subscribed for Jean-Marc Lulin.

## Canada Revenue Agency and Provincial Tax Agencies

No assurance can be made that the Canada Revenue Agency and the provincial tax agencies will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or that such expenses will be eligible as Canadian exploration expenses under the *Income Tax Act (Canada)*.

## COVID-19 Global Health Crisis

The Company faces risks related to the global health crisis caused by the COVID-19 pandemic. These risks include adverse effects on global economies and financial markets, including a possible national or global recession.

The COVID-19 pandemic and the Company's compliance with the Government of Quebec's directives, including the Company's implementation of strict protective measures for its operations, may have a significant impact on the Company's business and the market for its securities. The COVID-19 pandemic adversely affects the Company's activities and may cause additional delays to its 2022 field programs in the James Bay and Nunavik regions.

Due to the highly uncertain outcome and duration of the COVID-19 pandemic, the Company's management cannot estimate its impact on the Company's business, operations or financial results; however, the impact could be material.

The Company is financially and operationally flexible and capable of adjusting to the changing situation as appropriate. Management will continue to monitor the situation.

## Cyber Security

Threats to information technology systems associated with cyber security risks and attacks continue to grow due to the increase in remote work related to the COVID-19 pandemic. Risks associated with these threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, privacy and confidentiality breaches, and increased costs to prevent, respond to or mitigate cyber security incidents. The significance of any cyber security breach is difficult to quantify but may, in certain circumstances, be material and could have a material adverse effect on the Company's business, financial condition and results of operations.

## INFORMATION REGARDING OUTSTANDING SHARES

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The Company can issue an unlimited number of common shares with no par value. As at December 27, 2023, there were 85,208,644 issued and outstanding shares, no shares held in escrow, and 152,244 outstanding warrants.

The Company maintained a stock option plan in which a maximum of 8,190,000 stock options may be granted. The exercise price of the options is set at the closing price of the Company's shares on the TSXV the day before the grant date. The options have a maximum term of ten (10) years following the grant date. If a blackout period is in effect at the end of the term, the expiry date will be extended by ten (10) business days following the end of the blackout period. The options vest immediately unless otherwise approved by the Board. As at December 27, 2023, a total of 6,460,000 stock options were outstanding, and 5,990,000 had vested. Their exercise prices range from \$0.20 to \$1.67, and the expiry dates range from March 24, 2025, to October 26, 2033.

## ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

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This MD&A report is dated December 27, 2023, the date on which it was approved by the Board. The Company regularly discloses additional information through press releases and its financial statements filed on SEDAR+.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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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, they are essentially forward-looking and often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". These 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. Many factors could cause such differences, particularly the impact of COVID-19, volatility in and sensitivity to market metal prices, the 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 by applicable securities laws.

(s) Jean-Marc Lulin  
President and CEO

(s) Moniroth Lim  
CFO and Corporate Secretary



# CORPORATE INFORMATION

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## Azimut Exploration Inc.

### Board of Directors

Christiane Bergevin, B.Com, ICD.D., Director (Montreal) <sup>(2)</sup>  
Michel Brunet, LL.B., Director (Montreal) <sup>(1)</sup>  
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal)  
Angelina Mehta, P. Eng., MBA, LL.M., ICD.D., Director (Montreal) <sup>(1)</sup>  
Glenn Mullan, P.Geo., ICD.D., Chairman & Director (Val-d'Or)  
Jean-Charles Potvin, MBA, B.Sc., Director (Ottawa) <sup>(2)</sup>  
Jacques Simoneau, P.Eng., PhD, ICD.D., Director (Montreal) <sup>(1,2)</sup>

<sup>(1)</sup> Member of the Governance and Compensation Committee

<sup>(2)</sup> Member of the Audit Committee

### Management

Jean-Marc Lulin, President and Chief Executive Officer  
Moniroth Lim, Chief Financial Officer and Corporate Secretary  
Jonathan Rosset, Vice-President Corporate Development  
Rock Lefrançois, Vice-President Exploration

### Legal Counsel

Marc Pothier, XploraMines S.A. (Montreal)

### Auditors

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

### Transfer Agent

TSX Trust Company (formerly AST Trust Company) (Montreal)

### Listing

TSX Venture Exchange (TSXV)  
Symbol: AZM  
OTCQX<sup>®</sup> Best Market (OTCQX)  
Symbol: AZMTF

### Contact Information

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