Country-Scale Target Generation using
Big Data

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PDAC Convention March 2016

AZIMUT

Azimut Exploration

- Corporate Summary

- Key Properties

- Ideas on Big Data in Exploration

- Outlook

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Corporate Summary

- **Azimut's core business**

  Target generation using advanced data processing concurrently with partnership development

- Company founded in 1986

- 37.6M shares outstanding – never consolidated

- 43.4% insiders and institutional funds

- $1.2M working capital, no debt
  (as of November 30, 2015)

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Corporate Summary

- Signing of 29 agreements in 12 years in Northern Quebec
  - 9 agreements with major companies: Rio Tinto, Goldcorp, IAMGOLD, Hecla Mining

- $63M in exploration work to date ($52M funded by partners)
  - Leverage effect: Partners / AZM = **4.7**

- $6.8M in cash & share payments to Azimut

- Discovery of:
  - Two new mineral provinces – Rex Trend (polymetallic) and Ungava Bay (uranium)
  - Major gold prospects in the Eleonore mining camp
  - 400 new prospects across the province

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Major results obtained by Azimut and partners since 2003

Prospects
- 🔴 Copper
- 🟡 Gold
- 🟢 Uranium
- ⚪ Polymetallic

Nantais Belt: Au, Ag, Cu, Zn

Ungava Bay uranium province **Rössing-type**

Rex Trend: Au-Ag-Te-Bi-Cu-W-Sn province with IOCG-type and intrusion-related mineral systems **Carajás type**

Major prospects in the Eléonore gold mining camp

500 km

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Key Properties

- Eleonore gold mine area, James Bay region

- Rex-Duquet, Nunavik

- Rex South, Nunavik

- Nantais, Nunavik

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Eleonore Gold Mine Area
James Bay Region, Quebec, Canada

Drill hole (D)

- Collar location

Azimut and partners grab samples

- ● ≥ 1 g/t Au
- • 0.1 - 1 g/t Au

OPINACA A
(Azimut / Everton)

Charles Target
up to 35.9 g/t Au

Smiley Target
4.24 g/t Au / 1 m (D)

Inex Target
up to 50.9 g/t Au

Cheechoo Discovery (Sirios)
Selected drilling results from
public information sources
H-12-03: 1.09 g/t Au over 56 m
H-13-10: 4.10 g/t Au over 5.6 m and
1.45 g/t Au over 29.4 m
H-13-12: 1.80 g/t Au over 34.0 m and
4.70 g/t Au over 7.5 m
H-14-15: 1.16 g/t Au over 9.0 m
H-14-17: 6.91 g/t Au over 6.5 m and
1.11 g/t Au over 18.0 m
H-14-18: 1.53 g/t Au over 19.5 m and
2.02 g/t Au over 33.5 m
H-15-20: 15.61 g/t Au over 9.70 m
15.04 g/t Au over 12.35 m and
H-15-24: 4.18 g/t Au over 20.0 m
H-15-26: 1.00 g/t Au over 33.0 m
H-15-28: 2.96 g/t Au over 31.5 m

OPINACA D
(Azimut)

7.32 g/t Au (soil)

Access road

ELEONORE MINE (Goldcorp)
Surface projection
Proven and probable reserves:
5.35 Moz Au @ 5.87 g/t Au
Measured and indicated resources:
0.81 Moz @ 5.49 g/t Au
Inferred resources:
2.28 Moz Au @ 7.11 g/t Au
(as of December 31, 2015)

10 km

*See Fig. 2: Close-up
Eleonore Deposit footprint*

JT Target
1.5 g/t Au / 5.7 m (D)
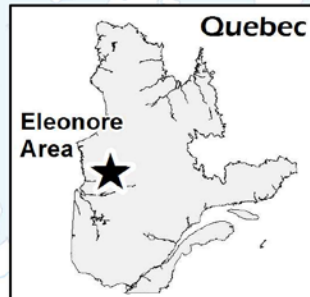5.33 g/t Au / 8 m (channel)
1.5 g/t Au / 16 m (channel)

*See Fig. 2: Close-up
Eleonore South
footprint*

Claude Target
0.22 g/t Au / 187 m
incl. 1 g/t Au / 21.5 m (D)

Quebec

**Eleonore
Area** ★

ELEONORE SOUTH
(Azimut / Goldcorp / Eastmain)

OPINACA B
(Azimut / Everton / Hecla Option)

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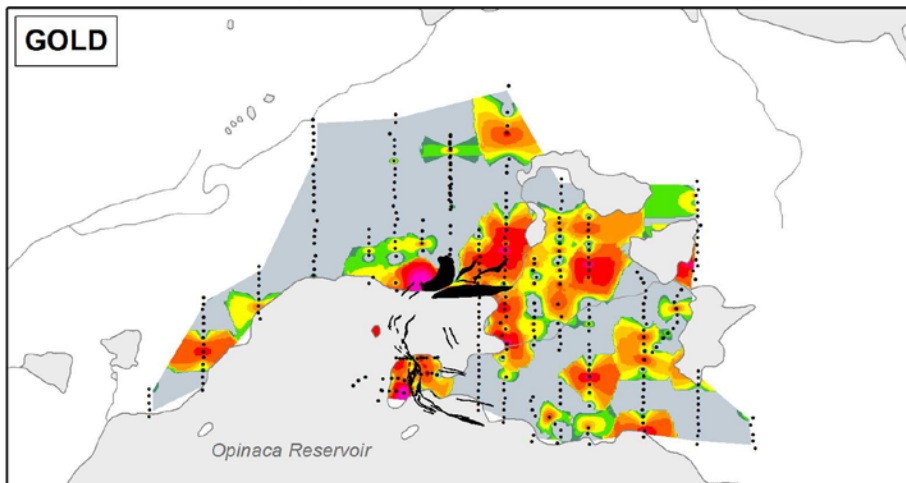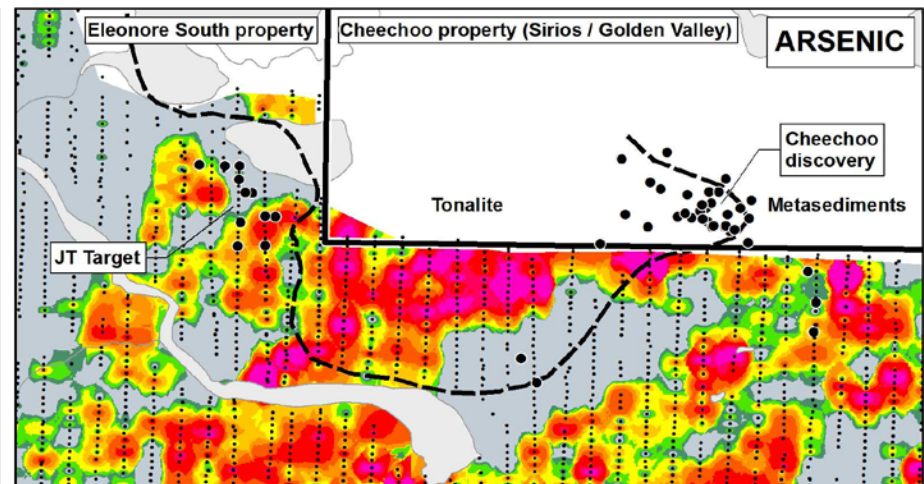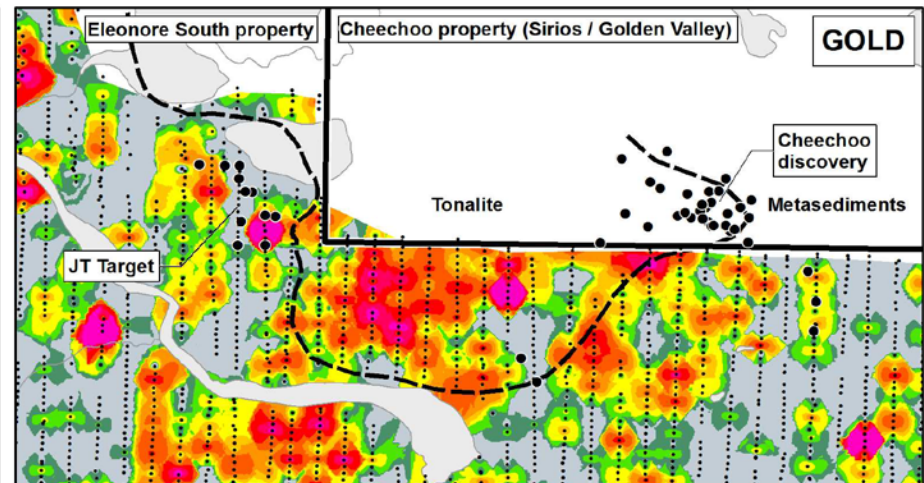# Eleonore Deposit Soil Geochemical Footprint
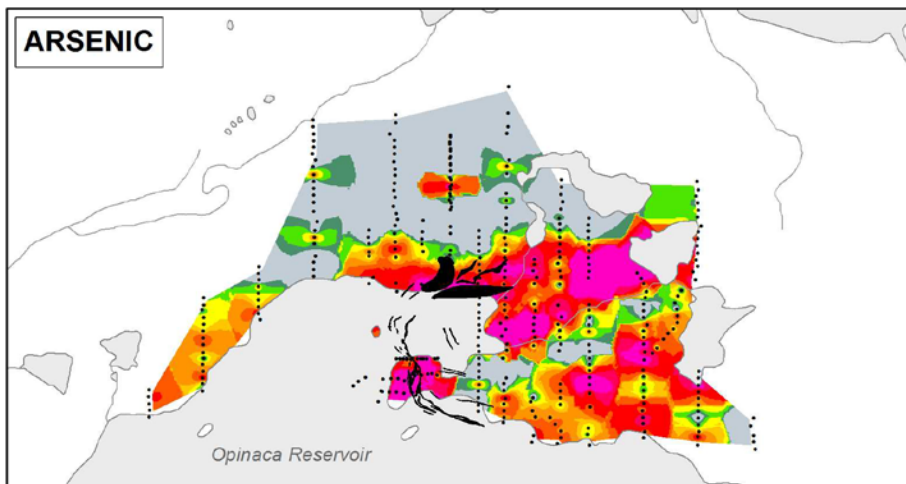
Eleonore South Soil Geochemical Footprint

GOLD

GOLD

Opinaca Reservoir

Eleonore South property

Cheechoo property (Sirios / Golden Valley)

Cheechoo discovery

Tonalite

Metasediments

JT Target

ARSENIC

ARSENIC

Opinaca Reservoir

Eleonore South property

Cheechoo property (Sirios / Golden Valley)

Cheechoo discovery

Tonalite

Metasediments

JT Target

Percentile range

- 100%
- 99%
- 96% - 98%
- 91% - 95%
- 86% - 90%
- 81% - 85%
- 71% - 80%
- 61% - 70%
- 51% - 60%
- 1% - 50%
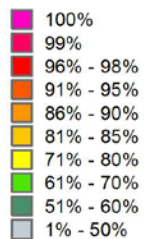
Sampling point (soil)
Eleonore and Eleonore South properties
combined processing (8,315 samples)

Drilling hole collar location

Tonalite / metasediments contact

Eleonore deposit (Goldcorp)
Surface projection

1 km

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Rex & Duquet

Au, Ag, Cu

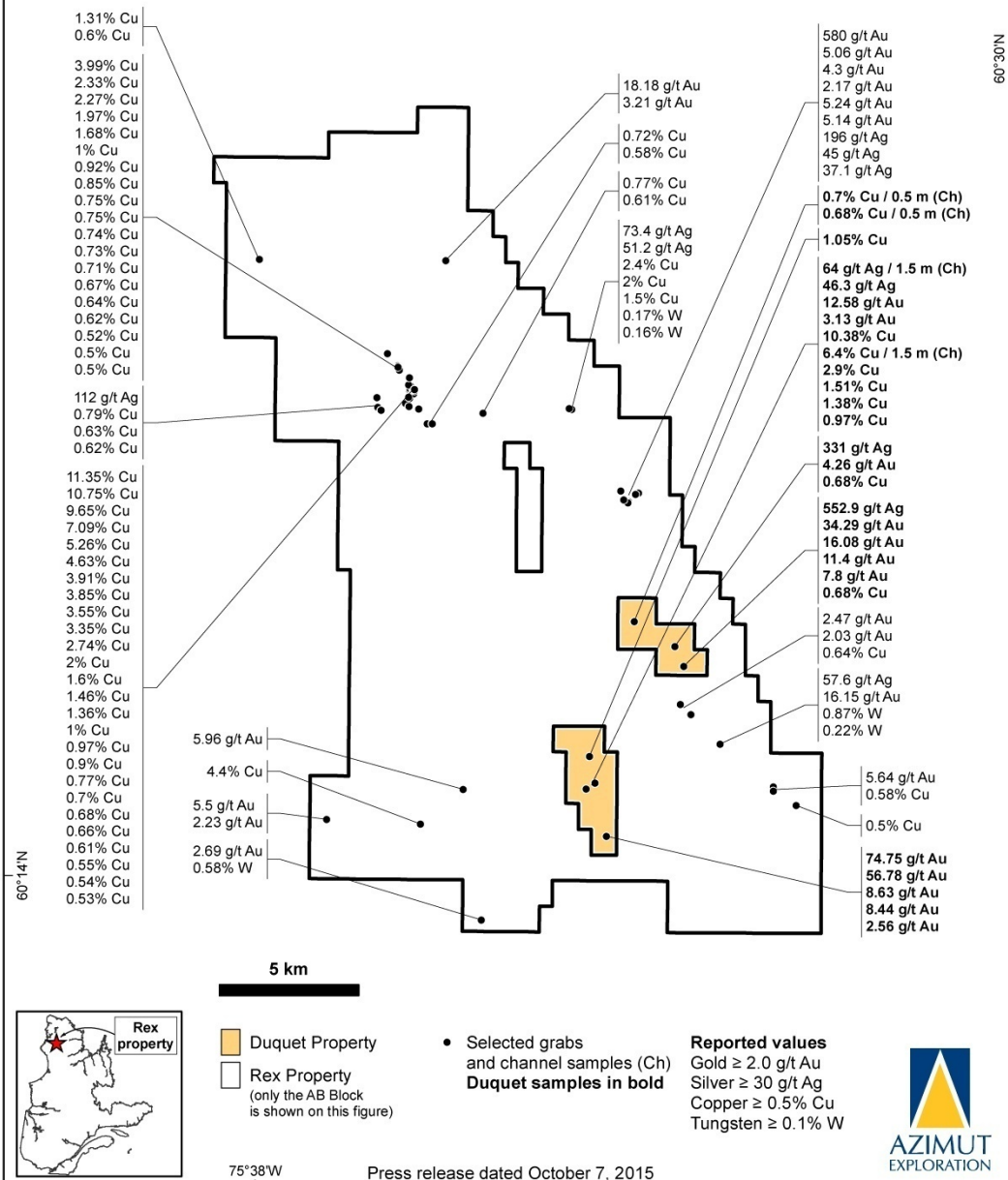- 30-km-long prospective trend   with high-grade prospects

- Duquet transferred to Azimut at no cost

- Total of 2.25% NSR granted to Osisko, Newmont, SOQUEM

Rex and Duquet Properties
Nunavik, Québec

75°42'W

59°30'N

1.31% Cu
0.6% Cu

3.99% Cu
2.33% Cu
2.27% Cu
1.97% Cu
1.68% Cu
1% Cu
0.92% Cu
0.85% Cu
0.75% Cu
0.75% Cu
0.74% Cu
0.73% Cu
0.71% Cu
0.67% Cu
0.64% Cu
0.62% Cu
0.52% Cu
0.5% Cu
0.5% Cu

112 g/t Ag
0.79% Cu
0.63% Cu
0.62% Cu

11.35% Cu
10.75% Cu
9.65% Cu
7.09% Cu
5.26% Cu
4.63% Cu
3.91% Cu
3.85% Cu
3.55% Cu
3.35% Cu
2.74% Cu
2% Cu
1.6% Cu
1.46% Cu
1.36% Cu
1% Cu
0.97% Cu
0.9% Cu
0.77% Cu
0.7% Cu
0.68% Cu
0.66% Cu
0.61% Cu
0.55% Cu
0.54% Cu
0.53% Cu

5.96 g/t Au

4.4% Cu

5.5 g/t Au
2.23 g/t Au

2.69 g/t Au
0.58% W

18.18 g/t Au
3.21 g/t Au

0.72% Cu
0.58% Cu

0.77% Cu
0.61% Cu

73.4 g/t Ag
51.2 g/t Ag
2.4% Cu
2% Cu
1.5% Cu
0.17% W
0.16% W

580 g/t Au
5.06 g/t Au
4.3 g/t Au
2.17 g/t Au
5.24 g/t Au
5.14 g/t Au
196 g/t Ag
45 g/t Ag
37.1 g/t Ag

0.7% Cu / 0.5 m (Ch)
0.68% Cu / 0.5 m (Ch)

1.05% Cu

64 g/t Ag / 1.5 m (Ch)
46.3 g/t Ag
12.58 g/t Au
3.13 g/t Au
10.38% Cu
6.4% Cu / 1.5 m (Ch)
2.9% Cu
1.51% Cu
1.38% Cu
0.97% Cu

331 g/t Ag
4.26 g/t Au
0.68% Cu

552.9 g/t Ag
34.29 g/t Au
16.08 g/t Au
11.4 g/t Au
7.8 g/t Au
0.68% Cu

2.47 g/t Au
2.03 g/t Au
0.64% Cu

57.6 g/t Ag
16.15 g/t Au
0.87% W
0.22% W

5.64 g/t Au
0.58% Cu

0.5% Cu

74.75 g/t Au
56.78 g/t Au
8.63 g/t Au
8.44 g/t Au
2.56 g/t Au

60°14'N

5 km

Rex property

Duquet Property

Rex Property
(only the AB Block
is shown on this figure)

Selected grabs
and channel samples (Ch)
Duquet samples in bold

Reported values
Gold ≥ 2.0 g/t Au
Silver ≥ 30 g/t Ag
Copper ≥ 0.5% Cu
Tungsten ≥ 0.1% W

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75°38'W

Press release dated October 7, 2015

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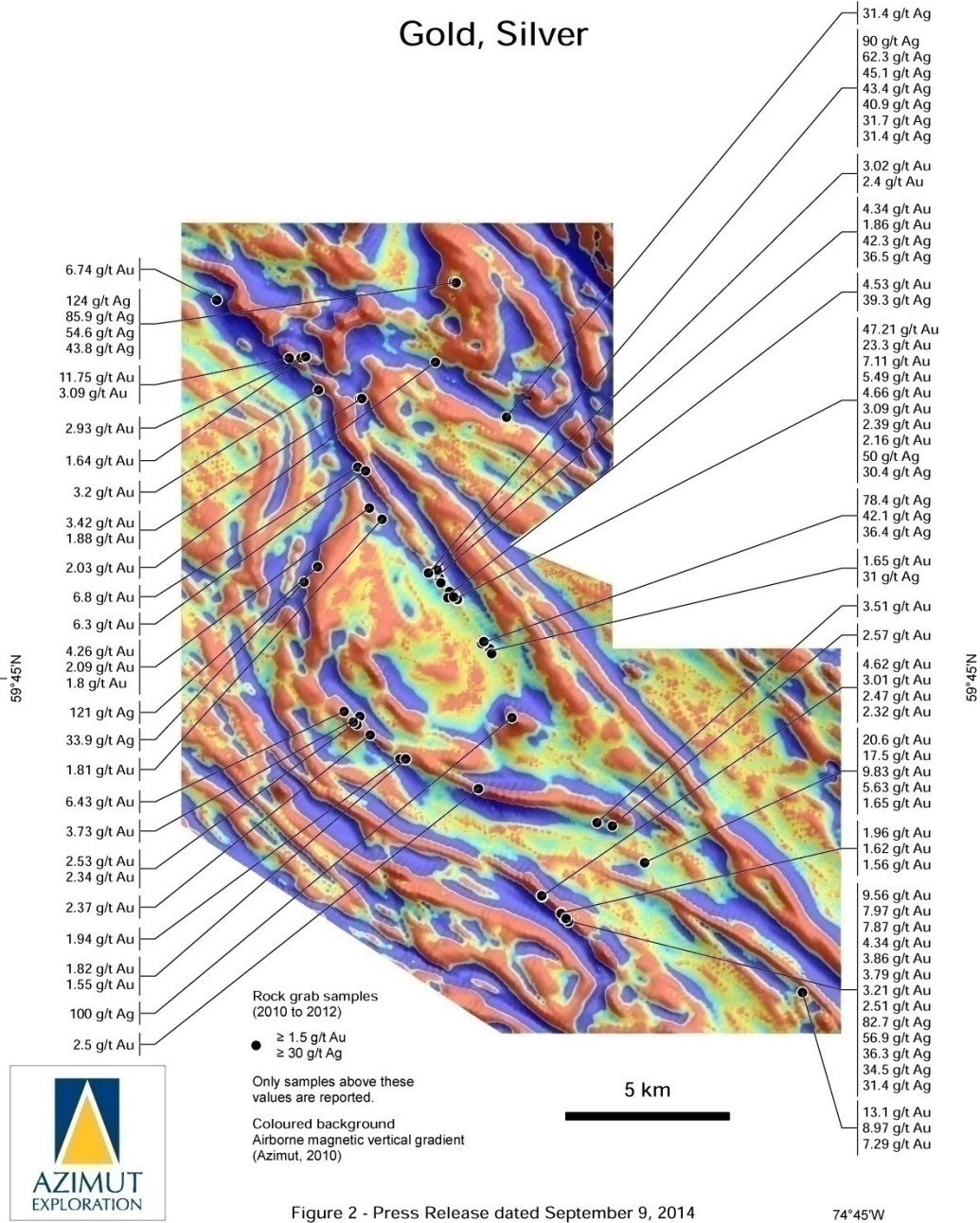Rex South Property, Nunavik, Québec, Canada
Gold, Silver

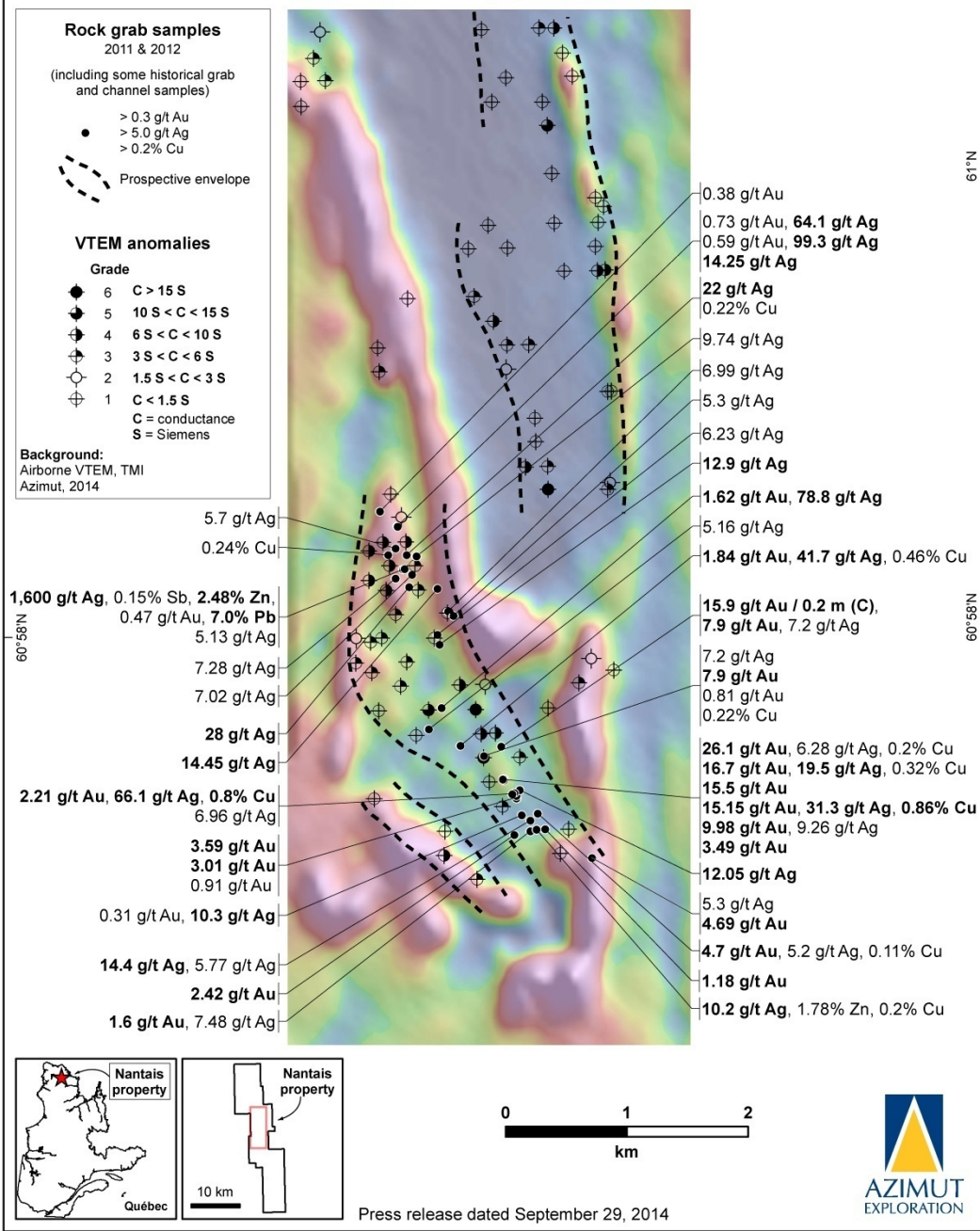Figure 2 - Press Release dated September 9, 2014

Rex South

Au, Ag, Te, Cu, Bi, W, Sn

➤ 30 km by 10 km intrusive complex

➤ 18 mineralized zones & prospects delineating a cumulative prospective length of 57 km

Nantais

Au-Ag-Cu-Zn

- 3 km x 200 m mineralized corridor

- 18-km cumulative length of airborne EM anomalies

- 20-km-long highly prospective greenstone belt

Big Data in Exploration

At the core of the Company's activities since 2003

1) Fundamental belief that great value lies in unexploited large-scale geoscience databases

2) Knowledge too often drowned in noise

3) Traditional exploration still largely empirical with low success rates

4) Large-scale multi-parameter processing seen as a powerful edge to reduce the exploration risk at a very early stage

5) Quebec recognized as having one of the best digital databases worldwide – consistent, reliable, accessible

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Sampling points

- Lake-bottom sediments (144,833)
- Stream sediments (230,224)
- Soils (75,845)
- Tills (41,041)

Geochemistry
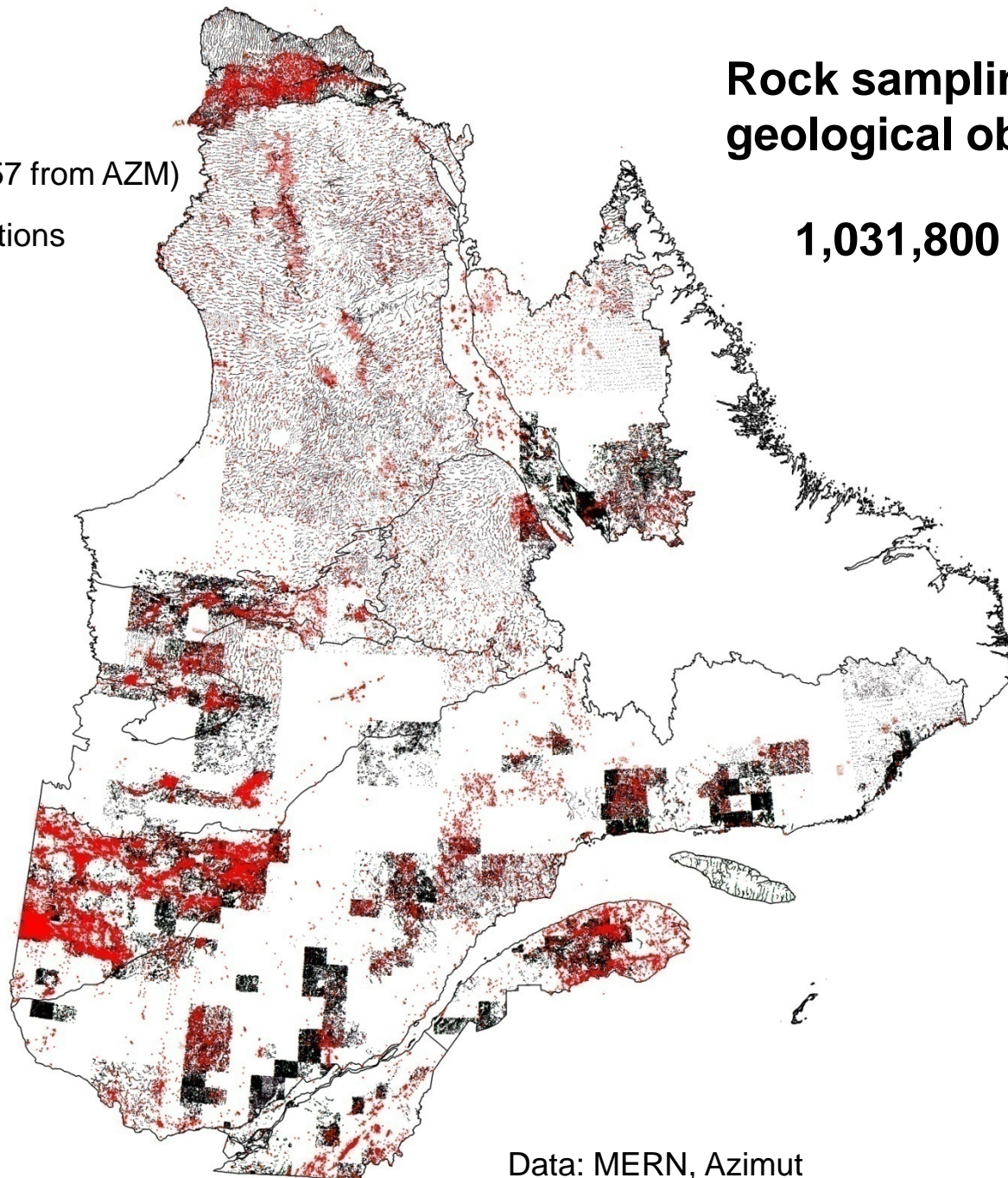**Surficial sediments**
Government surveys

500,000 samples
over 1.5M km²

500

km

Data: MERN
Processing: Azimut

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Rock sampling &
geological observations
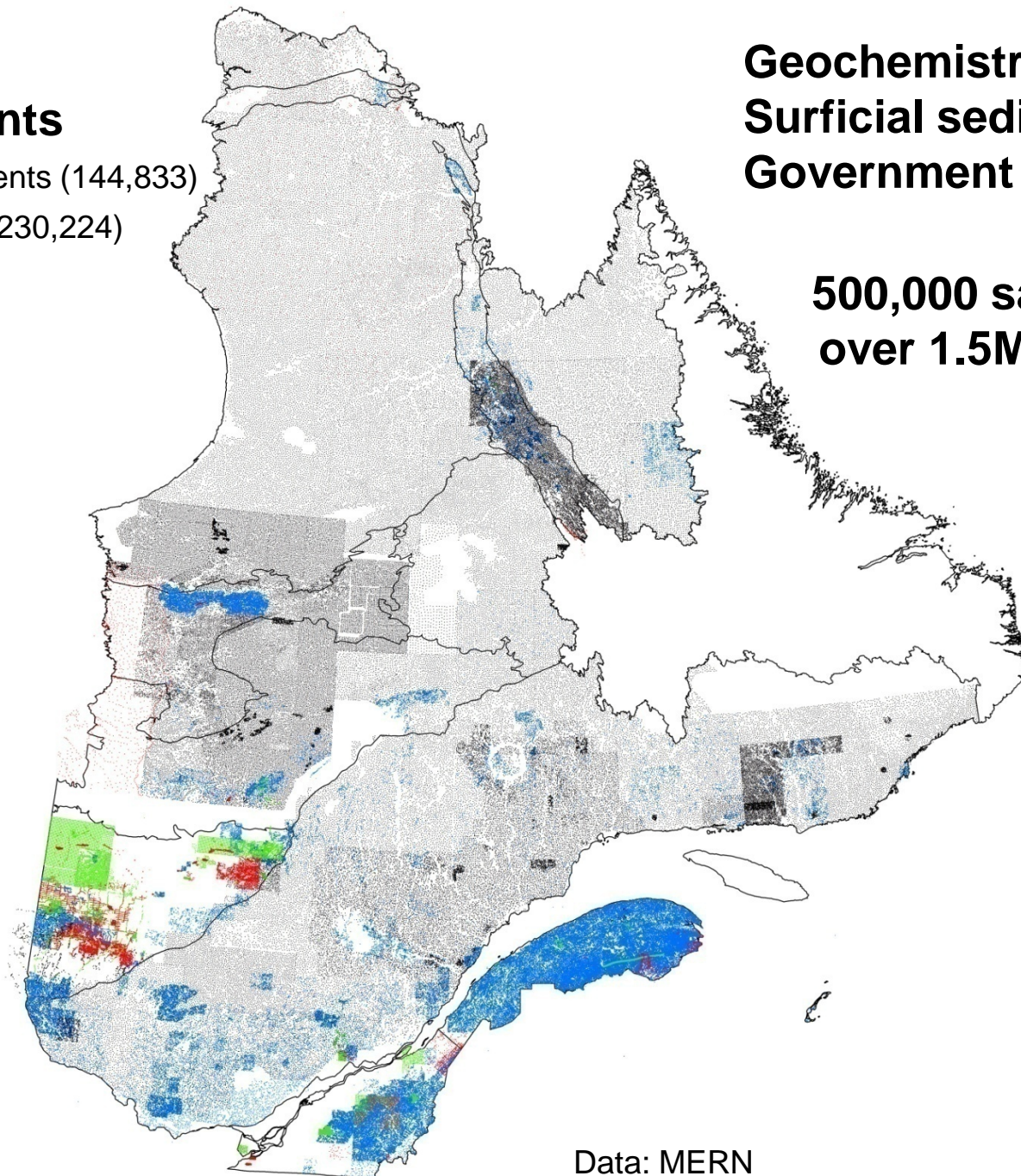
1,031,800 points

• Rock samples
(299,773 incl. 23,257 from AZM)

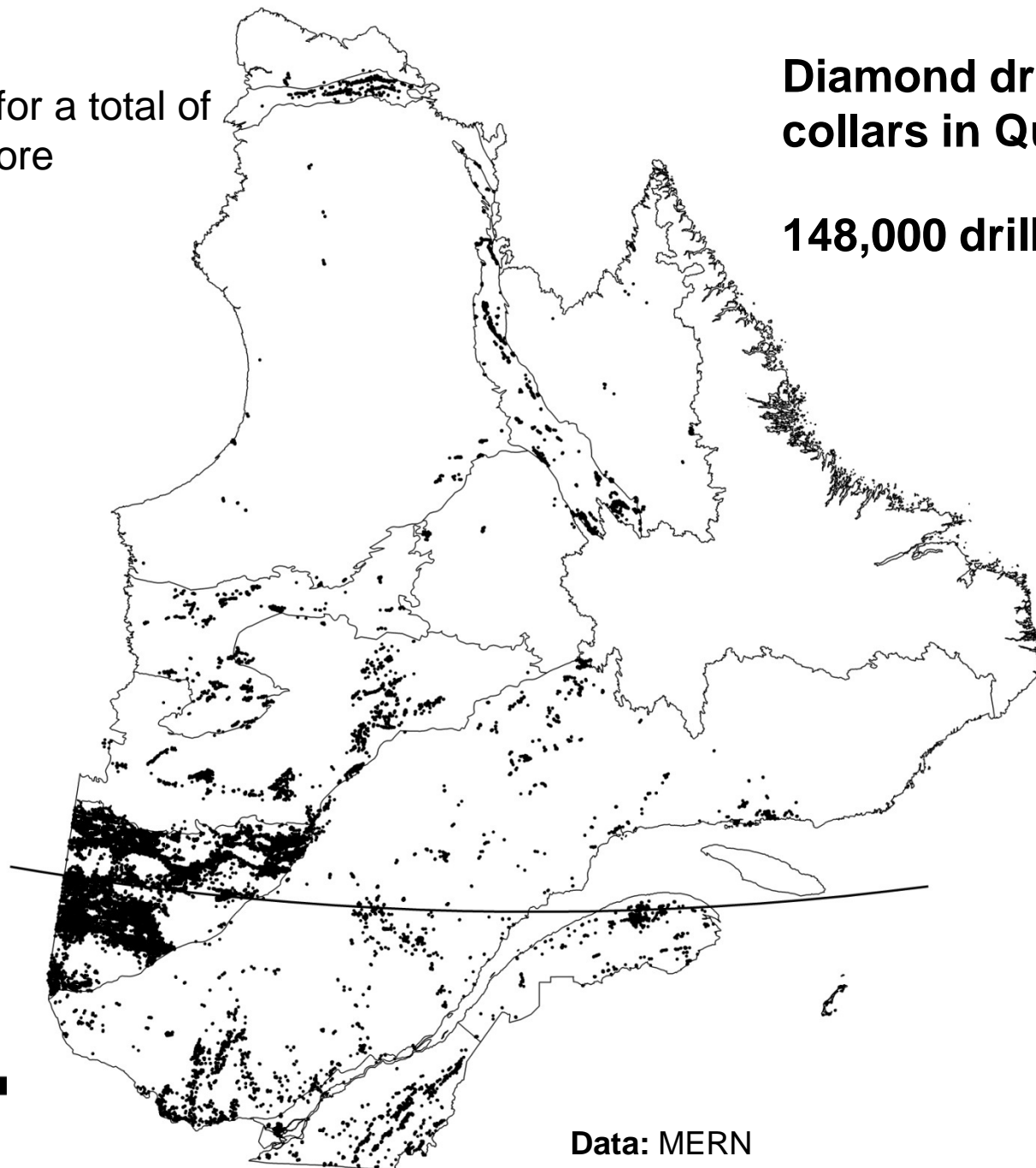• Geological observations
(731,991)

500

km

Data: MERN, Azimut
Processing: Azimut

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147,506 holes for a total of
24,280 km of core

**Diamond drill hole
collars in Quebec**

148,000 drill holes

500

km

Data: MERN
Processing: Azimut

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Big Data in Exploration

Azimut performs systematic country-scale mineral potential analyses over areas of 1,000,000 km^2 or more:

➢ In-house tools designed to process very-large multi-parameter databases

➢ Quebec: **87.5 million pixels**; cell size: 200 m by 200 m; up to 70 parameters per pixel; **500 GB** database size

➢ Statistical data analysis to determine the footprint of already known mineral deposits and identify comparable unexplored footprints that may represent new targets

➢ **Data-driven**, **no** interpreted data, **no** patchy data, **no** parameter weighting

➢ Conversion into discovery-probability maps; field programs have provided **extensive subsequent follow-up validation** (ex: uranium, next slide)

➢ Approach is applicable worldwide, wherever the right database exists

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BEFORE
PROSPECTING
(2005)

AFTER
(2006-2009)

URANIUM
PREDICTIVE
MODELLING
(Nunavik)

★ > 0.05% U_3O_8
up to 3.3% U_3O_8

Favorability scale
- Very high
- Very high
- High
- High
- Low
- No Data

25 km

✓ 12 mineralized zones
totalling 17 km
✓ > 100 prospects

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Outlook

- ## Business

  - Apply expertise through country-scale targeting agreements; Azimut keeps royalty interests

  - Advance existing properties with partners; on property deals, partners can earn interest of 50% to 75%

  - Advance new projects in Azimut's Quebec-scale bank of targets

- ## Corporate

  - Maintain a tight share structure and rigorous financial discipline

- ## Technical

  - Continue developing innovative in-house processing tools

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Outlook

- ➤ **Big Data processing in Quebec seen as a benchmark**

- ➤ **Approach is applicable worldwide**

- ➤ **Low-risk, low-cost, high-return strategy**

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Thank you !

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