

Azimut Exploration Inc

Unaudited Condensed Interim Financial Statements
November 30, 2012 and 2011
(expressed in Canadian dollars, except share amounts)

Azimut Exploration Inc
Interim Statements of Financial Position
(in Canadian dollars)
(Unaudited)

	November 30, 2012	August 31, 2012
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	1,736,005	1,402,610
Amounts receivable (note 4)	1,862,005	2,670,013
Prepaid expenses	20,898	26,046
	<u>3,618,908</u>	<u>4,098,669</u>
Non-current assets		
Mining rights receivable	212,386	205,685
Investment (note 5)	162,182	207,224
Property and equipment (note 6)	327,097	311,917
Intangible assets (less accumulated amortization of \$14,741; \$13,997 as at August 31, 2012)	9,167	9,910
Exploration and evaluation assets (note 7)	8,620,345	8,439,383
	<u>9,331,177</u>	<u>9,174,119</u>
Total assets	<u>12,950,085</u>	<u>13,272,788</u>
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities - Related parties	47,370	76,747
Accounts payable and accrued liabilities, advances received for exploration work and others	195,883	304,060
Current portion of debentures payable	81,600	100,000
	<u>324,853</u>	<u>480,807</u>
Non-current liabilities		
Debenture payable	-	77,000
Asset retirement obligations	242,123	241,278
	<u>242,123</u>	<u>318,278</u>
Total liabilities	<u>566,976</u>	<u>799,085</u>
Equity		
Share capital	20,456,111	20,456,111
Warrants (note 8)	426,308	426,308
Stock options (note 9)	1,427,401	1,436,434
Contributed surplus	2,168,420	2,159,387
Deficit	(12,052,765)	(11,990,713)
Accumulated other comprehensive loss	(42,366)	(13,824)
	<u>12,383,109</u>	<u>12,473,703</u>
Total equity	<u>12,383,109</u>	<u>12,473,703</u>
Total liabilities and equity	<u>12,950,085</u>	<u>13,272,788</u>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Azimut Exploration Inc
Interim Statements of Comprehensive Loss
(in Canadian dollars)
(Unaudited) For the three-month period ended November 30, 2012 and 2011

	2012 \$	2011 \$
Expenses		
General and administrative (note 10)	102,303	136,060
General exploration (note 10)	9,532	10,437
Operating loss	<u>111,835</u>	<u>146,497</u>
Financing cost, net		
Interest income	(7,899)	(9,047)
Interest on debentures	30,224	8,498
Interest and bank charges	342	482
Unwinding of discount on asset retirement obligations	845	-
	<u>23,512</u>	<u>(67)</u>
Other gains and losses		
Gain on option payments on exploration and evaluation assets	57,957	-
Management fees	7,521	10,985
Gain on sale of available-for-sale investments	7,817	-
	<u>73,295</u>	<u>10,985</u>
Loss for the period	<u>(62,052)</u>	<u>(135,445)</u>
Other comprehensive income (loss)		
Unrealized loss on available-for-sale investments	(36,359)	(100,851)
Reclassification of the gain on sale of available-for-sale investments to statement of loss for the period	7,817	-
	<u>(28,542)</u>	<u>(100,851)</u>
Comprehensive loss for the period	<u>(90,594)</u>	<u>(236,296)</u>
Basic and diluted loss per share	<u>(0.002)</u>	<u>(0.004)</u>
Basic and diluted weighted average number of shares outstanding	<u>36,470,328</u>	<u>34,972,692</u>

Azimut Exploration Inc

Interim Statements of Changes in Equity

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

	Share capital		Warrants		Stock options		Equity component of debenture	Contributed surplus	Deficit	Accumulated other comprehensive loss	Total
	Number	\$	Number	\$	Number	\$	\$	\$	\$	\$	\$
Balance as at September 1, 2012	36,470,328	20,456,111	2,666,664	426,308	2,220,000	1,436,434	-	2,159,387	(11,990,713)	(13,824)	12,473,703
Loss for the period	-	-	-	-	-	-	-	-	(62,052)	-	(62,052)
Other comprehensive loss	-	-	-	-	-	-	-	-	-	(28,542)	(28,542)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	(62,052)	(28,542)	(90,594)
Stock option forfeited	-	-	-	-	(110,000)	(9,033)	-	9,033	-	-	-
Balance as at November 30, 2012	36,470,328	20,456,111	2,666,664	426,308	2,110,000	1,427,401	-	2,168,420	(12,052,765)	(42,366)	12,383,109
Balance as at September 1, 2011	34,438,351	18,837,579	4,573,217	735,046	2,205,000	2,198,030	47,889	1,087,042	(10,595,287)	(7,393)	12,302,906
Loss for the period	-	-	-	-	-	-	-	-	(135,445)	-	(135,445)
Other comprehensive loss	-	-	-	-	-	-	-	-	-	(100,851)	(100,851)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	(135,445)	(100,851)	(236,296)
Issuance of units for payment of interest on convertible debentures	12,542	13,129	6,271	1,073	-	-	-	-	-	-	14,202
Conversion of debentures	500,000	301,257	250,000	42,750	-	-	(47,889)	-	-	-	296,118
Warrants exercised	1,439,435	1,208,488	(1,439,435)	(246,580)	-	-	-	-	-	-	961,908
Warrants expired	-	-	(26,556)	(4,565)	-	-	-	4,565	-	-	-
Stock options exercised	80,000	101,280	-	-	(80,000)	(48,480)	-	-	-	-	52,800
Stock options expired	-	-	-	-	(70,000)	(150,120)	-	150,120	-	-	-
Share issue expenses	-	(3,765)	-	-	-	-	-	-	-	-	(3,765)
Balance – November 30, 2011	36,470,328	20,457,968	3,363,497	527,724	2,055,000	1,999,430	-	1,241,727	(10,730,732)	(108,244)	13,387,873

The accompanying notes are an integral part of these financial statements.

Azimut Exploration Inc

Interim Statements of Cash Flows

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

	2012 \$	2011 \$
Cash flows used in operating activities		
Net loss for the period	(62,052)	(135,445)
Items not affecting cash		
Depreciation of property and equipment	2,208	3,047
Amortization of intangible assets	743	1,061
Gain on sale of available-for-sale investments	(7,817)	-
Gain on option payments on exploration and evaluation assets	(57,957)	-
Credit on duties refundable for losses and refundable tax credit relating to resources	(7,384)	(6,900)
Accretion expense on debentures	4,600	4,600
Shares issued for interest payment on debentures	-	14,203
Unwinding of discount on asset retirement obligations	845	-
	<u>(126,814)</u>	<u>(119,434)</u>
Net change in non-cash working capital items		
Amounts receivable	297,387	(152,264)
Prepaid expenses	5,147	14,841
Accounts payable and accrued liabilities, advances received for exploration work and others	(138,820)	(1,114,015)
	<u>163,714</u>	<u>(1,251,438)</u>
	<u>36,900</u>	<u>(1,370,872)</u>
Cash flows from financing activities		
Payment on debenture payable	(100,000)	(100,000)
Issuance of share capital, net of share issue expenses	-	1,014,708
Payments of obligation under finance lease	-	(3,765)
	<u>(100,000)</u>	<u>910,943</u>
Cash flows used in investing activities		
Proceeds from sale of investments	24,317	-
Additions to exploration and evaluation assets	(251,406)	(165,438)
Proceeds from sale of options on exploration and evaluation assets	60,000	-
Tax credit received	563,584	-
	<u>396,495</u>	<u>(165,438)</u>
Net change in cash and cash equivalents	333,395	(625,397)
Cash and cash equivalents - Beginning of period	<u>1,402,610</u>	<u>3,834,831</u>
Cash and cash equivalents - End of period	<u>1,736,005</u>	<u>3,209,434</u>
Additional information		
Interest received	(7,917)	(11,966)
Interest paid	57,370	40,509
Acquisition of exploration and evaluation assets included in accounts payable and accrued liabilities	1,267	403,653
Depreciation of property and equipment included in exploration and evaluation assets	17,806	80,826
Changes in estimated useful live of the camp under finance lease affected in exploration and evaluation assets	(35,194)	-
Credit on duties refundable for loss and refundable tax credit for resources presented as a reduction in exploration and evaluation assets	52,279	252,800

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Azimut Exploration Inc
Notes to Condensed Interim Financial Statements
(in Canadian dollars)
(Unaudited) For the three-month periods ended November 30, 2012 and 2011

1 Nature of operations and general information

Azimut Exploration Inc. (the “Company”), incorporated under the Québec Corporations Act, is in the business of acquiring and exploring mining properties. The Company registered office is located at 110 De La Barre Street, Suite 214, Longueuil, Quebec, Canada. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration properties. It has not yet been determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration and evaluation of its properties and profitable sale of the exploration and evaluation assets.

Although management has taken steps to verify title to mining properties in which the Company has an interest, in accordance with industry standards for the current stage of exploration and evaluation of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements and non-compliant with regulatory requirements.

To date, the Company has not earned significant revenues and is considered to be in the exploration and evaluation stage.

As at November 30, 2012, the Company had working capital of \$3,294,055 (2011 – \$5,217,191) including cash and cash equivalents of \$1,736,005 (2011 – \$3,209,434) and accumulated deficit of \$12 million (2011 – \$10.7 million), and had incurred a loss of \$62,052 (2011 – \$135,445) for the three-month period then ended.

Management of the Company believes that it has sufficient funds to pay its ongoing general and administrative expenses, to pursue its budgeted exploration and evaluation expenditures and to meet its liabilities, obligations and existing commitments for the ensuing twelve (12) months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve (12) months from the end of the reporting period. To continue its exploration and evaluation program on its properties and its operation beyond November 30, 2013, the Company will periodically have to raise additional funds through the issuance of new equity instruments, the exercise of stock options or warrants and the search of partners to sign option agreements on certain of its mining properties, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company.

The Company’s financial year ends on August 31. The unaudited condensed interim financial statements were approved for issue by the Board of Directors on January 24, 2013.

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

2 Summary of significant accounting policies

Basis of preparation and adoption of International Financial Reporting Standards (“IFRS”)

The Company applies International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, interim Financial reporting.

The unaudited condensed interim financial statement should be read in conjunction with the most recent annual financial statements as at and for the year ended August 31, 2012. Any subsequent changes to IFRS that are given effect in the Company’ annual financial statements for the year ending August 31, 2013 could result in restatement of these condensed interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective

There are no relevant changes in accounting standards applicable to future periods other than as disclosed in the most recent annual financial statements as at and for the year August 31, 2012.

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These condensed interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended August 31, 2012.

Estimates and assumptions are continually evaluated and are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Azimut Exploration Inc
Notes to Condensed Interim Financial Statements
(in Canadian dollars)
(Unaudited) For the three-month periods ended November 30, 2012 and 2011

4 Amounts receivable

	As at November 30, 2012 \$	As at August 31, 2012 \$
Tax credit and current mining rights receivable	1,768,799	2,279,421
Commodity taxes	64,634	91,200
Trade accounts receivable	28,572	299,392
	<u>1,862,005</u>	<u>2,670,013</u>

5 Investments

	As at November 30, 2012 \$	As at August 31, 2012 \$
Eastmain Resources Inc.	14,000	17,800
NWT Uranium Corp.	15,750	28,000
Majescor Resources Inc.	15,680	28,420
Silver Spruce Resources Inc.	6,000	10,500
Channel Resources Inc.	9,750	13,500
Abitex Resources Inc.	5,000	14,000
Nemaska Exploration Inc.	94,172	81,615
Dynasty Gold Corp.	-	12,500
Monarques Resources Inc.	1,830	889
	<u>162,182</u>	<u>207,224</u>

Unrealized gains and losses on available-for-sale securities resulted from fluctuations in market prices. As at November 30, 2012, the Company determined that the unrealized losses recognized in accumulated other comprehensive loss (\$36,359) are temporary in nature.

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

6 Property and equipment

	Office furniture \$	Office equipment \$	Computer equipment \$	Specialist equipment \$	Camp \$	Camp under finance lease \$	Total \$
At August 31, 2012							
Cost	20,542	20,081	36,597	56,250	337,970	281,560	753,000
Accumulated depreciation	<u>(15,100)</u>	<u>(13,523)</u>	<u>(25,291)</u>	<u>(46,117)</u>	<u>(59,492)</u>	<u>(281,560)</u>	<u>(441,083)</u>
Net book amount	<u>5,442</u>	<u>6,558</u>	<u>11,306</u>	<u>10,133</u>	<u>278,478</u>	<u>-</u>	<u>311,917</u>
Period ended November 30, 2012							
Opening net book amount	5,442	6,558	11,306	10,133	278,478	-	311,917
Additions	-	-	-	-	-	35,194*	35,194
Depreciation for the period	<u>(272)</u>	<u>(328)</u>	<u>(848)</u>	<u>(760)</u>	<u>(14,873)</u>	<u>(2,933)</u>	<u>(20,014)</u>
Closing net book amount	<u>5,170</u>	<u>6,230</u>	<u>10,458</u>	<u>9,373</u>	<u>263,605</u>	<u>32,261</u>	<u>327,097</u>

*The useful life-of-camp has been revised and is expected to be depreciated over a thirty-six-month (36-month) period using the straight-line method.

7 Exploration and evaluation assets

All mining properties are located in the Province of Quebec.

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

	Undivided interest	Cost as at August 31, 2012	Additions	Option payments	Tax credit	Cost as at November 30, 2012	Accumulated impairment at August 31, 2012	Impairment	Accumulated impairment at November 30, 2012	Net book amount as at November 30, 2012
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$
Exploration properties										
Nunavik										
Rex (5,013 claims)	100									
Mining properties		945,724	-	-	-	945,724	(55,272)	-	(55,272)	890,452
Exploration costs		3,760,580	22,121	-	(21,344)	3,761,357	-	-	-	3,761,357
		<u>4,706,304</u>	<u>22,121</u>	<u>-</u>	<u>(21,344)</u>	<u>4,707,081</u>	<u>(55,272)</u>	<u>-</u>	<u>(55,272)</u>	<u>4,651,809</u>
Rex South (2,137 claims)	100									
Mining properties		11,319	14,014	-	-	25,333	-	-	-	25,333
Exploration costs		136,183	34,546	-	(12,487)	158,242	-	-	-	158,242
		<u>147,502</u>	<u>48,560</u>	<u>-</u>	<u>(12,487)</u>	<u>183,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,575</u>
NCG (4,907 claims)	100									
Mining properties		616,815	33,560	-	-	650,375	(12,864)	-	(12,864)	637,511
Exploration costs		891,585	13,585	-	(4,423)	900,747	-	-	-	900,747
		<u>1,508,400</u>	<u>47,145</u>	<u>-</u>	<u>(4,423)</u>	<u>1,551,122</u>	<u>(12,864)</u>	<u>-</u>	<u>(12,864)</u>	<u>1,538,258</u>
Diana (479 claims)	100									
Mining properties		52,211	-	-	-	52,211	-	-	-	52,211
Exploration costs		17,085	110	-	(48)	17,147	-	-	-	17,147
		<u>69,296</u>	<u>110</u>	<u>-</u>	<u>(48)</u>	<u>69,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,358</u>
Others, Copper-gold-silver-cobalt-REE (668 claims)	100									
Mining properties		92,006	55,522	-	-	147,528	(68,222)	-	(68,222)	79,306
Exploration costs		47,123	10,770	-	(4,701)	53,192	(6,212)	-	(6,212)	46,980
		<u>139,129</u>	<u>66,292</u>	<u>-</u>	<u>(4,701)</u>	<u>200,720</u>	<u>(74,434)</u>	<u>-</u>	<u>(74,434)</u>	<u>126,286</u>
Total Copper-gold-silver-cobalt-rare earth properties		<u>6,570,631</u>	<u>184,228</u>	<u>-</u>	<u>(43,003)</u>	<u>6,711,856</u>	<u>(142,570)</u>	<u>-</u>	<u>(142,570)</u>	<u>6,569,286</u>

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

Exploration properties (cont'd)	Undivided interest	Cost as at August 31, 2012	Additions	Option payments	Tax credit	Cost as at November 30, 2012	Accumulated impairment at August 31, 2012	Impairment	Accumulated impairment at November 30, 2012	Net book amount as at November 30, 2012
Nunavik (cont'd)	%	\$	\$	\$	\$	\$	\$	\$	\$	\$
North Rae (726 claims)	100									
Mining properties		519,296	15,641	-	-	534,937	-	-	-	534,937
Exploration costs		695,087	11,765	-	(5,135)	701,717	-	-	-	701,717
		<u>1,214,383</u>	<u>27,406</u>	<u>-</u>	<u>(5,135)</u>	<u>1,236,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,236,654</u>
Daniel Lake (244 claims)	100									
Mining properties		386,590	-	-	-	386,590	(90,900)	-	(90,900)	295,690
Exploration costs		302,146	4,830	-	(2,108)	304,868	-	-	-	304,868
		<u>688,736</u>	<u>4,830</u>	<u>-</u>	<u>(2,108)</u>	<u>691,458</u>	<u>(90,900)</u>	<u>-</u>	<u>(90,900)</u>	<u>600,558</u>
Kangiq (50 claims)	100									
Mining properties		5,450	-	-	-	5,450	-	-	-	5,450
Exploration costs		202	-	-	-	202	-	-	-	202
		<u>5,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,652</u>
Total Uranium properties		<u>1,908,771</u>	<u>32,236</u>	<u>-</u>	<u>(7,243)</u>	<u>1,933,764</u>	<u>(90,900)</u>	<u>-</u>	<u>(90,900)</u>	<u>1,842,864</u>
Total Nunavik		<u>8,479,402</u>	<u>216,464</u>	<u>-</u>	<u>(50,246)</u>	<u>8,645,620</u>	<u>(233,470)</u>	<u>-</u>	<u>(233,470)</u>	<u>8,412,150</u>

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

Exploration properties (cont'd)	Undivided interest	Cost as at August 31, 2012	Additions	Option payments	Tax credit	Cost as at November 30, 2012	Accumulated impairment at August 31, 2012	Impairment	Accumulated impairment at November 30, 2012	Net book amount as at November 30, 2012
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$
James Bay										
Opinaca A-A East (429 claims)	50									
Mining properties		-	-	-	-	-	-	-	-	-
Exploration costs		-	1,813	(1,022)	(791)	-	-	-	-	-
		-	1,813	(1,022)	(791)	-	-	-	-	-
Opinaca B-B-North (220 claims)	50									
Mining properties		-	-	-	-	-	-	-	-	-
Exploration costs		-	1,813	(1,022)	(791)	-	-	-	-	-
		-	1,813	(1,022)	(791)	-	-	-	-	-
Eleonore South (282 claims)	26.4									
Mining properties		-	-	-	-	-	-	-	-	-
Exploration costs		5,729	-	-	-	5,729	-	-	-	5,729
		5,729	-	-	-	5,729	-	-	-	5,729
Opinaca D (188 claims)	100									
Mining properties		8,979	14,145	-	-	23,124	-	-	-	23,124
Exploration costs		5,172	855	-	(373)	5,654	-	-	-	5,654
		14,151	15,000	-	(373)	28,778	-	-	-	28,778
Wabamisk (723 claims)	49									
Mining properties		-	-	-	-	-	-	-	-	-
Exploration costs		9,930	-	-	-	9,930	-	-	-	9,930
		9,930	-	-	-	9,930	-	-	-	9,930
Total Gold properties		29,810	18,626	(2,044)	(1,955)	44,437	-	-	-	-
Eastmain West (77 claims)	100									
Mining properties		9,923	-	-	-	9,923	-	-	-	9,923
Exploration costs		153,718	195	-	(78)	153,835	-	-	-	153,835
Total Chromium – PGE property		163,641	195	-	(78)	163,758	-	-	-	163,758
Total James Bay		193,451	18,821	(2,044)	(2,033)	208,195	-	-	-	208,195
Total mining properties		8,672,853	235,285	(2,044)	(52,279)	8,853,815	(233,470)	-	(233,470)	8,620,345

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

The changes in exploration and evaluation assets are as follows:

Exploration properties	As at August 31, 2012	Mining properties	Exploration costs					Cost incurred during the period	Option payments	Credit on duties refundable for loss and refundable tax credit for resources	As at November 30, 2012
		Claims and permits	Geochemical surveys	Geological surveys	Geophysical surveys	Drilling	Depreciation of property and equipment				
Nunavik											
Rex	4,651,032	-	320	36,677	3,326	8,576	(26,778)	22,121	-	(21,344)	4,651,809
Rex South	147,502	14,014	-	28,608	-	-	5,938	48,560	-	(12,487)	183,575
NCG	1,495,536	33,560	-	10,134	-	-	3,451	47,145	-	(4,423)	1,538,258
Diana	69,296	-	-	110	-	-	-	110	-	(48)	69,358
Others, Copper-gold-silver-cobalt-REE	64,695	55,522	-	10,770	-	-	-	66,292	-	(4,701)	126,286
Total Copper-gold-silver-cobalt-rare earth properties	6,428,061	103,096	320	86,299	3,326	8,576	(17,389)	184,228	-	(43,003)	6,569,286
North Rae	1,214,383	15,641	-	11,765	-	-	-	27,406	-	(5,135)	1,236,654
Daniel Lake	597,836	-	-	4,830	-	-	-	4,830	-	(2,108)	600,558
Kangiq	5,652	-	-	-	-	-	-	-	-	-	5,652
Total Uranium properties	1,817,871	15,641	-	16,595	-	-	-	32,236	-	7,243	1,842,864
Total Nunavik	8,245,932	118,737	320	102,894	3,326	8,576	(17,389)	216,464	-	(50,246)	8,412,150
James Bay											
Opinaca A, A East	-	-	-	1,813	-	-	-	1,813	(1,022)	(791)	-
Opinaca B, B North	-	-	-	1,813	-	-	-	1,813	(1,022)	(791)	-
Eleonore South	5,728	-	-	-	-	-	-	-	-	-	5,728
Opinaca D	14,151	14,145	-	855	-	-	-	15,000	-	(373)	28,778
Wabamisk	9,931	-	-	-	-	-	-	-	-	-	9,931
Eastmain West	163,641	-	-	-	195	-	-	195	-	(78)	163,758
Total James Bay	193,451	14,145	-	4,481	195	-	-	18,821	(2,044)	(2,033)	208,195
Total mining properties	8,439,383	132,882	320	107,375	3,521	8,576	(17,389)	235,285	(2,044)	(52,279)	8,620,345

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

8 Warrants

The following table presents the warrants activity since August 31, 2011 and summarizes the information about warrants outstanding and exercisable as at November 30, 2012:

	November 30, 2012			August 31, 2012		
	Number	Carrying value \$	Weighted average exercise price \$	Number	Carrying value \$	Weighted average exercise price \$
Outstanding – Beginning of period	2,666,664	426,308	1.40	4,573,217	735,046	1.13
Issued	-	-	-	256,271	43,823	0.76
Exercised	-	-	-	(1,439,435)	(246,580)	0.67
Expired	-	-	-	(723,389)	(195,395)	0.95
Extended	-	-	-	-	89,414	1.40
Outstanding – End of period	<u>2,666,664</u>	<u>426,308</u>	<u>1.40</u>	<u>2,666,664</u>	<u>426,308</u>	<u>1.40</u>

As at November 30, 2012, a total of 2,666,664 warrants were outstanding with an exercise price of \$1.40 and will expire on March 19, 2013.

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

9 Stock option plan

The following tables present the stock option activity since August 31, 2011 and summarize the information about stock options outstanding and exercisable as at November 30, 2012:

	November 30, 2012		August 31, 2012	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding – Beginning of period	2,220,000	0.87	2,205,000	1.43
Granted	-	-	495,000	0.53
Exercised	-	-	(80,000)	0.66
Expired / Forfeited	(110,000)	0.79	(400,000)	3.57
Outstanding and Exercisable – End of period	2,110,000	0.88	2,220,000	0.87

Exercise prices	Options Outstanding and Exercisable	Weighted Average Remaining Contractual Life (years)
\$0.34	495,000	6.37
\$0.45	395,000	9.44
\$0.60	80,000	7.65
\$0.66	410,000	7.27
\$0.80	430,000	8.13
\$1.25	40,000	8.34
\$3.03	260,000	0.36
	2,110,000	6.59

Azimut Exploration Inc

Notes to Condensed Interim Financial Statements

(in Canadian dollars)

(Unaudited) For the three-month periods ended November 30, 2012 and 2011

10 Expenses by nature

	Three-month period ended November 30,	
	2012 \$	2011 \$
Salaries and fringe benefits	52,592	61,790
Professional and maintenance fees	8,298	8,209
Administration and office	29,087	41,443
Travelling and entertainment	9,375	20,510
Depreciation of property and equipment	2,208	3,047
Amortization of intangible assets	743	1,061
General and administrative expenses	102,303	136,060
Salaries for search of properties	16,916	17,337
Credit on duties refundable for loss and refundable tax credit for resources	(7,384)	(6,900)
General exploration	9,532	10,437

11 Related party transactions

Compensation of key management

Key management includes directors, the chief executive officer (“CEO”) and the chief financial officer (“CFO”). The compensation paid or payable for key management service as a salary was \$85,000 for the period ended November 30, 2012 (\$85,000 in 2011).

12 Comparative figures

Certain comparative figures have been reclassified to conform to the current period presentation.