

Azimut Exploration Inc: cutting-edge targeting for exploration

The use of a specialised targeting system is key to the company's prospecting success

AZIMUT Exploration Inc is a publicly-traded Canadian mineral exploration company (TSX: AZM) that optimises its discovery prospects by using a proprietary targeting methodology combined with considerable exploration know-how. Its exploration strategy manages technical and business risks by focusing on three key aspects:

1. Cutting-edge targeting leads to the acquisition of high quality exploration projects and minimises exploration risk.
2. Partnership development at an early stage provides Azimut's partners with high-quality targets while reducing the company's financial needs and business risk.
3. Initial focus on the Province of Quebec takes advantage of the internationally recognised mineral potential of Quebec, its well-regarded geoscientific database, and its attractiveness for new mining investments. However, Azimut also considers opportunities elsewhere in the world.

KEY FACTS

Exploration targeting is Azimut's core activity and formed the basis for the company's reactivation in 2003.

The methodology combines quantitative analysis with a qualitative empirical approach and is applied at regional level to assess the potential of selected key mineral deposit types. It aims dramatically to improve the quality of initial targeting and increase the chances of exploration success.

The commodities of interest include gold, uranium, copper and nickel, with a focus on large-scale deposits.

The company's strengths are its sound exploration practices, know-how in managing large geoscience databases, and an innovative targeting approach.

It is led by a board of directors and a management team with considerable business and mining industry experience in Canada and internationally.

In just three years, 10 joint venture agreements have been signed for 16 projects generated by Azimut. These agreements grant options to earn interests of 50% to 60%, with cumulative work investments totalling around C\$32 million over the next three to four years.

Secondary options allow partners to earn additional interests in the projects on delivery of bankable feasibility studies. Azimut continues to perform regional-scale mineral potential assessments with the aim of developing new business ventures.

The company's market capitalisation has grown from C\$500,000 in 2003 to over C\$30 million by June 2006. Azimut has 16.1 million shares outstanding, or 17.3 million on a fully diluted basis, and a significant number of shares are held by large institutional funds.

Altogether, the company's equity financings since reactivation aggregate a total C\$1.8 million.

GOLD AND URANIUM PROPERTIES

Gold Properties	Surface area (km ²)	Partner
Opinaca A, A East	221	Everton
Opinaca B, B North	115	Everton
Opinaca D	98	Eastmain
Eleonore South	148	Goldcorp & Eastmain
Wabamisk	400	Goldcorp
Eastmain West	89	Cambior
Comptoir	415	Cambior

U and Cu-U Properties	Surface area (km ²)	Partner
4 Cu-U properties	1,464	Kennecott-Rio Tinto
4 U properties	1,203	Kennecott-Rio Tinto
North Rae	316	Northwestern Mineral Ventures
South Rae	447	-
North Minto	491	-
South Minto	301	-
Central Minto	157	-
West Minto	299	-
South Bienville	507	-
Hudson Bay	167	-

nificant targets within a 490,000 km² region in the geological province of Grenville, in southern and eastern Quebec.

Azimut has also carried out a comprehensive assessment covering about 640,000 km² in northern Quebec. The terrain includes the Archean Minto-Bienville subprovince and the Archean Rae province that was largely reworked during a Proterozoic orogeny.

The eight properties recently staked by Azimut total 5,785 claims, covering 2,685 km². North Rae has been optioned to North-western Mineral Ventures, which has started its initial work program. Other properties remain to be optioned.

The selected properties have strong potential for uranium due to their geochemical signature, their association with anatectic granites, and their spatial relationship with deep-seated structures. The exploration model is large-tonnage, disseminated uranium mineralisation within intrusions and surrounding rocks.

Proximal secondary concentrations along late- to post-intrusive brittle or ductile-brittle faults are also considered. These properties have strong similarities to the footprint of several major uranium sites in Quebec and Labrador.

OUTLOOK

Azimut's uranium exploration modelling identifies large outcropping to subcropping targets where mineral potential can be rapidly assessed at competitive costs compared with other uranium deposit types.

The potential can be evaluated within two years through systematic in-fill sampling of lake bottom sediments, helicopter-borne radiometric surveys, ground-based radiometric prospecting and drilling.

For 2006, the company's partners have committed to incur exploration work expenditures totalling C\$4.5 million on 16 projects, of which C\$1.1 million will be dedicated to exploring for uranium.

Azimut's uranium properties are at the grassroots stage; however, the company believes that the quality of initial targeting combined with systematic follow-up work will significantly enhance the chance of success.

PORTFOLIO AND PARTNERS

Azimut holds two main types of property: gold in the James Bay region of Quebec, and uranium throughout the province. Azimut's properties consist of almost 14,000 claims covering around 6,800 km². To see the company's 23 main properties with the regions containing its uranium interests, visit: www.azimut-exploration.com/en/release/PR_20060412.pdf, and click on the figure in the text.

FOCUS ON URANIUM

The rise in uranium price is generating a renewed interest in exploration, which has not been seen since the worldwide boom of the 1970s. Azimut is well positioned in this exploration dynamic through its systematic, regional-scale uranium potential assessment, which covers most of Quebec.

This extends over a 1.1 million km² surface area and integrates regional-scale multi-element lake bottom sediment geochemical analysis, as well as geophysical, geological and remote sensing information.

Results clearly demonstrate the existence of major new uranium targets in Quebec that are distinct

from previously recognised finds – generally unconformity or pegmatite deposit types.

Azimut believes Quebec has significant potential for large tonnage uranium deposits related to intrusive rocks in high-grade metamorphic environments. A well-known example of this type is Rössing in Namibia, one of the world's largest uranium mines.

The company has acquired most of the large targets it has identified in Quebec. A total of 10,337 claims covering 5,127 km² have been staked for their uranium or copper-uranium potential. Of these, 4,578 were staked as a result of a strategic alliance with Kennecott-Rio Tinto.

The aim of this alliance is to identify and explore sig-

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