



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal years ended August 31, 2020 and 2019

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SCOPE OF MANAGEMENT'S FINANCIAL ANALYSIS

This management discussion and analysis (“MD&A”) report represents a complementary addition to the audited annual financial statements of Azimut Exploration Inc. (“Azimut” or the “Company”) by providing additional contextual and prospective information on the Company’s financial position and operating performance for the fiscal years ended August 31, 2020 (“Fiscal 2020”) and 2019 (“Fiscal 2019”). This report should be read in conjunction with the Company’s audited annual financial statements for the fiscal years ended August 31, 2020 and 2019, prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures are in Canadian dollars, unless otherwise noted, which is the functional currency and the presentation currency of the Company.

CORPORATE PROFILE AND MISSION

Azimut is a publicly-traded Canadian exploration-stage company specializing in the assessment of mineral potential and targeting to discover major ore deposits. It conducts its exploration activities by following two main guiding principles. First, the Company maximizes the probability of discovery by using AZtechMine™, a proprietary, cutting-edge targeting methodology that reduces exploration risk. Second, the Company reduces business risk by developing partnerships for the projects it generates. Properties are acquired based on the results of the Company’s regional-scale assessments of Quebec’s mineral potential.

As at December 22, 2020, the Company holds an exploration portfolio of twenty-eight (28) exploration properties comprising 11,916 claims (11,474 claims as at August 31, 2020) (Figure 1). The portfolio is grouped by region, as follows:

James Bay:

- 19 gold or gold-copper properties
 - 4 in the Elmer Discovery Sector (Elmer, Pilipas and Wapatik; option on Munischiwan)
 - 8 in the Trans-Taiga Road Sector (Corvet, Dalmas, Galinée, Kaanaayaa and Kukamas; options on Pikwa, Pontois and Desceliers)
 - 5 in the Eleonore Gold Camp (Eleonore South, Opinaca A, Opinaca B, Opinaca D and Synclinal)
 - 1 in the Eastmain Reservoir Sector (Wabamisk)
 - 1 in Eastern James Bay (Valore)
- 2 base metal properties (Corne and Mercator)
- 1 chromium property (Chromaska)

Nunavik:

- 4 gold-polymetallic properties (Rex-Duquet, Rex South, Nantais and NCG)
- 1 nickel-copper property (Qullinaaraaluk)
- 1 uranium property (North Rae)

The Company owns a 100% interest in all but six (6) of its properties: Eleonore South (26.57%); Wabamisk (49%), Opinaca B (25%); and Opinaca A, Dalmas and Galinée (50% each). The Company’s back-in options are for a 50% interest in four (4) properties belonging to SOQUEM Inc. (“SOQUEM”): Munischiwan, Pikwa, Pontois and Desceliers.

Jean-Marc Lulin, geologist, president, chief executive officer and director of Azimut, is a qualified person under National Instrument 43-101 and has reviewed the technical disclosures presented in subsequent sections. All claim totals, surface areas and property descriptions are effective as at December 22, 2020.

OVERALL PERFORMANCE

Summary of exploration activities for the quarter ended August 31, 2020, and subsequent activities:

- Azimut announced the start of a 100-kilometre ground geophysics survey on its wholly-owned Elmer Property in the James Bay region to cover a high-potential corridor containing the Patwon gold discovery (press release (“PR”) of December 14, 2020).
- Azimut disclosed drilling results from 55 diamond drill holes (10,515 m) that tested and expanded the gold discovery on the Elmer Property: 24 holes in the PR of November 30, 2020; 17 in the PR of September 15, 2020; and 14 in the

PR of July 27, 2020. The Patwon Zone is currently defined as a 500-metre-long body, drilled down to 250 metres vertical and open in all directions within a 7-kilometre-long priority corridor (PR of November 30, 2020).

- Azimut and Mont Royal Resources Limited (“Mont Royal”) launched a gold exploration program on the Wapatik Property in the James Bay region. The property is under option to Mont Royal (PR of November 18, 2020).
- Azimut and SOQUEM started drilling on a 10-kilometre-long copper-gold target on the Pikwa Property in the James Bay region (PR of October 6, 2020).
- Azimut completed a private placement of 3,333,335 common shares at a price of \$1.80 per share for aggregate proceeds of \$6.0 million ⁽¹⁾ (PR of September 3, 2020).

Financial and corporate highlights for Fiscal 2020:

- Azimut made a substantial gold discovery when it drilled 3.15 g/t Au over 102.0 m, including 10.1 g/t Au over 20.5 m, at the Patwon Prospect on the Elmer Property in the James Bay region (PR of January 14, 2020). The discovery highlighted the efficiency of the proprietary AZtechMine™ expert system as a discovery tool for mineral exploration (PR of January 7, 2020).
- Azimut appointed Mathieu Landry as Vice-President Technology and Business Development (PR of January 9, 2020) and Glenn Mullan as a Director (PR of February 28, 2020).
- Azimut appointed Simon Houle as Chief Geologist and promoted Francois Gagnon as Project Manager (PR of October 29, 2020).
- Azimut completed a private placement of 4,085,712 units at \$0.35 per unit, for aggregate gross proceeds of \$1.4 million (PRs of September 30 and October 11, 2019).
- Azimut completed two non-brokered private placements of 3,638,345 flow-through shares for aggregate gross proceeds of \$6.8 million (PRs of December 19, 2019 and February 26, 2020).
- Azimut received \$1.7 million from the exercise of warrants and \$0.3 million from stock options.
- Azimut ended Fiscal 2020 with a working capital of \$3.0 million (\$0.4 million – Fiscal 2019). Management believes it has sufficient funds to pay its ongoing general and administration (“G&A”) expenses and to meet its liabilities, obligations and existing commitments for at least the next twelve (12) months following Fiscal 2020.
- Azimut incurred \$7.6 million in exploration and evaluation (“E&E”) expenditures, of which \$1.5 million was charged back to the JV partners.

STAKEHOLDER RELATIONS AND ENVIRONMENTAL AND HEALTH & SAFETY PRACTICES

The Company has taken the following actions to promote harmonious stakeholder and community relations and to ensure its environmental and health & safety practices comply with industry standards and applicable regulations:

- COVID-specific memos to communicate the Company’s modified protocols to ensure the health and safety of employees and host communities.
- Letters sent to communities to make them aware of the Company’s exploration activities in accordance with legal requirements.
- Specific permits obtained to ensure adherence to environmental laws.
- Contract sourcing to local Inuit businesses for logistical support in Nunavik.
- In-kind contribution of the Rex Camp for the Caribou Ungava research program run by the MFFP (Quebec’s Ministry of Forests, Wildlife and Parks).
- In-house assessment of the impacts of the MELCC’s new REAFIE standard coming into effect on December 31, 2020 (MELCC: Quebec’s Ministry of the Environment and the Fight Against Climate Change).

EXPLORATION AND EVALUATION ASSETS

In Fiscal 2020, Azimut incurred E&E expenditures of \$6.1 million (\$2.5 million – Fiscal 2019), mostly in the James Bay region on the Elmer Property (100% Azimut) and the Pikwa Property (a property under the strategic alliance with SOQUEM).

Tables 1 and 2 detail the E&E assets for Fiscal 2020. All properties are located in the Province of Quebec, Canada.

⁽¹⁾ For ease of reading and comparison, dollar amounts in the text of this MD&A are rounded to the nearest thousand for amounts over \$1,000 (or to one decimal place for millions) and to the nearest hundred otherwise, except for equity prices and exercise prices. For exact amounts, refer to the tables in this MD&A and to the accompanying financial statements.

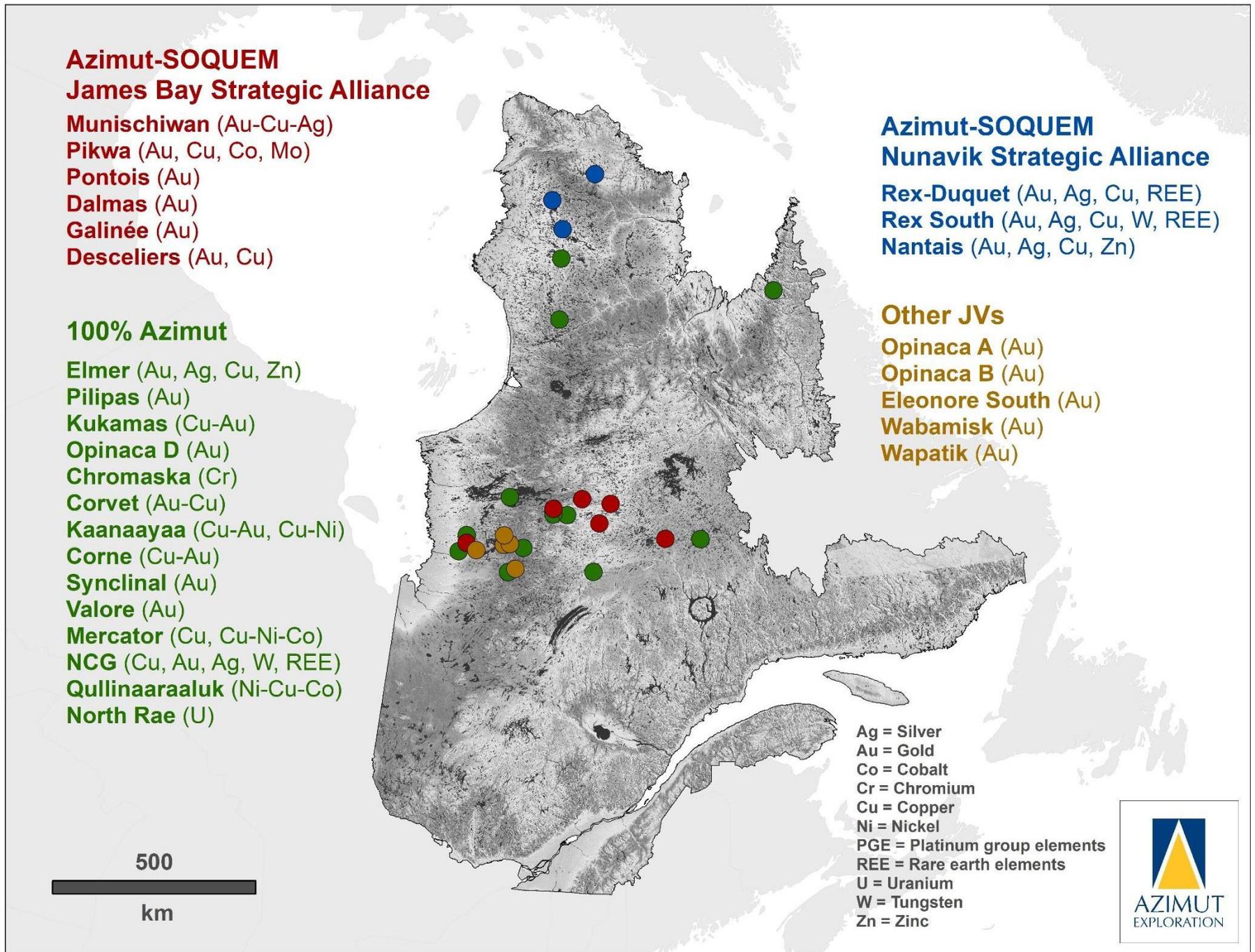


Figure 1: Map of Azimut's exploration property portfolio in Quebec.

Table 1: Change in E&E assets 2020

| Mineral property | Acquisition costs | | Exploration costs | | | | | | | | | | Proceeds received | Credit on duties refundable for loss and refundable tax credit for resources | Impairment | Net book value as at August 31, 2020 | |
|-------------------------------|--------------------------------------|------------------|-------------------|----------------|------------------|------------------|----------------|-------------------|----------------------|--|---------------------------------|-----------------|-------------------|--|-------------------|--------------------------------------|----|
| | Net book value as at August 31, 2019 | Claims & permits | Geochem. surveys | Geol. surveys | Geoph. surveys | Drilling | Stripping | Admin. and others | Technical assessment | Depreciation of property and equipment | Cost incurred during the period | | | | | | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| James Bay | | | | | | | | | | | | | | | | | |
| Elmer | 220,518 | 38,654 | 4,390 | 183,289 | 574,499 | 3,542,711 | 146,615 | 3,270 | - | 150,300 | 4,643,729 | - | (396,913) | - | 4,467,334 | | |
| Duxbury | 112,263 | - | 297 | 4,484 | 86,261 | - | - | - | - | - | 91,041 | - | (1,230) | - | 202,074 | | |
| SOQUEM | 436,819 | 8,778 | 221,881 | 295,620 | 486,960 | 29,751 | 55,147 | - | - | - | 1,098,137 | - | (329,099) | - | 1,205,857 | | |
| Dalmas | 25,366 | 847 | 10,247 | 26,182 | - | - | 360 | - | - | - | 37,635 | - | (14,498) | - | 48,503 | | |
| Galinée | 47,358 | 10,530 | 18,238 | 5,185 | - | - | - | - | - | - | 33,953 | - | (4,733) | - | 76,578 | | |
| Eleonore South | 1,553,228 | 19,420 | - | 1,254 | - | 7,995 | - | 3,511 | 13,924 | 34,989 | 81,093 | - | (8,694) | - | 1,625,627 | | |
| Opinaca A | 68,999 | - | - | 757 | - | - | - | - | - | - | 757 | - | (267) | - | 69,489 | | |
| Opinaca B | 5,855 | - | - | 1,228 | - | - | - | - | - | - | 1,228 | - | (536) | - | 6,547 | | |
| Opinaca D | 303,616 | - | - | 781 | - | - | - | - | - | - | 781 | - | (268) | - | 304,129 | | |
| Wabamisk | 26,910 | - | 3,200 | 1,385 | - | - | - | 1,312 | - | - | 5,897 | - | (2,001) | - | 30,806 | | |
| Corvet | 63,771 | 1,080 | 319 | 7,547 | 76 | - | - | - | - | - | 9,022 | - | (479) | - | 72,314 | | |
| Kukamas | 83,196 | - | 637 | 6,994 | 1,859 | - | - | - | - | - | 9,493 | - | (527) | - | 92,162 | | |
| Wapatik | - | 33,880 | 858 | 18,025 | 2,806 | - | - | 11,888 | - | - | 67,457 | (20,000) | (2,523) | - | 44,934 | | |
| Pilipas | - | 20,790 | 788 | 152 | - | - | - | - | - | - | 21,730 | - | - | - | 21,730 | | |
| Kaanaayaa | 65,507 | - | 557 | 5,954 | 76 | - | - | - | - | - | 6,587 | - | (392) | - | 71,702 | | |
| Others | 15,854 | - | 76 | 508 | - | - | - | - | - | - | 582 | - | (166) | (45) | 16,225 | | |
| Total – Gold | 3,029,260 | 133,979 | 261,488 | 559,346 | 1,152,538 | 3,580,457 | 202,122 | 19,981 | 13,924 | 185,289 | 6,109,122 | (20,000) | (762,326) | (45) | 8,356,011 | | |
| Chromaska | - | - | - | 2,444 | - | 3,325 | - | - | - | - | 5,768 | - | (1,710) | (4,058) | - | | |
| Total – Chromium-PGE | - | - | - | 2,444 | - | 3,325 | - | - | - | - | 5,768 | - | (1,710) | (4,058) | - | | |
| Mercator | 53,908 | - | 455 | 5,235 | 76 | - | - | - | - | - | 5,766 | - | (282) | - | 59,392 | | |
| Corne | 27,634 | - | 379 | 6,663 | 76 | - | - | - | - | - | 7,118 | - | (299) | - | 34,453 | | |
| Other | 3,624 | 822 | - | - | - | - | - | - | - | - | 822 | - | - | - | 4,446 | | |
| Total – Base Metal | 85,166 | 822 | 834 | 11,898 | 152 | - | - | - | - | - | 13,706 | - | (581) | - | 98,291 | | |
| Total – James Bay | 3,114,426 | 134,801 | 262,322 | 573,688 | 1,152,690 | 3,583,782 | 202,122 | 19,981 | 13,924 | 185,289 | 6,128,596 | (20,000) | (764,617) | (4,103) | 8,454,302 | | |
| Nunavik | | | | | | | | | | | | | | | | | |
| Rex | 1,122,956 | - | - | - | - | - | - | - | - | 1,514 | 1,514 | - | - | - | 1,124,470 | | |
| Duquet | 16,057 | - | - | - | - | - | - | - | - | - | - | - | - | - | 16,057 | | |
| Rex South | 550,722 | - | - | - | - | - | - | - | - | 1,755 | 1,755 | - | - | - | 552,477 | | |
| Nantais | 196,162 | - | - | - | - | - | - | - | - | - | - | - | - | - | 196,162 | | |
| NCG | 120 | - | - | - | - | - | - | - | - | - | - | - | - | (120) | - | | |
| Total – Gold | 1,886,017 | - | - | - | - | - | - | - | - | 3,269 | 3,269 | - | - | (120) | 1,889,166 | | |
| North Rae | - | - | - | 120 | - | - | - | - | - | - | 120 | - | (52) | (68) | - | | |
| Total - Uranium | - | - | - | 120 | - | - | - | - | - | - | 120 | - | (52) | (68) | - | | |
| Total – Nunavik | 1,886,017 | - | - | 120 | - | - | - | - | - | 3,269 | 3,389 | - | (52) | (188) | 1,889,166 | | |
| Total – E&E assets | 5,000,443 | 134,801 | 262,322 | 573,808 | 1,152,690 | 3,583,782 | 202,122 | 19,981 | 13,924 | 188,558 | 6,131,985 | (20,000) | (764,669) | (4,291) | 10,343,468 | | |

Table 2: Change in E&E assets 2019

| Mineral property | Net book value as at August 31, 2018 \$ | Acquisition costs | | Exploration costs | | | | | Depreciation of property & equipment \$ | Cost incurred during the period \$ | Proceeds received \$ | Credit on duties refundable for loss and refundable tax credit for resources \$ | Impairment \$ | Net book value as at August 31, 2019 \$ | |
|--|--|--------------------------|------------------------|---------------------|------------------------|----------------|-----------------|----------------------|--|---------------------------------------|-------------------------|--|------------------|--|--|
| | | Claims and permits \$ | Geochem. surveys \$ | Geol. surveys \$ | Geophys. surveys \$ | Drilling \$ | Stripping \$ | Admin. & other \$ | | | | | | | |
| James Bay | | | | | | | | | | | | | | | |
| Elmer | 22,264 | 17,377 | 894 | 308,217 | 7,730 | 1,444 | - | - | - | 335,662 | - | (137,408) | - | 220,518 | |
| Duxbury | 74,720 | 1,094 | - | 52,660 | - | 250 | - | - | - | 54,004 | - | (16,461) | - | 112,263 | |
| SOQUEM | 4 | - | 176,551 | 568,831 | 27,535 | 807 | 82 | 1,353 | - | 775,159 | - | (338,342) | - | 436,819 | |
| Dalmas | 162 | - | 30,732 | 13,995 | - | - | - | - | - | 44,727 | - | (19,523) | - | 25,366 | |
| Galinée | 163 | 3,699 | 67,906 | 9,284 | - | - | - | - | - | 80,889 | - | (33,694) | - | 47,358 | |
| Eleonore South | 1,070,925 | - | 226 | 134,210 | 56 | 499,446 | 10,922 | 10,733 | 34,988 | 690,581 | - | (208,279) | - | 1,553,227 | |
| Opinaca A | 63,591 | 88 | 2,069 | 6,545 | - | - | - | - | - | 8,702 | - | (3,294) | - | 68,999 | |
| Opinaca B | 5,230 | - | - | 625 | - | - | - | - | - | 625 | - | - | - | 5,855 | |
| Opinaca D | 274,981 | 7,080 | - | 25,888 | - | - | - | - | - | 32,968 | - | (4,333) | - | 303,616 | |
| Wabamisk | 20,238 | - | - | 11,550 | - | - | - | - | - | 11,550 | - | (4,878) | - | 26,910 | |
| Corvet | 10,853 | 51,924 | 85 | 1,680 | - | - | - | - | - | 53,689 | - | (770) | - | 63,771 | |
| Kukamas | 12,125 | 56,436 | 213 | 25,760 | - | - | - | - | - | 82,408 | - | (11,337) | - | 83,196 | |
| Kaanaayaa | - | 58,089 | 338 | 12,826 | - | - | - | - | - | 71,253 | - | (5,746) | - | 65,507 | |
| SOQUEM Alliance | 19,597 | - | - | - | - | - | - | - | - | - | - | - | (19,597) | - | |
| Other | 69,943 | 1,812 | 22 | 420 | - | - | - | - | - | 2,254 | - | (183) | (56,162) | 15,852 | |
| Total – Gold | 1,644,797 | 197,598 | 279,036 | 1,172,491 | 35,321 | 501,947 | 11,004 | 12,086 | 34,988 | 2,244,469 | - | (784,248) | (75,758) | 3,029,260 | |
| Chromaska | 814,281 | 2,257 | - | 9,634 | 25 | 9,753 | - | - | - | 21,668 | - | (6,927) | (829,022) | - | |
| Total – Chromium-PGE | 814,281 | 2,257 | - | 9,634 | 25 | 9,753 | - | - | - | 21,668 | - | (6,927) | (829,022) | - | |
| Mercator | - | 53,001 | - | 1,610 | - | - | - | - | - | 54,611 | - | (703) | - | 53,908 | |
| Corne | - | 27,727 | - | 1,610 | - | - | - | - | - | 28,337 | - | (703) | - | 27,634 | |
| Other | 6,729 | 3,624 | 149 | 4,898 | - | - | - | - | - | 8,671 | - | (2,203) | (9,573) | 3,624 | |
| Total – Base Metal | 6,729 | 83,352 | 149 | 8,118 | - | - | - | - | - | 91,619 | - | (3,609) | (9,573) | 85,166 | |
| Total – James Bay | 2,465,807 | 283,207 | 279,185 | 1,190,243 | 35,346 | 511,700 | 11,004 | 12,086 | 34,988 | 2,357,756 | - | (794,784) | (914,353) | 3,114,426 | |
| Nunavik | | | | | | | | | | | | | | | |
| Rex | 1,115,610 | - | - | 13,982 | 1,148 | - | - | - | 396 | 15,526 | (3,270) | (4,910) | - | 1,122,956 | |
| Duquet | 4,056 | 3,549 | - | 15,000 | - | - | - | - | - | 18,549 | - | (6,548) | - | 16,057 | |
| Rex South | 522,459 | 17,156 | - | 16,712 | 1,339 | 415 | - | (6,774) | 7,366 | 36,214 | (1,273) | (6,678) | - | 550,722 | |
| Nantais | 160,339 | 29,138 | - | 11,279 | 1,427 | - | - | - | - | 41,844 | (860) | (5,161) | - | 196,162 | |
| NCG | - | 120 | - | - | - | - | - | - | - | 120 | - | - | - | 120 | |
| Qassituq | 4,408 | - | - | - | - | - | - | - | - | - | - | - | (4,408) | - | |
| Total – Gold & Polymetallic | 1,806,872 | 49,964 | - | 56,973 | 3,914 | 415 | - | (6,774) | 7,762 | 112,254 | (5,403) | (23,297) | (4,408) | 1,886,017 | |
| North Rae | - | 132 | - | - | - | 2,070 | - | - | - | 2,202 | - | - | (2,202) | - | |
| Total - Uranium | - | 132 | - | - | - | 2,070 | - | - | - | 2,202 | - | - | (2,202) | - | |
| Total – Nunavik | 1,806,872 | 50,096 | - | 56,973 | 3,914 | 2,485 | - | (6,774) | 7,762 | 114,456 | (5,403) | (23,297) | (6,610) | 1,886,017 | |
| Total – E&E assets | 4,272,679 | 333,303 | 279,185 | 1,247,215 | 39,259 | 514,185 | 11,004 | 5,312 | 42,750 | 2,472,211 | (5,403) | (818,081) | (920,963) | 5,000,443 | |

JAMES BAY REGION

The Eeyou Istchee James Bay Territory (the “James Bay region”) has been one of the most active gold exploration areas in Canada since the early 2000. It benefits from major infrastructure, including paved access roads, a hydroelectric power grid and airports. Azimut performed its initial mineral potential modelling of the James Bay region in 2003, and it continues to be a strategic priority for the Company. Azimut’s current James Bay portfolio (Figure 2) comprises twelve (12) wholly-owned properties, six (6) JV projects, and a back-in option on four (4) properties held by SOQUEM. The list below groups these properties by location, showing commodity of interest and ownership.

Elmer Discovery Sector

| | |
|---------------------------------|---|
| Elmer (gold-polymetallic) | 100% Azimut |
| Munischiwan (gold-polymetallic) | 100% SOQUEM |
| Pilipas (gold) | 100% Azimut |
| Wapatik (gold) | 100% Azimut; under option to Mont Royal Resources Limited (“Mont Royal”; agreement of September 21, 2020) |

Trans-Taiga Road Sector

| | |
|---------------------------|----------------------------|
| Corvet (gold-copper) | 100% Azimut |
| Dalmas (gold) | 50% Azimut; JV with SOQUEM |
| Kaanaayaa (copper-gold) | 100% Azimut |
| Kukamas (copper-gold) | 100% Azimut |
| Pikwa (gold-polymetallic) | 100% SOQUEM |
| Pontois (gold) | 100% SOQUEM |

Eleonore Gold Camp

| | |
|-----------------------|--|
| Eleonore South (gold) | 26.57% Azimut; three-party agreement with Fury Gold Mines Ltd (“Fury Gold”) and Les Mines Opinaca Ltée, a wholly-owned subsidiary of Newmont Corporation (“Newmont”) |
| Opinaca A (gold) | 50% Azimut; agreement with Everton Resources Inc. (“Everton”) |
| Opinaca B (gold) | 25% Azimut; agreement with Everton and Hecla Québec Inc. (“Hecla”) |
| Opinaca D (gold) | 100% Azimut |
| Synclinal (gold) | 100% Azimut |

Eastern James Bay

| | |
|--------------------------------|----------------------------|
| Galinée (gold) | 50% Azimut; JV with SOQUEM |
| Desceliers (gold-copper) | 100% SOQUEM |
| Mercator (copper-polymetallic) | 100% Azimut |
| Valore (gold) | 100% Azimut |
| Corne (copper-gold) | 100% Azimut |

Eastmain Reservoir Sector

| | |
|-----------------------|------------------------------------|
| Chromaska (Cr-PGE-Ni) | 100% Azimut |
| Wabamisk (gold) | 49% Azimut; agreement with Newmont |

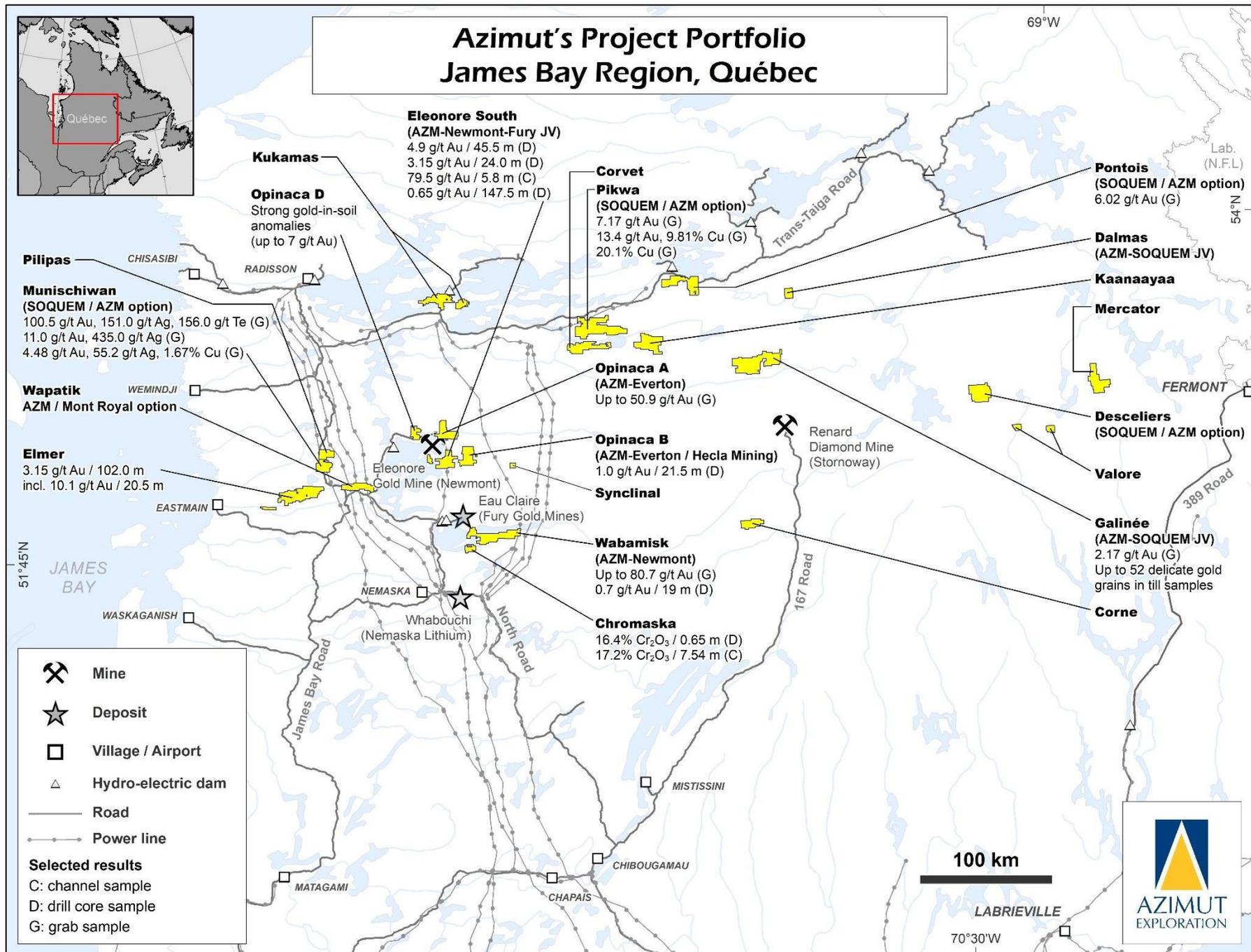


Figure 2: The Company's project portfolio in the James Bay region showing key results.

AZIMUT-SOQUEM JAMES BAY ALLIANCE

On September 26, 2016, Azimut announced a four-year strategic alliance with SOQUEM covering 176,300-km² in the James Bay region (the “James Bay Alliance”). The objective was to identify gold targets and explore the most prospective targets after converting them into properties. Under the terms of the original agreement, Azimut provided SOQUEM with a report that identified major targets. SOQUEM selected four (4) targets to convert into properties at SOQUEM’s cost for an initial 50% ownership (Munischiwan, Pikwa, Pontois and Desceliers; the “SOQUEM Properties”). Under the agreement, SOQUEM was granted the option to acquire Azimut’s interest in these properties by investing a total of \$3 million in exploration work over four (4) years, including diamond drilling. At that stage, Azimut would retain a 2% NSR royalty, of which 0.8% could be bought back for \$800,000 in cash. On any additional targets, SOQUEM was granted the option to acquire Azimut’s interest by spending \$750,000 per target over four (4) years. At such stage, Azimut would benefit from the same royalty interest, as described above. If SOQUEM does not complete its minimum investment for a given target, the agreement stipulates that said target would become a JV project. On any proposed target not retained by SOQUEM, Azimut would have the right to explore the target alone or with third parties.

On October 3, 2018, Azimut and SOQUEM announced an agreement to add Dalmas and Galinée as JV projects (the “SOQUEM JV Properties”) to the James Bay Alliance, with Azimut as the operator (PR of October 3, 2018).

On May 15, 2019, Azimut and SOQUEM announced they had amended the terms of the James Bay Alliance to include a 50% back-in option for Azimut to regain a 50% interest in the SOQUEM Properties by conducting \$3.3 million in exploration work over three (3) years (PR of May 15, 2019). Azimut retains a 2% NSR royalty until it completes the earn-in. The investment represents the same amount of SOQUEM’s cumulative work expenditures on the SOQUEM Properties and the SOQUEM JV Properties. The amended agreement stipulates that Azimut and SOQUEM each retain a 50% interest in the SOQUEM JV Properties (Galinée and Dalmas), and SOQUEM relinquishes its exclusive rights to acquire an interest in four other properties wholly owned by Azimut (Corvet, Duxbury, Kukamas and Synclinal).

As at August 31, 2020, Azimut had cumulatively invested \$2,159,000 in work expenditures (\$941,000 – August 31, 2019) toward the back-in option to regain a 50% interest in the SOQUEM Properties (Munischiwan, Pikwa, Pontois and Desceliers).

ELMER DISCOVERY SECTOR

Azimut’s portfolio includes a group of properties in the Elmer Discovery sector. This area became a strategic priority for the Company after it announced a significant discovery. The group comprises three wholly-owned properties (Elmer, Pilipas and Wapatik) and one of the SOQUEM Properties (Munischiwan), for which Azimut has a back-in option. The area is serviced by roads, electric power and airport infrastructure. All four projects are located near the James Bay Road, a paved 620-kilometre all-season highway running from the mining town of Matagami in the south to Radisson in the north.

On January 14, 2020, Azimut announced a substantial drilling discovery on the Elmer Property. By March, the Company had started a follow-up 6,000-metre diamond drilling program to expand the discovery. In June, it added another 4,000 metres.

Elmer Property

The wholly-owned Elmer Property (554 claims, 291.9 km²) (Figure 3) is a gold-polymetallic (Au-Ag-Cu-Zn) project located 5 kilometres west of the James Bay Road. The eastern part of the project (formerly known as the Duxbury Property) was amalgamated in January 2020. The property is 60 kilometres from the Cree community of Eastmain on the east coast of James Bay. It provides a controlling position over a 35-kilometre-long gold corridor, known as the **Elmer Trend**, in an underexplored greenstone belt of the La Grande Subprovince that is considered highly prospective for shear-zone hosted and intrusion-related gold deposits.

For Fiscal 2020, the Company incurred \$39,000 in claim acquisition expenditures (\$17,000 – Fiscal 2019) and \$4.7 million (\$318,000 – Fiscal 2019) in exploration work for drilling, prospecting, channel sampling and geophysics.

Substantial drilling discovery

On January 14, 2020, Azimut announced a substantial gold discovery during its maiden 2019 diamond drilling program (996 m of oriented core in 7 holes), including frequent high-grade intervals and visible gold in all seven holes. The highlight was a 102.0 m interval grading 3.12 g/t Au, including 10.1 g/t Au over 20.5 m (hole ELM19-002). Drilling focused on a high-priority target area in the Elmer Trend, namely the **Patwon Prospect**, an outcropping area measuring 150 by 100 metres.

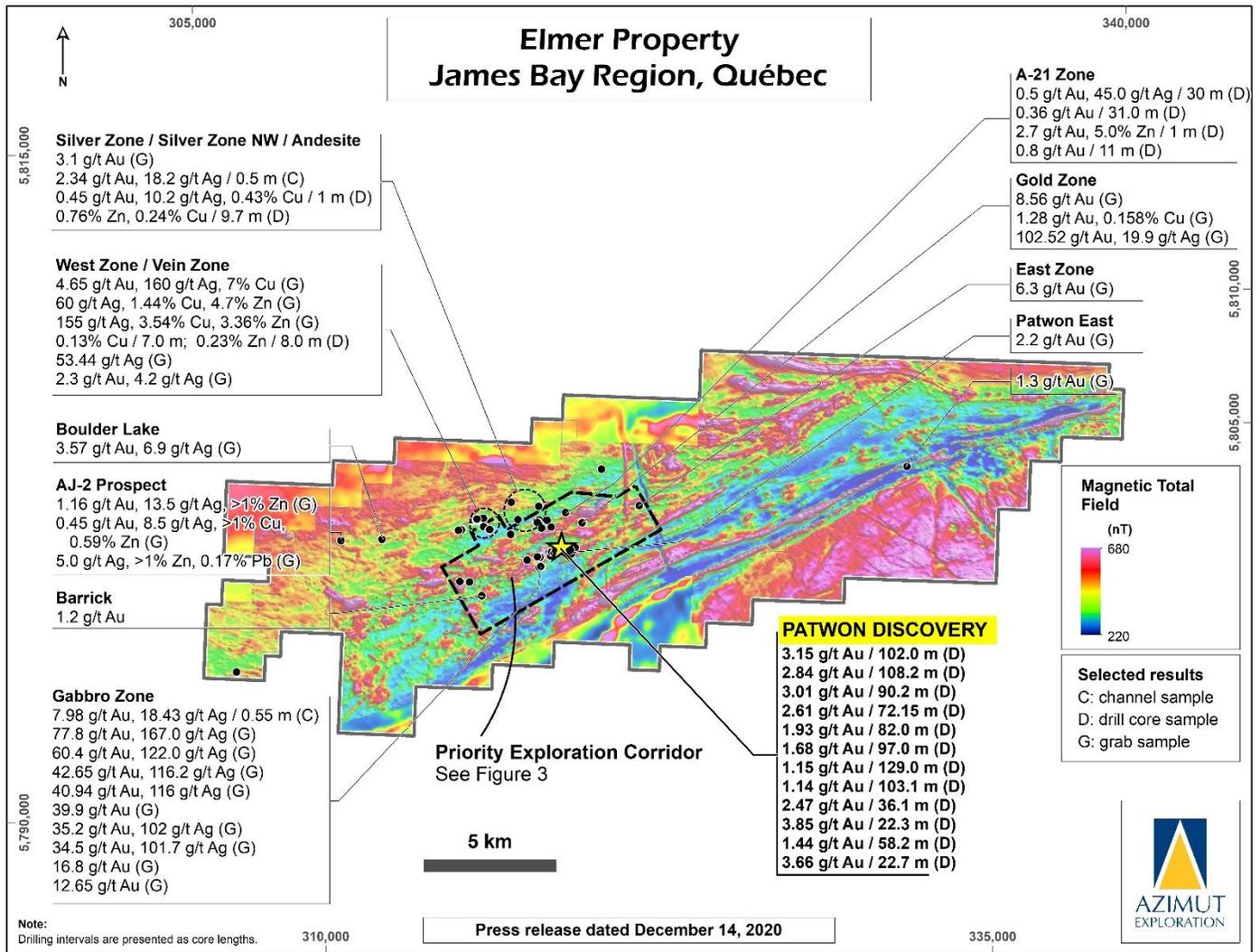


Figure 3: Magnetic map of the Elmer Property showing salient historical and recent exploration results, the location of the Patwon discovery (yellow star), and the priority corridor (black dashed outline).

By late fall 2020, Azimut had sunk 55 more holes (10,515 m) for a total of 62 diamond drill holes on the property (11,511 m), tracing the Patwon Zone over a strike length of 500 metres, a depth of 250 metres and a true width of up to 80 metres. It has a high probability of growth along strike and at depth. Notably, every hole drilled within this envelope intersected gold mineralization. It is considered an intrusion-hosted orogenic gold-bearing system. (PR of November 20, 2020)

Drilling was supported by detailed induced polarization (“IP”) (51.9 line-km) and magnetic (“Mag”) (56.6 line-km) surveying over the discovery area and its vicinity. A convincing relationship between IP-chargeability and gold mineralization is illustrated by an intersection grading 1.93 g/t Au over 82.0 m, including 3.46 g/t Au over 44.1 m (hole ELM 19-007).

Azimut had to temporarily suspend the 2020 exploration program in March due to the COVID-19 pandemic, but it resumed in late May (PRs of March 25 and May 26, 2020). On December 14, 2020, the Company announced the start of a 100 line-kilometre ground IP survey to strengthen the definition of new targets, and its plans to commence a 15,000-metre drilling program in January to further expand the Patwon discovery and test the new targets. Drill targets will be defined by combining the following data layers: IP, high-resolution helicopter magnetics, detailed prospecting and till, and property-scale structural interpretations.

Drilling results were reported in the PRs of January 14, July 27, September 15, and November 30, 2020.

Surface prospecting and channel sampling results were reported in the PRs of November 20, 2018, and July 16, September 19, October 22 and November 28, 2019.

Salient findings

- Discovery of a consistent steeply dipping gold-bearing zone traced over a strike length of 500 metres to a depth of 250 metres and up to 80 metres true width.
- A mineralized zone, open in all directions, showing excellent geometrical continuity, so far defined by 38 contiguous holes drilled systematically on 50-metre centres.
- A preliminary geometry that might support the concept of an initial open pit mining operation. The consistent high-grade component in most holes suggests the potential for an underground mining component as well. This type of deposit is known for potential kilometre-scale vertical extensions.
- Recent prospecting (grab sampling) uncovered strongly mineralized outcrops along strike or subparallel to the Patwon Zone, within a priority corridor 7 kilometres long by 2.5 kilometres wide:
 - 58.20 g/t Au and 18.55 g/t Au (2.6 km NW of Patwon)
 - 18.25 g/t Au and 17.15 g/t Au (1.5 km NE of Patwon)
 - 8.60 g/t Au and 6.73 g/t Au (about 3.5 km SW of Patwon)
- The vicinity of the Patwon Zone is considered largely underexplored with a strong discovery potential. Key favourable criteria include the presence of high-grade mineralization hosted in a thick belt of felsic intrusives and volcanics, close to a regional shear zone.
- Several characteristics of the mineralization at Patwon can be compared to those of the Goldex deposit (Agnico Eagle), a multi-million-ounce gold mine in the world-class Val-d'Or mining camp in the Abitibi region of Quebec. Goldex has a strike length of about 450 metres at the surface and is known to a depth of 1.8 kilometres.

Main features of the Patwon Zone

- Gold mineralization appears related to three quartz-vein networks:
 - shear veins striking NE-SW subparallel to the schistosity and dipping 65° to 80° to the north;
 - subvertical extension (Riedel-type) veins striking NW-SE; and
 - subhorizontal veins.
- Zones of high-density veining may form stockwork zones, locally appearing as hydrothermal breccias that include mineralized wall rocks.
- Pyrite is the dominant sulphide and occurs as fine to coarse disseminations, cross-cutting centimetric stringers or semi-massive to massive lenses. Disseminated pyrite and pyrite stringers are associated with quartz veining and their wall rocks. No arsenic-bearing minerals have been observed.
- Native gold grains are frequent, generally associated with quartz veins and various forms of pyrite mineralization. The gold grains are isolated or form clusters.
- Gold-bearing facies are accompanied by pervasive silica, chlorite, sericite and carbonate alteration and by tourmaline seams in quartz veins or tourmaline crystals associated with coarse pyrite and pyrite stringers.
- Mineralization appears to be mainly related to a felsic intrusion and felsic volcanics, including ash and clastic tuffs, close to a lithological contact with a thick gabbro unit in the footwall.
- The NW-SE trending mineralized envelope dips 75° to the north on average and is subparallel to the schistosity. It appears structurally controlled in the vicinity of a major shear zone.
- The surface projection and the longitudinal section of the mineralized zone indicate that Patwon is open along strike and at depth. On the western side, the mineralized zone may continue north of the ELM20-037 and -059 hole collars. The “grade x thickness” longitudinal section, established on estimated true widths, indicates a robust central zone. Significant additional drilling will be required to define the full extent, shape and grade of the mineralized body.
- The intensity of quartz veining in the felsic intrusion and felsic volcanics may be partly controlled by the rheologic contrast with the surrounding mafic host rocks.
- Patwon is considered as an intrusion-hosted orogenic gold-bearing system, a type classically associated with a significant depth extent (kilometre-scale) and related to extensive deformation corridors in greenstone belts.

Diamond drilling results

Drill hole positions are shown in Figures 4 and 5, a longitudinal section of the Patwon Zone in Figure 6, a longitudinal section of gold grade-thickness in Figure 7, and a selected cross-section in Figure 8. Grades are not capped. Intervals are presented as core lengths; estimated true widths are reported on Table 3. Figure 9 shows photos of visible gold found in the drill core. Table 3 presents significant drill intervals from the Company's diamond drilling programs to date on the property and Table 4 the intervals of the Patwon mineralized envelope.

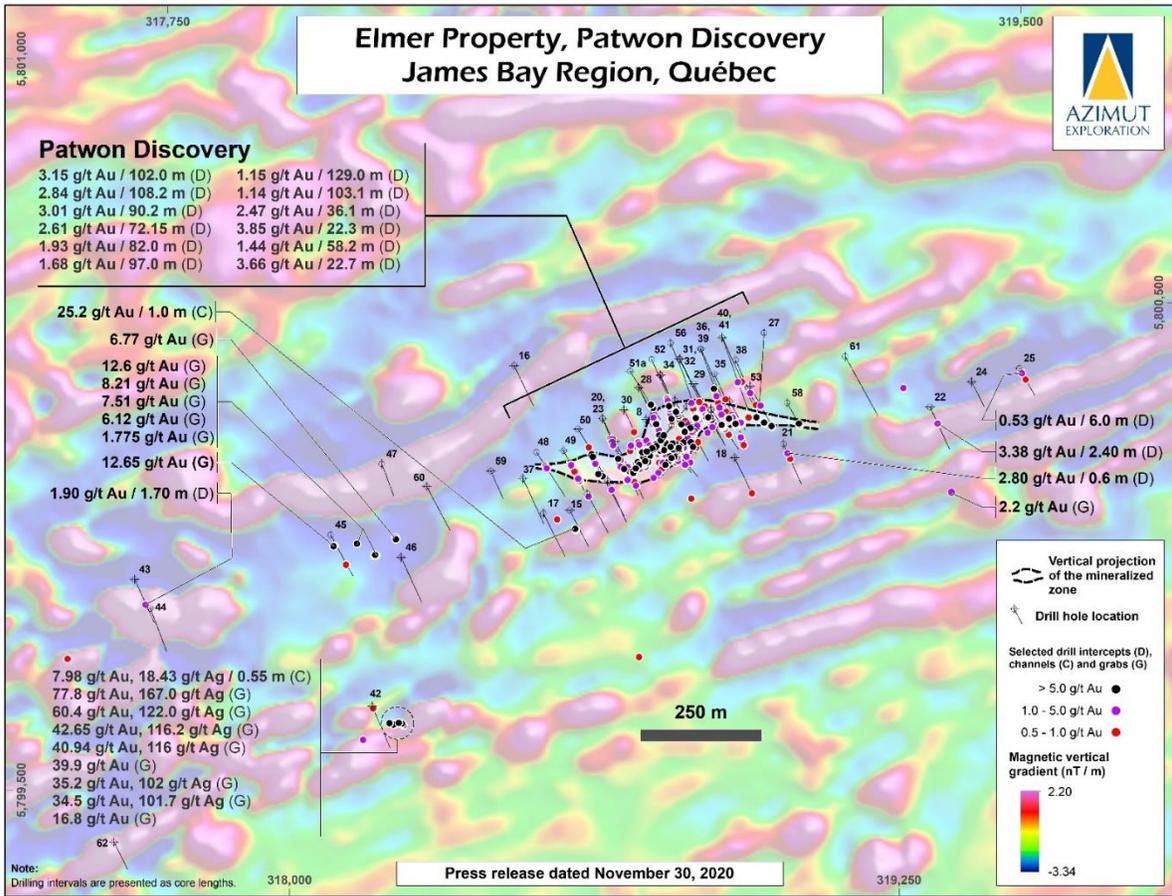


Figure 4: Close-up of the priority corridor showing drill hole positions on the Elmer Property.

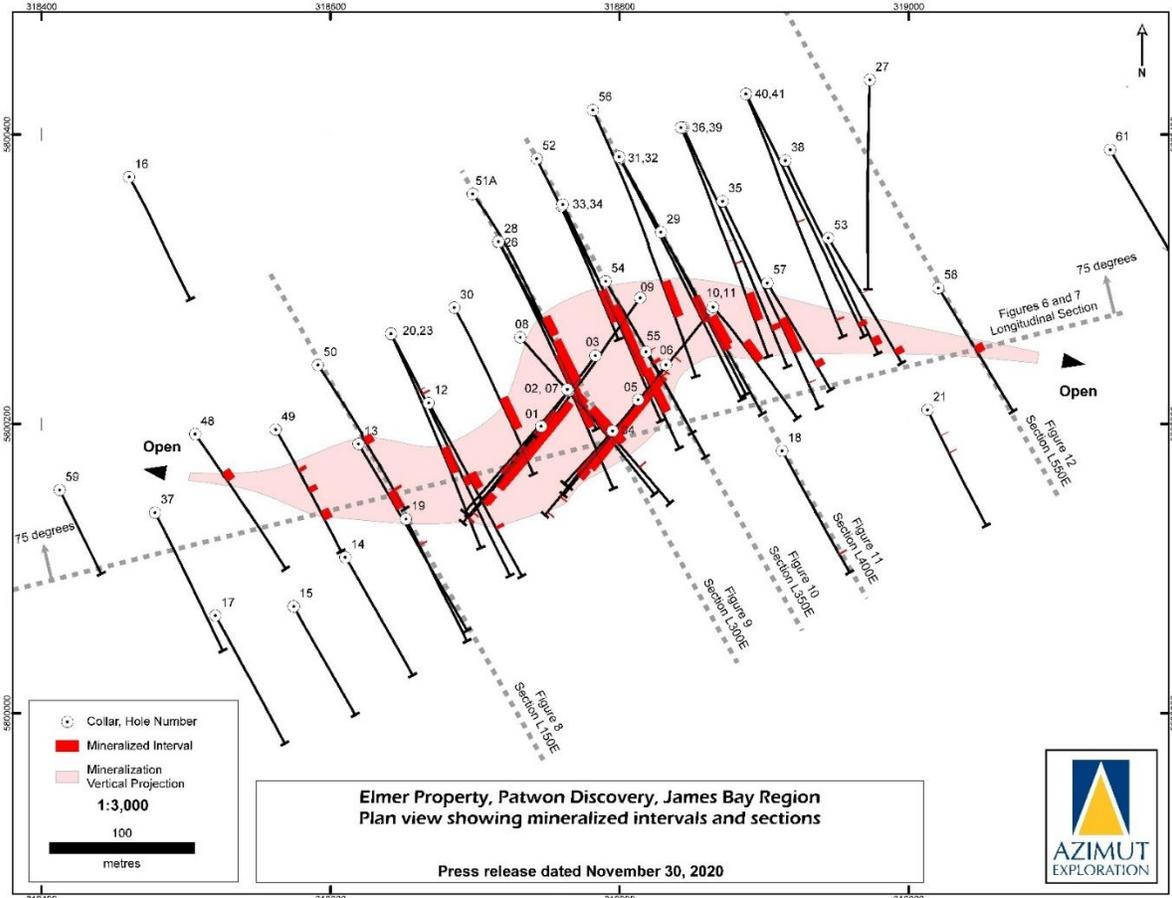


Figure 5: Plan view of the Patwon Zone showing mineralized drill intersections.

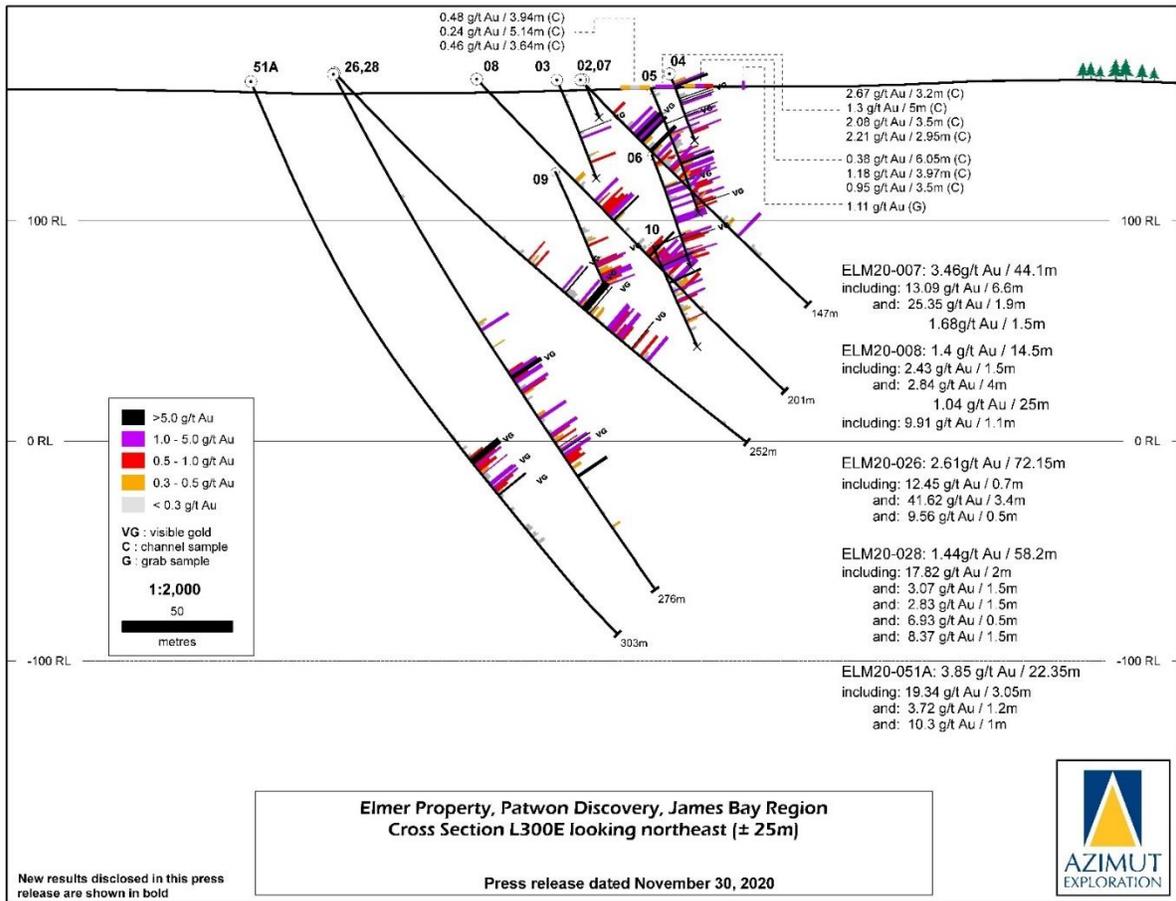


Figure 8: Example of a drill hole cross section through the Patwon Zone.



Hole ELM19-001: Native gold in quartz vein at 87.15 m



Hole ELM19-002: Native gold in an extensional quartz vein at 39.9 m



Hole ELM19-003: Native gold in quartz-carbonate veinlet subparallel to schistosity at 34.6 m



Hole ELM19-004: Native gold in milky quartz vein with tourmaline selvages at 16.2 m



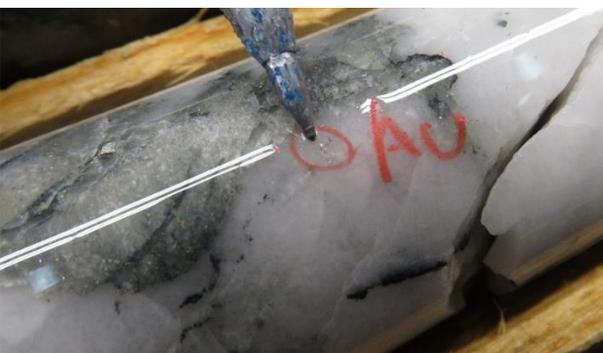
Hole ELM19-005: Native gold in a thin chloritic veinlet at 104.7 m with 1% to 3% pyrite and sericite-silica alteration



Hole ELM19-006: Native gold grain in a pyritic stringer in felsic intrusion at 70.7 m



Hole ELM19-006: Native gold in a quartz chlorite vein hosted by a porphyritic felsic intrusion at 104.7 m



Hole ELM19-007: Native gold in a quartz vein at 37.5 m with chloritic selvages and trace of tourmaline

Figure 9: Photographs of visible gold in drill core from the Patwon Prospect; all depths are along holes (PR of July 27, 2020).

Table 3: Significant gold results from diamond drilling programs on the Elmer Property (PR of November 30, 2020).

| Hole # | | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|-----------|-------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | | Length | From | To | True Thickness ⁽²⁾ | |
| ELM19-001 | | 6.39 | 1.20 | 13.50 | 14.70 | 0.70 | 4.47 |
| | | 0.78 | 32.00 | 27.40 | 59.40 | 19.16 | 14.94 |
| | incl. | 1.68 | 2.90 | 27.40 | 30.30 | 1.70 | 2.85 |
| | | 1.00 | 4.00 | 39.50 | 43.50 | 2.39 | 2.39 |
| | | 2.28 | 4.20 | 51.30 | 55.40 | 2.48 | 5.66 |
| | | 2.45 | 8.00 | 85.00 | 93.00 | 4.64 | 11.37 |
| | incl. | 18.40 | 0.80 | 86.80 | 87.60 | 0.46 | 8.54 |
| | | 1.99 | 1.50 | 105.50 | 107.00 | 0.88 | 1.75 |
| | | 1.70 | 2.80 | 112.00 | 114.80 | 1.64 | 2.78 |
| incl. | 3.60 | 0.80 | 112.00 | 112.80 | 0.47 | 1.68 | |
| ELM19-002 | | 5.15 | 9.00 | 33.50 | 42.50 | 5.35 | 27.57 |
| | incl. | 6.71 | 4.00 | 34.00 | 38.00 | 2.38 | 15.96 |
| | | 19.15 | 0.50 | 39.60 | 40.10 | 0.30 | 5.69 |
| | | 9.57 | 0.50 | 41.00 | 41.50 | 0.30 | 2.85 |
| | | 1.10 | 28.50 | 58.70 | 87.20 | 16.99 | 18.69 |
| | incl. | 3.54 | 1.00 | 62.00 | 63.00 | 0.59 | 2.11 |
| | | 2.00 | 2.00 | 72.50 | 74.50 | 1.19 | 2.38 |
| | | 2.01 | 8.70 | 77.50 | 86.20 | 5.18 | 10.40 |
| | | 10.10 | 20.50 | 96.50 | 117.00 | 12.42 | 125.43 |
| | incl. | 12.43 | 6.00 | 99.50 | 105.50 | 3.60 | 44.76 |
| | | 12.82 | 10.00 | 107.00 | 117.00 | 6.06 | 77.66 |
| | | 107.00 | 1.00 | 116.00 | 117.00 | 0.59 | 63.57 |
| | | 3.22 | 11.00 | 125.00 | 136.00 | 6.56 | 21.11 |
| incl. | 7.95 | 4.20 | 125.80 | 130.00 | 2.50 | 19.90 | |
| ELM19-003 | | 27.36 | 4.70 | 34.30 | 39.00 | 2.74 | 74.90 |
| | incl. | 254.00 | 0.50 | 34.30 | 34.80 | 0.30 | 76.06 |
| | | 4.65 | 29.00 | 65.50 | 94.50 | 16.46 | 76.55 |
| | Incl. | 11.90 | 1.00 | 68.00 | 69.00 | 0.60 | 7.13 |
| | | 16.00 | 6.50 | 78.00 | 84.50 | 3.69 | 59.04 |
| | | 2.20 | 7.60 | 109.30 | 116.90 | 4.37 | 9.62 |
| | Incl. | 4.07 | 3.40 | 113.50 | 116.90 | 1.97 | 8.03 |
| | | 1.66 | 6.00 | 121.00 | 127.00 | 3.48 | 5.78 |
| | Incl. | 5.23 | 1.50 | 124.00 | 125.50 | 0.87 | 4.56 |
| | | 1.08 | 11.00 | 131.50 | 142.50 | 6.24 | 6.74 |
| Incl. | 2.78 | 2.70 | 139.90 | 142.50 | 1.53 | 4.26 | |
| ELM19-004 | | 4.16 | 15.50 | 5.00 | 20.50 | 9.78 | 40.69 |
| | incl. | 11.61 | 2.60 | 6.50 | 9.10 | 1.64 | 19.05 |
| | | 8.99 | 3.20 | 15.80 | 19.00 | 1.84 | 16.53 |
| | | 7.85 | 5.50 | 25.50 | 31.00 | 3.32 | 26.02 |
| | incl. | 80.00 | 0.50 | 25.50 | 26.00 | 0.30 | 24.11 |
| | | 0.86 | 2.50 | 36.50 | 39.00 | 1.51 | 1.30 |
| | | 3.78 | 11.00 | 44.50 | 55.50 | 6.57 | 24.83 |
| incl. | 5.48 | 7.20 | 44.50 | 51.70 | 4.30 | 23.56 | |

| Hole # | | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|-----------|-------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | | Length | From | To | True Thickness ⁽²⁾ | |
| | | 59.50 | 0.50 | 51.20 | 51.70 | 0.30 | 17.77 |
| | | 1.03 | 1.50 | 81.00 | 82.50 | 0.89 | 0.91 |
| | | 1.94 | 1.50 | 100.50 | 102.00 | 0.88 | 1.71 |
| ELM19-005 | | 29.80 | 0.50 | 28.40 | 28.90 | 0.30 | 8.92 |
| | | 1.33 | 51.00 | 31.50 | 82.50 | 30.51 | 40.58 |
| | incl. | 2.53 | 13.50 | 50.00 | 63.50 | 8.08 | 20.44 |
| | | 10.30 | 1.50 | 53.00 | 54.50 | 0.90 | 9.24 |
| | | 2.68 | 1.00 | 68.30 | 69.30 | 0.60 | 1.60 |
| | | 3.91 | 5.60 | 74.80 | 80.40 | 3.37 | 13.19 |
| | | 37.00 | 0.50 | 79.90 | 80.40 | 0.30 | 11.14 |
| ELM19-006 | | 1.35 | 1.50 | 5.00 | 6.50 | 0.92 | 1.24 |
| | | 1.07 | 5.50 | 31.50 | 37.00 | 3.27 | 3.49 |
| | | 0.54 | 3.50 | 54.00 | 57.50 | 2.04 | 1.10 |
| | | 3.38 | 25.30 | 69.20 | 94.50 | 14.27 | 48.24 |
| | incl. | 11.92 | 5.80 | 70.20 | 76.00 | 3.31 | 39.44 |
| | | 121.00 | 0.50 | 70.20 | 70.70 | 0.29 | 34.51 |
| | | 1.49 | 33.50 | 100.50 | 134.00 | 18.90 | 28.16 |
| | incl. | 7.56 | 5.00 | 102.00 | 107.00 | 2.82 | 21.32 |
| | | 64.90 | 0.50 | 104.60 | 105.10 | 0.28 | 18.31 |
| 3.88 | | 0.50 | 131.20 | 131.70 | 0.27 | 1.06 | |
| ELM19-007 | | 3.46 | 44.10 | 30.00 | 74.10 | 34.02 | 117.73 |
| | incl. | 13.09 | 6.60 | 34.40 | 41.00 | 5.09 | 66.66 |
| | | 93.60 | 0.50 | 37.50 | 38.00 | 0.39 | 36.11 |
| | | 25.35 | 1.90 | 45.40 | 47.30 | 1.47 | 37.16 |
| | | 2.33 | 1.50 | 57.50 | 59.00 | 1.16 | 2.70 |
| | | 1.68 | 1.50 | 101.50 | 103.00 | 1.17 | 1.97 |
| ELM20-008 | | 1.40 | 14.50 | 77.20 | 91.70 | 11.48 | 16.07 |
| | Incl. | 2.43 | 1.50 | 77.20 | 78.70 | 0.94 | 2.29 |
| | | 2.84 | 4.00 | 86.90 | 90.90 | 2.33 | 6.62 |
| | | 1.04 | 25.00 | 111.00 | 136.00 | 19.53 | 20.31 |
| | Incl. | 9.91 | 1.10 | 113.20 | 114.30 | 0.89 | 8.78 |
| ELM20-009 | | 1.14 | 103.10 | 121.15 | 224.30 | 59.67 | 68.03 |
| | Incl. | 2.05 | 45.90 | 121.15 | 167.05 | 26.30 | 53.92 |
| | | 4.15 | 12.00 | 136.50 | 148.50 | 9.39 | 38.96 |
| | | 8.36 | 1.50 | 159.40 | 160.90 | 1.17 | 9.80 |
| | | 16.30 | 0.70 | 194.30 | 195.00 | 0.53 | 8.71 |
| ELM20-010 | | 1.14 | 1.20 | 56.80 | 58.00 | 0.70 | 0.80 |
| | | 0.71 | 78.00 | 78.00 | 156.00 | 45.46 | 32.28 |
| | Incl. | 4.12 | 0.50 | 79.05 | 79.55 | 0.29 | 1.21 |
| | | 1.72 | 1.20 | 88.70 | 89.90 | 0.70 | 1.20 |
| | | 0.89 | 58.00 | 112.10 | 170.10 | 33.23 | 29.58 |
| | Incl. | 6.12 | 1.30 | 115.70 | 117.00 | 0.76 | 4.64 |
| | | 2.55 | 7.50 | 125.80 | 133.30 | 4.32 | 11.03 |
| | | 8.23 | 1.10 | 129.20 | 130.30 | 0.63 | 5.22 |
| | | 8.68 | 1.50 | 140.80 | 142.30 | 0.86 | 7.46 |

| Hole # | | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|-----------|-------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | | Length | From | To | True Thickness ⁽²⁾ | |
| ELM20-011 | | 3.66 | 22.75 | 45.75 | 68.50 | 18.27 | 66.88 |
| | Incl. | 7.21 | 10.65 | 50.35 | 61.00 | 8.55 | 61.68 |
| | | 40.90 | 0.55 | 52.85 | 53.40 | 0.44 | 18.07 |
| ELM20-012 | | 1.23 | 15.40 | 77.40 | 92.80 | 12.50 | 15.38 |
| | Incl. | 5.82 | 1.45 | 91.35 | 92.80 | 1.18 | 6.85 |
| | | 0.90 | 3.00 | 130.50 | 133.50 | 2.39 | 2.15 |
| ELM20-013 | | 1.65 | 18.55 | 56.45 | 75.00 | 15.40 | 25.41 |
| | Incl. | 7.60 | 1.40 | 67.10 | 68.50 | 1.16 | 8.83 |
| | | 4.62 | 1.25 | 70.55 | 71.80 | 1.04 | 4.79 |
| ELM20-014 | | 1.02 | 1.50 | 9.00 | 10.50 | NA | NA |
| ELM20-018 | | 0.96 | 1.50 | 112.50 | 114.00 | NA | NA |
| ELM20-019 | | 1.10 | 1.50 | 28.50 | 30.00 | NA | NA |
| ELM20-020 | | 1.89 | 1.60 | 67.00 | 68.60 | 1.35 | 2.56 |
| | | 3.72 | 8.70 | 154.80 | 163.50 | 7.13 | 26.51 |
| | Incl. | 16.80 | 1.70 | 154.80 | 156.50 | 1.39 | 23.39 |
| ELM20-021 | | 2.80 | 0.60 | 28.00 | 28.60 | NA | NA |
| | | 0.96 | 0.80 | 46.20 | 47.00 | NA | NA |
| ELM20-022 | | 3.38 | 2.40 | 50.65 | 53.05 | NA | NA |
| ELM20-023 | | 1.43 | 1.00 | 82.00 | 83.00 | 0.94 | 1.34 |
| | | 0.58 | 13.00 | 97.00 | 110.00 | 12.18 | 7.06 |
| | Incl. | 3.16 | 1.00 | 109.00 | 110.00 | 0.93 | 2.95 |
| | | 0.52 | 32.45 | 158.00 | 189.45 | 29.95 | 15.57 |
| | Incl. | 3.73 | 2.80 | 158.00 | 160.80 | 2.59 | 9.66 |
| 1.10 | | 1.45 | 188.00 | 189.45 | 1.33 | 1.46 | |
| ELM20-025 | | 0.53 | 6.00 | 11.00 | 17.00 | NA | NA |
| | incl. | 1.05 | 1.50 | 11.00 | 12.50 | NA | NA |
| | | 1.21 | 1.00 | 16.00 | 17.00 | NA | NA |
| ELM20-026 | | 2.61 | 72.15 | 122.20 | 194.35 | 58.79 | 153.43 |
| | Incl. | 3.59 | 51.85 | 142.50 | 194.35 | 42.15 | 151.33 |
| | | 12.45 | 0.70 | 144.55 | 145.25 | 0.57 | 7.09 |
| | | 41.62 | 3.40 | 154.75 | 158.15 | 2.77 | 115.30 |
| | | 29.24 | 4.95 | 154.75 | 159.70 | 4.03 | 117.93 |
| | | 9.56 | 0.50 | 184.00 | 184.50 | 0.40 | 3.85 |
| ELM20-028 | | 1.44 | 58.20 | 156.30 | 214.50 | 54.14 | 77.96 |
| | Incl. | 3.60 | 13.45 | 156.30 | 169.75 | 12.41 | 44.67 |
| | | 6.00 | 7.15 | 156.30 | 163.45 | 6.60 | 39.58 |
| | | 17.82 | 2.00 | 158.80 | 160.80 | 1.85 | 32.88 |
| | | 3.07 | 1.50 | 181.50 | 183.00 | 1.40 | 4.29 |
| | | 2.83 | 1.50 | 190.50 | 192.00 | 1.40 | 3.95 |
| | | 1.46 | 15.50 | 199.00 | 214.50 | 14.34 | 20.93 |
| | | 6.93 | 0.50 | 200.00 | 200.50 | 0.46 | 3.22 |
| 8.37 | 1.50 | 213.00 | 214.50 | 1.39 | 11.61 | | |
| ELM20-029 | | 1.50 | 30.50 | 96.00 | 126.50 | 25.19 | 37.78 |
| | Incl. | 4.15 | 1.50 | 96.00 | 97.50 | 1.24 | 5.13 |
| | | 8.59 | 2.10 | 103.90 | 106.00 | 1.73 | 14.88 |

| Hole # | | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|-----------|-------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | | Length | From | To | True Thickness ⁽²⁾ | |
| | | 7.20 | 1.00 | 113.50 | 114.50 | 0.83 | 5.95 |
| ELM20-030 | | 0.61 | 46.20 | 150.00 | 196.20 | 43.79 | 26.71 |
| | Incl. | 1.03 | 19.55 | 150.00 | 169.55 | 18.56 | 19.12 |
| | | 10.65 | 0.50 | 195.70 | 196.20 | 0.47 | 5.05 |
| ELM20-031 | | 2.47 | 36.10 | 172.50 | 208.60 | 29.24 | 72.23 |
| | Incl. | 5.04 | 16.10 | 172.50 | 188.60 | 13.09 | 65.96 |
| | | 56.10 | 0.60 | 180.00 | 180.60 | 0.49 | 27.36 |
| ELM20-032 | | 0.94 | 30.35 | 191.65 | 222.00 | 27.13 | 25.50 |
| | Incl. | 1.89 | 13.50 | 208.50 | 222.00 | 12.03 | 22.75 |
| | | 2.83 | 6.35 | 213.00 | 219.35 | 5.66 | 16.02 |
| ELM20-033 | | 1.01 | 1.50 | 113.40 | 114.90 | 1.25 | 1.26 |
| | | 6.17 | 1.30 | 126.00 | 127.30 | 1.07 | 6.62 |
| | | 0.75 | 42.45 | 175.35 | 217.80 | 34.30 | 25.72 |
| | Incl. | 1.30 | 15.70 | 202.10 | 217.80 | 12.65 | 16.44 |
| | | 12.55 | 0.95 | 216.85 | 217.80 | 0.76 | 9.60 |
| ELM20-034 | | 3.01 | 90.20 | 151.30 | 241.50 | 82.74 | 249.04 |
| | Incl. | 10.99 | 18.70 | 151.30 | 170.00 | 17.28 | 189.91 |
| | | 27.01 | 5.85 | 151.30 | 157.15 | 5.43 | 146.77 |
| | | 5.35 | 2.90 | 202.60 | 205.50 | 2.66 | 14.23 |
| | | 25.20 | 0.50 | 202.60 | 203.10 | 0.46 | 11.56 |
| | | 3.95 | 9.95 | 221.55 | 231.50 | 9.10 | 35.94 |
| ELM20-035 | | 1.24 | 34.75 | 127.25 | 162.00 | 28.84 | 35.77 |
| | Incl. | 6.39 | 4.00 | 152.00 | 156.00 | 3.31 | 21.17 |
| | | 1.16 | 1.00 | 191.50 | 192.50 | 0.82 | 0.95 |
| ELM20-036 | | 2.46 | 5.10 | 206.90 | 212.00 | 4.10 | 10.07 |
| | Incl. | 7.30 | 0.60 | 209.60 | 210.20 | 0.48 | 3.52 |
| ELM20-038 | | 4.55 | 8.00 | 186.00 | 194.00 | 6.37 | 28.99 |
| ELM20-039 | Incl. | 10.12 | 2.95 | 189.55 | 192.50 | 2.35 | 23.78 |
| | | 6.87 | 0.50 | 155.65 | 156.15 | 0.46 | 3.17 |
| | | 1.29 | 1.60 | 181.80 | 183.40 | 1.48 | 1.90 |
| | | 0.49 | 31.50 | 219.50 | 251.00 | 28.53 | 13.98 |
| | Incl. | 1.20 | 8.50 | 242.50 | 251.00 | 7.68 | 9.22 |
| ELM20-040 | | 3.93 | 4.55 | 239.00 | 243.55 | 3.61 | 14.19 |
| | Incl. | 8.04 | 2.05 | 241.50 | 243.55 | 1.63 | 13.08 |
| ELM20-041 | | 1.04 | 1.35 | 169.30 | 170.65 | 1.23 | 1.28 |
| | | 0.77 | 2.00 | 281.50 | 283.50 | 1.76 | 1.36 |
| ELM20-042 | | 0.82 | 1.10 | 7.10 | 8.20 | NA | NA |
| ELM20-043 | | 1.90 | 1.70 | 80.30 | 82.00 | NA | NA |
| ELM20-045 | | 0.52 | 1.50 | 94.50 | 96.00 | NA | NA |
| ELM20-048 | | 1.20 | 11.00 | 48.00 | 59.00 | 9.17 | 11.00 |
| | incl. | 3.61 | 2.00 | 57.00 | 59.00 | 1.66 | 6.00 |
| ELM20-049 | | 0.75 | 4.15 | 51.00 | 55.15 | 3.70 | 2.78 |
| | | 0.47 | 6.30 | 74.50 | 80.80 | 5.58 | 2.62 |
| | | 1.05 | 10.90 | 103.10 | 114.00 | 9.63 | 10.11 |
| | incl. | 4.94 | 0.90 | 103.10 | 104.00 | 0.80 | 3.93 |

| Hole # | | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|------------|-------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | | Length | From | To | True Thickness ⁽²⁾ | |
| ELM20-050 | | 5.86 | 9.75 | 95.25 | 105.00 | 8.52 | 49.91 |
| | incl. | 59.00 | 0.80 | 104.20 | 105.00 | 0.70 | 41.23 |
| | | 4.44 | 3.15 | 158.95 | 162.10 | 2.74 | 12.15 |
| ELM20-051A | | 3.85 | 22.35 | 198.15 | 220.50 | 19.82 | 76.31 |
| | Incl. | 19.34 | 3.05 | 199.15 | 202.20 | 2.76 | 53.30 |
| | | 3.72 | 1.20 | 213.60 | 214.80 | 1.06 | 3.96 |
| | | 10.30 | 1.00 | 219.50 | 220.50 | 0.90 | 9.23 |
| ELM20-052 | | 1.38 | 48.05 | 230.80 | 278.85 | 45.91 | 63.36 |
| | incl. | 6.18 | 3.00 | 233.00 | 236.00 | 2.87 | 17.72 |
| ELM20-053 | | 1.41 | 0.50 | 65.75 | 66.25 | 0.42 | 0.60 |
| | | 3.36 | 6.75 | 129.00 | 135.75 | 5.63 | 18.91 |
| ELM20-054 | | 1.39 | 1.00 | 81.80 | 82.80 | 0.84 | 1.16 |
| ELM20-055 | | 5.50 | 3.55 | 11.80 | 15.35 | 3.02 | 16.60 |
| | | 1.21 | 1.50 | 28.50 | 30.00 | 1.28 | 1.54 |
| ELM20-056 | | 1.31 | 39.65 | 247.55 | 287.20 | 35.46 | 46.46 |
| | incl. | 6.50 | 4.75 | 282.45 | 287.20 | 4.24 | 27.58 |
| ELM20-057 | | 2.41 | 7.00 | 92.00 | 99.00 | 5.82 | 14.04 |
| ELM20-058 | | 5.70 | 8.30 | 68.20 | 76.50 | 6.92 | 39.47 |
| | Incl. | 18.60 | 2.25 | 68.20 | 70.45 | 1.88 | 34.91 |

Notes:

Holes ELM20-024, 044, 047, 059 to 062: no significant values

(1) Assays are not capped.

(2) Intervals are presented as core lengths; true widths calculated with the intercept angle between the DDH orientation at the mineralized interval midpoint and the mineralized zone oriented N256/75.

(3) Grade x thickness based on true widths.

Table 4: Mineralized envelope from the Patwon Zone on the Elmer Property (PR of November 30, 2020).

| Hole # | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|-----------|----------------------------|----------------|--------|--------|----------------------------------|---|
| | | Length | From | To | True Thickness ⁽²⁾ | |
| ELM19-001 | 0.63 | 101.32 | 13.48 | 114.80 | 60.52 | 37.83 |
| ELM19-002 | 3.15 | 102.50 | 33.50 | 136.00 | 60.99 | 192.18 |
| ELM19-003 | 2.84 | 108.23 | 34.27 | 142.50 | 61.44 | 174.30 |
| ELM19-004 | 1.68 | 97.00 | 5.00 | 102.00 | 57.92 | 97.31 |
| ELM19-005 | 1.54 | 54.09 | 28.41 | 82.50 | 32.36 | 49.68 |
| ELM19-006 | 1.15 | 129.00 | 5.00 | 134.00 | 73.59 | 84.63 |
| ELM19-007 | 2.19 | 71.50 | 31.50 | 103.00 | 55.48 | 121.51 |
| ELM20-008 | 0.81 | 58.80 | 77.20 | 136.00 | 47.04 | 38.10 |
| ELM20-009 | 1.14 | 103.10 | 121.20 | 224.30 | 59.67 | 68.03 |
| ELM20-010 | 0.71 | 78.00 | 78.00 | 156.00 | 45.46 | 32.28 |
| ELM20-011 | 3.66 | 22.75 | 45.75 | 68.50 | 18.27 | 66.88 |
| ELM20-012 | 0.97 | 20.80 | 72.00 | 92.80 | 16.88 | 16.38 |
| ELM20-013 | 1.65 | 18.55 | 56.45 | 75.00 | 15.40 | 25.41 |
| ELM20-020 | 0.72 | 47.90 | 129.75 | 177.65 | 39.29 | 28.29 |
| ELM20-023 | 0.52 | 31.45 | 158.00 | 189.45 | 29.03 | 15.09 |
| ELM20-026 | 2.61 | 72.15 | 122.20 | 194.35 | 58.79 | 153.43 |

| Hole # | Au (g/t) ⁽¹⁾ | Intercepts (m) | | | | Grade x Thickness g/t Au x m ⁽³⁾ |
|------------|-------------------------|----------------|--------|--------|-------------------------------|---|
| | | Length | From | To | True Thickness ⁽²⁾ | |
| ELM20-028 | 1.44 | 58.20 | 156.30 | 214.50 | 54.14 | 77.96 |
| ELM20-029 | 1.50 | 30.50 | 96.00 | 126.50 | 25.19 | 37.78 |
| ELM20-030 | 0.61 | 46.20 | 150.00 | 196.20 | 43.79 | 26.71 |
| ELM20-031 | 2.47 | 33.60 | 175.00 | 208.60 | 27.22 | 67.23 |
| ELM20-032 | 0.94 | 30.35 | 191.65 | 222.00 | 27.13 | 25.50 |
| ELM20-033 | 0.75 | 42.45 | 175.35 | 217.80 | 34.30 | 25.72 |
| ELM20-034 | 3.01 | 90.20 | 151.30 | 241.50 | 82.74 | 249.04 |
| ELM20-035 | 1.24 | 34.75 | 127.25 | 162.00 | 28.84 | 35.77 |
| ELM20-036 | 0.67 | 21.70 | 190.30 | 212.00 | 17.56 | 11.76 |
| ELM20-038 | 4.55 | 8.00 | 186.00 | 194.00 | 6.37 | 28.99 |
| ELM20-039 | 0.49 | 31.50 | 219.50 | 251.00 | 28.53 | 13.98 |
| ELM20-040 | 3.93 | 4.55 | 239.00 | 243.55 | 3.61 | 14.19 |
| ELM20-041 | 0.40 | 5.70 | 169.30 | 175.00 | 5.19 | 2.08 |
| ELM20-048 | 1.20 | 11.00 | 48.00 | 59.00 | 9.17 | 11.00 |
| ELM20-049 | 1.05 | 10.90 | 103.10 | 114.00 | 9.63 | 10.11 |
| ELM20-050 | 5.86 | 9.75 | 95.25 | 105.00 | 8.52 | 49.91 |
| ELM20-051A | 3.85 | 22.35 | 198.15 | 220.50 | 19.82 | 76.31 |
| ELM20-052 | 1.38 | 48.05 | 230.80 | 278.85 | 45.91 | 63.36 |
| ELM20-053 | 3.36 | 6.75 | 129.00 | 135.75 | 5.63 | 18.91 |
| ELM20-055 | 0.97 | 23.20 | 6.80 | 30.00 | 19.73 | 19.14 |
| ELM20-056 | 1.29 | 40.55 | 247.55 | 288.10 | 36.27 | 46.79 |
| ELM20-057 | 2.41 | 7.00 | 92.00 | 99.00 | 5.82 | 14.04 |
| ELM20-058 | 5.70 | 8.30 | 68.20 | 76.50 | 6.92 | 39.47 |

Notes:

(1) Assays are not capped.

(2) Intervals are presented as core lengths; true widths calculated with the intercept angle between the DDH orientation at the mineralized interval midpoint and the mineralized zone oriented N256/75.

(3) Grade x thickness based on true widths.

Surface exploration highlights

Figure 10 shows the notable prospecting and channelling results from the property. In addition to the high-grade samples collected from Patwon, the Company obtained significant grades from other areas of the property:

Isolated occurrences:

58.20 g/t Au and 18.55 g/t Au (2.6 km NW of Patwon)
 18.25 g/t Au and 17.15 g/t Au (1.5 km NE of Patwon)
 8.60 g/t Au and 6.73 g/t Au (about 3.5 km SW of Patwon)

Gabbro Zone: hematized and boudinaged quartz veins with traces of pyrite hosted in sheared gabbro; 11 samples including 4 samples with grades above 1.0 g/t Au:

7.98 g/t Au, 18.43 g/t Ag over 0.55 m (channel)
 77.8 g/t Au, 167.0 g/t Ag (grab)
 60.4 g/t Au, 122.0 g/t Ag (grab)
 6.11 g/t Au, 9.49 g/t Ag (grab)

Gold Zone: quartz-ankerite veins with pyrite, pyrrhotite and chalcopyrite hosted in sericitized mafic metavolcanics; 7 samples including 2 with grades above 1.0 g/t Au:

8.56 g/t Au (grab)
 1.28 g/t Au, 0.158% Cu (grab)

Possible analog and potential of the Elmer Trend

Comparing already known deposits with the features of a new discovery is a key step in supporting the exploration hypothesis and envisioning the upside potential of the discovery, even if each deposit is ultimately different. Key features of the Goldex deposit (Agnico Eagle Ltd.) are presented for comparison with Patwon. Goldex is a multi-million-ounce gold mine located on the west side of Val-d'Or in the Abitibi region of Quebec. The steeply dipping mineralized body has a horizontal length of about 450 metres and is known down to 1.8 kilometres.

The deposit is principally hosted by a large table-shaped felsic intrusion (a quartz-diorite body) surrounded by a sequence of intermediated, mafic and ultramafic volcanic rocks. The orebody is defined by the intensity of stockwork veins and gold grades rather than by individual veins. Most of the gold occurs as microscopic particles associated with pyrite, while the rest occurs as coarse native gold grains. Several zones contain gold-bearing quartz-tourmaline-pyrite veins and veinlets.

The mineral reserve and resource statement as of December 31, 2019, comprises proven and probable reserves of 1.1 million ounces of gold (21.0 Mt at 1.61 g/t Au), measured and indicated resources of 2.0 million ounces (39.2 Mt at 1.60 g/t Au) and inferred resources of 1.2 million ounces (25.2 Mt at 1.5 g/t Au). (Agnico Eagle website).

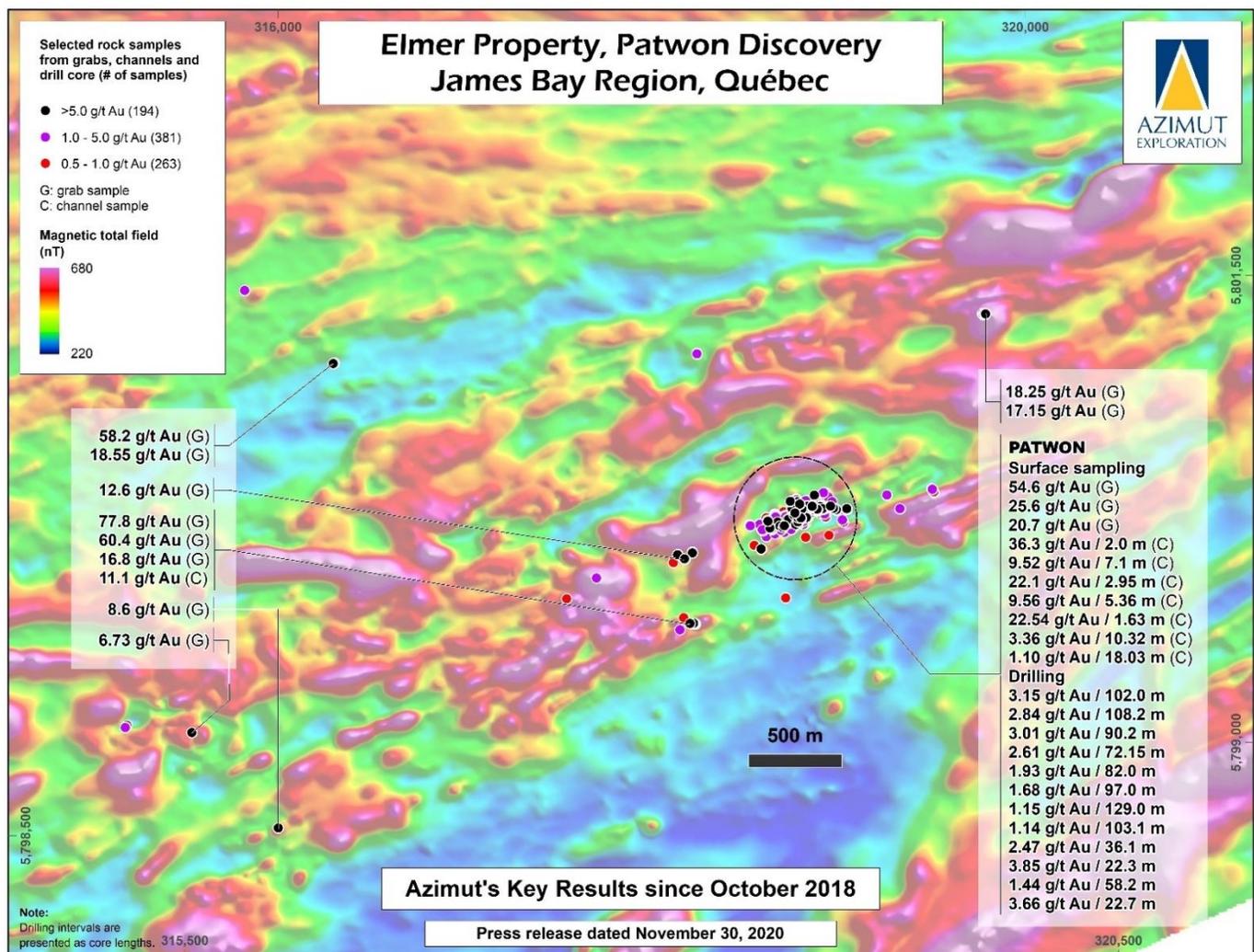


Figure 10: Selected grab and channel samples from the Patwon discovery zone and other occurrences in the vicinity.

Munischiwan Property

The Munischiwan Property (167 claims, 87.6 km²) is a gold-polymetallic (Au-Cu-Ag) project held 100% by SOQUEM. Azimut has a back-in option to regain a 50% interest. The property lies about 85 kilometres from the Cree community of Eastmain on the east coast of James Bay. The James Bay Road passes through the property. The project partly covers a well-defined As-Ag-Bi-Cu-Sb anomaly in lake-bottom sediments (“LBS”) within the La Grande Subprovince, accompanied by favourable geophysical, geological and structural criteria. Target deposit types are intrusion-related and shear zone-hosted. There were no known showings on Munischiwan before Azimut began exploring the property.

Exploration highlights

A SOQUEM-funded, multi-property exploration program in 2018 included prospecting and stripping on Munischiwan. The work led to the discovery of an outcropping Au-Cu-Ag zone (PR of October 25, 2018) now known as the **InSight Prospect** (Figure 11), a 600-metre by 150-metre envelope based on outcropping mineralization, with grades up to 100.5 Au, 435 g/t Ag, 105 g/t Te and 1.67% Cu. The zone dips about 30° east, is open in all directions, and is coincident with a 300-metre by 1,000-metre IP anomaly 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 metres to the south (2.42 g/t Au) may represent the extension of the prospect.

Grab samples from outcrops returned the following grades (PRs of October 25 and December 5, 2018; Figure 11):

- 100.5 g/t Au, 151.0 g/t Ag, 156.0 g/t Te, 0.14% Cu
- 4.89 g/t Au, 196.0 g/t Ag, 0.30% Cu
- 2.28 g/t Au, 4.65 g/t Ag, 0.29% Cu
- 1.92 g/t Au, 38.4 g/t Ag, 14.3 g/t Te, 0.63% Cu
- 1.86 g/t Au, 5.48 g/t Ag, 2.99 g/t Te
- 1.64 g/t Au, 29.8 g/t Ag, 0.84% Cu
- 1.35 g/t Au, 3.46 g/t Ag, 0.28% Cu
- 11.0 g/t Au, 435.0 g/t Ag, 0.38% Cu
- 5.89 g/t Au, 13.5 g/t Ag, 0.05% Cu
- 4.48 g/t Au, 55.2 g/t Ag, 1.67% Cu
- 4.14 g/t Au, 37.4 g/t Ag, 1.40% Cu
- 3.34 g/t Au, 5.84 g/t Ag, 0.18% Cu
- 3.02 g/t Au, 35.3 g/t Ag, 1.29% Cu
- 2.24 g/t Au, 28.6 g/t Ag, 0.76% Cu
- 2.01 g/t Au, 32.1 g/t Ag, 0.36% Cu
- 1.95 g/t Au, 29.6 g/t Ag, 1.26% Cu
- 1.53 g/t Au, 67.2 g/t Ag, 0.90% Cu

In 2019, Azimut and SOQUEM completed a 70-line-kilometre Mag-IP ground survey to further assess the InSight Prospect (PR of April 30, 2019), and commenced detailed surface sampling on the prospect to prepare a maiden diamond drilling program (PR of June 27, 2019). The survey grid is about 3.1 kilometres by 2 kilometres, with 100-metre line spacing. Multiple IP anomalies, subparallel to and/or on strike with the InSight Prospect, constitute highly prospective targets within a trend at least 3 kilometres long by 1 kilometre wide. Target definition is strengthened by the correlation between IP anomalies and heliborne magnetic data.

Previous exploration by the Company consisted of an 838 line-kilometre heliborne Mag-VTEMTM Plus survey flown over the property in spring 2017 with a line spacing of 100 metres (PR of November 2, 2017), followed by a reconnaissance program later that year (249 grabs). This work led to the discovery of several showings, including the **Soga Prospect** (up to 2.53% Cu, 9.0 g/t Ag in grabs).

Pilipas Property

The wholly-owned Pilipas Property (135 claims, 70.7 km²) is a gold project adjacent to the north to the Munischiwan Property. The James Bay Road passes through the centre of the property. The project is located along the immediate potential extensions of the kilometre-scale InSight Prospect (Au-Ag-Cu) discovered at Munischiwan. The recent IP survey on the InSight Prospect indicates it may extend onto the Pilipas Property.

Wapatik Property

The wholly-owned Wapatik Property (220 claims, 115.7 km²) is under option to Mont Royal Resources Limited (“Mont Royal”) (PR of November 18, 2020). It is a 24-kilometre-long gold project located 13 kilometres to the east of the Elmer Property and along the same geological trend. It covers a geological and structural context similar to that of Elmer, along the Lower Eastmain greenstone belt within the La Grande Subprovince. The James Bay Road crosses the western end of the property.

Azimut and Mont Royal have launched a gold exploration program on the property following a preliminary target assessment (PR of November 18, 2020). Past exploration appears very limited in this part of the Lower Eastmain belt.

TRANS-TAIGA ROAD SECTOR

Azimut’s portfolio includes a group of properties near the Trans-Taiga Road in the northern part of the James Bay region: three wholly-owned properties (Corvet, Kaanaayaa, and Kukamas), the two SOQUEM JV Properties (Dalmas and Galinée), and two of the SOQUEM Properties (Pikwa and Pontois) for which Azimut has a back-in option. The infrastructure in the area includes permanent roads, power grids and airport facilities. The Trans-Taiga Road is an east-west 582-kilometre gravel highway that connects to the James Bay Road. It was built as an access road to the hydroelectric generating stations of Hydro-Québec along the La Grande River and Caniapiscou River.

Corvet Property

The wholly-owned Corvet Property (340 claims in 2 blocks, 174.8 km²) lies south of the Pikwa Property, to the west of Lac de la Corvette. This gold-copper project is located 55 kilometres southwest of the La Grande-4 airstrip next to the Trans-Taiga Road and 225 kilometres east-southeast of Radisson. The western part of the project (formerly known as Masta-2) was amalgamated in May 2020. The property straddles the La Grande–Opinaca boundary and displays a strong spatial association between Ag-As-Bi-Cu-Sb in LBS (PR of July 8, 2019). A reconnaissance program in 2017 produced 53 grab samples. The results included anomalous values in gold (0.111 g/t Au), copper (0.12% Cu) and arsenic (668 ppm As) within a target area measuring 7 kilometres by 1.5 kilometres. In 2018, Azimut carried out reconnaissance and prospecting (123 grabs) as part of a SOQUEM-funded multi-property exploration program (PR of June 6, 2018) before SOQUEM relinquished its rights to the property.

For Fiscal 2020, the Company incurred \$1,000 (\$54,000 – Fiscal 2019) in claim renewals and \$8,000 (\$2,000 – Fiscal 2019) in exploration expenditures for data interpretation.

Dalmas Property

The Dalmas Property (88 claims, 44.9 km²) is a 50/50 JV gold project with SOQUEM, located 25 kilometres south of the Trans-Taiga Road. The property covers a sheared greenstone belt in the La Grande Subprovince with a strong arsenic-bismuth-copper-antimony footprint in LBS. The target deposit type is shear zone-hosted gold.

A SOQUEM-funded, multi-property assessment program in 2018 included an LBS survey on Dalmas and an initial prospecting phase that identified a 3-kilometre trend of anomalous gold, arsenic and copper in grab samples (PR of May 31, 2018). The Azimut-funded 2019 program included prospecting and till sampling.

As at August 31, 2020, the JV partners have cumulatively invested \$194,000 (\$105,000 – August 31, 2019) in work expenditures, of which Azimut’s share is \$97,000 (\$52,500 – August 31, 2019). The expenditures cover prospecting and till sampling.

Galinée Property

The Galinée Property (707 claims, 364.9 km²) is a 50/50 JV gold project with SOQUEM, located about 50 kilometres north-northwest of the Renard mine (Stornoway Diamond Corp.) and 60 kilometres south of the Trans-Taiga Road. The 36-kilometre-long property provides a controlling position over an extensive LBS anomaly marked by a strong arsenic-bismuth-antimony

footprint, accompanied by favourable geophysical, geological and structural criteria. The property is underlain by the La Grande Subprovince, about 15 kilometres north of the contact with the Opinaca Subprovince. No historical showings were known on the property. Target deposit types are shear zone-hosted and intrusion-related.

A SOQUEM-funded, multi-property assessment program in 2018 included fieldwork on the Galinée Property, which led to the discovery by prospecting of the sub-cropping, tonalite-hosted **Gamora Prospect** (up to 2.17 g/t Au), recognized over an area of 130 metres by 30 metres. Twenty-six (26) grab samples yielded values above 0.1 g/t Au, including six (6) samples returning values from 0.53 g/t Au to 0.84 g/t Au and one (1) sample returning 2.17 g/t Au (PR of November 13, 2018). About 5 kilometres to the west, a gold grain dispersal train in till yielded a sample containing 52 delicate gold grains, suggesting a proximal common source. A very unusual multi-kilometre cluster of LBS gold values was also identified (PR of May 31, 2018). The Company intends to conduct till sampling and follow-up prospecting.

As at August 31, 2020, the JV partners have cumulatively invested \$271,000 (\$183,000 – August 31, 2019), of which Azimut's share is \$135,500 (\$91,500 – August 31, 2019). The work expenditures covered prospecting, LBS geochemistry, soil geochemistry and till sampling.

Kaanaayaa Property

The wholly-owned Kaanaayaa Property (390 claims, 200.5 km²) is a copper-gold and copper-nickel project situated 35 kilometres south of the Trans Taiga Road and a Hydro-Québec powerline, and 42 kilometres south of the LG-4 airport. It is located just east of the Corvet and Pikwa properties. Kaanaayaa has the following notable features (PRs of March 28 and July 8, 2019):

- Strong regional-scale Bi-Ag-Mo-Cu-W footprint in LBS.
- Favourable geology marked by metasediments and mafic to intermediate volcanics crosscut by several small granitic intrusions. A multi-kilometre fold may control the location of some of these intrusions. The fertile nature of these intrusions is suggested by the polymetallic footprint on the project.

Past exploration on the project is limited. An adjacent property, jointly held by Osisko Exploration James Bay and Newmont Corporation ("Newmont"), hosts several significant gold prospects. These prospects, about 5 kilometres southwest of Kaanaayaa, include 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).

For Fiscal 2020, the Company incurred \$7,000 (\$13,000 – Fiscal 2019) in exploration expenditures for data interpretation but did not incur any claim acquisition expenditures (\$58,000 – Fiscal 2019).

Kukamas Property

The wholly-owned Kukamas Property (376 claims, 190.7 km²) is a copper-gold project located 4 kilometres north of the Trans-Taiga Road and LG-3 airstrip (Km 100), along an access road leading to the LG-3 hydroelectric generating station just north of the property. The nearest town is Radisson, 80 kilometres to the north-northwest. The project is located within the La Grande Subprovince, about 7 kilometres north of the Opinaca Subprovince. The geology is characterized by sheared metasediments, including iron formation and metavolcanics surrounding granitic intrusions. The 36-kilometre strike of the project covers strong Ag-As-Bi-Cu-Sb anomalies in LBS and several historical gold and copper prospects (up to 1.21 g/t Au and up to 20.7% Cu) (PR of July 8, 2019). Several other gold showings are found nearby (Tour Elle: 18.1 g/t Au; Girard-Dupras: 3.6 g/t Au over 1.0 m (channel); La Guiche Zone: 2.72 g/t Au; and Dune Zone: 2.2 g/t Au, 4.3% Cu).

For Fiscal 2020, the Company incurred \$9,000 (\$26,000 – Fiscal 2019) in exploration expenditures for geophysics but did not incur any claim renewal or acquisition expenditures (\$56,000 – Fiscal 2019).

Pikwa Property

The Pikwa Property (703 claims, 360.4 km²) is a gold-polymetallic (Au-Cu-Co-Mo) project held 100% by SOQUEM. Azimut has a back-in option to regain a 50% interest. The property is located 2 kilometres south of the Trans-Taiga Road, 40 kilometres east of the LG-3 hydroelectric generating station, and 303 kilometres east of the Cree community of Wemindji.

The project is adjacent to the Mythril Property where Midland Exploration Inc. announced the discovery of a mineralized zone, which appears to be on strike with the main target zone on Pikwa (based on publicly available information). The Pikwa Property covers a regional As-Bi-Cu anomaly in LBS and a 20-kilometre-long magnetic high in the La Grande Subprovince. The target deposit types are intrusion-related and shear zone-hosted.

Exploration highlights

Azimut conducted LBS sampling and prospecting campaigns on the property in 2017 and 2018 as part of a multi-property SOQUEM-funded exploration program, followed in 2019 by a self-funded prospecting, soil geochemistry and ground geophysics program (see details below; PRs of July 11, 2017; June 6, November 6 and November 27, 2018; March 20, April 15, October 16, October 23 and December 9, 2019; and April 27, 2020). On October 6, 2020, Azimut and SOQUEM announced that a drilling program had commenced on a 10-kilometre-long copper-gold target (Copperfield East; see details below).

Exploration highlights include the following spatially correlated features:

- A continuous IP corridor 10 kilometres long and up to 400 metres wide, characterized by moderate to strong chargeability anomalies generally well-correlated with magnetic highs.
- Two electromagnetic (“EM”) conductors that correlate well with IP anomalies in the western part of the target (VTEM survey).
- A strong polymetallic (copper-gold-silver-molybdenum) soil anomaly.
- Mineralized outcrops and an extensive mineralized boulder field with grades reaching:
 - up to 9.8% Cu, 13.45 g/t Au, 37.6 g/t Ag, and 1% Mo (from outcrops); and
 - up to 20.1% Cu, 2.99 g/t Au, 58 g/t Ag and 0.24% Mo (from boulders).

The IP anomalies cut across the entire survey grid and correlate well with the other features. Most IP-chargeable anomalies correspond to resistivity highs or are located along the contacts of more resistive units (probably more silica-rich). The anomalies are subcropping, continuous at depth, and generally have moderate to steep dips to the south. See the section on *Prospecting Results* below for details on the outcrop and boulder samples.

Copperfield Trend

The main area of interest, the **Copperfield Trend** (Figures 12 to 14), is a 20-kilometre-long copper-gold exploration target comprising East and West segments, each 10 kilometres long. The results acquired to date point to a major copper-gold system centred on the 10-kilometre-long Copperfield East target. It is interpreted as a porphyry system emplaced along the margins of an intrusion and subsequently sheared during regional-scale tectonic events (PR of October 6, 2020).

To date, the mineralization is characterized as follows:

- The main host rock is biotite-rich gneiss (interpreted as altered metadiorite or granodiorite).
- The dominant copper mineral is chalcopyrite occurring 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.
- Host rocks show varying degrees of alteration composed of biotite and potassium feldspar (potassic alteration), sericite, epidote, chlorite and magnetite.
- Mineralization generally occurs along foliation planes, often associated with quartz veinlets.
- Foliation strikes ENE-WSW and dips on average 50° to 60° to the south.

Copperfield East is defined as the spatial association of:

- A strong regional-scale copper LBS anomaly centred over the property. The footprint also includes polymetallic components (molybdenum, silver, bismuth, tungsten).
- A strong copper soil anomaly with a polymetallic footprint comparable to the LBS anomaly defined above. The anomaly forms a well-delineated target 5.5 kilometres long by 500 metres wide (locally up to 750 m) within the contours of the LBS anomaly. Peak values are 294 ppm for copper, 0.161 ppm for gold, 0.584 ppm for silver and 42.1 ppm for molybdenum.
- A 10-kilometre-long corridor of IP-chargeable anomalies of moderate to strong amplitudes superimposed on the copper soil anomaly. Most IP-chargeable anomalies correspond to resistivity highs or occur along the contacts of more resistive units (probably more silica-rich units). The anomalies are subcropping, continuous at depth, and generally dip moderately to steeply to the south.
- Two 500-metre-long VTEM conductors that correlate with IP anomalies. In this context, the VTEM anomalies represent attractive targets for massive to semi-massive sulphide mineralization despite the weak soil geochemistry footprint due to thick glacial sediment cover.

- A significant mineralized boulder field of mostly angular to slightly rounded boulders that follows the long axis of the soil anomaly. The best grades from 141 sampled boulders were 20.1% Cu, 2.99 g/t Au, 58 g/t Ag and 0.24% Mo.
- Several high-grade mineralized outcrops within the soil anomaly in the eastern part of the target where glacial sediment cover is thinnest. The best grades are 9.81% Cu, 13.45 g/t Au and 37.6 g/t Ag (grab A0366271).

Collectively, the IP anomalies, copper-in-soil footprint and mineralized boulder field are best explained by a major Cu-Au-Ag-Mo mineralized system in the bedrock of the Property (already partly identified in mineralized outcrops).

Copperfield West is the westward strike extension of Copperfield East, and its interpretation is supported by strong copper anomalies in LBS and the same magnetic pattern (linear magnetic high). Little exploration work has been conducted to date in this part of the trend.

Prospecting results

A total of 268 grabs have been collected from the Copperfield Trend, comprising 141 from boulders and 127 from outcrops. Outcrop exposure on the main soil anomaly is generally poor. The key results were presented in the PR of December 9, 2019:

- Copper: 80 samples returned grades above 0.2% Cu, including 17 samples from 0.5% Cu to 1.0% Cu, and 40 samples above **1.0% Cu** up to **20.1% Cu**.
- Gold: 41 samples returned grades above 0.2 g/t Au, including 12 samples from 0.5 g/t Au to 1.0 g/t Au, and 11 samples above **1.0 g/t Au** up to **13.45 g/t Au**.
- Silver: 40 samples returned grades above 5.0 g/t Ag, including 15 samples from 10 g/t Ag to 20.0 g/t Ag, and 16 samples above **20 g/t Ag** up to **58 g/t Ag**.
- Molybdenum: 18 samples returned grades above 0.05% Mo, including 12 samples higher than **0.1% Mo** up to **1.0% Mo**.

Of the 268 grab samples, the last batch of 169 from the 2019 program yielded excellent results. The most significant results are presented in Table 5.

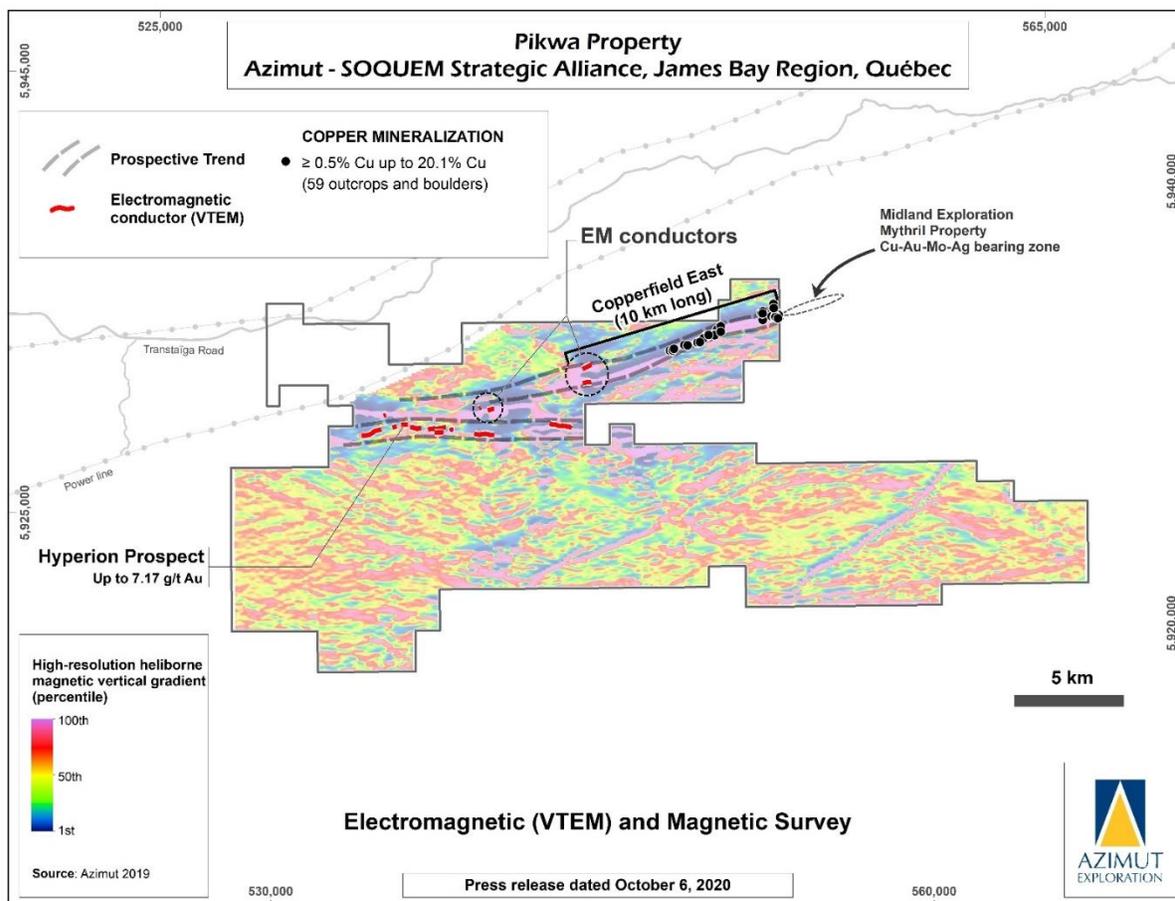


Figure 12: Geophysical signature of the Copperfield Trend on the Pikwa Property.

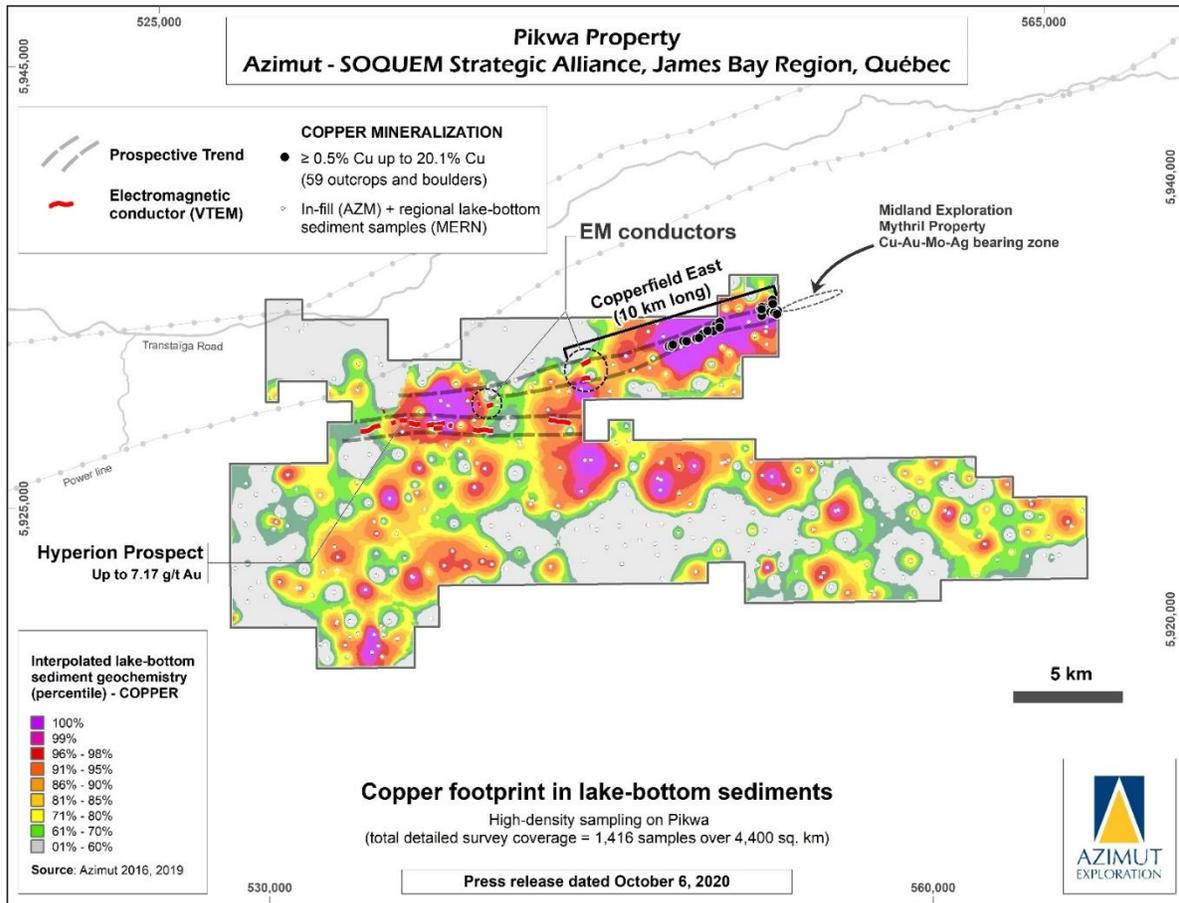


Figure 13: Copper LBS footprint of the Copperfield Trend on the Pikwa Property.

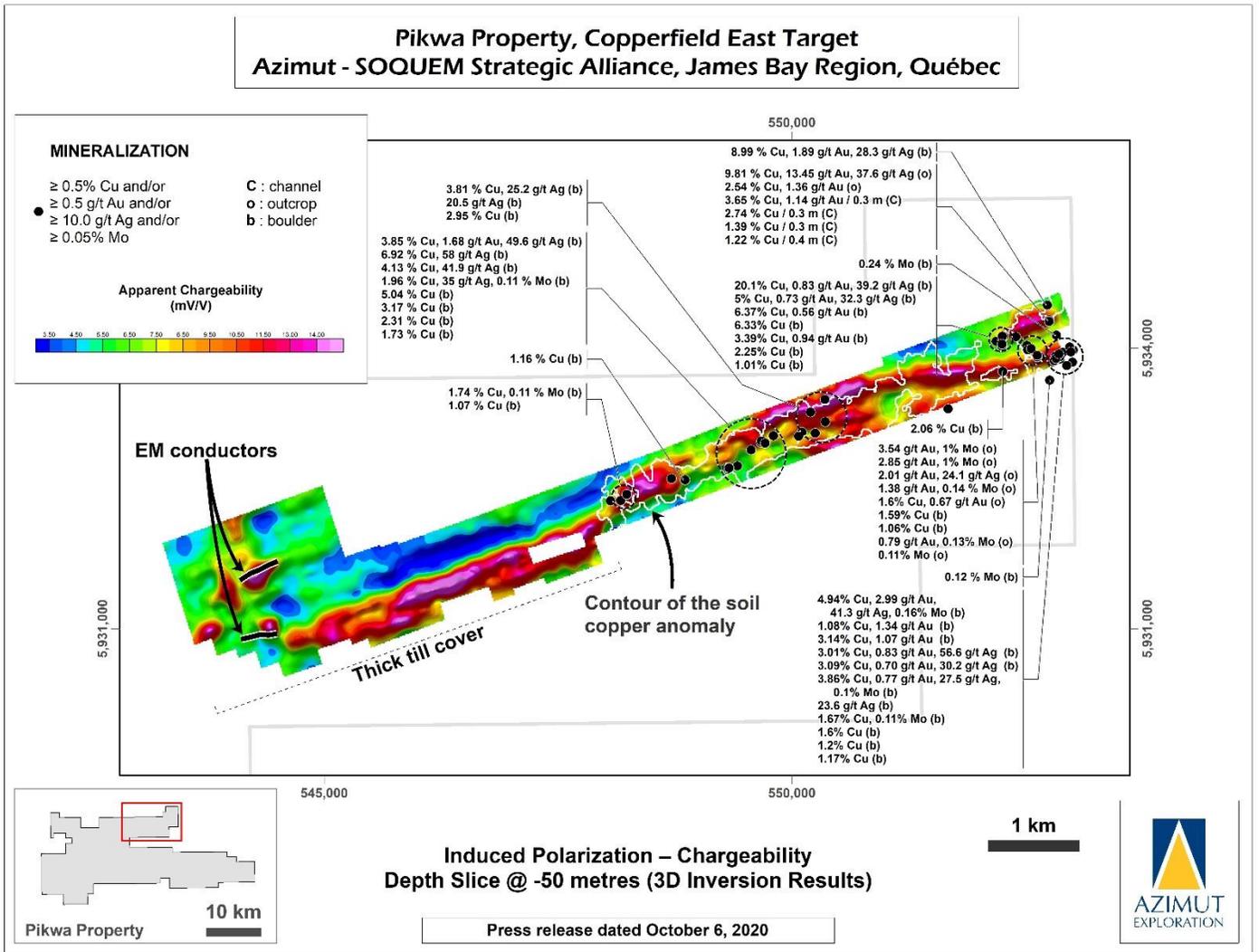


Figure 14: IP-chargeability footprint of the Copperfield East Target on the Pikwa Property.

Table 5: The best 30 prospecting samples from outcrops (o) and boulders (b) on the Pikwa Property (PR of December 9, 2020)

| Copper (%) | Gold (g/t) | Silver (g/t) | Molybdenum (%) | Sample # |
|------------|------------|--------------|----------------|--------------|
| 20.1 | 0.83 | 39.2 | 0.012 | A0366572 (b) |
| 8.99 | 1.89 | 28.3 | - | A0366518 (b) |
| 5.04 | 0.16 | 9.34 | 0.040 | A0366597 (b) |
| 5.00 | 0.73 | 32.3 | 0.047 | A0366447 (b) |
| 4.13 | 0.42 | 41.9 | 0.060 | A0366701 (b) |
| 3.86 | 0.77 | 27.5 | 0.106 | A0366531 (b) |
| 3.85 | 1.68 | 49.6 | 0.002 | A0366702 (b) |
| 3.81 | 0.43 | 25.2 | 0.010 | A0366714 (b) |
| 3.14 | 1.07 | 12.1 | - | A0366532 (b) |
| 3.09 | 0.70 | 30.2 | 0.014 | A0366533 (b) |
| 3.01 | 0.83 | 56.6 | 0.012 | A0366530 (b) |
| 2.25 | 0.11 | 4.22 | - | A0366575 (b) |
| 1.96 | 0.51 | 35.0 | 0.115 | A0366589 (b) |
| 1.74 | 0.15 | 12.9 | 0.111 | A0366659 (b) |
| 1.67 | 0.23 | 13.9 | 0.119 | A0366659 (b) |
| 1.60 | 0.67 | 11.4 | 0.007 | A0366443 (o) |
| 1.60 | 0.26 | 16.2 | 0.001 | A0366524 (b) |

| Copper (%) | Gold (g/t) | Silver (g/t) | Molybdenum (%) | Sample # |
|------------|------------|--------------|----------------|--------------|
| 1.59 | 0.28 | 11.9 | 0.020 | A0366444 (b) |
| 1.20 | 0.20 | 12.9 | 0.043 | A0366528 (b) |
| 1.17 | 0.15 | 6.8 | 0.001 | A0366521 (b) |
| 1.16 | 0.08 | 3.6 | - | A0366657 (b) |
| 1.08 | 1.34 | 5.5 | 0.004 | A0366523 (b) |
| 1.07 | 0.14 | 10.4 | 0.033 | A0366663 (b) |
| 1.06 | 0.142 | 8.73 | 0.002 | A0366446 (b) |
| 0.91 | 0.05 | 1.9 | - | A0366448 (b) |
| 0.56 | 2.01 | 24.1 | 0.019 | A0366440 (o) |
| 0.50 | 1.38 | 2.2 | 0.145 | A0366571 (o) |
| 0.43 | 3.54 | 13.0 | >1.0 | A0366570 (o) |
| 0.37 | 0.79 | 4.6 | 0.135 | A0366442 (o) |
| 0.20 | 2.85 | 11.0 | >1.0 | A0366441 (o) |

Comparison with the Aitik Porphyry Deposit in Sweden

As reported in the Company's press release of October 16, 2019, several features of the Copperfield Trend suggest it may represent an Archean analogue to Sweden's giant Paleoproterozoic Aitik porphyry deposit (Cu-Au-Ag-Mo). In production since 1968, Boliden's Aitik mine is the largest open pit operation in northern Europe.

The relevant geological features of the Aitik deposit are the following:

- The geological context is characterized by foliated and metamorphosed dioritic and volcano-sedimentary rocks of the Fennoscandian Shield.
- Host rocks are biotite gneisses, quartz-muscovite-(sericite) schists and diorite.
- The main sulphide minerals are disseminated chalcopyrite, pyrite and pyrrhotite and trace amounts of molybdenite, local bornite and chalcocite.
- Alteration is mostly characterized by biotite, sericite and potassic alteration; epidote-calcite-chlorite-quartz assemblages occur mainly along fault zones; quartz stockworks are present along the margins of the intrusion.
- Foliation is well developed in the host rocks, dipping about 50° to the west. Mineralization is mainly structurally controlled, and the entire rock package has been metamorphosed to amphibolite grade.

The Aitik mine provides valuable parameters regarding geometry, size and grades that could optimize the exploration strategy at Copperfield:

- The main open pit (Aitik) measures 4 kilometres by 1.1 kilometre at the surface and reaches 450 metres deep. A second pit (Salmijärvi) measures 0.9 by 0.6 kilometre and reaches 165 metres deep. The deposits average about 500 metres wide.
- In 2018, mineral reserves (proven and probable) were estimated at 1.148 billion tonnes at 0.22% Cu, 0.14 g/t Au and 1.2 g/t Ag. Total historical ore production from 1968 to 2018 is 821 million tonnes at 0.29% Cu, 0.17 g/t Au and 1.8 g/t Ag (Boliden Summary Report 2018).
- A cut-off grade of 0.06% Cu is used for reserves and resources in the Aitik pit. The historical stripping ratio (waste/ore) is 0.95.

Pontois Property

The Pontois Property (399 claims, 203.2 km²) is a gold project held 100% by SOQUEM. Azimut has a back-in option to regain a 50% interest. The property is situated several kilometres south of the LG-4 hydroelectric generating station and is crossed by the Trans-Taiga Road (Km 316). The project covers an underexplored sheared greenstone belt and corresponds to a strong As-Sb-W signature in LBS. The volcano-sedimentary rocks and iron formations of the La Grande belt, the bounding tonalitic intrusions, and the distribution of several regional faults and shear zones collectively provide a favourable geological and structural setting. No historical showings are known on the property.

Exploration highlights

In 2018, Azimut conducted a prospecting program on the Pontois Property as part of a multi-property SOQUEM-funded exploration program. The main result was the discovery of the Black Hole Prospect. The best gold results were 6.02 g/t Au, 2.56 g/t Au and 0.90 g/t Au in grab samples from outcrops (PR of Nov. 8, 2018). Other values included silver (up to 2.61 g/t Ag) and tellurium (up to 23.7 g/t Te). Significant copper values (up to 0.18% Cu) were obtained 2 kilometres from the prospect, along the same geological trend. Gold is hosted in mafic metavolcanics and intrusive dykes carrying quartz veins, near a sheared contact with metasediments. The intrusive facies contains disseminated fine pyrite. The 40 by 20-metre prospect area is open along strike in both directions. This was followed by the 2019 exploration program, funded and operated by Azimut, which consisted of prospecting and a detailed LBS survey. Previous work by Azimut included prospecting in 2017 (225 grabs; PR of June 6, 2018) and an LBS survey (237 samples).

ELEONORE GOLD CAMP

Azimut's portfolio contains five properties in the Eleonore Gold Camp (Eleonore South, Opinaca A, Opinaca B, Opinaca D and Synclinal). The Company acquired extensive holdings both before and after the Eleonore gold discovery in 2004 based on the targeting results of its gold potential modelling of the entire James Bay region. As a result, Azimut gained one of the leading property positions in the area (Figure 15).

The origins of the Eleonore Gold Camp date back to the 2004 discovery of the Roberto deposit by Virginia Mines Inc. (now Osisko Exploration James Bay Inc.), near the shore of the Opinaca Reservoir. Goldcorp Inc. (now Newmont) acquired the project in 2006, and began development on the mine. The first gold bar was poured on October 1, 2014, and commercial production was achieved on April 1, 2015. Eleonore is one of the largest gold mines in Quebec and considered a world-class state-of-the-art facility.

The deposit is marked by complex folding and faulting and is still open down plunge. The ore is mined from four horizons using sill and stope techniques, then processed onsite using a conventional circuit that includes crushing, grinding, gravity, flotation and cyanidation. Overall gold recoveries are 92%. Annual gold production is 246 attributable Koz as of December 31, 2019 (Newmont website). Proven and probable reserves stand at 7.40 Mt at 5.31 g/t Au for 1.28 Moz of gold, measured and indicated resources stand at 2.80 Mt at 4.55 g/t Au for 0.41 Moz of gold, and inferred resources stand at 3.40 Mt at 5.21 g/t Au for 0.58 Moz of gold (NI 43-101 compliant estimate as of December 31, 2019; Newmont PR of Feb. 13, 2020).

Eleonore South Property

The Eleonore South Property (282 claims in 2 blocks, 147.6 km²) is a gold project located in a highly prospective part of the Eleonore mining camp, about 10 kilometres south of Newmont's Eleonore gold mine. The property is under a three-party agreement between Azimut, Les Mines Opinaca Ltée (a wholly-owned subsidiary of Newmont) and Fury Gold (formerly Eastmain Resources Inc.). Part of the property (116 claims, 60.3 km²) is subject to a royalty agreement between Newmont, Les Mines Opinaca Ltée and Osisko Exploration James Bay Inc.

The ownership of the Eleonore South Property is Azimut 26.57%, Newmont 36.71% and Fury Gold 36.72%. Fury Gold is the JV manager. Azimut contributed an amount of \$653,000 in Fiscal 2019, representing its proportionate share for the \$2.5 million winter 2018 program.

Exploration highlights

The property has been the subject of three major joint exploration programs from 2016 to 2019, totalling \$8.4 million. Figures 16 to 18 show the highlights of the drilling, prospecting and channelling results from these programs.

The Fall 2018–Winter 2019 program comprised the following work (PR of October 1, 2019):

- 2,000 metres of mechanized trenching to expose gold mineralization and alteration in the tonalite intrusion and along the intrusion-metasediment contact (1,250 m of trenching), and the southwestern extensions of the high-grade Moni Prospect (750 m of trenching).
- A 2-month helicopter-supported mapping, prospecting and soil geochemistry program to develop additional targets in the southern and central parts of the property, as well as other targets in metavolcanics in the western part.
- 7,365 metres of diamond drilling in 26 holes (see highlights in Table 6) focusing on the Cheechoo tonalite over a 1.3-kilometre strike length, testing the southern and western extensions of gold mineralization along the Contact and Moni trends.

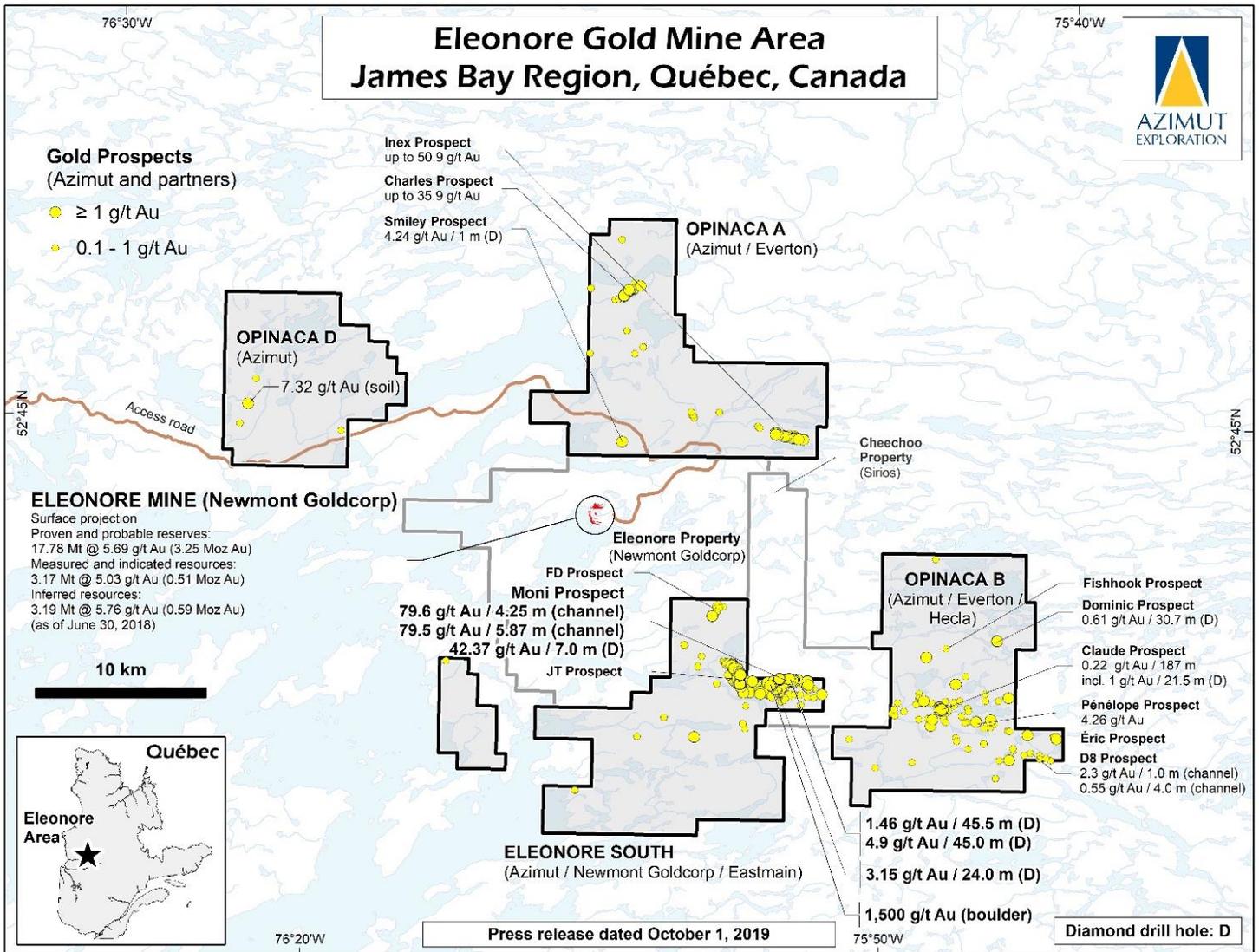


Figure 15: Azimut’s gold properties in the Eleonore Gold Camp, James Bay region.

Since 2016, exploration work has included 76 diamond drill holes for 15,134 metres, along with detailed prospecting, stripping, channel sampling (Figure 19), LBS geochemistry and a high-definition heliborne magnetic survey (980 line-km at 25-m line spacing) (PRs of June 16, 2016; August 9, 2017; February 27, July 18 and September 11, 2018).

Gold mineralization

Since 2016, surface exploration work and diamond drilling have focused on a large tonalite-hosted gold-bearing system in the eastern part of the property. The gold corridor is at least 2 kilometres long by 600 to 700 metres wide within the Cheechoo tonalite intrusion and up to its contact with the surrounding metasedimentary rock. Mineralization extends to the northeast towards a discovery by Sirios Resources Ltd (“Sirios”) on its adjacent Cheechoo Property and remains open to the southwest. The corridor is characterized by consistent anomalous gold values (>0.5 g/t Au), several networks of quartz veins and veinlets, strong sodic alteration, very low sulphide concentrations ($<0.5\%$) and frequent native gold grains. Two higher-grade trends within the mineralized envelope (the Contact and Moni trends) are described in detail below.

The JT Prospect to the west (described below; Figure 16) is hosted in a metasedimentary sequence near the intrusive-metasedimentary contact. Previous drill results indicate that the Cheechoo tonalite is also mineralized in this area. This suggests a potential extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long.

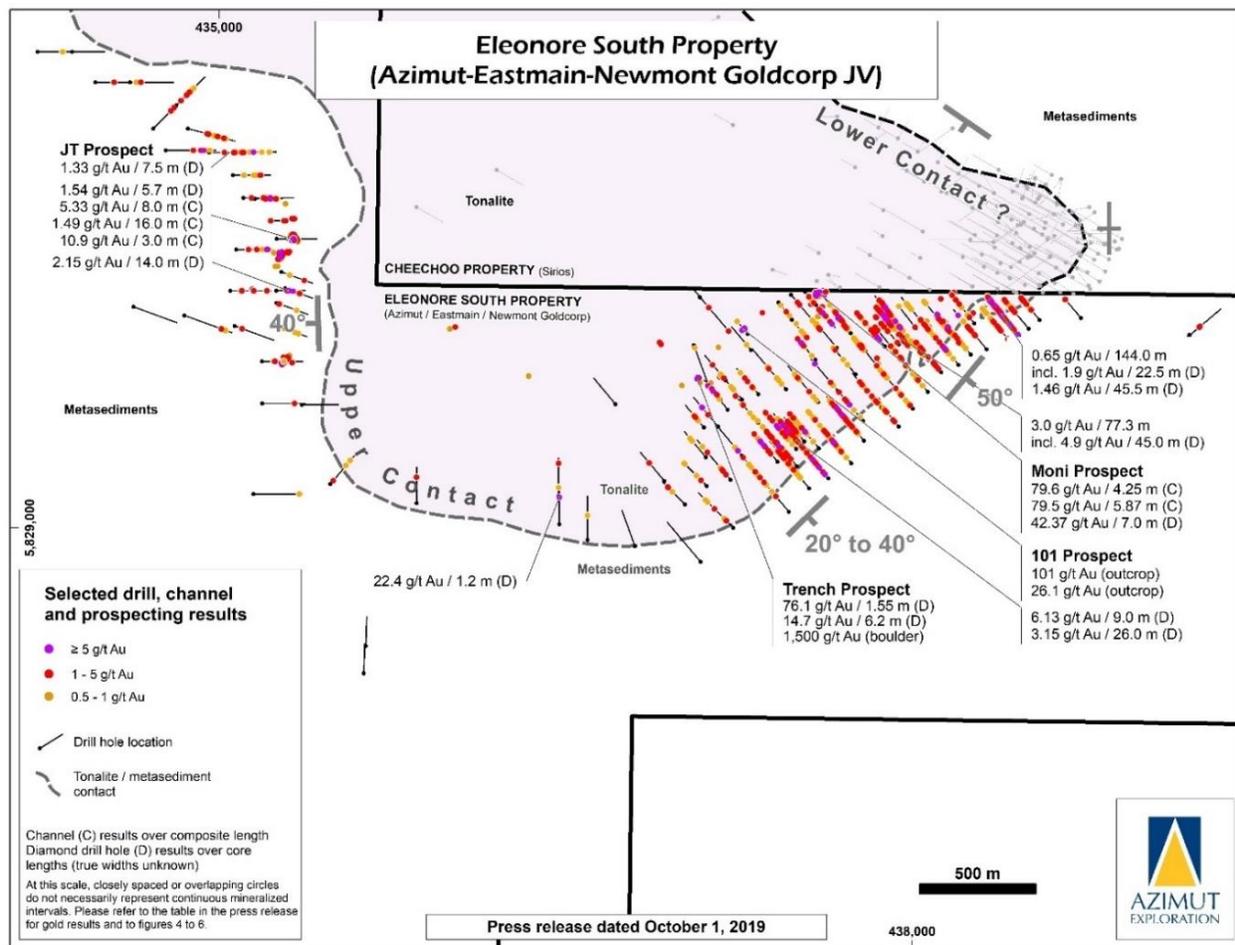


Figure 16: Map of the tonalite-metasedimentary contact on the Eleonore South Property showing selected drill, channel and prospecting results on the Moni and Contact trends (right) and the JT Prospect (left).

Moni Trend

This 1.8-kilometre-long NE-striking trend is about 500 metres from the metasedimentary contact and includes the Moni, 101 and Trench prospects. It is characterized by a system of pegmatitic quartz-feldspar veins and quartz-dominant veins with interstitial feldspar, carrying native gold and very low sulphide contents. The vein systems within the trend remain open at depth and laterally.

Moni Prospect

This outcropping high-grade quartzofeldspathic vein system is hosted in strongly altered tonalite and has been drill-tested to a vertical depth of 40 metres along a 60-metre strike length.

Mineralized facies vary laterally from grey or black quartz veins to a quartzofeldspathic pegmatite carrying traces to 1-2% of sulphide minerals (mostly arsenopyrite with lesser pyrite, pyrrhotite) and small amounts of tourmaline and scheelite. Alteration minerals are silica, albite, biotite and chlorite. To date, 345 native gold grains have been observed in 42 of the 82 channel samples and more than 20 drill holes. The tonalite is pervasively altered (albite, silica) and displays a network of regularly spaced quartz veins and veinlets of variable widths, with feldspathic selvages (sheeted veins). The system is oriented NE-SW, shows evidence of folding, and is roughly parallel to the trend of steeply dipping foliation.

Closely spaced drill holes on the Moni Prospect reveal a pegmatitic vein with good geometric continuity. Gold values generally reflect the presence of native gold. The information from these holes suggests that other Moni-type gold-bearing veins may show similar continuity.

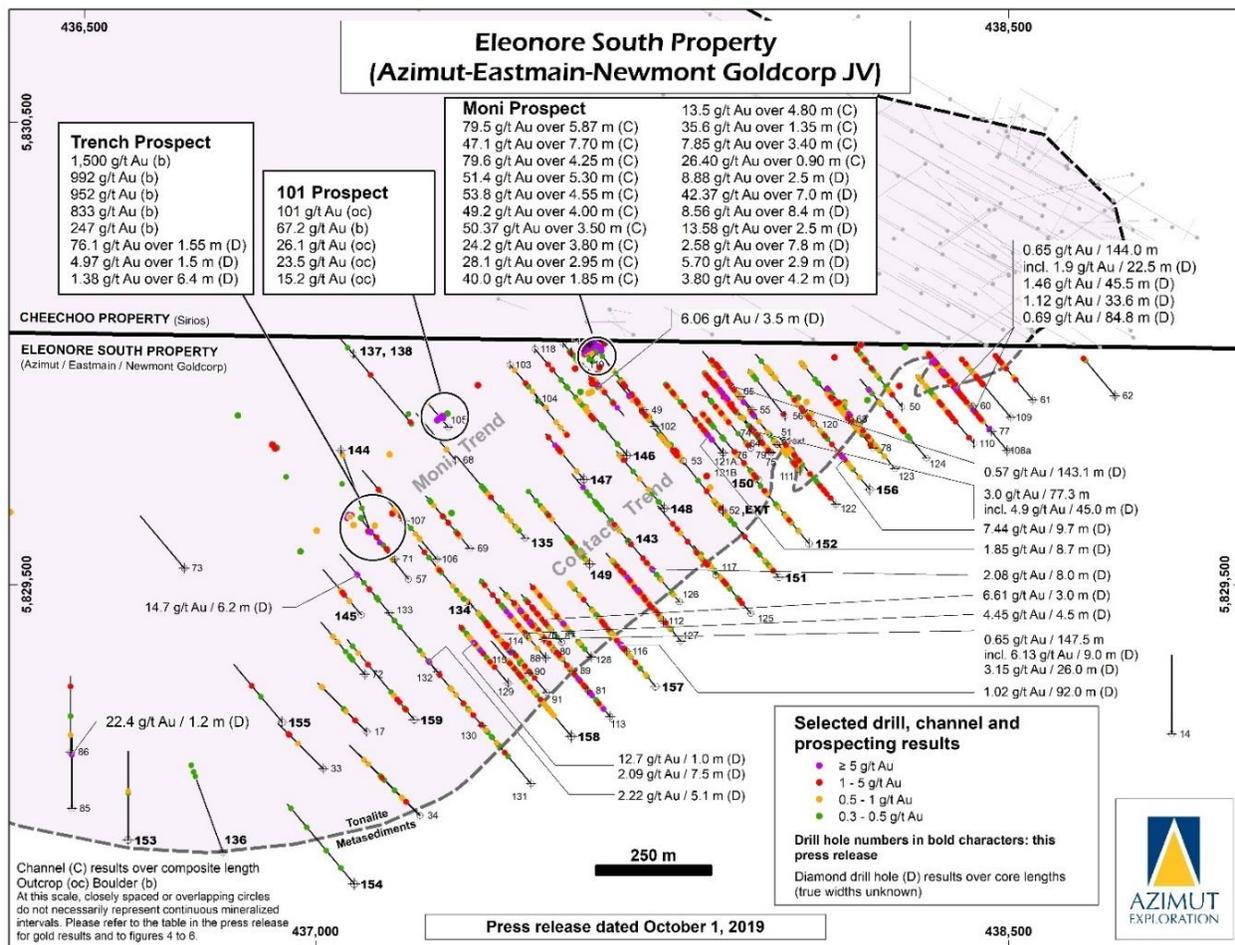


Figure 17: Details of the Moni and Contact trends showing selected drill, channel and prospecting results.

101 Prospect

This prospect is located 400 metres to the southwest of the Moni Prospect. Mineralization is related to a network of quartz-feldspar pegmatitic veins and veinlets carrying native gold in strongly altered tonalite, striking NE-SW with a subvertical dip. Previous outcrop sampling returned up to 101 g/t Au. In 2017, a prospecting program yielded high-grade grab samples from the 101 Prospect (PR of November 16, 2017), including four (4) with grades above 15 g/t Au (15.2 to 67.2 g/t Au). Grab samples are selective by nature and unlikely to represent average grades.

Trench Prospect

The Trench Prospect is 650 metres southwest of the Moni Prospect (250 m southwest of the 101 Prospect). The very high-grade samples (up to 1,500 g/t Au) were collected from angular boulders of quartz-feldspar-(biotite) pegmatitic veins with native gold. These samples may correspond to a larger dismantled boulder. Mineralized tonalite boulders with arsenopyrite are also found nearby. Previous prospecting returned 247 g/t Au from a boulder in the same area, which is marked by a strong gold-arsenic soil anomaly. It is believed these mineralized boulders come from a nearby source. In 2017, a prospecting program yielded high-grade grab samples from the Trench Prospect (PR of November 16, 2017), with four (4) grading above 800 g/t Au (833 to 1,500 g/t Au).

Contact Trend

This mineralized and altered envelope of variable thickness in tonalite ranges from several tens of metres to over 100 metres thick in core length, with continuous intervals of anomalous gold values. Drilling confirms the presence of consistent gold mineralization along a zone at least 1.4 kilometres long and 150 to 300 metres wide, adjacent to the contact with the surrounding metasedimentary rocks. Results show reasonably good geometric continuity to the gold mineralization and zones remain open down dip and along strike. Mineralization is characterized by clusters of quartz-albite-biotite stockworks accompanied by arsenopyrite, pyrrhotite, pyrite, scheelite and native gold.

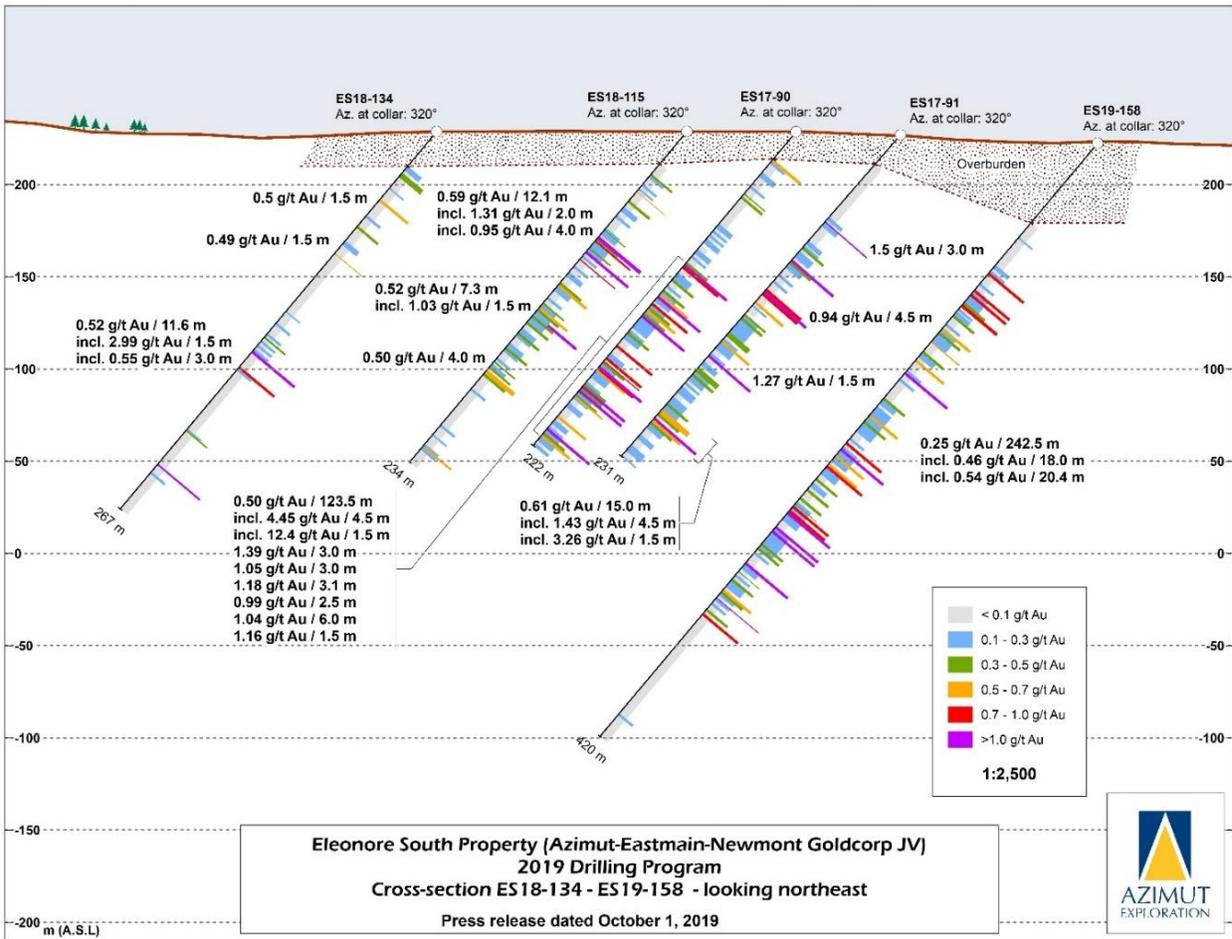


Figure 18: Cross-section showing diamond drill holes on the Eleonore South Property.

The intrusive shows evidence of foliation and folding, and the injections of mafic dykes (described as lamprophyres) are also deformed.

JT Prospect

This gold prospect is located 2.5 to 3 kilometres to the west of the Contact and Moni trends. The sedimentary sequences in this area display comparable characteristics with the stratigraphy hosting the Eleonore gold mine located 12 kilometres to the northwest. At the JT Prospect, gold was identified in the metasedimentary rocks above the tonalite-metasedimentary contact. Results from some historical drill holes indicate that the Cheechoo tonalite is also mineralized in this area (including 2.15 g/t Au over 14.0 m in hole ES08-12). Gold intersections in tonalite near the intrusive-metasedimentary contact may be an extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long.

2018-2019 Drilling Results

The most recent drilling program tested the southern and western extensions of the Contact and Moni trends. Highlights include 7.44 g/t Au over 9.7 m, incl. 63.3 g/t Au over 0.8 m (hole ES19-156, Contact Trend) and 1.02 g/t Au over 92.0 m, incl. 7.36 g/t Au over 8.2 m (hole ES19-157, Contact Trend). The descriptions below and the results in Table 6 were taken from the PR of October 1, 2019.

Drilling along the Contact Trend

Nine (9) holes (ES19-150 to ES19-152 and ES19-154 to ES19-159) tested the Contact Trend to establish continuity.

Hole ES19-156 intersected a section grading 7.44 g/t Au over 9.7 m. Gold mineralization in this interval is distributed in altered tonalite (12.2 g/t Au from 140.3 m to 141.1 m), lamprophyre (63.2 g/t Au from 144.7 m to 145.5 m) and pegmatite (3.86 g/t Au from 141.1 m to 142 m).

Hole ES19-157 returned 1.02 g/t Au over 92.0 m in altered tonalite cut by several units of altered pegmatite and lamprophyre. This mineralized section includes an interval of 7.36 g/t Au over 8.2 m related to deformed and altered lamprophyre dykes

with quartz veining. Similar intersections of mineralized and altered tonalite intruded by pegmatites have been reported in most of the holes drilled in this sector.

Drilling along the Central Tonalite (between the Moni and Contact trends)

Nine (9) holes (ES18-134, ES18-135, ES18-143, ES18-145 to ES19-149 and ES19-155) and one (1) extension (ES19-052 EXT) tested the relatively undrilled section of the Cheechoo tonalite between the Moni and Contact trends.

Holes ES18-143 and ES19-147 were drilled along a section northwest of hole ES18-128 to test the extension of the Contact Trend to the north. Each hole intersected a high-grade interval at depth: 8.12 g/t Au over 1.5 m (ES18-143) and 16.7 g/t Au over 1.5 m (ES19-147).

Drilling along the Western Tonalite Contact and the JT Prospect

Three (3) holes (ES18-136, ES19-153 and ES19-154) tested the western extension of the Contact Trend approximately 500 metres west of hole ES17-90 (0.5 g/t Au over 123.5 m). The holes encountered moderately altered tonalite with locally strong foliation but did not intersect significant anomalous gold mineralization.

Holes ES18-139 to ES18-142 investigated the JT Prospect about 3 kilometres west of the Contact and Moni trends. These holes tested the Cheechoo tonalite by drilling through the JT meta-sedimentary package in the vicinity of historical hole ES08-12 (2.15 g/t Au over 14 m). The best intercept is 28.3 g/t Au over 0.5 m (ES18-140) related to a narrow sulphide vein hosted in meta-greywacke close to a pegmatitic contact.

Table 6: Significant diamond drilling results on the Eleonore South Property (PR of October 1, 2019)

| Hole | Zone | From (m) | To (m) | Length ⁽¹⁾ (m) | Grade ⁽²⁾ (g/t Au) | Vertical Depth ⁽³⁾ (m) |
|---------------------|------------------|--------------------|--------------|---------------------------|-------------------------------|-----------------------------------|
| 2019 Program | | | | | | |
| ES19-052EXT | Central Tonalite | 239.0 | 264.5 | 25.5 | 0.61 | 192 |
| | | incl. 239 | 245.0 | 6.0 | 1.14 | |
| ES19-147 | Central Tonalite | 130.5 | 138.1 | 7.6 | 1.03 | 103 |
| | | incl. 137.1 | 138.1 | 1.0 | 2.32 | |
| | | 150.0 | 151.5 | 1.5 | 15.7 | 116 |
| ES19-149 | Central Tonalite | 14.1 | 105.0 | 90.9 | 0.23 | 45 |
| ES19-150 | Contact Trend | 11.5 | 29.0 | 17.5 | 0.53 | 15 |
| | | incl. 11.5 | 13.6 | 2.1 | 2.50 | |
| | | 277.5 | 292.0 | 14.5 | 0.45 | 218 |
| ES19-152 | Contact Trend | 91.5 | 124.5 | 33.0 | 0.45 | 83 |
| | | incl. 103.5 | 105.0 | 1.5 | 2.84 | |
| ES19-156 | Contact Trend | 140.3 | 150.0 | 9.7 | 7.44 | 111 |
| | | incl. 140.3 | 141.1 | 0.8 | 12.2 | |
| | | incl. 144.7 | 145.5 | 0.8 | 63.2 | 301 |
| | | 385.5 | 400.5 | 15.0 | 0.84 | |
| incl. 394.5 | 396.0 | 1.5 | 4.83 | | | |
| ES19-157 | Contact Trend | 157.0 | 249.0 | 92.0 | 1.02 | 155 |
| | | incl. 179 | 187.2 | 8.2 | 7.36 | |
| ES19-158 | Contact Trend | 91.5 | 334.0 | 242.5 | 0.25 | 162 |
| | | incl. 211.5 | 229.5 | 18.0 | 0.46 | |
| | | incl. 255.1 | 275.5 | 20.4 | 0.54 | |
| 2018 Program | | | | | | |
| ES18-134 | Contact Trend | 47.5 | 49.0 | 1.5 | 0.50 | 37 |
| | | 66.5 | 68.0 | 1.5 | 0.49 | 52 |
| | | 144.9 | 156.5 | 11.6 | 0.52 | 115 |
| | | incl. 155.0 | 156.5 | 1.5 | 2.99 | |
| | | 166.0 | 169.0 | 3.0 | 0.55 | 125 |
| | | 235.0 | 236.0 | 1 | 3.16 | 180 |
| ES18-135 | Central Tonalite | 46.3 | 47.1 | 0.8 | 0.84 | 36 |
| | | 75.3 | 76.5 | 1.2 | 0.96 | 58 |
| | | 96.1 | 99.0 | 2.9 | 0.77 | 75 |
| | | 178.5 | 183.0 | 4.5 | 0.66 | 138 |
| ES18-138 | Moni-101 Trend | 90.1 | 91.5 | 1.4 | 1.36 | 70 |

| Hole | Zone | From (m) | To (m) | Length ⁽¹⁾ (m) | Grade ⁽²⁾ (g/t Au) | Vertical Depth ⁽³⁾ (m) |
|----------|------------------|-------------|--------|---------------------------|-------------------------------|-----------------------------------|
| | | 297.5 | 299.0 | 1.5 | 1.20 | 228 |
| ES18-139 | JT Prospect | 60.0 | 61.5 | 1.5 | 0.89 | 47 |
| | | 163.5 | 165.0 | 1.5 | 2.44 | 126 |
| ES18-140 | JT Prospect | 57.4 | 57.9 | 0.5 | 28.3 | 44 |
| | | 95.8 | 107.7 | 11.9 | 0.43 | 78 |
| | | incl. 104.7 | 107.7 | 3.0 | 0.97 | |
| ES18-141 | JT Prospect | 17.5 | 18.9 | 1.4 | 2.35 | 14 |
| | | 23.2 | 24.4 | 1.2 | 0.88 | 18 |
| | | 143.1 | 144.5 | 1.4 | 0.67 | 110 |
| ES18-142 | JT Prospect | 16.0 | 17.3 | 1.3 | 0.63 | 13 |
| | | 60.0 | 61.5 | 1.5 | 0.73 | 47 |
| | | 72.0 | 73.5 | 1.5 | 0.48 | 56 |
| | | 137.0 | 138.5 | 1.5 | 0.53 | 106 |
| | | 162.5 | 164.0 | 1.5 | 0.64 | 125 |
| ES18-143 | Contact Trend | 48.5 | 49.3 | 0.8 | 0.75 | 37 |
| | | 62.4 | 76.8 | 14.4 | 0.32 | 53 |
| | | incl. 73.5 | 76.8 | 3.3 | 0.76 | |
| | | 203.0 | 204.5 | 1.5 | 0.45 | 156 |
| | | 219.5 | 221.0 | 1.5 | 0.5 | 169 |
| | | 238.5 | 240.0 | 1.5 | 8.12 | 183 |
| ES18-144 | Moni-101 Trend | 206.5 | 207.7 | 1.2 | 0.41 | 159 |
| ES18-145 | Central Tonalite | 60.0 | 63.0 | 3.0 | 0.61 | 47 |
| | | 86.8 | 100.5 | 13.7 | 0.37 | 72 |
| | | incl. 86.8 | 90.6 | 3.8 | 0.67 | |
| | | incl. 97.0 | 100.5 | 3.5 | 0.63 | |
| | | 106.8 | 108.0 | 1.2 | 0.78 | 82 |

Notes:

(1) Intervals represent core lengths. True widths have not yet been determined;

(2) Assays are not capped;

(3) Vertical depth is measured from surface to the mid-point of the reported interval.

Exploration model

Several key factors point toward a reduced intrusion-related deposit for the gold-bearing system on the Eleonore South Property (PR of July 18, 2018). The Fort Knox mine in Alaska (Kinross Gold Corporation) and the Côté Lake Project in Ontario (IAMGOLD) are useful examples of large-scale intrusion-related gold deposits. In this scenario, assessing the geometry of the intrusion and the surrounding metasedimentary rock is critical, given that the tops of the intrusions are typically viewed as highly prospective.

The 2.61 Ga Cheechoo tonalite, late in the geological sequence, is interpreted to be a mushroom-shaped intrusion with a roughly tabular top 450 to 500 metres thick, with a shallow to moderate southward dip along its southern contact and a moderate westward dip along its western contact (JT Prospect area). The current interpretation suggests the intrusion has not been overturned. The Contact Trend is interpreted as a decompression stockwork zone close to the top of the intrusion.

Resource estimate on adjacent property

The continuation of the Eleonore South mineralized system onto the adjacent Cheechoo Property is strongly supported by the results released by Sirios. Some of the holes drilled by Sirios were collared as close as 12 metres from Azimut's property boundary. In a PR dated November 17, 2020, Sirios announced an in-pit inferred mineral resource estimate of 93.0 million tonnes at an average grade of 0.65 g/t Au for 1.96 million ounces of gold using a 0.25 g/t Au cut-off.

Details of the Eleonore South footprint and targeting approach

A rigorous interpretation and comparison of the geochemical footprints for Eleonore South and Newmont's Eleonore gold mine were discussed in the PR of March 30, 2016. Extensive, consistent, strong and coincident gold and arsenic anomalies (higher than 90th percentile) were outlined in B-horizon soil samples on Eleonore South. In most cases, gold mineralization observed in rock samples, trenches and drill core is spatially related to these soil anomalies (e.g., JT Prospect). Newmont's property and gold mine show comparable features (Figure 20).

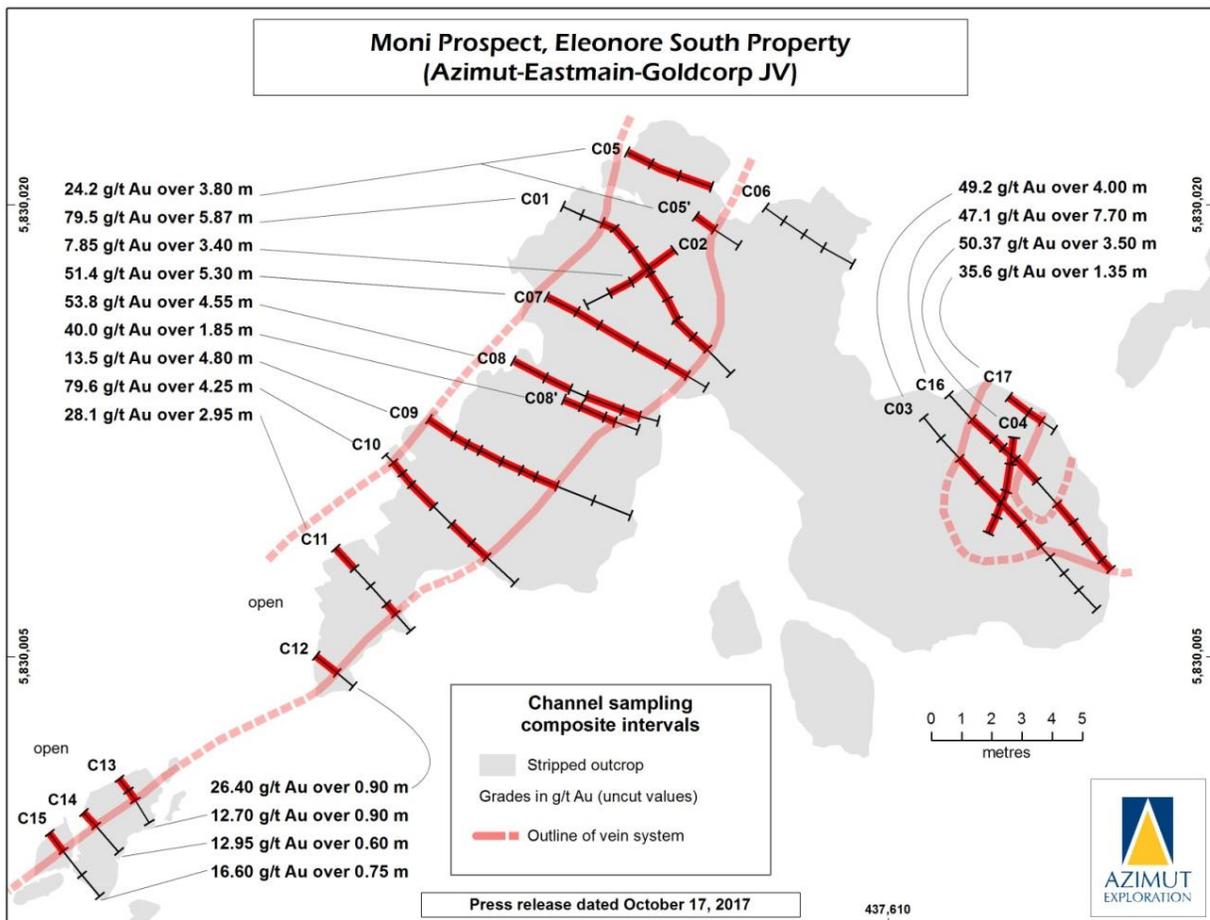
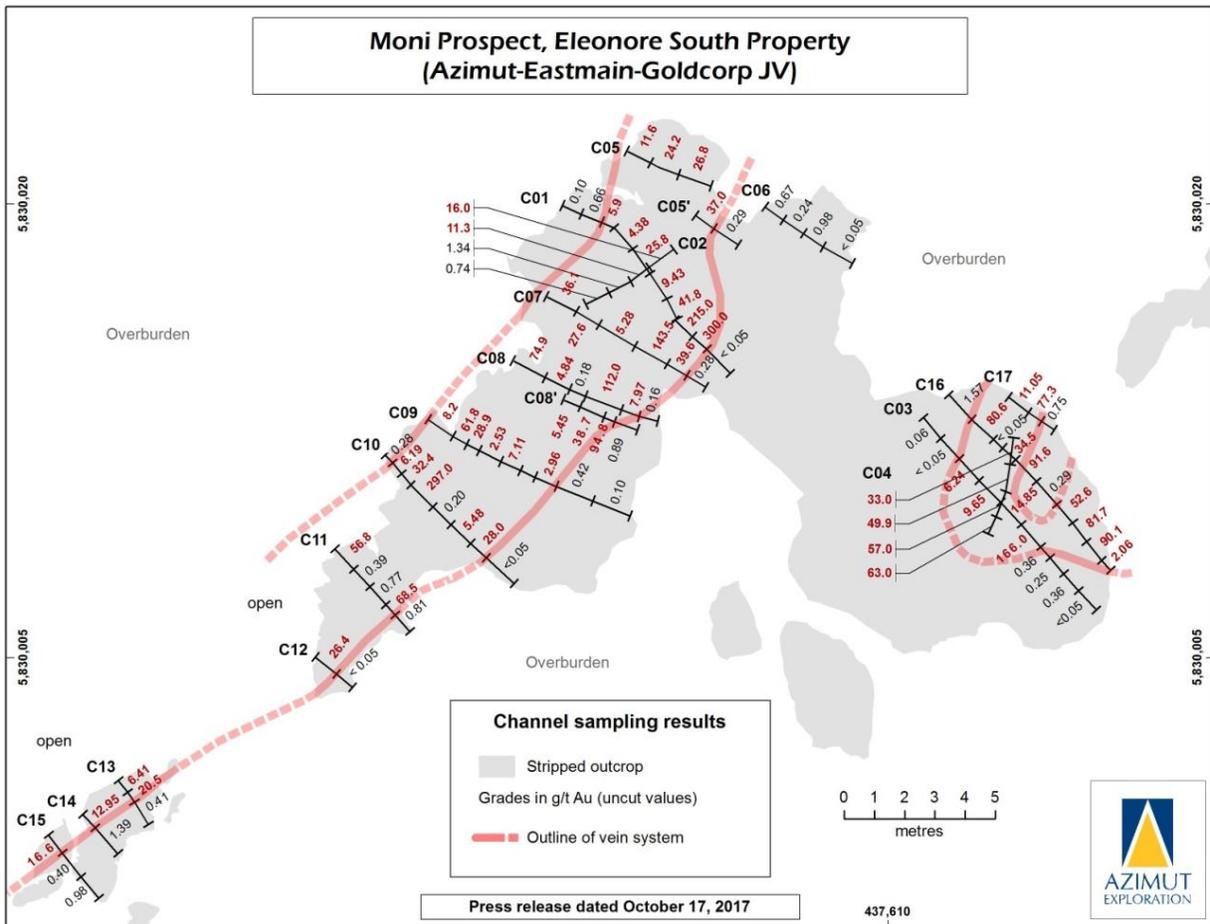


Figure 19: Map of the Moni Prospect showing individual channel sample results (top) and composite intervals (bottom).

The example of the Eleonore mine footprint suggests little to no displacement of the gold-arsenic soil anomalies from their bedrock sources. Consequently, the areas with unexplored strong geochemical anomalies are considered quality targets for potential near-surface discoveries.

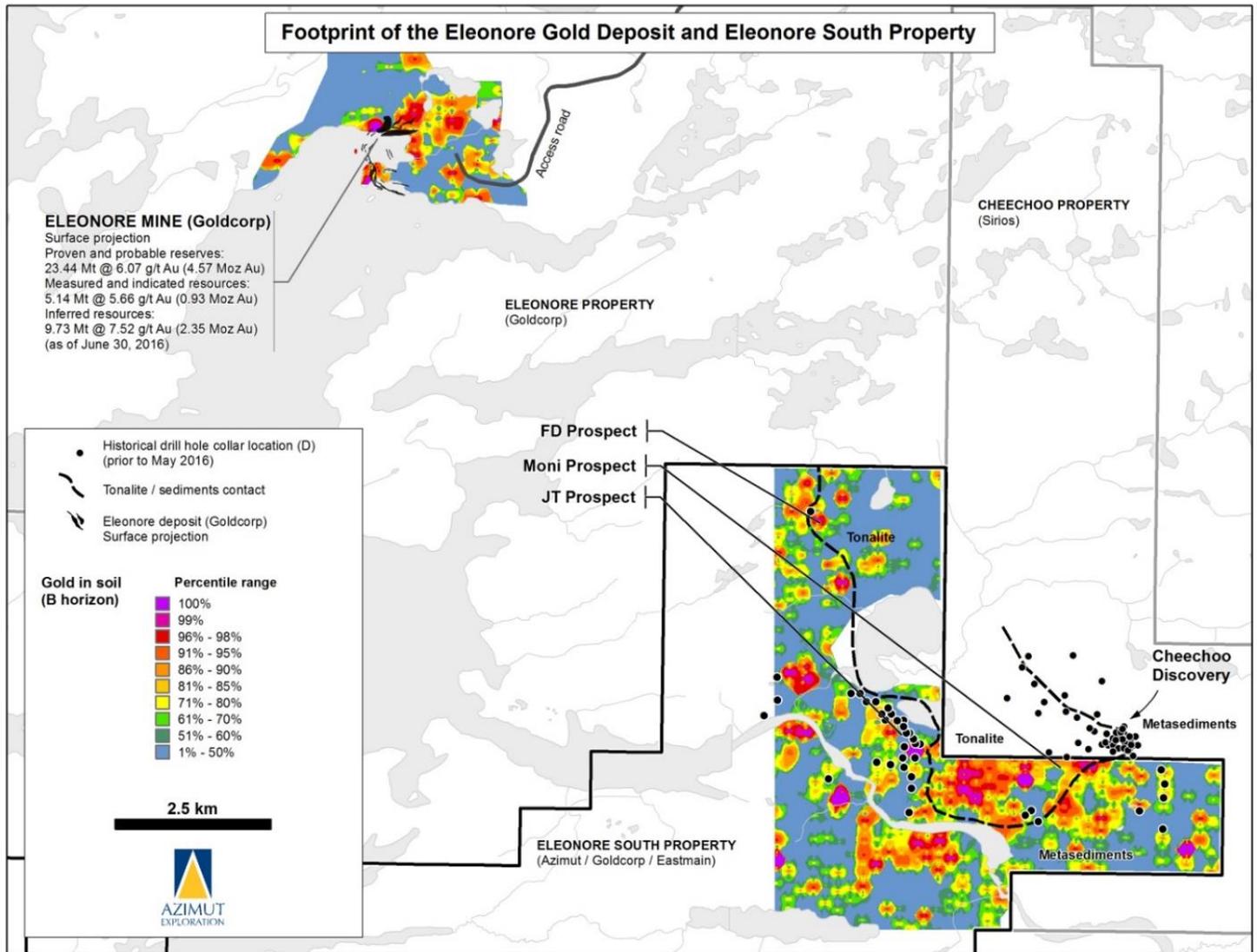


Figure 20: Map comparing the gold-in-soil footprint of the Eleonore South Property to the Eleonore mine on the adjacent property belonging to Newmont.

Opinaca A Property

The Opinaca A Property (247 claims, 128.7 km²) is a gold project adjacent to Newmont’s Eleonore mine property. The access road to the mine runs through Opinaca A. In March 2010, Everton earned a 50% interest in the property. In September, Hecla (formerly Aurizon Mines Ltd) signed a three-party agreement with Azimut and Everton on the Opinaca A and B properties (PR of September 16, 2010). The parties amended the agreement on November 14, 2014 to exclude the Opinaca A claims.

Exploration highlights

A reassessment of the property’s gold potential using previous exploration work and new regional information (PR of July 6, 2017) concluded that two major gold prospects (Charles and Inex; see below) might be linked by a 20-kilometre prospective trend defined by geophysical, geological and geochemical parameters, including till anomalies (Figure 21). This underexplored sector is characterized by the following: a) continuity of the magnetic signature between the two prospects; b) arsenic, antimony and bismuth anomalies in LBS; c) gold anomalies in glacial deposits; and d) local evidence of folding that may act as traps for gold mineralization.

The previous exploration program was a combined \$850,000 program on the Opinaca A and B properties in 2014, funded and operated by Hecla. The program, which followed up on ground geophysics, prospecting and diamond drilling from 2007-2008,

included a \$205,000 program on Opinaca A (2,317 m in 9 holes, prospecting, channelling and till sampling), that extended the Charles Prospect and improved target definition in the area. Salient results are summarized in the descriptions below (PRs of August 9 and December 7, 2007, September 2, 2008, and March 19, 2015).

The **Charles Prospect** is a 1-kilometre-long gold prospect hosted in biotite-rich paragneiss with quartz veins and up to 15% sulphides (pyrite, pyrrhotite). Several high-grade gold grab samples were obtained (up to 42.34 g/t Au). The best drill hole intersection was 2.7 g/t Au over 2.0 m (hole AC-07-01).

The **Inex Prospect** is a 1.7-kilometre-long gold prospect associated with a garnet-biotite-amphibole-silica-rich rock hosted in paragneiss. Gold is free or associated with pyrite and pyrrhotite. The best grab samples returned up to 50.9 g/t Au, and the best drill hole returned 9.03 g/t Au over 0.6 m (hole OP-06-02).

The **Smiley Prospect** (4.24 g/t Au over 1.0 m in hole OS-08-04-A), located 800 metres north of the boundary with the Eleonore mine property, is positioned along an interpreted 2.5-kilometre-long north-trending prospective target supported by magnetic data. It is characterized by a major gold anomaly in till coupled with a gold-arsenic anomaly in soil and by locally intense alteration in greywackes and paragneiss.

For Fiscal 2020, the Company incurred \$1,000 (\$8,500 – Fiscal 2019) in exploration expenditures for preparing a work report.

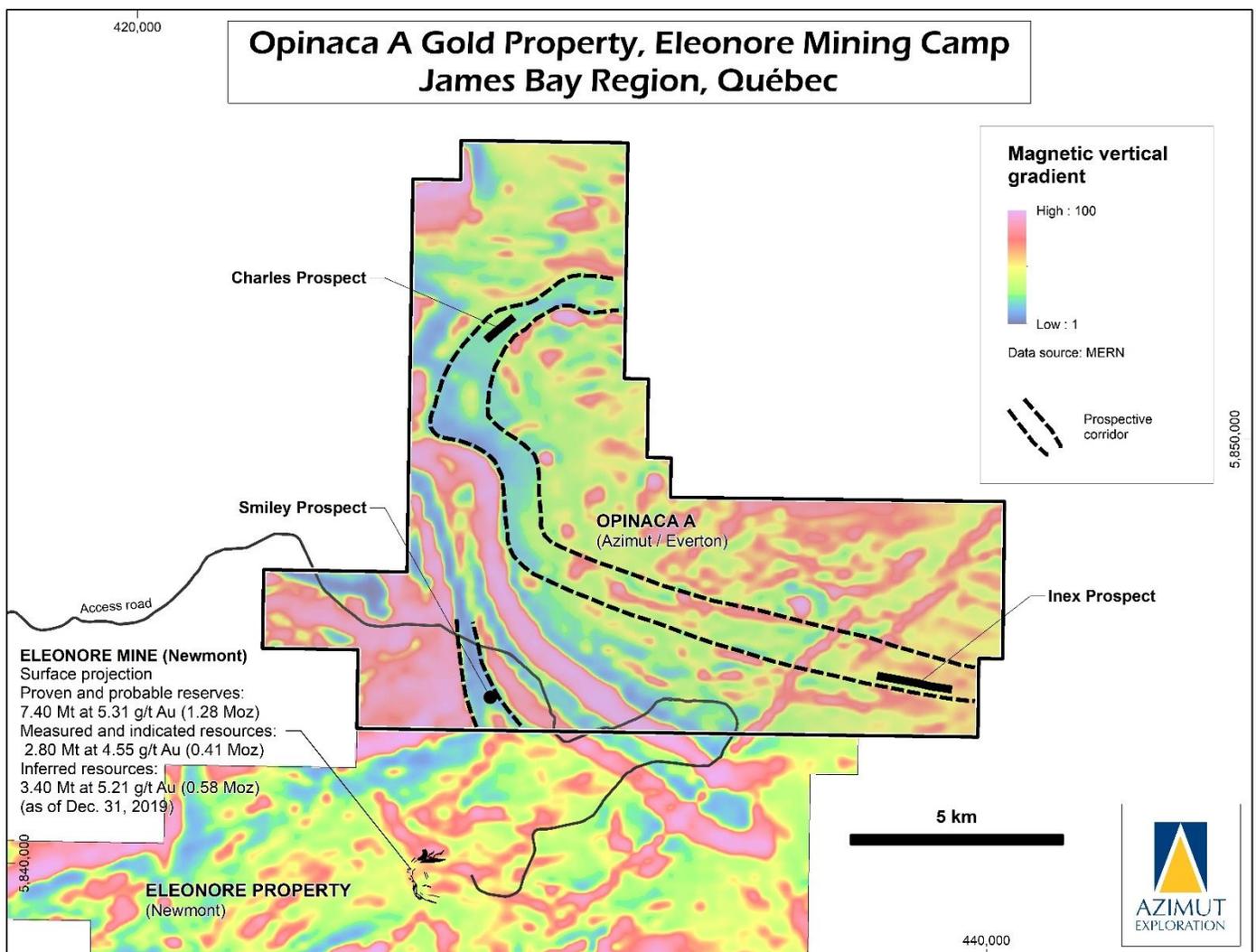


Figure 21: Map of magnetic vertical gradient showing prospective trends on the Opinaca A Property and the location of prospects and the Eleonore mine (now owned by Newmont) (see figure 2 in PR of July 6, 2017, for drill results).

Opinaca B Property

The Opinaca B Property (248 claims, 129.7 km²) is a gold project adjacent to the Cheechoo Gold Project held by Sirius Resources Inc. (“Sirios”), approximately 16 kilometres to the east of Newmont’s Eleonore mine. The discovery potential of the property has been strengthened by Sirios’ announcement of a maiden mineral resource estimate for Cheechoo (see the section on *Resource estimate on adjacent property* under the Eleonore South Property description).

In March 2010, Everton earned its 50% interest in the Opinaca B Property. In September, Hecla signed a three-party agreement with Azimut and Everton on the Opinaca A and B properties (PR of September 16, 2010). The parties amended the agreement on November 14, 2014 to exclude the Opinaca A claims. According to the terms of the amended agreement, Hecla has the option to acquire a 50% interest in the Opinaca B Property by making cumulative cash payments of \$580,000 and incurring a total of \$6 million in exploration work over four (4) years (extended by an additional two (2) years in an amendment on November 15, 2013). Hecla may earn an additional interest of 10%, for a total interest of 60%, by making cumulative cash payments of \$300,000 and incurring at least \$3 million in exploration expenditures over three (3) years from the election date, and by delivering an independent pre-feasibility study on or before the fourth anniversary. The Company has received cash payments of \$290,000 on the first option. Hecla did not elect to proceed with the second option. Azimut owns 25% interest in the property.

Exploration programs

In 2017 and 2018, Hecla-funded exploration included a 2,945-metre (12-hole) diamond drilling program on multiple gold prospects (Dominic: 4 holes; Fishhook: 4 holes; D8: 2 holes; Eric: 1 hole; and Claude: 1 hole), a heliborne magnetic survey of 1,495 line-kilometres, a soil geochemical survey yielding 483 samples, and ground Mag and EM surveys (PRs of June 19 and November 9, 2017). Detailed results are provided below.

In 2015 and 2016, Hecla-funded exploration included prospecting (1,021 rock or float grab samples; 96 soil samples), mechanized stripping and trenching in six areas, and channel sampling (153 samples in 2015 and 202.2 m in 2016) (PRs of November 25, 2015 and January 23, 2017).

In 2012, fieldwork with a former partner led to the discovery of the D8, Eric and Penelope prospects. The program comprised 622 line-kilometres of magnetic-EM surveys, 684 soil samples, 243 rock grab samples, 290 channel samples from 258.35 metres of channels, and 93 till samples. Earlier exploration work in 2007 and 2008 by partner Everton included IP and magnetic ground surveys, drilling and prospecting at Claude and Dominic, and diamond drilling at Dominic (PRs of August 9 and December 7, 2007, and September 2, 2008).

Mineralization and exploration highlights

The most significant results were from the **Dominic Prospect**, which corresponds to a folded epidote-amphibole-quartz-feldspar vein hosted in metasediments close to a felsic intrusion. Starting in mineralization, hole OP-17-51 intersected 0.61 g/t Au over 30.7 m in a chloritic breccia, including two higher grade intervals: 2.38 g/t Au over 2.0 m and 3.21 g/t Au over 1.7 m. A previous hole yielded 0.6 g/t Au over 1.2 m. Several grab samples from metasedimentary outcrops assayed above 0.1 g/t Au, including a sample of pyritized, silicified and chloritized rock with quartz and pegmatite veins grading 6.1 g/t Au, 4.5 g/t Au and 1.7 g/t Au, and two samples carrying sulphides and/or magnetite grading 1.4 g/t Au and 1.1 g/t Au. Several channel samples returned values above 0.1 g/t Au, including 1.8 g/t Au over 0.75 m and 1.2 g/t Au over 1.0 m.

The **Fishhook Prospect** is a magnetic anomaly related to an iron-rich sedimentary unit. Drill targets correspond to possible alteration zones and faulting. Hole OP-17-49 returned 1.06 g/t Au over 1.5 m in a fault zone.

The **D8 Prospect** is characterized by a 20-metre-wide sheared and altered arsenopyrite-tourmaline-rich shear zone in metasediments (0.55 g/t Au over 4.0 m in a trench), amphibolite-hosted quartz veins (channel sample of 2.3 g/t Au over 1.0 m), and a package of IP anomalies roughly 150 to 200 metres wide. A grab sample from a boulder of chloritized wacke with quartz-feldspar-tourmaline veinlets yielded 3.0 g/t Au.

Mineralization at the **Claude Prospect** is associated with quartz-tourmaline veins and veinlets. Drilling yielded an intersection of 0.22 g/t Au over 187 m (including 1.0 g/t Au over 21.5 m), grab samples returned 5.8 g/t Au and 4.3 g/t Au, and a channel graded 2.4 g/t Au over 0.5 m.

Mineralization at the **Eric Prospect** is related to calc-silicate (altered) sediments and arsenopyrite-tourmaline-bearing pegmatites within a kilometre-scale arsenic-gold soil geochemistry target. Eight (8) grab samples assayed above 0.1 g/t Au, including two above 0.5 g/t Au. Only marginal values were obtained in a single hole in 2017.

The **Penelope Prospect** yielded 10 grab samples with grades above 0.1 g/t Au, including four with values above 0.5 g/t Au up to 4.26 g/t Au. Mineralization is associated with quartz-tourmaline veins and veinlets.

Hecla had earned its 50% interest in the Opinaca B Property by making cumulative cash payments of \$580,000 (\$580,000 – Fiscal 2019) and incurring \$6 million in work expenditures. Azimut has received \$290,000 (\$290,000 – Fiscal 2019) in cash payments, reflecting its 50% interest in the property.

For Fiscal 2020, the Company incurred \$1,000 (\$600 – Fiscal 2019) in exploration work for a work report.

Opinaca D Property

The wholly-owned Opinaca D Property (110 claims, 57.3 km²) lies about 15 kilometres northwest of Newmont's Eleonore mine. The access road to the mine runs through the property.

Exploration on the Opinaca D Property began in 2005 and has included reconnaissance geological mapping and prospecting over a number of exploration targets defined by VTEMTM and/or soil geochemistry anomalies. Soil geochemistry surveys confirmed a broad trend of strong gold, arsenic and antimony anomalies, with respective maximum values of 7.32 g/t Au, 447 ppm As and 2.3 ppm Sb. The anomalies have not yet been tested by drilling. In 2018, 339 grab samples were collected during a prospecting program. Several drill targets have been defined on the project.

For Fiscal 2020, the Company incurred \$1,000 (\$26,000 – Fiscal 2019) in exploration work for data interpretation but did not incur any claim renewal expenditures (\$7,000 – Fiscal 2019).

Synclinal Property

The wholly-owned Synclinal Property (32 claims, 16.8 km²) is a gold project about 58 kilometres southeast of the Eleonore gold mine. It is underlain by rocks of the Opinaca Subprovince, close to the contact with the La Grande Subprovince. The target is characterized by a Bi-Sb anomaly in LBS. In 2018, 32 rock grab samples were collected during reconnaissance prospecting. In 2017, Azimut carried out a comprehensive LBS geochemical survey as part of a SOQUEM-funded multi-property exploration program (PRs of November 2, 2017 and May 31, 2018).

The claims for the Synclinal Property are still in good standing as at December 22, 2020, but Azimut has elected to no longer pursue its assessment of the project due to other regional priorities. Consequently, the property was fully impaired in 2019.

EASTMAIN RESERVOIR SECTOR

Azimut has two projects in the Eastmain Reservoir sector: Chromaska (a chromium project) and Wabamisk (a gold project). The area is roughly 260 kilometres northwest of Chibougamau and 60 kilometres southeast of the Eleonore mine. The area is notable for the Eau Claire gold deposit (Clearwater Property) belonging to Fury Gold and the Whabouchi deposit of Nemaska Lithium Inc. The Eau Claire deposit consists of open pit and underground components containing combined measured and indicated resources of 4.294 Mt at 6.18 g/t Au for 853,000 oz Au and combined inferred resources of 2.382 Mt at 6.53 g/t Au for 500,000 oz Au (NI 43-101 compliant estimates, effective February 4, 2018; Fury Gold PR of July 4, 2018).

Chromaska Property

The wholly-owned Chromaska Property (60 claims, 31.8 km²) is a Cr-PGE-Ni project located in a highly accessible region with major infrastructure (permanent roads, power lines, airports), 35 kilometres north of the Whabouchi mining project (Nemaska Lithium Inc.) and the nearby community of Nemiscau.

The property shares several attractive geological, and geophysical similarities with the Black Thor Intrusive Complex, host to the major Black Thor chromite deposit in the Ring of Fire District of Northern Ontario (measured and indicated resources of 137.7 Mt at 31.5% Cr₂O₃ and inferred resources of 26.8 Mt at 29.3% Cr₂O₃; Noront Resources Ltd website); also, the ages of the two intrusive complexes appear to be very close (Black Thor: 2,734 Ga; Chromaska: 2,739 Ga).

Mineralization, mineralogy and geological context

Chromium mineralization at Chromaska was discovered in 2010. It occurs as disseminated to massive chromitite horizons in a well-defined prospective horizon along a 4-kilometre-long ultramafic intrusion. The two main mineralized facies are ultramafic (massive to semi-massive chromite layers) and chromite-rich dykes or sills (PR of May 19, 2011). The main showings are the **Sledgehammer Prospect**, which can be traced at the surface for 100 metres within a magnetic high measuring 200 metres by 900 metres, and the **Dominic Prospect**, which occurs in a magnetic low.

A preliminary mineralogical study indicated very coarse chromite grains in a magnesium-rich aluminosilicate matrix (PR of May 19, 2011). Consequently, a primary grind should be sufficient to easily liberate the chromite from the silicate gangue. A subsequent mineralogical study of the chromite grains indicated a Cr₂O₃ content of 44.5% and Cr/Fe ratios ranging from 1.63 to 2.4 (PR of January 19, 2017).

Maiden drilling program

In 2018, Azimut completed a self-funded diamond drilling program consisting of four (4) holes totalling 1,002 metres (PR of May 29, 2018). Holes CHR18-03 and CHR18-04 intersected semi-massive to massive chromite-bearing horizons within a large disseminated chromite-bearing envelope. An additional phase of work (3 holes totalling 370.5 m and channel sampling) has been completed to further assess the lateral continuity of the chromite horizons.

Ground gravity survey

In early 2017, Azimut completed a self-funded ground gravity survey (PRs of February 21 and May 8, 2017) to investigate the main target zone in the central part of the intrusion where channelling obtained 17.21% Cr₂O₃ over 7.54 m (see below), to assess the property's potential for Ni-Cu-PGE massive sulphides, and to characterize the footprint and extensions of the Dominic and Sledgehammer prospects.

The residual gravity anomaly is 1.2 kilometres long and up to 200 metres wide and remains open to the north and south. The position of the anomaly is stratigraphically high in the intrusion, which is a favourable criterion for chromite sills. Inversion modelling was done to construct subsurface 3D models of possible causative bodies to explain the anomaly. The results suggest a body of significant strike, generally more developed below a depth of 50 metres, possibly a subvertically dipping chromite body of substantial size, or disseminations/thin interdigitations of chromite within high-density host rocks (dunite, harzburgite).

Prospecting and channel sampling results

In late fall 2016, 59 channel samples were collected (cumulative length of 53.10 m in 5 channels) in addition to 14 grab samples (PR of January 19, 2017). The best channel interval was 33.2% Cr₂O₃ over 3.55 m. Channel lengths were constrained by thick overburden and a creek.

The main highlights are:

- 17.21% Cr₂O₃ over 7.54 m, including 33.2% Cr₂O₃ and 0.41 g/t PGE (Pt, Pd) over 3.55 m (Dominic Prospect, channel 3). The best result along this channel is 40.24% Cr₂O₃ over 1.55 m;
- 5.13% Cr₂O₃ over 22.49 m, including 23.1% Cr₂O₃ over 0.55 m, 19.57% Cr₂O₃ and 0.20 g/t PGE over 2.60 m (Sledgehammer Prospect, channel 1);
- 8.59% Cr₂O₃ over 6.54 m, including 17% Cr₂O₃ and 0.22 g/t PGE over 1.18 m, 22.5% Cr₂O₃ and 0.14 g/t PGE over 0.98 m (Sledgehammer Prospect, channel 2).

For Fiscal 2020, the Company incurred \$6,000 (\$2,000 – Fiscal 2019) in drilling and prospecting compilations but did not incur any claim renewal expenditures (\$19,000 – Fiscal 2019). No budgetary provision has been made because the results did not meet the Company's objectives. Consequently, the property was fully impaired in 2019.

Wabamisk Property

The Wabamisk Property (450 claims, 238.2 km²) is a gold project located about 70 kilometres south of Newmont's Eleonore gold mine and has a comparable geological context and geochemical signature. In 2011, Azimut announced that Newmont had earned its 51% interest in the property. Later that year, Newmont elected to pursue its second option on the property, whereby it can earn a 70% interest by funding additional exploration work and completing a bankable feasibility study within ten (10) years but this option has since expired. Eight (8) of the claims are subject to a 2.1% NSR payable to Virginia Mines (1.4%; now Osisko Exploration James Bay) and SOQUEM (0.7%), with a buy-back of 1.05% for \$350,000.

Exploration highlights

Initial exploration in 2005 identified several major gold target areas that included most of the known historical gold showings. Since then, a soil geochemistry survey in 2006 was followed in 2007 to 2009 by prospecting (grab sampling), mapping, IP surveys, soil sampling, channel sampling, and a maiden diamond drilling program that intersected sulphides or graphite with little or no gold.

In 2010, Newmont completed an 8-hole (2,800 m) diamond drilling program that identified two prospective areas for gold in the western half of the property. The best result from six (6) holes on the GH Prospect was 2.3 g/t Au over 4.3 m within a large envelope defined by 19 m grading 0.7 g/t Au, 0.39% Sb and 0.20% As. This gold-antimony-arsenic zone is associated with a

diorite intrusion and metasedimentary rocks. Mineralization is characterized by Sb and As sulphides as disseminations and veinlets accompanied by sericitization and silicification. The target zone is 3.5 kilometres long, outlined by coincident soil (Sb, As) and geophysical (IP) anomalies. The alteration-mineralization footprint indicates strong exploration potential along strike and at depth. The second area, the Dome-ML Prospect, is 1.7 kilometres long and yielded several historical high-grade gold values (up to 80.7 g/t Au) in grab samples taken from sheared and altered mafic volcanic units and a dioritic intrusion.

From 2012 to 2015, Newmont funded work programs that included prospecting (651 grab samples), a soil geochemistry survey (3,890 samples), an IP survey over altered shear zones that warranted additional work, and a high-resolution helicopter-borne magnetic survey (3,502 line-km). These programs led to the discovery of a new prospective area in the western part of the property characterized by gold-in-soil anomalies and an assay of 12.45 g/t Au from a quartz vein in a grab sample. Other prospecting results included 2.42% Cu, 0.41 g/t Au and 23.6 g/t Ag (grab sample); 1.42% Cu and 7.1 g/t Ag (grab sample); and 1.01% Cu, 0.67 g/t Au and 9.1 g/t Ag (boulder) (PR of March 19, 2015).

In 2018, Newmont contracted Geo Data Solutions Inc. to fly a heliborne SkyTEM survey over the property at a line spacing of 100 metres for a total coverage of 3,322 line-kilometres. The objective was to enhance target definition by delineating high-quality conductors on the project. Newmont funded the survey (\$325,000 budget).

For Fiscal 2020, the Company incurred \$6,000 (\$12,000 – Fiscal 2019) for a geological assessment.

EASTERN JAMES BAY

The most notable project in the eastern part of the James Bay region is the Renard diamond mine. The region has benefited from the extension of Route 167, a permanent all-season road, to connect the mine to the provincial highway network via the communities of Mistissini and Chibougamau. The Government of Québec supports other infrastructure development in the region as part of its Plan Nord program.

Azimut's portfolio in Eastern James Bay includes three wholly-owned properties (Corne, Mercator and Valore) and one of the SOQUEM Properties (Desceliers) for which Azimut has a back-in option.

Corne Property

The wholly-owned Corne Property (177 claims, 93.6 km²) is a copper-gold project that covers a 17-kilometre strike over a well-marked copper-bismuth-arsenic LBS anomaly. The property is located within the metasedimentary Opinaca Subprovince, close to the boundary with the Opatica Subprovince, and has seen very limited exploration. A small copper-molybdenum-silver intrusion-related deposit is located about 20 kilometres to the northwest (MacLeod, Pointe Richard).

For Fiscal 2020, the Company incurred \$7,000 (\$2,000 – Fiscal 2019) in exploration work for data interpretation but did not incur any claim acquisition expenditures (\$27,000 – Fiscal 2019).

Desceliers Property

The Desceliers Property (363 claims, 188.4 km²) is a gold-copper project held 100% by SOQUEM. Azimut has a back-in option to regain a 50% interest. The property is located 175 kilometres east of provincial highway 167, which leads to the Renard mine (Stornoway). The property is underlain by Archean rocks of the Opinaca Subprovince and is characterized by a strong geochemical signature in Au-As-Cu-W in LBS, accompanied by favourable geophysical criteria. This area has seen minimal exploration in the past, and very little is known about its geology. The nature and size of the geochemical footprint (an especially strong Au-Cu association) and the untested potential of the area make this property highly attractive.

In 2018, a multi-property SOQUEM-funded exploration program included work on the Desceliers Property. A heliborne DIGHEM geophysical survey (1,017 line-km) was followed by a short prospecting program (60 grab samples). Collectively, the work defined robust targets, namely for IOCG and magmatic Ni-Cu deposits. The 2019 program, funded and operated by Azimut, included focused prospecting.

Reconnaissance work in 2017, which followed up on an in-fill LBS survey in 2016, yielding the following results from 192 grab samples:

- A mineralized boulder field (anomalous Au, Ag, As, Bi, Co and Cu values) within a target area measuring 7 kilometres by 4 kilometres. The bedrock source of the boulders is considered proximal. The best results include:
 - 0.33 g/t Au, 493 ppm Cu
 - 0.2 g/t Au, 1.03 g/t Ag, 173 ppm Co, 562 ppm Cu, 0.14% Zn

- 5.90 g/t Ag, >1% As, 287 ppm Cu
- 0.22 g/t Au, 8.36 g/t Ag, >1% As, 551 ppm Cu
- Two mineralized outcrops located 1.7 kilometres apart within a target area measuring 4 kilometres by 3 kilometres. Samples yielded the following results:
 - >500 ppm REE, >500 ppm Y, 377 ppm Zr, >1% P, 619 ppm Mo, 0.32% Pb
 - 140 ppm Cu, 235 ppm Y, >500 ppm Zr

Mercator Property

The wholly-owned Mercator Property (351 claims, 182.1 km²) is a copper-polymetallic (Cu-Ni-Co) property measuring 22 kilometres long by 16 kilometres wide. It is located in the Opinaca Subprovince at its boundary with the Ashuanipi Subprovince. The project displays strong geochemical signatures in LBS, including copper, bismuth and molybdenum, as well as, more locally, nickel and cobalt. This area has no record of past exploration.

For Fiscal 2020, the Company incurred \$6,000 (\$2,000 – Fiscal 2019) in exploration work for data interpretation but did not incur any claim acquisition expenditures (\$53,000 – Fiscal 2019).

Valore Property

The wholly-owned Valore Property (108 claims in 2 claim blocks, 56.4 km²) is a gold project located 185 kilometres east of the Renard mine. Located in an area of the Opatca Subprovince with poor geological coverage, the property has seen little historical exploration. Azimut carried out a preliminary infill LBS survey in 2008 that identified several strong gold anomalies, including 2.13 g/t Au and 2.12 g/t Au, and a till survey and geological reconnaissance program in late fall 2016.

The claims are still in good standing as at December 22, 2020, but Azimut has elected to no longer pursue its assessment of the project due to other regional priorities. Consequently, the property was partially impaired in 2019.

NUNAVIK REGION

Management believes Nunavik (the region in Northern Quebec above the 55th parallel) has significant potential for large-scale deposits of copper, gold, silver, tungsten, rare earth elements (“REE”) and uranium. The Company’s current gold-polymetallic holdings are the result of copper-gold predictive modelling using the Company’s AZtechMine™ expert system over an area covering 1,247,900 km². These properties may represent district-scale targets as suggested by the initial discovery of at least seven (7) multi-kilometre gold and/or polymetallic zones and more than 200 distinct prospects.

On May 15, 2019, Azimut announced that it had signed an agreement with SOQUEM to form a new alliance in Nunavik (the “Nunavik Alliance”) comprising two option phases representing a total investment of up to \$40 million. Under the first option, SOQUEM has 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 four (4) years, the first two (2) years being a firm commitment of \$4 million each year. Under the second option, SOQUEM may 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 two (2) years and delivering a preliminary economic assessment. Azimut is the operator of the Nunavik Alliance.

The initial \$4-million Nunavik Alliance exploration program ended in Q2 2020. A new \$4-million exploration program, scheduled to start in Q4, had to be temporarily put on hold after the Government of Quebec instituted a travel ban for Nunavik that prevented Company employees from entering the region. The travel ban is one of the Government of Quebec's measures to combat the spread of the COVID-19 virus.

NUNAVIK – GOLD-POLYMETALLIC AND COPPER

Since 2009, the Company has acquired a controlling land position over a vast underexplored region of Nunavik (the “**Rex Trend**”; Figure 22) through its wholly-owned Rex-Duquet and Rex South properties (collectively 4,387 claims, 1,893.7 km²). The Rex Trend is a strong 300-kilometre-long copper anomaly in LBS coupled with a strong 100-kilometre-long REE anomaly (PRs of March 31 and July 22, 2011). Azimut considers the Rex Trend to be a new mineral province related to a deep-seated structural corridor (the “Allemand-Tasiat Zone”) with the potential to host large-scale deposits. This includes iron oxide copper-gold (“IOCG”) deposits, reduced intrusion-related gold-polymetallic systems, copper-gold mineralization in shear zones, and volcanogenic massive sulphides. The Rex Trend displays common features with the world-class Carajás Mineral Province in Brazil (PR of April 4, 2012).

geochemical data, have confirmed several multi-kilometre IOCG-type targets. The most important are described below (PRs of September 4 and November 6, 2019).

Mousquetaires Zone

The Mousquetaires Zone corresponds to a copper-bearing brittle fault crosscutting a foliated iron formation, returning grades of up to 13.65% Cu, 0.12% Mo and 25.9 g/t Te. This zone may represent the strike extension of the 3-kilometre-long fault-controlled copper-bearing RBL Zone located 10 kilometres to the NNW, which returned grades of up to 11.6% Cu.

The zone is recognized over a 1,050-metre-long by 80-metre-wide area, striking NNW-SSE with a 70° to 80° NE dip, crosscutting a strongly magnetic iron formation, and largely open along strike. Host rocks are variable: iron formation, gabbro, diorite, mafic and felsic volcanics, and paragneiss. Mineralization is dominated by semi-massive to disseminated chalcopyrite, with pyrite, pyrrhotite, magnetite and some bornite, associated with quartz veins and veinlets in a brittle tectonic context. Alteration is characterized by chlorite, hematite as well as magnetite veinlets proximal to mineralization; by epidote, silica and feldspar more distal to mineralization. The main control on mineralization is a brittle fault with possible significant down-dip extensions.

Subtle Zone

The Subtle Zone is a shear-hosted high-grade gold system with silver and zinc, returning grades of up to 580 g/t Au (found in 2012) and 141 g/t Au, 915 g/t Ag and 7.87% Zn. This zone appears on strike with a group of 10 prospects located 5 to 12 kilometres further south on the property, returning 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.

The zone is recognized over an area 500 metres long by 150 metres wide, striking NNW-SSE with a subvertical dip and largely open along strike. Host rocks are paragneiss, orthogneiss and amphibolite. Mineralization is dominated by pyrite associated with centimetric to decimetric quartz veins generally subparallel to foliation, accompanied by sphalerite, galena, chalcopyrite, pyrrhotite and arsenopyrite. The zone is marked by high gold grades (up to 580 g/t Au) associated with silver (up to 915 g/t Ag), zinc (up to 7.87% Zn) and, locally, tellurium (up to 11.7 g/t Te), tungsten (up to 0.5% W) and molybdenum (up to 0.25% Mo). Alteration is characterized by silica, chlorite, sericite and hematite. The main control on mineralization is foliation. Isoclinal folding, as suggested by the magnetic pattern, may increase the width of the zone.

RBL and CM Zones

The RBL Zone is at least 3 kilometres long by 50 to 200 metres wide, with a maximum grade to date of 11.3% Cu (grab sample). The maiden drilling program in 2011 (1,764 m in 23 short holes: 21 rotary + 2 RC) yielded the following best grades: 0.34% Cu over 4.58 m, 0.13% Cu over 9.14 m, 0.14% Cu over 13.72 m, 0.64% Cu over 1.52 m and 0.17% Cu over 6.10 m (PR of February 9, 2012). An envelope of mineralization and alteration is recognizable over the entire zone, and drilling results revealed that copper values are frequently associated with anomalous values of cobalt and tungsten in a wide (up to 200 m) envelope containing anomalous barium, manganese, phosphorus and iron.

The CM Zone measures at least 2.5 kilometres long by 50 to 100 metres wide with a maximum grade to date of 4.3% Cu (grab sample; PR of October 13, 2010). An envelope of mineralization and alteration is recognizable over the entire zone at surface, and the 2011 drilling program (408 m in 6 short holes: 5 rotary + 1 RC) revealed a strong alteration system 150 metres wide, containing anomalous copper, cobalt, tungsten, molybdenum, barium, manganese, phosphorous and iron values (PR of February 9, 2012).

Hosted in migmatitic gneisses, the RBL and CM zones are described as extensive late-tectonic brittle hydrothermal systems with veins, veinlets and breccias. Both contain chalcopyrite, bornite and pyrite, as well as intense networks of magnetite and/or hematite with or without quartz veins and veinlets. Alteration is dominated by strong potassic alteration and pervasive silicification locally accompanied by albite, chlorite and epidote. Located 30 kilometres apart, the zones are spatially associated with two major subparallel structures suggesting significant deep-rooted regional-scale systems.

The geological context of the RBL and CM zones (large alteration and breccia systems spatially associated with regional-scale structures) suggest significant depth to the systems. Both zones show excellent potential for extensions based on their strong magnetic signatures and geochemical footprints in LBS. Azimut considers them to be significant IOCG-type targets. Furthermore, the two zones, spaced 27 kilometres apart, demonstrate the regional scale of mineralization on the Rex-Duquet Property.

For Fiscal 2020, the Company incurred \$99,000 (\$128,000 – Fiscal 2019) in claim renewal expenditures and \$664,000 (\$124,000 – Fiscal 2019) in exploration expenditures for technical evaluation, prospecting, and airborne geophysics, which was charged back to SOQUEM in full. Azimut will pursue its assessment of the project through a SOQUEM-funded work program in accordance with required operational rules in the context of COVID-19 pandemic.

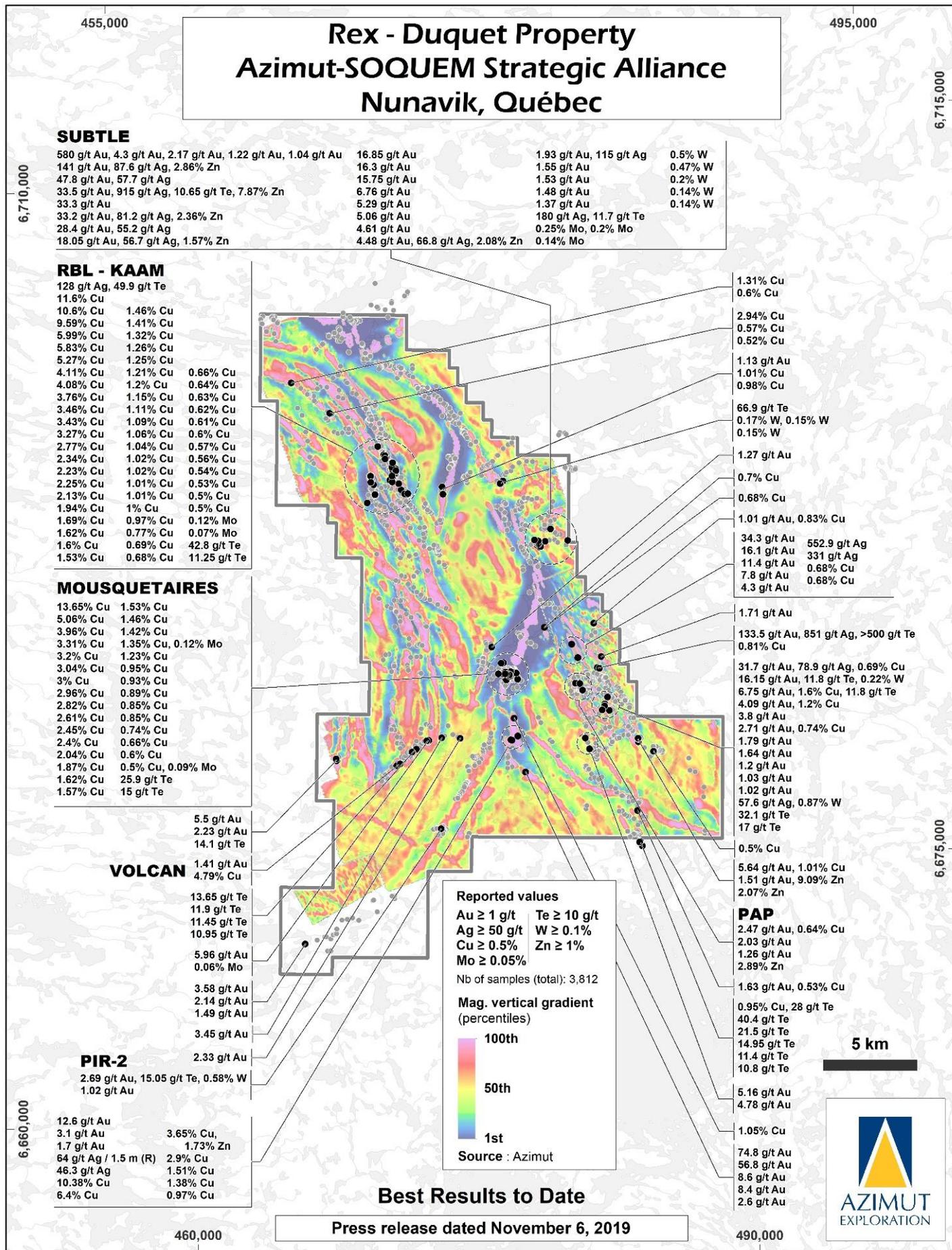


Figure 23: Map of the Rex-Duquet Property (A Block) showing best grab and channel sample results to date.

Rex South Property

The wholly-owned Rex South Property (2,343 claims, 1,020.6 km²) occupies the southern segment of the Rex Trend. The project is considered a district-scale polymetallic project for copper, gold and a suite of other commodities (silver, tellurium, molybdenum, tungsten and tin).

Exploration programs

The 2019 work program focused on the eastern claim block. A total of 320 grab samples were collected primarily from outcrops. A heliborne Mag-EM(HELITEM)-spectrometric survey (4,611.7 line-km) was flown over the property. The work led to the discovery of a new mineralized zone (see *Boreal* below; PR of November 25, 2019) with grades up to 3.07% Cu, and the extension of previously known zones.

Azimut and SOQUEM intended to use the \$4-million 2020 Nunavik Alliance exploration program to finance diamond drilling and prospecting campaigns to accelerate its assessment of the best mineralized zones on the property. The Company intends to resume the program in 2021.

The results of previous programs are presented in PRs dated October 31, 2011, and September 13, October 4 and April 4, 2012.

Mineralized zones

The property hosts at least 11 mineralized zones with kilometre-scale extensions, most of them surrounding or in the vicinity of an ovoid fluorite-topaz-bearing granitic intrusion 5 kilometres wide by 15 kilometres long (the “Qalluviartuuq Intrusive Complex” or “QIC”) (Figures 24a, b). The most important are discussed below.

Boreal Zone

The Boreal Zone appears as a hydrothermal breccia with angular fragments hosted in felsic orthogneiss. It was identified over an area 300 metres long by 10 metres wide, with a NW-SE trend and a subvertical dip. The zone remains largely open along strike. Mineralization is dominated by chalcopyrite accompanied by lesser pyrite and traces of bornite. Alteration is characterized by abundant epidote, albite and silica. Ten (10) grab samples returned grades above 0.5% Cu, including five (5) samples above 1% Cu with a peak of 3.07% Cu.

Copperton Zone

The Copperton Zone, discovered about 5 kilometres southeast of the Anorthosite Zone, is 3,500 metres long by 20 to 100 metres wide. It is hosted in a variably sheared steeply dipping feldspathic intrusion, as well as amphibolites and gneissic metasediments. The mineralized envelope is recognized over a strike length of 3.5 kilometres and a width of 20 to 100 metres. Mineralization is mainly disseminated to semi-massive chalcopyrite and pyrite.

The best grades obtained during the latest prospecting program were 5.0 g/t Au, 1.75% Cu and 4.83 g/t Au, 1.5% Cu, while the best sample from 2012 graded 7.37% Cu, 3.86 g/t Au and 56.9 g/t Ag.

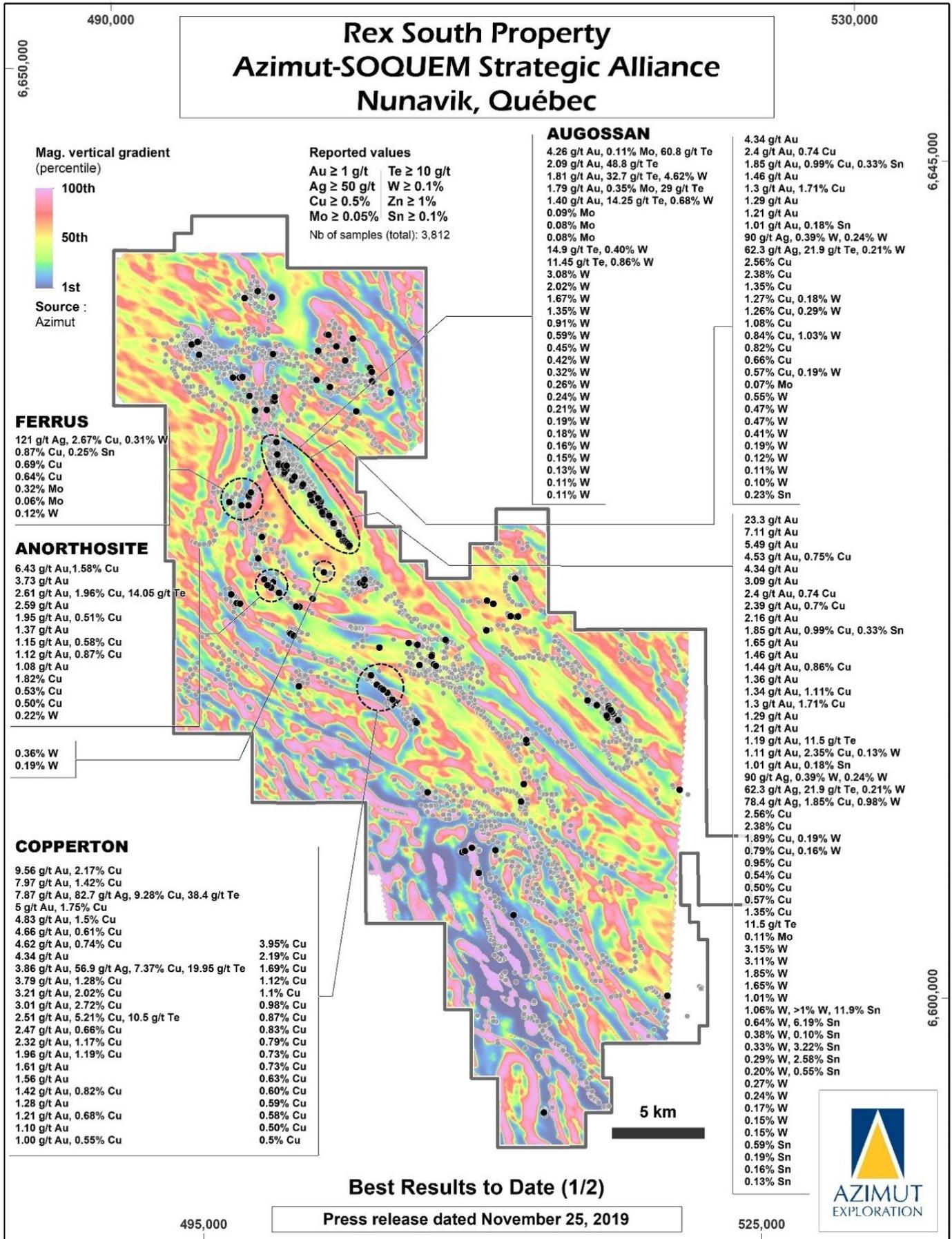


Figure 24a: Map of the Rex South Property showing some of the most significant zones and best grab samples to date (continued in next figure).

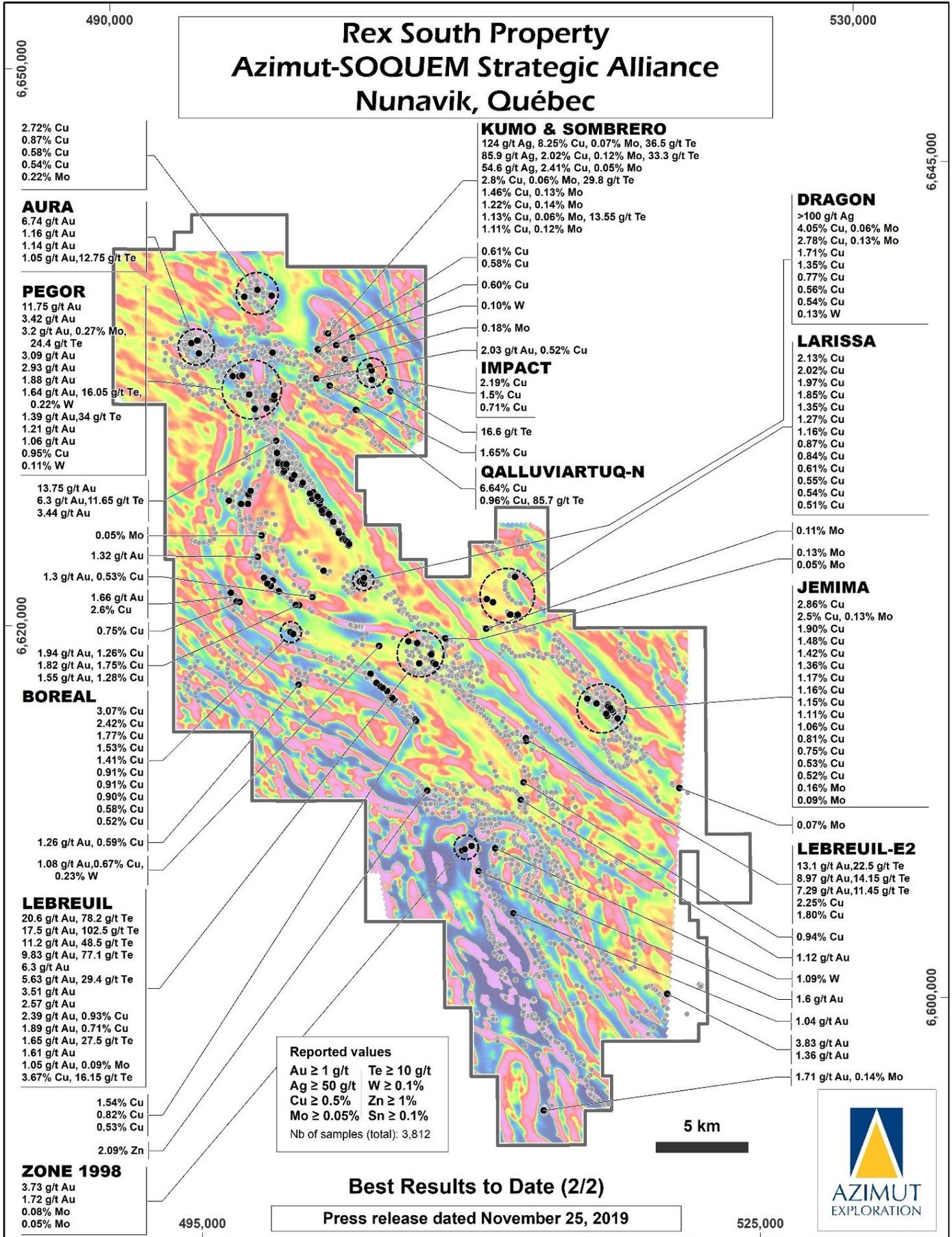


Figure 24b: Map of the Rex South Property showing the remaining zones and best results to date.

Dragon Zone

The Dragon Zone is hosted in foliated mafic and felsic volcanics with a NW-SE strike and a dip to the NE. This zone is approximately 450 metres long by 90 metres wide and appears spatially correlated with a magnetic high. Mineralization is mainly chalcopyrite accompanied by lesser pyrite and magnetite, and the highest values obtained were 4.05% Cu, 0.6% Mo, 2.78% Cu and 0.13% Mo in grab samples. Alteration is marked by silicification.

Lebreuil Zone

The Lebreuil Zone is hosted by felsic orthogneiss. Mineralization is in the form of 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. The preliminary strike extent of the Lebreuil Zone is about 2 kilometres, but widths are still undefined.

Augossan Zone

The Augossan Zone (gold-silver-copper-tungsten-tin) represents the first reported occurrence of significant tungsten grades in the Nunavik region. Other commodities of interest are bismuth, tantalum, beryllium, rubidium, molybdenum, rhenium, tellurium and lithium.

The zone represents a large polymetallic envelope at the contact between the QIC and volcano-sedimentary rocks. It is 7,000 metres long and 100 to 350 metres wide, as defined by drilling, channelling and prospecting data. It remains open in all directions, notably toward the intrusion.

The results for the 788 grab samples collected in this zone from 2010 to 2012 can be summarized as follows:

- Copper: 136 samples returned grades higher than 0.1% Cu, including 25 samples with grades ranging from 0.5% to 2.56% Cu
- Tungsten: 71 samples returned grades higher than 0.05% W, including 49 samples with grades ranging from 0.1% to 4.62% W
- Gold: 141 samples returned grades higher than 0.1 g/t Au, including 28 samples with grades ranging from 1.0 g/t to 23.3 g/t Au
- Silver: 209 samples returned grades higher than 1.0 g/t Ag, including 49 samples with grades ranging from 10.0 g/t to 90.0 g/t Ag

Channel sampling highlights from 2011 include 13.75 g/t Au, 15.8 g/t Ag and 0.23% Cu over 1.1 m; 3.15% W over 1 m; and 0.64% W over 3 m. Channels were cut perpendicular to the apparent orientation of mineralization.

Drilling highlights from 2011 include: 0.14% W over 15.24 m with an interval of 4.20 g/t Ag, 893 ppm Bi, 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; 0.56% W, 2.84 g/t Ag and 0.11% Cu over 1.52 m. True widths of the drilling intervals were estimated to be approximately 75% to 100% of core length.

Anorthosite Zone

The gold-copper-tungsten Anorthosite Zone was discovered in 2010 several kilometres south of the Augossan Zone. A few reconnaissance holes and prospecting data outlined a preliminary envelope 4 kilometres long by 200 metres wide with Au, Ag, Cu, W and Te mineralization.

Aura-Pegor Zone

The Aura-Pegor Zone, 2 kilometres long, is characterized by disseminated pyrite and strong alteration, including tourmaline in veinlets or stockworks accompanied by silica and albite. Grab sample assays include 15 samples with grades ranging from 0.5 g/t Au to 11.75 g/t Au. In addition, this zone presents anomalous values in copper (up to 0.37% Cu), tungsten (up to 0.06% W), bismuth (up to 0.14% Bi) and tellurium (up to 34 g/t Te).

Jemima Zone

The Jemima Zone is a mineralized corridor 2 kilometres long by 30 to 100 metres wide, 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. Mineralization and associated alteration are related to a brittle structure that clearly crosscuts the Archean gneissic country rocks. Assays for 15 grab samples ranged from 0.5% to 2.86% Cu, up to 0.17% Mo (molybdenum) and up to 0.422 g/t Re (rhenium).

Evidence of large-scale systems and comparison to other mineral provinces

Overall, the Rex South Property demonstrates evidence for two types of district-scale mineralized systems:

1. A system mainly emplaced around the QIC. This includes the Augossan, Anorthosite, Copperton, Dragon, Lebreuil and Boreal zones, and the Pegor and Ferrus prospects. Considerable additional exploration potential exists along the 30-kilometre contact between the intrusion and the volcano-sedimentary host rocks, as well as within the intrusion itself. This 30-kilometre prospective trend is marked by a linear magnetic anomaly around the intrusion. The Aura-Pegor and Le Breuil zones, both characterized by abundant tourmaline and lesser fluorite, may represent a less eroded part of the system (possible roof zones) along the northwest and southeast extensions of the Augossan trend.
2. IOCG mineralization associated with brittle structures and characterized by copper-dominant values accompanied by hematite and pervasive potassic alteration, represented by the Jemima Zone and the Sombrero and Impact prospects. The Larissa, Agaku-1, Agaku-2, Agaku-4 prospects may also represent IOCG mineralization.

A comparison can be made between the context of the Rex Trend and the world-class Carajás Mineral Province in Brazil. The latter hosts several large IOCG deposits (Sossego, Salobo, Alemão, Gameleira and Cristalino) and intrusion-related Cu-Au-(W-Bi-Sn) and W deposits (Breves, Aguas Claras) associated with anorogenic granite intrusions. The ages for the Carajás IOCG deposits range from Archean (2.77 Ga) to Paleoproterozoic (1.73 Ga), and the intrusion-related Breves deposit is Paleoproterozoic (1.88 Ga). The Breves deposit (50 Mt @ 1.22% Cu, 0.75 g/t Au, 2.4 g/t Ag, 0.12% W, 70 ppm Sn, 175 ppm Mo, and 75 ppm Bi) has a number of features in common with the Qalluviartuq mineralized system at Rex South, particularly the presence of fluorite, tourmaline, chalcopyrite, pyrite, arsenopyrite, wolframite, cassiterite, bismuthinite and native bismuth.

For Fiscal 2020, the Company incurred \$74,000 (\$147,000 – Fiscal 2019) in claim renewal expenditures and \$342,000 (\$130,000 – Fiscal 2019) in exploration expenditures for technical evaluation, prospecting and airborne geophysics, which was charged back to SOQUEM in full. Project assessment requires follow-up prospecting and drilling on several attractive targets, particularly Copperton, Dragon and Lebreuil. Azimut will pursue its assessment of the project through a SOQUEM-funded work program in accordance with required operational rules in the context of the COVID-19 pandemic.

Nantais Property

The wholly-owned Nantais Property (541 claims, 226.6 km²) is a Au-Ag-Cu-Zn project about 110 kilometres east of the Rex Trend, about 80 kilometres south of Glencore's Raglan nickel mine and 115 kilometres southwest of the Inuit village of Kangiqsujuaq. The project covers 32 kilometres of an underexplored greenstone belt in the Nantais Complex of the Minto Block, a geological division of the Archean Superior Province.

Mineralization and target deposit types

Mineralization (pyrrhotite, pyrite, chalcopyrite, arsenopyrite, sphalerite, galena) is hosted within a steeply dipping north-trending unit of mafic and felsic volcanic rocks. This mineralized corridor correlates well with EM conductors (see PRs of August 27 and September 29, 2014).

Target deposit types are gold-rich polymetallic VMS and shear zone-hosted. Historical showings include Nantais-1 (4.7 g/t Au, 5.2 g/t Ag, 0.11% Cu (grab)); Nantais-2 (7.9 g/t Au, 7.2 g/t Ag (grab); 15.9 g/t Au, 7.5 g/t Ag, 0.14 % Cu over 0.2 m; 8.0 g/t Au (grab); 0.15% Cu over 0.6 m (channel)), and Cabane (0.47 g/t Au, 1,600 g/t Ag, 0.15% Sb, 0.12% Cu, 2.48% Zn, 7.00% Pb (grab)).

Exploration results

The 2019 work program consisted of systematic prospecting on target areas defined by integrating all previous data from helicopter Mag-EM surveys, remote sensing, LBS geochemical modelling, and prospecting. A total of 518 grab samples were collected primarily from outcrops (PR of December 3, 2019). The planned \$4-million 2020 Nunavik Alliance exploration program will assess the best targets on the Nantais Property by diamond drilling and prospecting.

The Company also conducted fieldwork in 2011 and 2012 (PRs of September 18 and April 19, 2012), and flew a geophysical survey over the property in 2014.

The highlights of the 2019 program are described below (Figure 25).

- Discovery of a 1.6-kilometre-long gold-bearing area with grades up to 6.91 g/t Au, 16.4 g/t Ag and 0.22% Cu (sample Y90610), spatially associated with a 1.1-kilometre-long EM conductor; grab samples collected in this area, mostly from angular boulders, are composed of sheared mafic volcanics with quartz veins and pyrite.

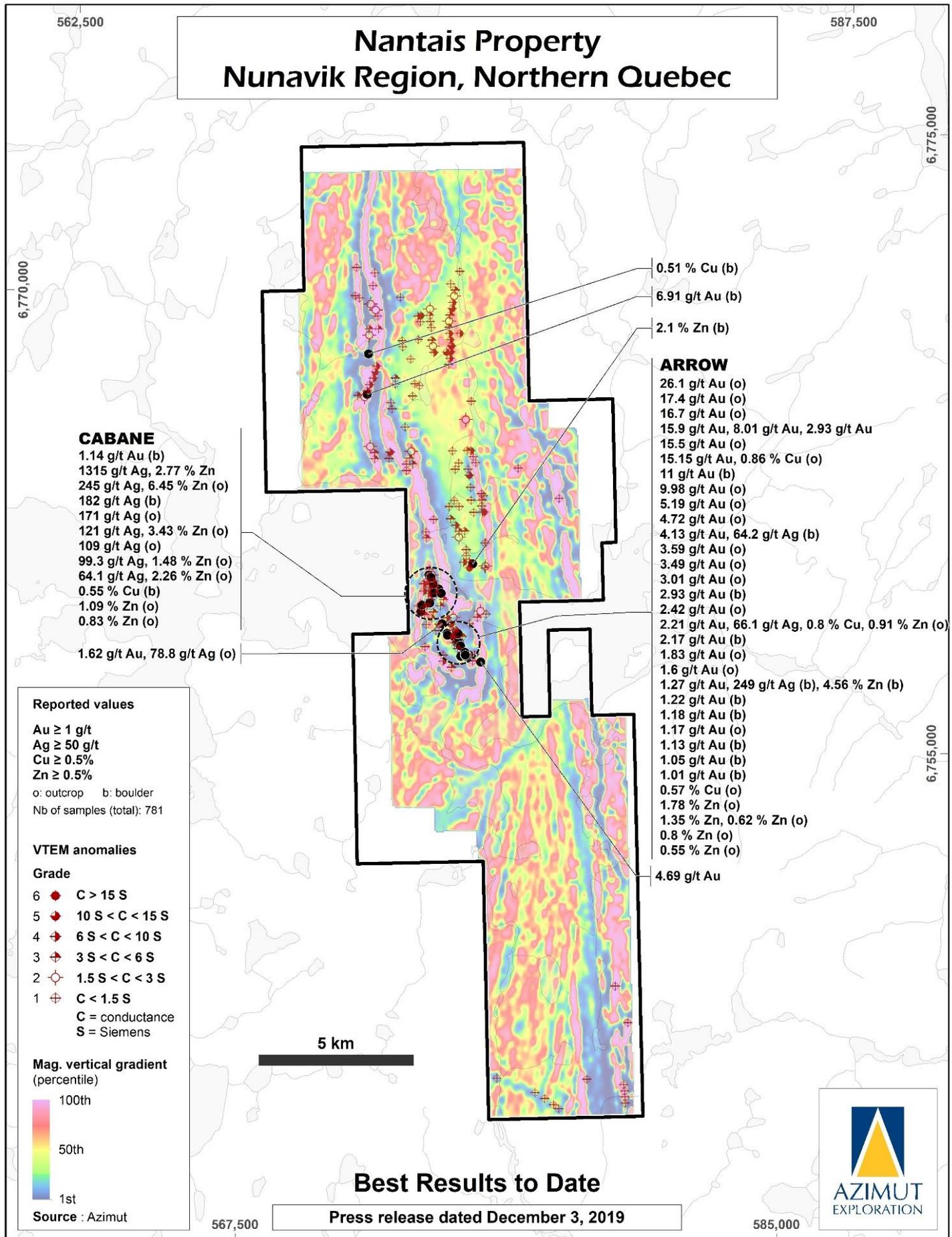


Figure 25: Map of the Nantais Property showing the main zones and best results to date.

- Improved definition, through infill prospecting, of a previously recognized polymetallic corridor, 3.1 kilometres long by up to 500 m wide, in the central part of the property (see PRs of April 19 and September 18, 2012). The most significant new grab sample results are presented below from north to south:

| | |
|---|------------------|
| 245 g/t Ag, 1.62% Pb, 6.45% Zn | (sample Y090060) |
| 121 g/t Ag, 3.43% Zn | (sample Y090165) |
| 0.26 g/t Au, 182 g/t Ag, 0.31% Cu | (sample Y090129) |
| 1.27 g/t Au, 249 g/t Ag, 0.11% Cu, 1.29% Pb, 4.56% Zn | (sample Y090145) |
| 17.4 g/t Au, 8.82 g/t Ag, 0.2% Cu | (sample Y090136) |
| 4.13 g/t Au, 64.2 g/t Ag, 0.3% Cu | (sample Y090256) |

For Fiscal 2020, the Company incurred \$12,000 in claim renewal expenditures (\$72,000 – Fiscal 2019) and \$117,000 (\$18,000 – Fiscal 2019) in exploration expenditures for technical evaluation and data interpretation, which was charged back to SOQUEM in full. Azimut will pursue its assessment of the project through a SOQUEM-funded work program according to required operational rules in the context of the COVID-19 pandemic.

NCG Property

The wholly-owned NCG Property (1 claim, 0.4 km²) is a Cu-Au-Ag-W-REE project at the southern end of the Rex Trend.

For Fiscal 2020, the Company did not incur any expenditures for claim renewals (\$Nil – Fiscal 2019) or exploration work (\$Nil – Fiscal 2019). The property was fully impaired after the Company decided to no longer pursue its assessment of the project due to other regional priorities.

Qullinaaraaluk

The wholly-owned Qullinaaraaluk Property (6 claims, 2.77 km²) is a nickel-copper project located in the geological Minto Subprovince. It was acquired in 2020 based on the presence of high-grade nickel mineralization associated with an ultramafic intrusion. Best grades reported by the MERN are 2.60 % Ni, 1.80% Cu and 0.27% Co from grab samples.

For Fiscal 2020, the Company incurred \$1,000 (\$Nil – Fiscal 2019) in claim acquisition expenditures but did not incur any exploration expenditures (\$Nil – Fiscal 2019).

NUNAVIK – URANIUM

Azimut considers Nunavik to be highly prospective for large-tonnage uranium deposits related to intrusive rocks in high-grade metamorphic environments. Specifically, the management considers part of the eastern Ungava Bay region to be a new uranium province in Canada.

North Rae Property

Azimut's sole uranium property is the wholly-owned North Rae Property (1 claim, 0.5 km²).

For Fiscal 2020, the Company did not incur any claim renewal expenditures (\$100 – Fiscal 2019) or exploration work expenditures (\$2,000 – Fiscal 2019). The property was fully impaired because no E&E expenditures had been planned, given the uncertainty surrounding the uranium industry in Quebec.

REGIONAL MODELLING AND PROJECT GENERATION

Azimut will continue to pursue its assessment of the mineral potential of several regions in Quebec to generate new projects, most notably for gold and copper. The Company is also considering opportunities for other commodities and regions.

EXPLORATION OUTLOOK

The following tables present the status of the current work programs on Azimut's key properties and the planned exploration programs for 2021.

The Company maintains its conservative business approach by minimizing equity dilution. Part of the Company's cash position will be used to advance the 100%-owned Elmer discovery. The Company also remains focused on developing new partnerships

in Quebec to safeguard the value added to its projects. The Company continues to assess quality exploration opportunities using its systematic data processing approach.

The Company continues to pursue its long-standing exploration focus in the James Bay region, primarily on its gold properties in the Elmer Discovery Sector, the Trans-Taiga Road Sector and the Eleonore Gold Camp. The Company also continues to hold a commanding position over the Rex Trend, a 300-kilometre-long mineral belt in Nunavik containing major gold-polymetallic targets.

Management believes the Company has adequate financial resources to keep its properties in good standing and to pay its ongoing G&A expenses.

Azimut temporarily suspended all its field operations on March 25, 2020, to comply with the order of the Government of Quebec in response to the COVID-19 pandemic. Azimut has since resumed operations in the James Bay region with strict protective measures in place (PR of May 26, 2020). The travel ban for Nunavik was lifted in late August, and the Company should resume exploration work in 2021. The COVID-19 pandemic may continue to create operational uncertainties.

| JAMES BAY REGION | | |
|------------------------------|-------------------------------|--|
| Property | Status | 2021 planned work program |
| Elmer (gold) | Target identified | Drilling, ground geophysics, prospecting |
| Pikwa (gold-copper) | Targets identified | Drilling, prospecting |
| Wapatik (gold) | Reconnaissance | Heliborne geophysics, till sampling, prospecting Partner-funded program |
| Munischiwan (gold-copper) | Targets identified | Drilling |
| Galinée (gold) | Targets identified | Prospecting, till sampling 50% funded |
| Opinaca B (gold) | Targets identified | Drilling stage Partner-funded program to be defined |
| Eleonore South (gold) | Targets identified | Drilling stage Partner-funded program to be defined |
| Wabamisk (gold) | Technical assessment underway | Drilling stage Partner-funded program to be defined |
| Kaanaayaa (gold-copper) | Technical assessment underway | Detailed LBS survey |

| NUNAVIK REGION | | |
|---|-------------------------------|---|
| Property | Status | 2021 planned work program |
| Rex-Duquet (copper, gold, silver, REE) | Priority targets identified | Ground geophysics, drilling Partner-funded program |
| Rex South (gold, silver, copper, tungsten) | Priority targets identified | |
| Nantais (gold, silver, copper, zinc) | Technical assessment underway | Data processing Partner-funded program |

SELECTED FINANCIAL INFORMATION

| | August 31, | | |
|---------------------------------------|--------------|--------------|--------------|
| | 2020 (\$) | 2019 (\$) | 2018 (\$) |
| Revenue | | | |
| Operator income | 180,028 | 396,681 | 172,468 |
| Expenses | | | |
| G&A | 1,930,191 | 482,198 | 607,749 |
| General exploration | 227,121 | 29,594 | 87,560 |
| Impairment of property and equipment | - | - | 1,784 |
| Impairment of E&E assets | 4,291 | 920,963 | 28,128 |
| Interest income, net of finance costs | (32,438) | (40,821) | (27,500) |
| | 2,129,165 | 1,391,934 | 697,721 |
| Other loss (gain) | (9,363) | 33,938 | (52,181) |
| Deferred income tax recovery | (1,636,604) | (72,853) | (454,147) |
| Net loss for the year | 303,170 | 956,338 | 18,925 |
| Basic and diluted loss per share | 0.00 | 0.02 | 0.00 |

RESULTS OF OPERATIONS

FISCAL 2020 COMPARED TO FISCAL 2019

The Company reported a net loss of \$303,000 for Fiscal 2020 compared to \$956,000 for Fiscal 2019. The variation is mainly the net effect of the non-cash items, consisting of deferred income tax recovery of \$1,637,000 (\$73,000 – Fiscal 2019) related to tax deductions renounced by the Company to flow-through shareholders and stock-based compensation costs of \$1,260,000 (\$21,000 – Fiscal 2019). Other significant variations are detailed below.

Revenue

The Company reported revenue of \$180,000 (\$397,000 – Fiscal 2019) in operator income. The decrease in revenue was due to the postponement of the Company's 2020 fieldwork programs in Nunavik after a travel ban came into effect that prevented employees from entering the region. The travel ban was one of the Government of Quebec's measures to combat the spread of the COVID-19 virus.

Operating expenses

G&A expenses amounted to \$1,930,000 in Fiscal 2020 compared to \$482,000 in Fiscal 2019. The increase in Fiscal 2020 is due mainly to costs related to the gold discovery on the Elmer Property. The increase in salary and fringe benefits of \$385,000 results from hiring a Vice-President Technology and Business Development, increased wages and bonuses paid to officers and employees related to the discovery of Elmer Property, and stock-based compensation costs of \$1,086,000 (\$13,000 – Fiscal 2019).

General exploration expenses were \$227,000 in Fiscal 2020 compared to \$30,000 in Fiscal 2019. The increase is mainly due to stock-based compensation costs of \$174,000 (\$8,000 – Fiscal 2019).

The stock-based compensation costs, an expense that did not affect cash, resulted from the Company granting 1,245,000 options (50,000 options – Fiscal 2019) to its directors, officers, employees and consultants.

Other gains and losses

The Company reported other gains of \$9,000 for Fiscal 2020, compared to other losses of \$34,000 for Fiscal 2019. The variation was the change in fair value of the Company's investments in West African Resources Ltd.

OTHER INFORMATION

| | August 31, | | |
|-------------------------------------|--------------|-------------|-------------|
| | 2020 | 2019 | 2018 |
| Cash and cash equivalents | \$5,827,207 | \$2,979,133 | \$2,487,979 |
| Total assets | \$18,306,300 | \$9,366,456 | \$7,969,782 |
| Shareholders' equity | \$14,530,680 | \$6,119,055 | \$5,859,505 |
| Number of shares outstanding | 65,788,137 | 53,300,649 | 48,559,496 |
| Number of stock options outstanding | 4,480,000 | 3,745,000 | 4,095,000 |
| Number of warrants outstanding | - | 2,210,576 | - |

Since its incorporation, the Company has not declared cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs for its exploration programs and its future financial growth, and any other factor that the Board of Directors 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 \$3.0 million as at August 31, 2020, compared to \$410,000 as at August 31, 2019. Management believes that the Company's current cash position is sufficient to meet current commitments on a continuous basis for at least the next twelve (12) months. To pursue the Company's exploration and evaluation programs and operations beyond August 31, 2021, it will 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 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.

As at August 31, 2020, the Company's cash and cash equivalent position was \$5.8 million, an increase of \$2.8 million from its position on August 31, 2019. The variation in the cash position is mainly due to net cash received in the amounts of \$8.0 million from the issuance of shares through the units and flow-through private placements and \$2 million from the exercise of warrants and stock options. The Company also received a \$1.3 million advance from SOQUEM for exploration work under the Nunavik Alliance and \$812,000 for the refundable duties credit for losses and the refundable tax credit relating to resources. The Company used \$8.1 million for E&E assets, \$360,000 for the principal repayment of lease liabilities and \$838,000 in operating expenses.

Total assets amounted to \$18.3 million as at August 31, 2020, compared to \$9.3 million as at August 31, 2019, owing mainly due to the net cash received from the issuance of shares through units and flow-through private placements and from the exercise of warrants and stock options. The increase in E&E costs was incurred mainly in the James Bay region on the Elmer Property and one of the SOQUEM Properties (Pikwa). The decrease in accounts payable and accrued liabilities is largely the net result of not conducting fieldwork in Nunavik. The increase in other liabilities arising from the new lease liabilities upon adoptions of IFRS 16, and \$935,000 under the flow-through shares premium liability. The increase in shareholders' equity is mainly due to the net cash received of \$8.0 million through private placements for the issuance of 4,086,000 units and 3,638,345 flow-through shares. The exercise of stock options and warrants amounted to \$2.0 million.

Operating activities

In Fiscal 2020, net cash flows used in operating activities totalled \$838,000 compared to \$153,000 in Fiscal 2019. The variation is mainly due to the addition of a Vice-President Technology and Business Development and to the increased wages and bonuses paid to officers and employees related to the discovery of the Elmer Property. The net change in non-cash working capital amounted to \$196,000 (\$206,000 – Fiscal 2019). The variation in amounts receivable results from the net effect of the amount received in 2018, the refundable duties credit for losses and the refundable tax credit relating to resources, and

commodity taxes. The variation in accounts payable results from the volume of the Company's activity, which was slowed down by the COVID-19 pandemic.

Financing activities

The Company completed a non-brokered private placement of 4,086,000 units at \$0.35 per unit for aggregate gross proceeds of \$1,430,000. The Company completed two flow-through private placements totalling 3,638,000 shares for aggregate gross proceeds of \$6,785,000. A total of 510,000 stock options were exercised for total cash received of \$283,000 and 4,253,000 warrants for total cash received of \$1,713,000. Share issue expenses amounted to \$185,000, including \$22,000 in finder's fees paid to third parties regarding the offering in Fiscal 2020 (\$Nil – Fiscal 2019).

Investing activities

Investing activities consisted mainly of the additions to E&E assets. In Fiscal 2020, net cash flows used in investing activities totalled \$6.0 million compared to \$856,000 in Fiscal 2019. The variation is attributable to the net effect of the following:

- Additions to E&E assets amounting to \$8,062,000 (\$6,025,000 – Fiscal 2019). The Company incurred significant costs in the James Bay region on the Elmer Property and one of the SOQUEM Properties (Pikwa).
- An advance received from SOQUEM of \$1,283,000 (\$4,676,000 – Fiscal 2019) to conduct exploration work on the Rex-Duquet, Rex South and Nantais properties.
- \$812,000 (\$469,000 – Fiscal 2019) received for the 2018 and 2019 refundable duties credit for losses and the refundable tax credit relating to resources.

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 been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that the Company will be successful in raising 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.

| Quarter ended | Income (expenses) \$ | Net earnings (loss) \$ | Net earnings (loss) per share | |
|---------------|----------------------------|------------------------------|----------------------------------|--------------|
| | | | Basic (\$) | Diluted (\$) |
| 31-08-2020 | (193,002) | 35,787 | 0.000 | 0.000 |
| 31-05-2020 | 264,504 | ** (298,934) | (0.005) | (0.005) |
| 29-02-2020 | 51,168 | (26,022) | 0.000 | 0.000 |
| 30-11-2019 | 66,721 | (14,001) | 0.000 | 0.000 |
| 31-08-2019 | 292,554 | * (714,069) | (0.013) | (0.013) |
| 31-05-2019 | 48,503 | (82,637) | (0.002) | (0.002) |
| 28-02-2019 | 32,621 | (98,232) | (0.002) | (0.002) |
| 30-11-2018 | (1,325) | (61,400) | (0.001) | (0.001) |

* Impairment of E&E assets and stock-based compensation.

** Stock-based compensation.

Current quarter

For the three months ended August 31, 2020 (Q4 2020), the Company reported a net earning of \$36,000 compared to net loss of \$714,000 for the three months ended August 31, 2019 (Q4 2019). The change in Q4 2020 was primarily attributable to the net effect of the following:

- Operator expense was \$1,000 for Q4 2020 (income of \$293,000 in Q4 2019). Operator income was impacted by the cancellation of the Company's 2020 fieldwork programs in Nunavik when a travel ban came into effect that prevented Company employees from entering the region. The travel ban was one of the Government of Quebec's measures to combat the spread of the COVID-19 virus.

- For the quarter ended May 31, 2020, a gain on option payments for E&E assets was overstated by \$206,127, which was adjusted in the quarter ended August 31, 2020. For the year ended August 31, 2020, the amount recognized is adequate.
- Deferred income tax recovery of \$1,033,000 (nil in Q4 2019) related to share issue expenses and tax deductions renounced by the Company to flow-through shareholders.
- Professional fees of \$141,000 (\$50,000 in Q4 2019) that include legal fees of \$75,000 for a special mandate and a \$15,000 increase in the annual audit fees.
- Stock-based compensation costs of \$594,000 (\$3,000 in Q4 2019), an expense that did not affect cash, resulting from the Company granting 1,245,000 options to its directors, officers, employees and consultants.

CONTRACTUAL OBLIGATIONS

As at August 31, 2020, the Company's contractual obligation payments are as follows:

| | Less than 1 year | 1–3 years | 4–5 years | More than 5 years |
|-------------------------------|---------------------|----------------|----------------|----------------------|
| | \$ | \$ | \$ | \$ |
| Leases | 266,813 | 121,713 | - | - |
| Asset retirement obligations | - | - | 251,480 | - |
| Total contractual obligations | <u>266,813</u> | <u>121,713</u> | <u>251,480</u> | <u>-</u> |

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CARRYING AMOUNT OF EXPLORATION AND EVALUATION ASSETS

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 in 2020, the Company decided to impair certain properties given that no E&E expenses were budgeted and that some claims were abandoned or were not expected to be renewed: in the Nunavik region, the uranium property by \$100 and the gold by \$100 for a total of \$200. In the James Bay region, the gold properties were impaired by \$100, and the chromium-PGE property by \$4,000 for a total of \$4,100.

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

RELATED PARTY TRANSACTIONS

The related parties of the Company include key management and companies owned by the key management team. Key management includes directors, the chief executive officer (“CEO”), the Vice-President Technology and Business Development (“VP”), and the chief financial officer (“CFO”). The following transactions occurred during the normal course of business.

The compensation paid or payable to key management for services is as follows:

| | 2020 \$ | 2019 \$ |
|---------------------|------------------|----------------|
| Salaries | 455,392 | 317,680 |
| Bonus | 155,000 | - |
| Director fees | 42,538 | 37,723 |
| Stock-based payment | <u>1,114,219</u> | <u>-</u> |
| | <u>1,767,149</u> | <u>355,403</u> |

An amount for salaries of \$231,000 (\$163,000 – Fiscal 2019) was capitalized to E&E assets in Fiscal 2020.

As at August 31, 2020, accounts payable and accrued liabilities include an amount of \$104,000 owed to key management (\$103,000 as at August 31, 2019).

If termination of employment is for reasons other than gross negligence, the CEO and the CFO shall be entitled to receive an indemnity equal to twelve (12) months salary. The VP shall be entitled to receive an indemnity equal to twelve (12) weeks salary, which shall be increased by one (1) month for every additional year of employment. The indemnity paid must not represent more than 10% of the Company's liquidities at such time and is subject to a maximum indemnity period of twelve (12) months.

In the event of a change of control or the termination of employment following a change of control, the CEO shall be entitled to receive an indemnity equal to twenty-four (24) months salary, and the CFO an indemnity equal to eighteen (18) months salary.

SUBSEQUENT EVENT

On September 14, 2020, the Company completed a non-brokered private placement of 3,333,335 common shares at a price of \$1.80 per share for an aggregate proceed of \$6,000,003. Share issue expenses representing approximately 0.85% of the gross proceeds have been paid in cash.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A detailed summary of the Company's significant accounting policies is provided in Note 2 of the annual financial statements as at August 31, 2020.

NEW ACCOUNTING STANDARDS OR AMENDMENTS

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, 2020.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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, 2020.

INFORMATION REGARDING OUTSTANDING SHARES

The Company can issue an unlimited number of common shares with no par value. As at December 22, 2020, there were 69,121,472 issued and outstanding shares, no shares held in escrow, and no outstanding warrants.

The Company maintained a stock option plan in which a maximum of 5,857,000 stock options may be granted. The exercise price of the options is set at the closing price of the Company's shares on the TSX Venture Exchange the day before the grant date. The options have a maximum term of ten (10) years following the grant date or, 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 such blackout period. The options vest immediately unless otherwise approved by the Board of Directors. As at December 22, 2020, a total of 4,600,000 stock options were outstanding, and 3,345,000 were vested. Their exercise prices range from \$0.19 to \$1.67, and the expiry dates range from January 15, 2021 to August 14, 2030.

RISK RELATED TO FINANCIAL INSTRUMENTS

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 19 of the annual financial statements as at August 31, 2020.

RISK AND UNCERTAINTIES

COVID-19 GLOBAL HEALTH CRISIS

Azimut faces risks related to the global health crisis caused by the COVID-19 pandemic, which could adversely affect 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 Azimut'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 Company's activities may be adversely impacted by the COVID-19 pandemic and may create delays to its 2021 field programs in the James Bay and Nunavik regions.

Due to the highly uncertain outcome and duration of the COVID-19 pandemic, it is not possible to 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.

METAL PRICES

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect 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.

FINANCIAL RISKS

Management believes it has sufficient funds to pay its ongoing G&A expenses, to pursue its budgeted exploration expenditures, and to 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 its exploration program on its properties and its operations beyond August 31, 2021. 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.

PROPERTY TITLE RISK

Although the Company has taken steps to verify property titles relating to its mineral properties in which it holds an interest, and that those steps are in accordance with industry standards regarding the current exploration stage on the properties, 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 TSX Venture Exchange. Historically, the Company has been reliant primarily on equity financings from the sale of its common shares to fund the 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 risk that the Company may not be able to complete an equity financing at an acceptable price 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.

ENVIRONMENTAL RISK

The Company is susceptible to various environmental incidents that can occur during exploration work. The Company implements and maintains an environmental risk management system that includes operational plans and practices. The Company is in compliance with the 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, which cannot be insured against, or against which the Company may elect not to insure because of 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 continue 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.

CONFLICTS OF INTEREST

Certain directors, proposed directors and officers of the Company are already or may also become directors, officers or shareholders of other companies that are 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 of the Company relies on a few key officers, the loss of any of whom could have a detrimental effect on its operations. Azimut 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 the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada).

OUTLOOK

In the coming fiscal year, the Company will continue advancing the Elmer Property (100% Azimut) as well as three (3) other gold and copper-gold properties under the James Bay Alliance with SOQUEM (Pikwa, Munischiwan, Galinée). It will also continue to assess the technical progress made on the Eleonore South Property in the James Bay region. The Company will advance the Rex-Duquet, Rex South and Nantais properties under the Nunavik Alliance with SOQUEM.

The Company will continue its efforts to find new partners for available properties, and it intends to develop new business opportunities to apply its big data approach to other regional and country-scale settings. Furthermore, based on industry trends and demand, the Company will continue to pursue its mineral potential modelling of several regions in Quebec to generate new projects. Financing may be required for this purpose in the upcoming fiscal year.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This MD&A report is dated December 22, 2020 and was approved by the Board on December 22, 2020. The Company regularly discloses additional information through press releases and its financial statements filed on SEDAR (www.sedar.com).

CAUTION REGARDING FORWARD-LOOKING INFORMATION

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, the statements are essentially forward-looking and are often identified by words such as “anticipate”, “expect”, “estimate”, “intend”, “project”, “plan” and “believe”. The 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. There are many factors that could cause such differences, particularly volatility and sensitivity to market metal prices, 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 to do so by applicable securities laws.

(s) Jean-Marc Lulin

President and CEO

(s) Moniroth Lim

CFO and Corporate Secretary

CORPORATE INFORMATION

Azimut Exploration Inc.

Board of Directors

Michel Brunet, LL.B., Director (Montreal) ⁽¹⁾
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal) ⁽²⁾
Angelina Mehta, Eng., MBA, LL.M., Director (Montreal) ⁽¹⁾
Glenn Mullan, P.Geo., Director (Val-d'Or)
Jean-Charles Potvin, MBA, B.Sc., Director (Toronto) ⁽²⁾
Louis P. Salley, B.A., LL.B., Director (Vancouver)
Jacques Simoneau, Eng., PhD, Director (Montreal) ^{(1) (2)}

⁽¹⁾ Member of the Governance and Compensation Committee

⁽²⁾ Member of the Audit Committee

Management

Jean-Marc Lulin, President and Chief Executive Officer
Mathieu Landry, VP Technology and Business Development
Moniroth Lim, Chief Financial Officer and Corporate Secretary

Legal Counsel

XploraMines S.A. (Montreal)

Auditors

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

Transfer Agent

AST Trust Company Canada (formerly Canadian Stock Transfer Company Inc.) (Montreal)

Listing

TSX Venture
Symbol: AZM

Contact Information

Head Office

110, De La Barre Street
Suite 224
Longueuil, QC
Canada J4K 1A3
Tel.: 1 450 646-3015
Fax: 1 450 646-3045
E-mail: info@azimut-exploration.com

Website

www.azimut-exploration.com