



For immediate release

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Press Release

Azimut and SOQUEM Sign Final Strategic Alliance Agreement

Longueuil and Val-d'Or, Quebec – **Azimut Exploration Inc.** (“Azimut” or the “Company”) (TSXV: **AZM**) and **SOQUEM Inc.** (“SOQUEM”), a subsidiary of Ressources Québec, are pleased to announce the signing of the final agreement of their expanded Strategic Alliance (the “Alliance”), following the execution of a letter agreement previously announced on February 25, 2019.

The Alliance comprises **nine (9) gold and copper-gold major properties** totalling 7,149 claims with a surface area of 3,277 square kilometres. The properties are located in the prospective Eeyou Istchee James Bay (“James Bay”) and Nunavik regions of Quebec. These regions are part of the Plan Nord strategy implemented by the Government of Quebec.

The Alliance represents a major change in the activity level of both companies and will combine their strengths, specifically Azimut’s big data analytics expertise in mineral exploration and SOQUEM’s mining exploration and development expertise. A key component of the Alliance will be the continued development of close ties with local communities in the Nunavik and James Bay regions. The Alliance builds on the technical success of the original James Bay strategic agreement in 2016.

HIGHLIGHTS OF THE TRANSACTION ([see Figure 1](#))

- 1) **NUNAVIK:** The agreement covers three major copper-gold properties (Rex-Duquet, Rex South and Nantais). The objective is to unlock the potential of known district-scale polymetallic targets.
 - **First Option (\$16 million for 50%):** SOQUEM will have the option to earn an initial 50% interest in the Rex-Duquet, Rex South and Nantais properties by investing \$16 million in exploration work over a period of four (4) years, the first two (2) years being a firm commitment of \$4 million each year.
 - **Second Option (\$8 million and a PEA per designated property for an additional 10%):** SOQUEM will have the option to earn an additional 10% interest in each designated property (for a total 60% interest in each such property) by investing \$8 million per designated property over a period of two (2) years and delivering a preliminary economic assessment (“PEA”).
 - Azimut will be the operator of the Alliance.
- 2) **JAMES BAY:** Amendments to the existing agreement relate to six gold properties explored under the Alliance since 2016.
 - Azimut has a back-in option to regain a 50% interest in four (4) properties (Munischawan, Pikwa, Pontois and Desceliers) by conducting a total investment of \$3.31 million in exploration work over a period of three (3) years, representing the same amount initially invested by SOQUEM.
 - Azimut remains operator during this earn-in option period, which will be transferred to SOQUEM thereafter.
 - Azimut and SOQUEM each retain a 50% interest in the Galinée and Dalmas properties. Azimut will remain operator on these projects.

- SOQUEM relinquishes its exclusive rights to acquire an interest in other properties wholly owned by Azimut (Duxbury, Kukamas East, Corvet and Synclinal).

3) The agreement also sets out the conditions for additional predictive modelling elsewhere in Quebec.

HIGHLIGHTS OF THE PROPERTIES [\(see Figures 2 to 6\)](#)

1) REX-DUQUET (Au, Ag, Cu, REE), Nunavik

- 1,869 claims covering 798 square kilometres
- Three main claim blocks with a total strike length of 81 kilometres
- Target types: Iron Oxide Copper Gold systems (“IOCG”); shear zones; gold-rich volcanogenic massive sulphides (“VMS”)
- Key results:
 - o Discovery of two outcropping kilometre-scale IOCG systems: **RBL** and **CM** zones
 - o Discovery of a 30-kilometre sheared corridor with numerous outcropping high-grade prospects (up to **580 g/t Au, 552.9 g/t Ag, 10.4 % Cu** from grab samples)
- Planned 2019 program: 3,500 line-kilometre heliborne electromagnetic-magnetic survey; focused prospecting; till sampling; drill target ranking

2) REX SOUTH (Au, Ag, Cu, Te, W, Sn, Ni), Nunavik

- 2,361 claims covering 1,028 square kilometres
- Two blocks of claims with a total strike length of 70 kilometres
- Target types: IOCG; intrusion-related; sediment-hosted; shear zones; magmatic Ni-Cu
- Key results:
 - o Discovery of three outcropping IOCG systems: **Jemima, Impact** and **Sombrero** zones
 - o Discovery of a 15 kilometre by 5 kilometre intrusion-related gold-polymetallic system hosting several kilometre-scale outcropping zones (**Copperton, Augossan, Anorthosite, Pegor, Ferrus, Le Breuil** and **Dragon**)
 - o Best grades include **23.3 g/t Au, 124 g/t Ag, 9.28% Cu, 102.5 g/t Te, 4.62% W** and **2.58% Sn** from grab samples
 - o The cumulative length for the identified targets is 60 kilometres
- Planned 2019 program: 4,600 line-kilometre heliborne electromagnetic-magnetic survey; focused prospecting; till sampling; drill target ranking

3) NANTAIS (Au, Ag, Cu, Zn), Nunavik

- 541 claims covering 226 square kilometres
- Property covers 31 kilometres of an underexplored greenstone belt
- Target types: Gold-rich VMS; shear zones
- Key results:
 - o Discovery of a 3 kilometre by 200 metre outcropping mineralized corridor
 - o Definition of robust targets with a cumulative length of 18 kilometres following a heliborne electromagnetic-magnetic survey in 2014 and a remote sensing study in 2018
- Planned 2019 program: Focused prospecting; till sampling; drill target ranking

4) MUNISCHIWAN (Au, Ag, Cu), James Bay

- 167 claims covering 87 square kilometres
- Target types: Intrusion-related; shear zones
- Key results:
 - o Discovery of the **InSight Prospect**: 600 metre by 150 metre mineralized zone with grades up to **100.5 g/t Au, 435 g/t Ag, 105 g/t Te** and **1.67% Cu** from grab samples
 - o Potential kilometre-scale extensions and other nearby targets based on induced polarization anomalies (spring 2019 survey)
- Planned 2019 program: Focused prospecting; core drilling (at least 1,200 metres)

5) PIKWA (Au, Cu), James Bay

- 703 claims covering 360 square kilometres
- Target types: Intrusion-related; shear zones
- Key results:
 - o Discovery of the **Hyperion Prospect** (up to **7.17 g/t Au** in grab samples from outcrops) within a well defined 10.5-kilometre-long electromagnetic, magnetic and geochemical footprint
 - o Discovery of the **Copperfield Prospect** (up to **2.95% Cu** in grab samples from angular boulders) located within a well-defined 20-kilometre-long magnetic, electromagnetic and geochemical footprint on strike with the adjacent Mythril discovery (Midland Exploration Inc.)
- Planned 2019 program: Focused prospecting; stripping; ground geophysics and/or soil geochemistry; core drilling

6) PONTOIS (Au), James Bay

- 399 claims covering 203 square kilometres
- Target type: Shear zones
- Key results:
 - o Discovery of the **Black Hole Prospect** (up to **6.02 g/t Au** in grab samples from outcrops)
- Planned 2019 program: Focused prospecting

7) DESCELIERS (Au, Cu, REE, Ni), James Bay

- 363 claims covering 188 square kilometres
- Target types: IOCG; magmatic Ni-Cu
- Key results:
 - o Definition of robust targets following an in-fill lake bottom sediment survey in 2016 and a heliborne magnetic-electromagnetic survey in 2018
- Planned 2019 program: Focused prospecting

8) GALINÉE (Au), James Bay

- 658 claims covering 339 square kilometres
- Target types: Shear zones; intrusion-related
- Key results:
 - o Discovery of a 130 metre by 30 metre outcropping gold-bearing zone (up to **2.17 g/t Au** from grabs), and a gold-bearing trend in till with the best sample yielding 52 delicate gold grains
- Planned 2019 program: Focused prospecting; stripping; soil geochemistry; till sampling

9) DALMAS (Au), James Bay

- 88 claims covering 45 square kilometres
- Target type: Shear zones
- Key results:
 - o 3-kilometre trend of anomalous gold, arsenic and copper in grab samples
- Planned 2019 program: Prospecting; till sampling

Azimut has previously disclosed the above property highlights in press releases. Grab samples are selective by nature and unlikely to represent average grades.

The Alliance transaction remains subject to regulatory approvals by the TSX Venture Exchange. This press release was prepared by Dr. Jean-Marc Lulin, P.Geo., acting as Azimut's qualified person under National Instrument 43-101.

About SOQUEM

SOQUEM, a subsidiary of Ressources Québec, has a mission to encourage the exploration, discovery and development of mining properties in Quebec. SOQUEM also contributes to maintaining strong local

economies. Proud partner and ambassador for the development of Quebec's mineral wealth, SOQUEM relies on innovation, research and strategic minerals to be well positioned for the future.

About Azimut

Azimut is a mineral exploration company whose core business is centred on target generation and partnership development. The Company uses a proprietary pioneering approach to big data analytics (the **AZtechMine™** expert system) enhanced by extensive exploration know-how. Azimut maintains rigorous financial discipline and has 53.3 million shares outstanding.

Azimut holds the largest mineral exploration portfolio in Quebec. Azimut's edge against exploration risk is founded on systematic regional-scale data analysis and multiple concurrently active projects. Other key properties include:

- **Elmer (Au, Ag, Cu, Zn):** 100% Azimut
- **Duxbury (Au):** 100% Azimut
- **Kaanaayaa (Au, Cu):** 100% Azimut
- **Eleonore South (Au):** Azimut–Newmont Goldcorp–Eastmain
- **Wabamisk (Au):** Azimut–Newmont Goldcorp
- **Opinaca B (Au):** Azimut–Hecla Mining–Everton

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