



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal years ended August 31, 2022 and 2021

Table of Contents

SCOPE OF MANAGEMENT'S DISCUSSION AND ANALYSIS.....	2
NATURE OF ACTIVITIES.....	2
EXPLORATION PORTFOLIO	2
OVERALL PERFORMANCE.....	6
OUTLOOK.....	6
EXPLORATION AND EVALUATION EXPENDITURES	6
ENVIRONMENTAL, SOCIAL AND GOVERNANCE	9
REGIONAL ALLIANCES	10
JAMES BAY REGION – EXPLORATION UPDATES.....	10
NUNAVIK REGION – EXPLORATION UPDATES.....	30
SELECTED FINANCIAL INFORMATION.....	37
RESULTS OF OPERATIONS.....	37
OTHER INFORMATION	38
CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES	38
QUARTERLY INFORMATION.....	39
CONTRACTUAL OBLIGATIONS.....	40
OFF-BALANCE SHEET ARRANGEMENTS.....	40
CARRYING AMOUNT OF EXPLORATION AND EVALUATION ASSETS.....	40
RELATED PARTY TRANSACTIONS.....	40
SUBSEQUENT EVENTS.....	41
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	41
NEW ACCOUNTING STANDARDS OR AMENDMENTS.....	41
CRITICAL ACCOUNTING POLICIES AND ESTIMATES	41
RISK RELATED TO FINANCIAL INSTRUMENTS.....	41
RISKS AND UNCERTAINTIES	41
INFORMATION REGARDING OUTSTANDING SHARES	43
ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE.....	43
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	44
CORPORATE INFORMATION	45

SCOPE OF MANAGEMENT’S DISCUSSION AND ANALYSIS

The following management discussion and analysis (the “MD&A”) of the activities and financial position of Azimut Exploration Inc. (“Azimut” or the “Company”) for the fiscal years ended August 31, 2022 (“Fiscal 2022”) and 2021 (“Fiscal 2021”) should be read in conjunction with the Company’s audited annual financial statements for the years then ended. The financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The MD&A and the financial statements are available on SEDAR (www.sedar.com) under Azimut’s issuer profile and on the Company’s website (www.azimut-exploration.com). Unless otherwise noted, all figures are in Canadian dollars, the functional and presentation currency of the Company.

NATURE OF ACTIVITIES

Azimut is a publicly-traded Canadian mineral exploration company with a successful track record of target generation and partnership development. The Company combines a pioneering and proprietary approach to big data analytics (AZtechMine™) with strong field-validation expertise to create a competitive edge. The Company holds the largest multi-commodity exploration portfolio in the province of Quebec, which is recognized as a leading mining jurisdiction globally. The Company is actively advancing its wholly-owned flagship Elmer Gold Project to the initial resource stage in the James Bay region.

Azimut maintains rigorous financial discipline and a strong balance sheet. It has 79.4 million shares issued and outstanding as at December 22, 2022.

The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol AZM and trades on the OTCQX® Best Market under AZMTF.

EXPLORATION PORTFOLIO

As at December 22, 2022, the Company holds an exploration portfolio of 16,164 claims in Quebec (13,941 claims as at August 31, 2022), representing twenty-eight (28) properties (**Figure 1, Table 1**). They are summarized below by region and commodity of interest:

Eeyou Istchee James Bay (“James Bay”):

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

Nunavik:

- 3 gold-polymetallic properties (Rex-Duquet, Rex South, Nantais)
- 1 copper property (Doran)
- 1 uranium property (North Rae)
- 1 diamond property (Diamrex)

The Company owns a 100% interest in nineteen (20) of the properties and partial interest in the other nine (8) (**Table 1**). This MD&A describes the progress and material changes in the Company’s property portfolio since September 1, 2021. For additional details on individual projects, the reader is invited to consult the Company’s website and previous MD&A reports. Jean-Marc Lulin (P.Geol.), Azimut’s President, CEO and Director, and a qualified person under *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* (“NI 43-101”), has reviewed the technical disclosures presented herein. All claim totals, surface areas and property descriptions are effective as at December 22, 2022. Azimut follows standard industry practices regarding quality assurance/quality control protocols for its assay programs (see relevant press releases (“PR”) for details). The reader is cautioned that grab samples are selective by nature and unlikely to represent average grades.

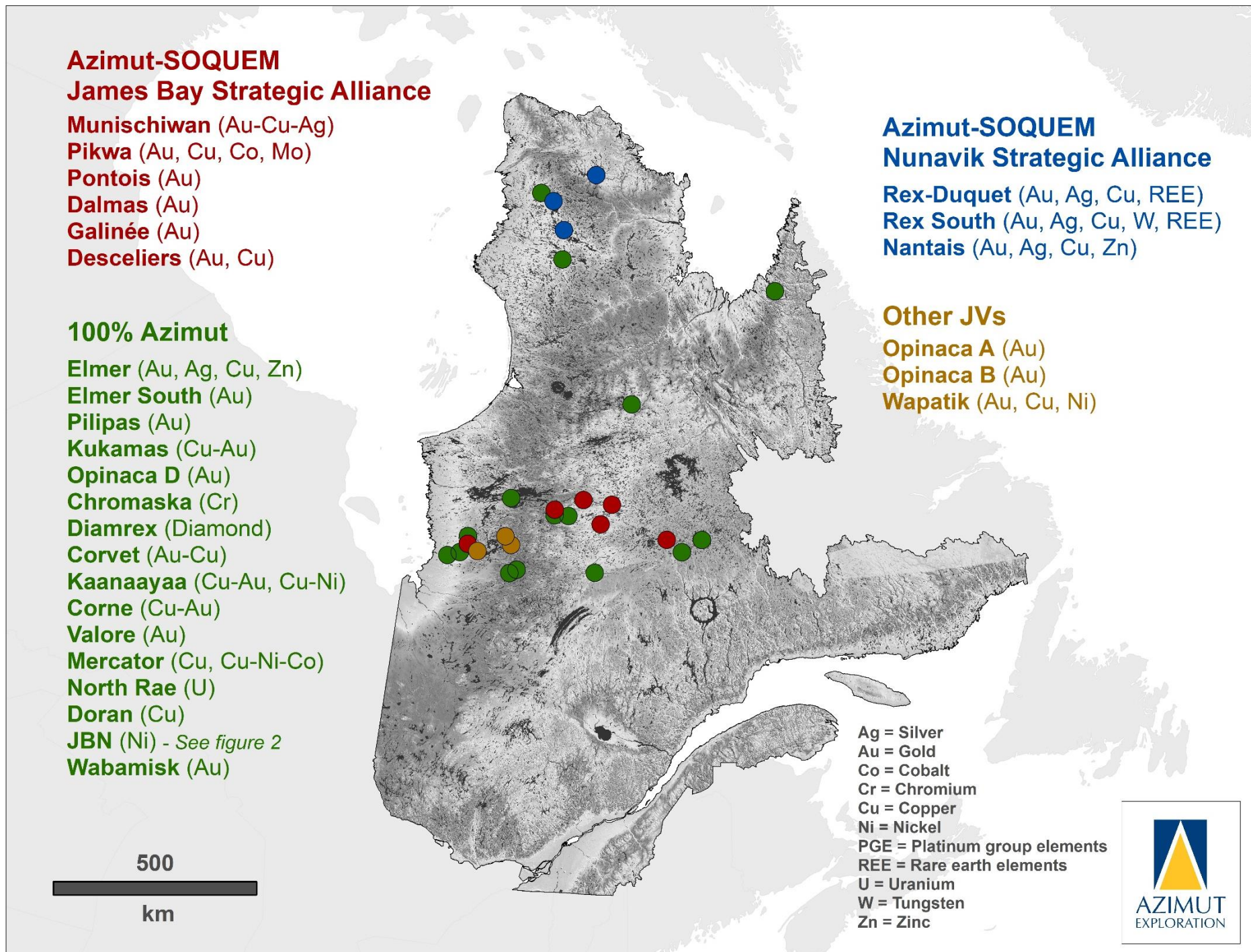


Figure 1: Map of Azimut’s exploration property portfolio in Quebec.

Table 1: Azimut's property portfolio (as at December 22, 2022)

JAMES BAY REGION							
Area/Property	Target commodities	Claims	Area (km²)	Undivided interest	JV or option	Current status	Planned 2023 work program
Elmer Discovery Sector							
Elmer	Au-Ag-Cu-Zn	515	271.3	100%	-	Targets identified	DDH drilling, prospecting, mechanical stripping
Elmer South	Au	39	20.6	100%	-	-	-
Munischewan	Au-Ag-Cu	167	87.6	50%	50% SOQUEM	Targets identified	Data processing
Pilipas	Au	135	70.7	100%	-	Tech. assessment	-
Wapatik	Au-Cu-Ni	220	115.7	100%	Option to Mont Royal	Targets identified	DDH drilling, ground geophysics Partner-funded
Trans-Taiga Road Sector							
Corvet	Au-Cu	519	266.9	100%	-	Reconn.	Prospecting
Dalmas	Au	88	44.9	50%	50% SOQUEM	-	-
Kaanaayaa	Cu-Au, Cu-Ni	421	216.4	100%	-	Tech. assessment Reconn.	Prospecting
Kukamas	Cu-Au	537	239.2	100%	Option to KGHM	Reconn.	Airborne geophysics, detailed LBS geochemistry, prospecting
Pikwa	Au-Cu-Co-Mo	509	260.9	50%	50% SOQUEM	-	Prospecting
Pontois	Au	226	115.1	50%	50% SOQUEM	-	Prospecting
Eleonore Gold Camp							
Opinaca A	Au	43	22.4	50%	50% Everton	-	-
Opinaca B	Au	248	129.7	25%	25% Everton, 50% Hecla	Targets identified	Drilling stage Partner-funded (program TBD)
Opinaca D	Au	5	2.6	100%	-	-	-
Eastmain Reservoir Sector							
Chromaska	Cr	119	63.1	100%	-	Tech. assessment	-
Wabamisk	Au	522	276.3	100%	-	Tech. assessment	Drilling stage (program TBD)

JAMES BAY REGION (cont'd)

Area/Property	Target commodities	Claims	Area (km²)	Undivided interest	JV or option	Current status	Planned 2023 work program
Route 167 Sector							
Corne	Cu-Au	177	93.6	100%	-	Reconn.	Detailed LBS geochemistry
Galinée	Au	562	290.1	50%	50% SOQUEM	Targets identified	Prospecting (program TBD) 50% funded
JBN	Ni	3,657	1,908.0	100%	-	Tech. assessment	Data compilation, data processing
Route 389 Sector							
Desceliers	Au-Cu	271	140.7	50%	50% SOQUEM	-	-
Mercator	Cu, Cu-Ni-Co	351	182.1	100%	-	Reconn.	Detailed LBS geochemistry
Valore	Au	20	10.4	100%	-	-	-
James Bay Region Elsewhere							
Other	Au, Cu-Au, Ni, Li	711	355.5	100%	-	Reconn.	-

NUNAVIK REGION

Property	Target commodities	Claims	Area (km²)	Undivided interest	JV or option	Current status	Planned 2023 work program
Doran	Cu	436	210.7	100%	-	-	-
Diamrex	Diamonds	427	181.8	100%	-	-	-
Nantais	Au-Ag-Cu-Zn	541	226.6	100%	-	Technical assessment	Data processing (program TBD)
North Rae	U	1	0.5	100%	-	-	-
Rex-Duquet	Au-Ag-Cu-REE	2,041	871.9	100%	Option to SOQUEM	Priority targets identified	Data processing, prospecting (program TBD)
Rex South	Au-Ag-Cu-W-REE	2,172	946.1	100%	Option to SOQUEM	Priority targets identified	Data processing, prospecting (program TBD)

Notes:

DDH = diamond drilling; JV = joint venture; LBS = lake-bottom sediment; Recon. = reconnaissance stage; TBD = to be determined

Companies:

Everton = Everton Resources Inc.; Hecla = Hecla Québec Inc.; KGHM = KGHM International Ltd; Mont Royal = Mont Royal Resources Ltd; Newmont = Newmont Corporation; SOQUEM = SOQUEM Inc.

Other abbreviations used in this report:

IOCG = iron oxide copper-gold; IP = induced polarization; PEA = preliminary economic assessment; RC = reverse circulation; VMS = volcanogenic massive sulphides

g/t = gram per metric ton; km = kilometre; m = metre; t = tonne (metric ton)

Chemical element abbreviations used in this report:

Ag	Silver	Ni	Nickel
As	Arsenic	PGE	Platinum group elements
Au	Gold	Re	Rhenium
Bi	Bismuth	REE	Rare earth elements
Cu	Copper	Te	Tellurium
Co	Cobalt	W	Tungsten
Mo	Molybdenum	Zn	Zinc

OVERALL PERFORMANCE

Summary of exploration activities for the quarter ended August 31, 2022, and subsequent activities:

- Azimut reported the continued progress on its wholly-owned flagship Elmer gold project in the James Bay region (NRs of July 28 and September 13, 2022). The delineation drilling program on the Patwon Gold Zone was completed, reaching a depth of 800 m. Property-wide exploration drilling and prospecting are underway on other targets.
- Azimut and Mont Royal discovered a second nickel-copper intrusion during a prospecting program on the Wapatik Property in the James Bay region (PR of October 27, 2022). The Company also announced the start of a new (third) drilling phase (PR of October 19, 2022) and reported additional drilling and gold-in-till results (PR of October 3, 2022).

Financial and corporate highlights for Fiscal 2022 and subsequent activities:

- In December 2022, Azimut appointed Rock Lefrançois to the position of Manager – Special Projects (PR of December 15, 2022).
- In October 2022, Azimut received the prestigious *Discovery of the Year* award from the Mineral Exploration Association of Quebec (AEMQ) for the discovery of the Patwon Gold Zone (PR of October 11, 2022).
- On September 9, 2022, Azimut announced the cancellation of 2.9 million shares received in respect of a definitive agreement for the sale of the Company’s interest in the Eleonore South JV project (the “ELSJV”) (PR of August 8, 2022). In the same news release, Azimut announced it had closed the definitive agreement regarding the Wabamisk JV with Newmont (PR of August 8, 2022), thereby regaining a 100% interest in the Wabamisk Property.
- In August 2022, Christiane Bergevin was appointed to the Company’s board of directors (PR of August 5, 2022). In the same month, the Company granted a total of 1,165,000 stock options to directors, officers, employees and consultants (PR of August 15, 2022).
- Azimut ended Fiscal 2022 with \$14.6 million¹ (\$25.0 million – Fiscal 2021) of working capital. Management believes it has sufficient funds to pay the Company’s ongoing general and administration (“G&A”) expenses, to pursue its budgeted exploration expenditures and to meet its liabilities, obligations and existing commitments for at least twelve (12) months beyond Fiscal 2022.
- Azimut incurred \$17.1 million in exploration and evaluation (“E&E”) expenditures during Fiscal 2022.

OUTLOOK

In the coming fiscal year, Azimut will continue advancing its flagship Elmer project, along with other wholly-owned properties in the James Bay region (Kaanaayaa, Corne, Corvet, Kukamas, Mercator and JBN) and six JV projects under an alliance with SOQUEM (Pikwa, Munischiwan, Galinée, Desceliers, Pontois and Dalmas). Drilling will continue on the Wapatik project under option to Mont Royal. In the Nunavik region, data processing will continue to advance the Rex-Duquet and Rex South properties under an alliance with SOQUEM. **Table 1** presents the current status of the Company’s properties and the planned work programs for 2023.

Azimut is particularly sensitive to adapting its exploration strategy to the significant demand for metals related to the energy transition, especially nickel, copper, cobalt and lithium. Based on industry trends and demand, the Company will continue to model the mineral potential of several regions in Quebec to generate new projects. Azimut will also continue to seek new partners for available properties to safeguard the value added to its projects. The Company may require financing for these purposes. Rising inflation triggered by higher prices of goods and services, combined with the effects of the COVID-19 pandemic, have caused disruptions to supply chains that may continue to create operational uncertainties for the Company. See the section *Risks and Uncertainties* for further information.

EXPLORATION AND EVALUATION (“E&E”) EXPENDITURES

In Fiscal 2022, Azimut incurred E&E expenditures of \$17.1 million (\$9.7 million – Fiscal 2021). The majority were incurred in the James Bay region for exploration on the Elmer Property and the staking by map-designation of the JBN Project.

Table 2 and **Table 3** detail the expenditures paid by the Company for work done on its E&E assets for Fiscal 2022 and Fiscal 2021, respectively. All properties are located in the province of Quebec.

¹ Dollar amounts in the text of this MD&A, other than equity and exercise prices, are rounded to one decimal place for amounts over \$1,000,000, to the nearest thousand for amounts between \$1,000 and \$1,000,000, and to the nearest hundred for amounts below \$1,000. For the exact amounts, refer to the tables in this MD&A and to the accompanying financial statements.

Table 1: Change in E&E assets – Fiscal 2022

Mineral property	Net book value as at August 31, 2021	Acquisition costs		Exploration costs					Depreciation of property and equipment	Costs incurred during the period	Option payment	Reclassification	Credit on duties refundable for loss and refundable tax credit for resources	Impairment	Net book value as at August 31, 2022
		Claims & permits	Geochem. surveys	Geol. surveys	Geophys. surveys	Drilling	Other	PPE*							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
James Bay															
Elmer	10,460,788	11,676	37,461	478,346	91,782	14,657,803	63,146	26,005	14,594	15,380,813	-	-	(2,011,558)	-	23,830,043
SOQUEM	2,251,179	11,688	327	163,667	-	248,826	489	-	-	424,997	-	-	(180,409)	-	2,495,767
Dalmas-Galinée	165,760	27,085	1,330	646	-	-	-	-	-	29,061	-	-	(860)	-	193,961
Eleonore South	1,632,245	3,700	-	-	-	-	270,293	-	-	273,993	-	(1,906,238)	-	-	-
Opinaca	39,958	-	-	126	-	-	-	-	-	126	-	-	(55)	-	40,029
Wabamisk	31,491	20,960	-	14,309	800	-	2,000	-	-	38,069	-	-	(7,468)	-	62,092
Wapatik	55,957	-	-	-	-	-	-	-	-	-	(20,000)	-	-	-	35,957
Others	382,628	35,616	29,526	113,273	1,860	-	7,954	-	-	188,229	-	-	(67,978)	(17,490)	485,389
Total – Gold	15,020,006	110,725	68,644	770,367	94,442	14,906,629	343,882	26,005	14,594	16,335,288	(20,000)	(1,906,238)	(2,268,328)	(17,490)	27,143,238
Chromaska	-	9,577	-	235	2,985	445	-	-	-	13,242	-	-	(1,600)	-	11,642
Total – Chromium-PGE	-	9,577	-	235	2,985	445	-	-	-	13,242	-	-	(1,600)	-	11,642
Mercator	63,348	-	-	41,448	-	-	978	-	-	42,426	-	-	(18,519)	-	87,255
Corne	37,663	-	-	39,424	-	-	-	-	-	39,424	-	-	(17,208)	-	59,879
Total – Base Metals	101,011	-	-	80,872	-	-	978	-	-	81,850	-	-	(35,727)	-	147,134
JBN	3,624	349,235	-	76,181	6,336	-	-	-	-	431,752	-	-	(36,019)	-	399,357
Total – Nickel	3,624	349,235	-	76,181	6,336	-	-	-	-	431,752	-	-	(36,019)	-	399,357
Total – James Bay	15,124,641	469,537	68,644	927,655	103,763	14,907,074	344,860	26,005	14,594	16,862,132	(20,000)	(1,906,238)	(2,341,674)	(17,490)	27,701,371
Nunavik															
Rex-Duquet	1,182,722	3,535	-	550	100	1,550	4,220	-	12,999	22,954	-	-	(2,802)	-	1,202,874
Rex South	649,719	-	-	550	200	7,994	5,198	-	30,947	44,889	-	-	(6,086)	-	688,522
Nantais	197,289	-	-	392	-	-	-	-	-	392	-	-	(171)	-	197,510
Other	-	127	-	-	-	-	-	-	-	127	-	-	-	-	127
Total – Gold	2,029,730	3,662	-	1,492	300	9,544	9,418	-	43,946	68,362	-	-	(9,059)	-	2,089,033
Doran	68,638	-	-	19,363	-	-	-	-	-	19,363	-	-	(8,452)	-	79,549
Total – Base Metals	68,638	-	-	19,363	-	-	-	-	-	19,363	-	-	(8,452)	-	79,549
Diamrex	-	52,948	13,993	-	-	-	-	-	-	66,941	-	-	(6,108)	-	60,833
Total - Diamond	-	52,948	13,993	-	-	-	-	-	-	66,941	-	-	(6,108)	-	60,833
North Rae	-	139	-	-	-	-	-	-	-	139	-	-	-	(139)	-
Total - Uranium	-	139	-	-	-	-	-	-	-	139	-	-	-	(139)	-
Total – Nunavik	2,098,368	56,749	13,993	20,855	300	9,544	9,418	-	43,946	154,805	-	-	(23,619)	(139)	2,229,415
Total – E&E assets	17,223,009	526,286	82,637	948,510	104,063	14,916,618	354,278	26,005	58,540	17,016,937	(20,000)	(1,906,238)	(2,365,293)	(17,629)	29,930,786

*PPE: Property, plant and equipment

Table 1: Change in E&E assets – Fiscal 2021

Mineral property	Net book value as at August 31, 2020 \$	Acquisition costs		Exploration costs						Costs incurred during the period \$	Credit on duties refundable for loss and refundable tax credit for resources \$	Impairment \$	Net book value as at August 31, 2021 \$
		Claims & permits \$	Geochem. surveys \$	Geol. surveys \$	Geophys. surveys \$	Drilling \$	Stripping \$	Admin. and others \$	Depreciation of property and equipment \$				
James Bay													
Elmer	4,669,407	22,482	269,763	1,248,859	568,440	5,595,159	(8,094)	36,477	399,104	8,132,190	(2,340,809)	-	10,460,788
SOQUEM	1,205,857	161,055	6,751	49,516	21,862	848,621	-	-	-	1,087,805	(42,483)	-	2,251,179
Dalmas-Galinée	125,081	9,095	9,225	28,708	-	-	-	-	-	47,028	(6,349)	-	165,760
Eleonore South	1,625,627	-	175	5,834	-	4,900	-	836	-	11,745	(5,127)	-	1,632,245
Opinaca	380,165	9,338	-	216	-	-	-	-	-	9,554	(95)	(349,666)	39,958
Wabamisk	30,806	-	-	415	800	-	-	-	-	1,215	(530)	-	31,491
Wapatik	44,934	-	-	-	-	-	-	11,023	-	11,023	-	-	55,957
Others	274,134	58,734	48,284	32,187	-	-	-	-	-	139,205	(28,856)	(1,855)	382,628
Total – Gold	8,356,011	260,704	334,198	1,365,735	591,102	6,448,680	(8,094)	48,336	399,104	9,439,765	(2,424,248)	(351,521)	15,020,006
Chromaska	-	-	-	350	616	-	-	-	-	966	(422)	(544)	-
Total – Chromium-PGE	-	-	-	350	616	-	-	-	-	966	(422)	(544)	-
Mercator	59,392	-	100	4,628	-	-	-	-	-	4,728	(772)	-	63,348
Corne	34,453	-	100	3,800	-	-	-	-	-	3,900	(690)	-	37,663
Other	4,446	-	-	-	-	-	-	-	-	-	-	(822)	3,624
Total – Base Metals	98,291	-	200	8,428	-	-	-	-	-	8,628	(1,462)	(822)	104,635
Total – James Bay	8,454,302	260,704	334,398	1,374,513	591,718	6,448,680	(8,094)	48,336	399,104	9,449,359	(2,426,133)	(352,887)	15,124,641
Nunavik													
Rex-Duquet	1,140,527	-	-	4,000	-	-	-	1,269	39,226	44,495	(2,300)	-	1,182,722
Rex South	552,477	-	-	4,000	-	-	-	1,269	94,272	99,541	(2,299)	-	649,719
Nantais	196,162	-	-	2,000	-	-	-	-	-	2,000	(873)	-	197,289
NCG	-	-	-	-	-	-	-	-	-	-	-	-	-
Total – Gold	1,889,166	-	-	10,000	-	-	-	2,538	133,498	146,036	(5,472)	-	2,029,730
Doran	-	59,732	-	9,980	-	-	-	-	-	69,712	(1,074)	-	68,638
Total – Base Metals	-	59,732	-	9,980	-	-	-	-	-	69,712	(1,074)	-	68,638
Total – Nunavik	1,889,166	59,732	-	19,980	-	-	-	2,538	133,498	215,748	(6,546)	-	2,098,368
Total – E&E assets	10,343,468	320,436	334,398	1,394,493	591,718	6,448,680	(8,094)	50,874	532,602	9,665,107	(2,432,679)	(352,887)	17,223,009

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

Azimut aims to deliver value for its shareholders, stakeholders and host communities by discovering major mineral deposits that will support economic and sustainable social development. The Company is committed to conducting exploration activities safely while minimizing environmental impacts and respecting local communities. Actions are taken to promote harmonious stakeholder relations and ensure that environmental and health & safety practices comply with industry standards and applicable regulations.

Governance

- The Company implemented a *Code of Business Conduct and Ethics* outlining the behaviour expected from all directors, officers and employees.
- The Company also implemented a *Workplace Psychological or Sexual Harassment Prevention Policy* outlining the behaviour expected from all directors, officers, employees and contractors.
- The Company continues its work to apply for UL ECOLOGO® certification, a program that promotes the widespread application of environmental, social and economic best practices in the mineral exploration industry.

Health & Safety

- The Company’s fieldwork activities continue to adhere to strict operational rules and protocols relating to the COVID-19 pandemic.
- The Company upgraded its standards regarding personal protective equipment to address the cold working conditions encountered during winter drilling programs.

Environment Stewardship

- The Company routinely obtains all required permits before conducting fieldwork to comply with environmental laws.
- After completing exploration programs in Nunavik, the Company ships out scrap metal for recycling.
- The Company is actively involved in a restoration initiative to clean up historical exploration sites in Nunavik.
- The Company is also involved in similar clean-up programs in the James Bay region.

Community Relations

- The Company strives to develop business activities supported by host communities and Indigenous stakeholders. In Fiscal 2022, the Company spent \$5.4 million (\$1.9 million in 2021) acquiring goods and services in the James Bay region, including services provided by residents of the Cree village of Eastmain.
- The Company sends letters to inform communities of the Company’s exploration activities in compliance with provincial law.
- The Company engages the services of a local Inuit business to provide logistical support for the Nunavik exploration programs.
- The Company offers employment opportunities to members of local communities.

REGIONAL ALLIANCES

Azimut has two regional-scale alliances in effect as at December 22, 2022.

JAMES BAY ALLIANCE

In 2016, Azimut signed 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 at SOQUEM’s cost. Under the terms of the agreement, SOQUEM selected four (4) targets to convert into properties among those identified in Azimut’s target report, with initial 50/50 ownership. These became the Munischiwan, Pikwa, Pontois and Desceliers properties, collectively listed under *SOQUEM* in **Table 2** and **Table 3**). As per the agreement terms, SOQUEM acquired Azimut’s interest in these properties by investing \$3 million in exploration work over four (4) years, including diamond drilling. In 2019, the agreement was amended to include a 50% back-in option for Azimut to regain a 50% interest in the properties by conducting \$3.3 million in exploration work over three (3) years. In 2021, Azimut fulfilled this requirement and regained its interest in all four properties. Consequently, these properties became 50/50 JV projects with SOQUEM.

NUNAVIK ALLIANCE

In 2019, Azimut signed a strategic alliance agreement with SOQUEM for the Nunavik region (the “Nunavik Alliance”) comprising two option phases for a total investment of up to \$40 million. Under the first option, SOQUEM can 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 can earn an additional 10% interest in each designated property (for a total 60% interest in each property) by investing \$8 million per designated property over two (2) years and delivering a PEA. Azimut is the operator of the Nunavik Alliance.

The COVID-19 pandemic has had a considerable impact on the Nunavik operation; consequently, Azimut and SOQUEM jointly decided to postpone the 2022 fieldwork. The situation is being monitored.

JAMES BAY REGION - EXPLORATION UPDATES

The James Bay region of Quebec has been one of Canada’s most active gold exploration areas since the early 2000s. It has major infrastructure, including permanent highways and access roads, an extensive hydroelectric power grid, airports, and several operating mines and active mine development projects. The main north-south transportation artery is the paved Billy-Diamond Highway (formerly the James Bay Road), a 582-km all-season route between the towns of Matagami and Radisson. The main east-west artery is the Trans-Taiga Road, a 666-km gravel highway branching off the Billy-Diamond Highway. The North Road is a 400-km gravel highway connecting the mining town of Chibougamau to the Billy-Diamond Highway. The highways Route 167 and Route 389 provide access to natural resource projects in the far eastern parts of the region.

Azimut’s current James Bay portfolio (**Figure 2**, see **Table 1**) comprises thirteen (14) wholly-owned properties and nine (8) JV projects.

The following sections describe the James Bay properties on which the Company has been active since September 1, 2020. Additional details are available on the Company’s website.

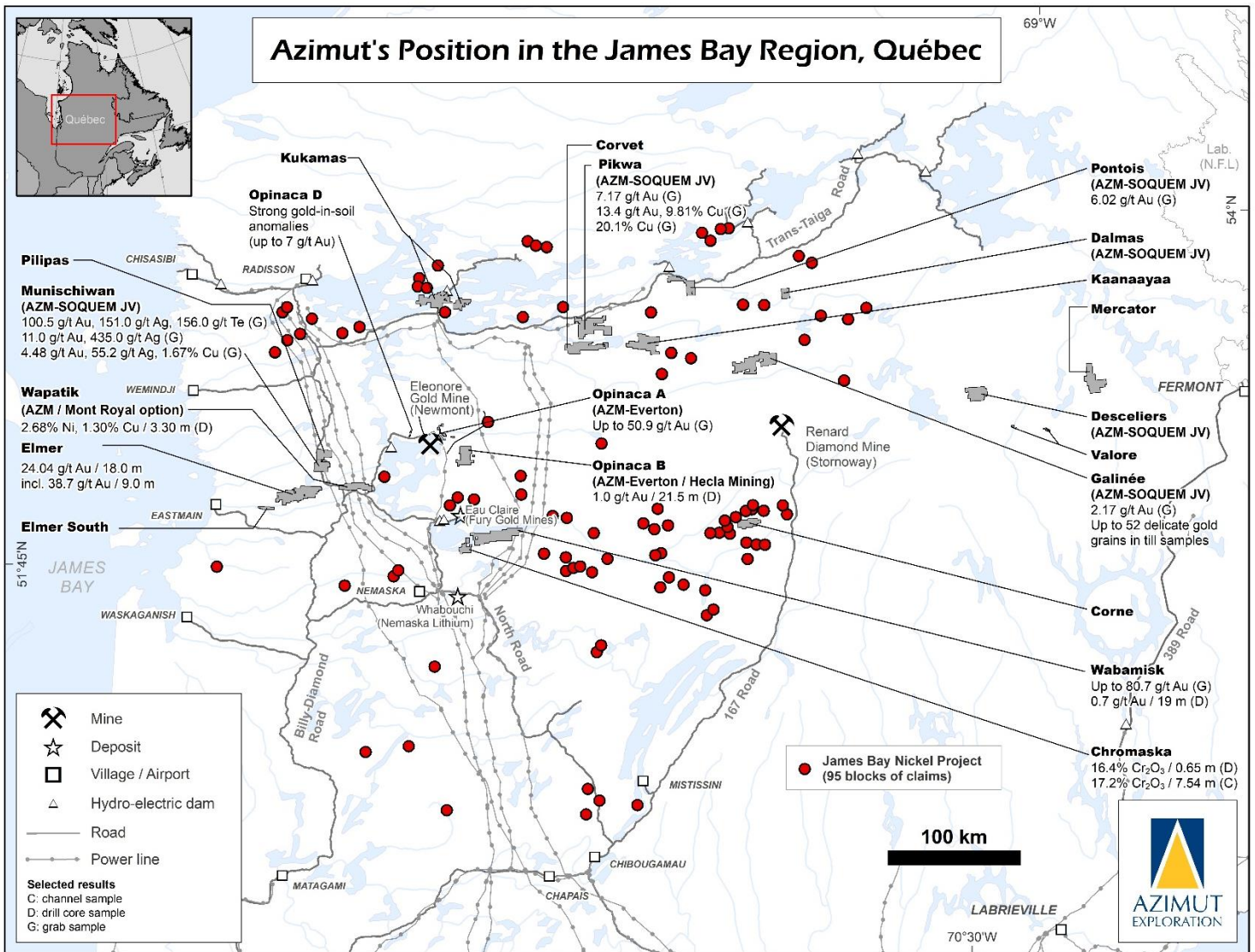


Figure 2: The Company's project portfolio in the James Bay region showing key results as at December 22, 2022.

ELMER DISCOVERY SECTOR

The Elmer Discovery Sector became a strategic priority for the Company after it announced a significant drilling discovery on the Elmer Property in January 2020. The sector contains four properties clustered near the Km 395 junction along the Billy-Diamond Highway, east of the Opinaca Reservoir.

Elmer (Au-Ag-Cu-Zn)

The wholly-owned Elmer Property is Azimut's flagship project. During the maiden November 2019 diamond drilling program, the company made a significant gold discovery at the **Patwon Gold Zone**. The main highlight of that program was a drill hole returning **102.5 m grading 3.15 g/t Au, including 10.1 g/t Au over 20.5 m** (PR of January 14, 2020). Subsequent drilling programs have expanded the zone and confirmed the potential for other significant mineralization on the property. Management considers Patwon one of the largest gold discoveries in the James Bay region since the Éléonore (Roberto deposit) discovery in 2004.

The property is located 5 km west of the Billy-Diamond Highway and 60 km from Eastmain, a Cree community on the east coast of James Bay. It provides a controlling position over a 35-km-long gold corridor known as the **Elmer Trend** in the underexplored Lower Eastmain greenstone belt. Together, the Elmer and Wapatik properties cover 60 km of favourable geological strike considered highly prospective for shear-zone hosted and intrusion-related gold deposits.

Azimut has retained InnovExplo to prepare a maiden mineral resource estimate for the Patwon Zone and a supporting NI 43-101 report (PR of January 27, 2022). All results from the recently completed delineation drilling program on Patwon (PR of September 13, 2022) are included in the resource estimation. Azimut retained the services of Lise Chénard (P.Eng.) as a senior advisor in mining geology to support the Company's progress of the Elmer Project (PR of January 27, 2022). The Company

also hired Brigitte Dejou (P.Eng., M.Sc.A.) as Project Manager, whose principal mandate is to advance the Elmer Project (PR of May 28, 2022).

Selected drilling results and exploration highlights are discussed below. For more details on current and past drilling programs, the reader is referred to the NRs of March 10, April 27, May 30 and September 13, 2002, and November 4 and November 11, 2021, as well as the Company's annual MD&A of August 31, 2021.

Patwon Zone

As of September 13, 2022, 44 holes (29,883 m) had been drilled since the start of the fourth delineation phase initiated in October 2021. The results of 33 holes (20,226 m) of this phase have been reported. Pending results will be disclosed once the assays have been received and interpreted. The Patwon delineation program was structured on a systematic spacing of 50-m centres from the surface down to 500 m and a systematic spacing of 50-m by 75-m centres down to 800 m.

The Company has now attained one of the program's initial goals by delineating Patwon down to a depth of 800 m, and all indications are that the zone remains open at depth and probably along strike. The results include numerous wide mineralized intercepts in multiple holes and many intervals carrying visible gold. The deepest drill hole results may indicate a slight change of the mineralized body axis, which appears to shift to the east at depth. A preliminary evaluation of the mineralized material from the surface down to 400 m indicates a potential to expand the size of an open pit resource. In addition, specific sets of veins need to be further assessed by several in-fill holes. About ten (10) additional holes (~3,000 m) will be drilled this fall for this purpose.

The position of the Patwon Zone in the priority exploration corridor is shown in **Figure 3**, along with selected results from the zone and other gold occurrences. The map in **Figure 4** shows drill hole traces, a vertical projection of the Patwon Zone, and the main exploration targets elsewhere on the property. The other figures show a drilling cross-section through Patwon (**Figure 5**), longitudinal sections showing the current gold grade-thickness model for the zone and its evolution over time (**Figure 6** and **Figure 7**), and photographs of visible gold in Patwon drill core (**Figure 8**). **Table 4** lists the mineralized drill intervals reported during Fiscal 2022 and to the date of this report.

The key characteristics of the Patwon Zone are summarized below:

- Patwon displays remarkable continuity from the surface to a minimum vertical depth of 800 m (about 900 m along dip), where it remains open at depth and possibly along strike. The zone has been outlined over a strike length of nearly 600 m, with an average estimated true width of 35 m.
- It has a robust and consistent core zone with grade x thickness ("GT") factors above 50 based on estimated true widths. At Patwon, visible gold in the drill core is generally a reliable predictor for GT factors close to or above 50.
- The zone appears geometrically simple, with no internal complexity due to folding and no cross-cutting barren dykes, potentially creating internal dilution. It is spatially correlated with a vertically dipping felsic intrusion, indicating an excellent possibility for a kilometre-scale vertical extent.
- The mineralization is mainly related to three quartz-vein networks and their wall rock alteration haloes, with pyrite as the dominant sulphide, occurring as fine to coarse disseminations, cross-cutting stringers and semi-massive to massive lenses. Visible gold is frequent. Traces of galena, chalcopyrite and molybdenite are also present. Alteration consists of pervasive silica accompanied by sericite, carbonate, chlorite, feldspar, tourmaline and occasional fluorite.
- The intensity of quartz veining may be partly controlled by rheologic contrasts between host lithologies (felsic intrusives, felsic volcanics and mafic rocks) within an extensive shear zone.
- Patwon is a gold-only system with no deleterious elements, such as arsenic or bismuth. Preliminary metallurgical tests indicate non-refractory free-milling gold mineralization that is potentially easily recoverable by a combination of gravity circuit and conventional cyanide leaching. Combined gold recoveries for gravity and cyanidation reached 94% and 93% for two samples grading 3.92 g/t Au and 2.95 g/t Au, respectively.
- The preliminary geometry supports the concept of an initial open pit mining operation. The consistent high-grade component in most holes also suggests the potential for an underground mining component.
- Patwon is an orogenic gold system in a 3-km-thick sequence of felsic volcanics with porphyritic intrusions, mafic volcanics, polymictic conglomerates and gabbroic sills. This deposit type has the potential for kilometre-scale vertical extension. One possible geologic analog is the Goldex mine, owned and operated by Agnico Eagle.

Other Exploration Targets

Exploration work on targets outside the Patwon Zone has yielded significant results for gold and other elements. A distinctive “Patwon-style” Ag-Bi-Te-W footprint has been recognized, and it correlates well with gold content. Tellurium (Te) is considered a critical commodity by the Quebec and Canadian governments for economic security and the transition to a low-carbon economy.

Management considers the property underexplored, with a significant additional discovery potential that can be supported by surface work. Most targets were identified and ranked through the advanced geochemical processing of bedrock data acquired from prospecting, core drilling and RC drilling phases.

By mid-September 2022, Azimut had drilled 25 holes (5,931 m) since it began its property-wide exploration phase in fall 2021 (PR of September 13, 2022). With a planned total of at least 8,000 m, this program, still underway, will test twelve (12) areas of interest along strike and subparallel to the Patwon Zone (PR of July 28, 2022). The targets were defined using data from 507 RC holes (6,681 m), IP and high-resolution heliborne magnetic surveys, prospecting and till sampling, and a full geological and structural reinterpretation of the property. Drilling on three (3) of the targets—Gabbro Prospect, 881 Zone and Wolf Prospect—followed up on previously disclosed results (PR of April 6, 2022; see details below).

Also, by mid-September 2022, the ongoing prospecting phase on six (6) target areas had yielded 177 rock grab samples (assay results pending; PR of September 13, 2022). At least three new mineralized prospects were uncovered during the work. The plan is to conduct initial assessments or follow-ups on 20 separate targets.

Gabbro Zone

- 2-km-long target, generally non-outcropping, marked by a shear structure, 200 m south of Patwon
- Diamond drill hole ELM21-88: **122 g/t Au, 160 g/t Ag and 307 g/t Te over 0.5 m**
- Grab samples: Up to **77.8 g/t Au, 167 g/t Ag and 124 g/t Te** on the Gabbro Prospect
- Till samples: High counts, with up to 166 gold grains, mostly pristine

881 Zone

- 1.8-km-long target marked by sheared felsic and mafic volcanics, approximately 1 km north of Patwon
- Till samples: High counts, with up to 881 gold grains, mostly pristine
- Grab samples: Up to **102.52 g/t Au** from a prospect 1 km east of the gold-bearing dispersion train in till

Wolf Zone

- 0.8-km-long target marked by sheared felsic and mafic volcanics, approximately 2.5 km NW of Patwon
- Channel samples: 40-m-long quartz vein striking NE on the Wolf Prospect returned **19.25 g/t Au over 1.0 m and 12.3 g/t Au over 1.75 m**
- Diamond drill hole ELM21-107: **3.7 g/t Au over 0.7 m**, 400 m NE of the Wolf Prospect, possibly on strike

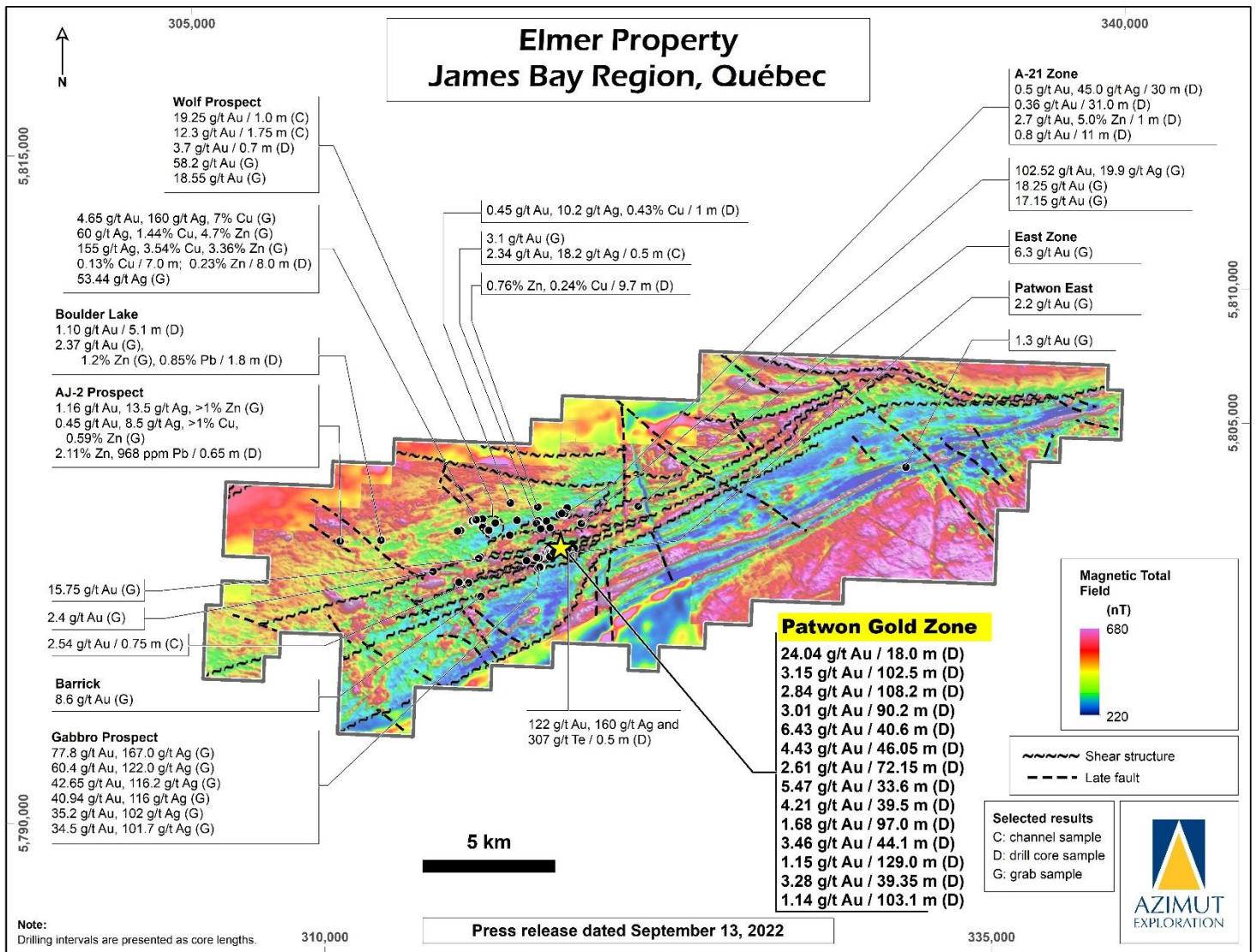


Figure 3: Magnetic map of the Elmer Property showing the location of the Patwon Zone in the priority exploration corridor, along with salient historical and recent exploration results.

Elmer Property James Bay Region, Québec

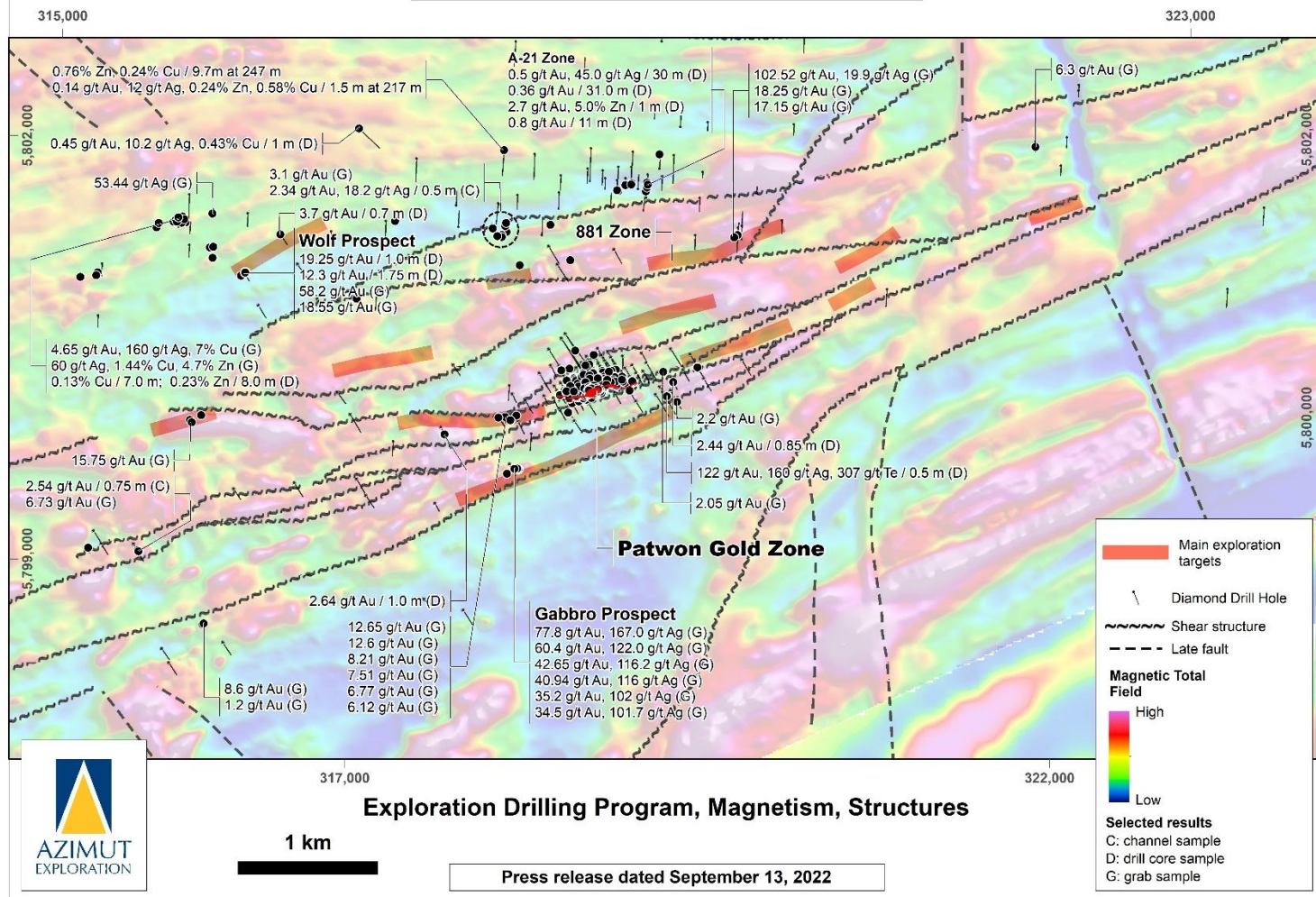


Figure 4: Vertical projection of the Patwon Zone showing drill hole locations, best results and exploration targets.

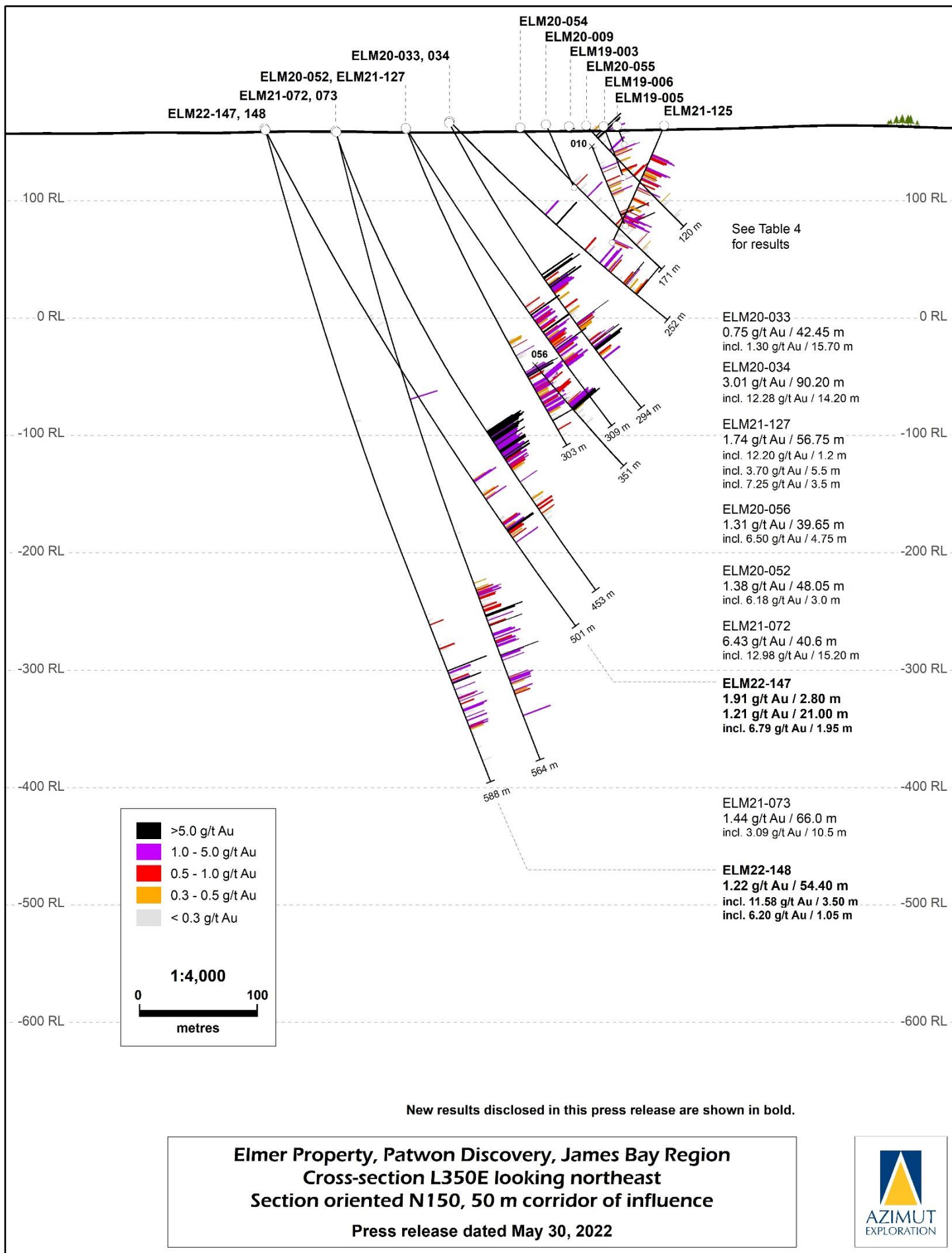


Figure 5: Cross-section L350E through the Patwon Zone (looking NE).

Elmer Property, Patwon Gold Zone James Bay Region, Québec

An Orebody in the Making

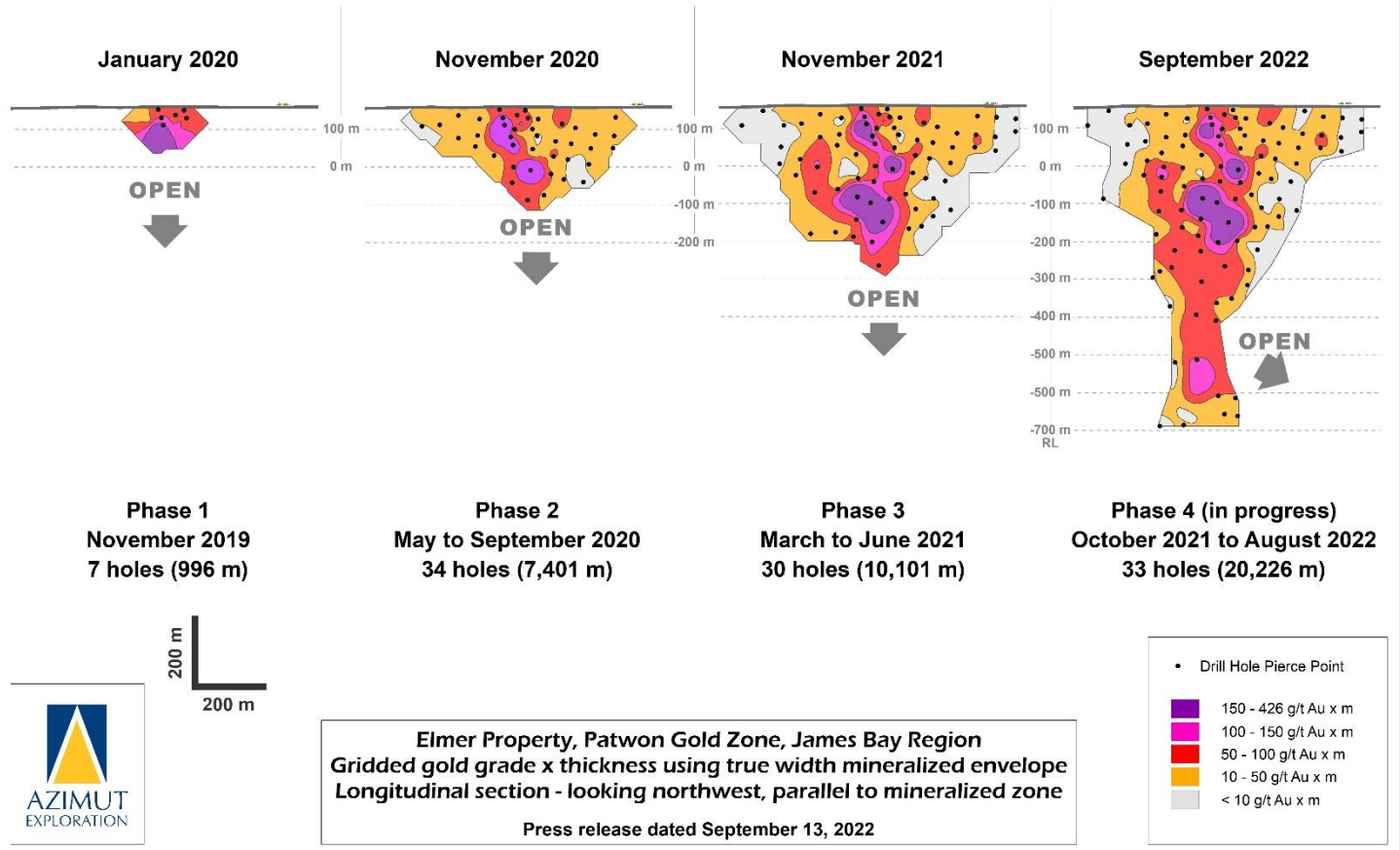


Figure 6: Evolution of the Patwon gold grade-thickness (“GT”) model during successive exploration phases. The GT factor (e.g., 5.0 g/t Au x 10 m = 50 GT) is commonly used in the mining industry to rank and compare mineralized intercepts.

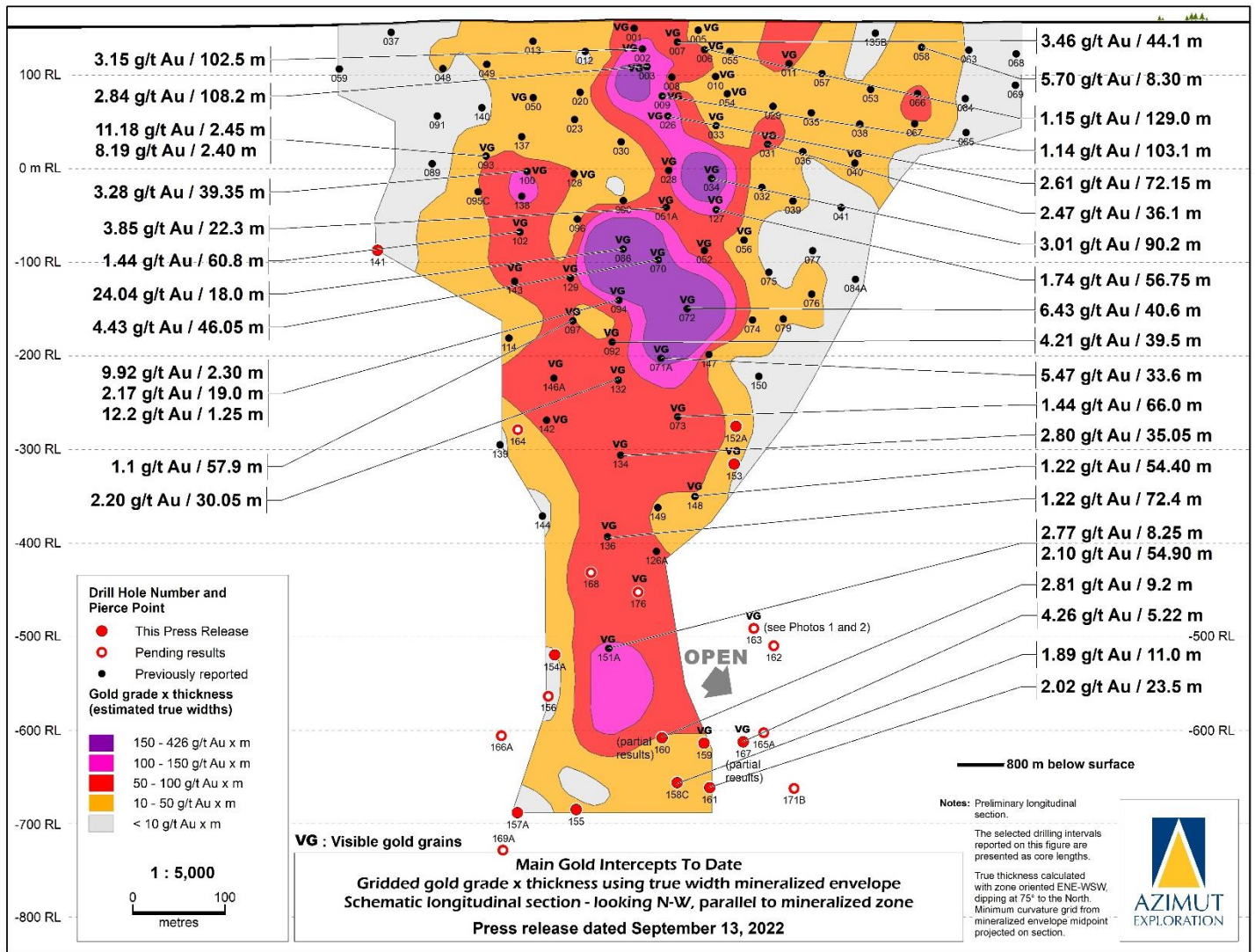


Figure 7: Longitudinal section showing details of the GT model for the Patwon Zone.

Hole ELM22-163
Elmer Property, Patwon Gold Zone, James Bay Region, Québec

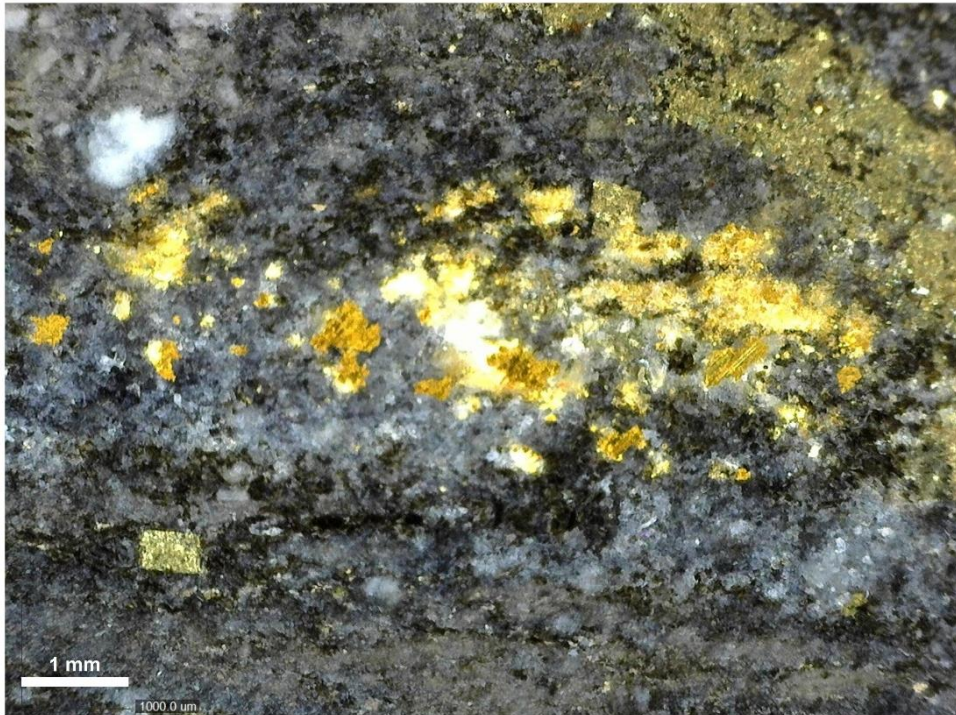


Photo 1: Hole ELM22-163 - Visible gold at 640.0 m.

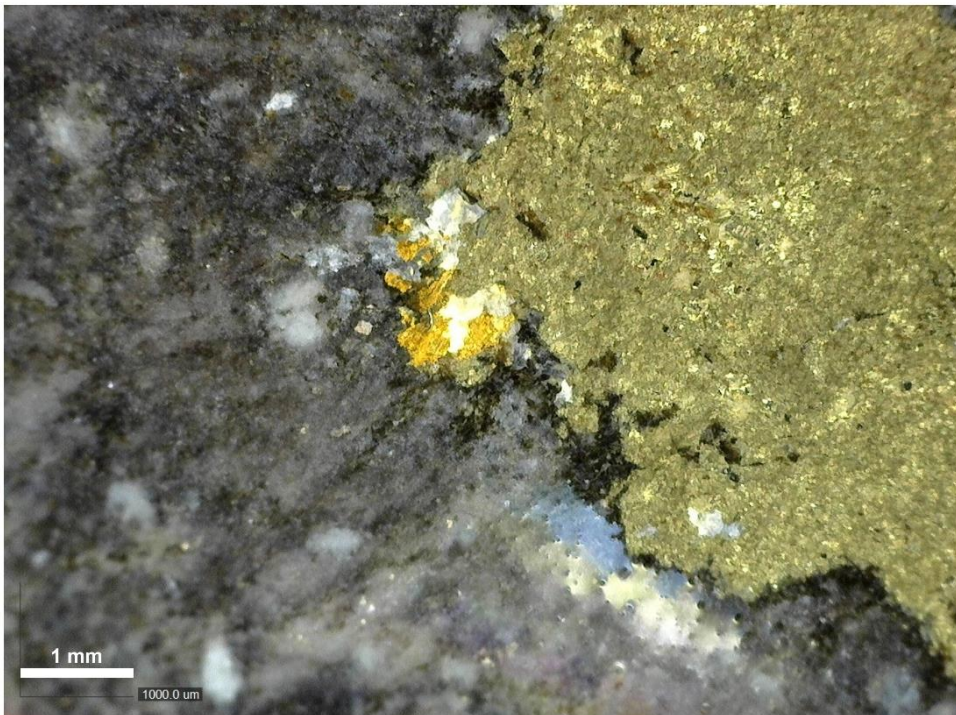


Photo 2: Hole ELM22-163 - Visible gold at 639.8 m.

Press release dated September 13, 2022

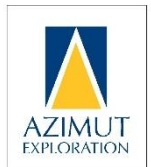


Figure 8: Photographs of visible gold in drill core from the Patwon Zone (PR of September 13, 2022).

Table 4: Mineralized intervals from the fourth drill program on the Patwon Gold Zone reported in Fiscal 2022 and up to December 22, 2022

Hole #		Au	Intercepts (m)		
		(g/t) (1)	Length (2)	From	To
ELM21-125		1.08	286.90	27.60	314.50
	Incl.	10.54	5.90	274.50	280.40
	Incl.	8.14	10.70	303.80	314.50
		1.35	75.00	390.70	465.70
	Incl.	6.54	7.70	396.40	404.10
ELM21-126A		0.91	47.50	576.00	623.50
	Incl.	4.57	2.00	576.00	578.00
	Incl.	3.40	3.20	619.30	622.50
		2.06	2.00	632.00	634.00
		0.79	16.20	649.50	665.70
	Incl.	2.54	2.20	663.50	665.70
ELM21-127		1.74	56.75	189.25	246.00
	Incl.	12.20	1.20	191.25	192.45
	Incl.	3.70	5.50	209.00	214.50
	Incl.	7.25	3.50	227.50	231.00
ELM21-128		3.31	21.02	211.82	232.84
	Incl.	5.37	5.83	215.32	221.15
	Incl.	6.63	4.98	226.85	231.83
		3.5	1.50	267.50	269.00
ELM21-129		3.94	12.40	263.05	275.45
	Incl.	13.85	2.50	264.05	266.55
		1.13	2.50	280.80	283.30
		2.09	20.60	300.70	321.30
	Incl.	7.50	4.00	312.40	316.40
ELM22-132		2.20	30.05	459.95	490.00
	Incl.	4.06	13.60	466.90	480.50
	Incl.	8.54	1.40	466.90	468.30
	Incl.	6.59	5.05	472.20	477.25
	Incl.	11.05	0.70	479.80	480.50
	Incl.	1.75	5.12	484.88	490.00
		1.23	3.00	504.70	507.70
ELM22-134		2.8	35.05	536.75	571.80
	Incl.	3.75	4.05	538.55	542.60
	Incl.	16.71	2.90	557.40	560.30
	Incl.	24.50	0.90	570.90	571.80
ELM22-135B		5.47	1.45	45.80	47.25
ELM22-136		1.22	72.40	589.40	661.80
	Incl.	1.84	23.10	589.40	612.50
	Incl.	11.35	1.40	590.00	591.40
	Incl.	5.02	3.50	609.00	612.50
	Incl.	3.78	8.10	653.70	661.80
ELM22-137		1.42	14.90	150.35	165.25
		3.37	2.25	187.60	189.85
		1.05	2.90	236.40	239.30
ELM22-138		1.70	48.00	193.50	241.50
	Incl.	3.05	23.00	193.50	216.50
	Incl.	4.27	5.00	200.00	205.00
	Incl.	5.44	7.00	209.50	216.50
	Incl.	32.00	1.00	215.50	216.50
ELM22-139		0.75	17.75	259.00	276.75
		0.46	8.93	476.92	485.85
	Incl.	1.03	1.33	476.92	478.25
ELM22-140		3.44	0.77	529.78	530.55
		1.04	1.00	106.50	107.50
		2.39	0.70	112.50	113.20
		1.56	3.50	135.10	138.60
		1.72	1.10	179.40	180.50
ELM22-141		0.46	4.00	185.40	189.40
		1.38	1.00	72.00	73.00
		1.09	1.05	285.50	286.55
ELM22-142		4.32	2.15	460.35	462.50
		1.55	33.25	477.75	511.00
	Incl.	3.43	2.25	477.75	480.00
	Incl.	3.92	5.95	485.40	491.35
	Incl.	3.49	3.25	506.65	509.90
ELM22-143		1.75	8.20	303.50	311.70
	Incl.	3.34	3.95	307.75	311.70
		1.63	28.65	335.25	363.90
	Incl.	6.06	2.30	335.80	338.10
	Incl.	2.28	11.40	352.50	363.90
	Incl.	8.40	2.05	353.45	355.50
ELM22-144		4.83	0.50	485.70	486.20
		1.55	5.10	588.00	593.10
ELM22-146A		1.77	12.75	429.65	442.40
	Incl.	10.15	0.50	429.65	430.15
	Incl.	2.59	3.90	433.40	437.30
		3.45	24.38	457.70	482.08
	Incl.	15.43	4.25	457.70	461.95
	41.70	1.35	460.60	461.95	

Table 4 (cont'd)

Hole #		Au	Intercepts (m)		
		(g/t) (1)	Length (2)	From	To
ELM22-147		1.91	2.80	348.20	351.00
	Incl.	3.22	1.20	349.80	351.00
		0.64	5.90	363.10	369.00
	Incl.	2.36	1.00	368.00	369.00
		1.21	21.00	392.50	413.50
	Incl.	2.26	7.85	394.00	401.85
	Incl.	6.79	1.95	399.90	401.85
ELM22-148		1.22	54.40	486.00	540.40
	Incl.	11.58	3.50	486.00	489.50
	Incl.	37.40	1.00	486.00	487.00
	Incl.	6.20	1.05	497.45	498.50
	Incl.	2.21	2.20	521.60	523.80
ELM22-149		2.47	1.50	560.50	562.00
		1.17	1.15	567.30	568.45
		1.20	26.55	578.45	605.00
	Incl.	3.25	2.95	578.45	581.40
	Incl.	2.28	4.50	595.20	599.70
		1.96	7.35	665.15	672.50
	Incl.	2.83	4.65	666.35	671.00
ELM22-150		0.59	2.85	432.15	435.00
		1.43	2.90	491.10	494.00
ELM22-151A		2.77	8.25	732.25	740.50
	Incl.	19.80	0.55	732.25	732.80
	Incl.	15.30	0.60	739.90	740.50
		1.74	0.80	742.00	742.80
		2.10	54.90	782.00	836.90
	Incl.	5.97	1.00	794.40	795.40
	Incl.	19.75	1.20	799.30	800.50
	Incl.	45.40	0.50	800.00	800.50
	Incl.	4.51	1.70	823.90	825.60
	Incl.	12.61	3.90	833.00	836.90
	Incl.	36.60	1.20	835.70	836.90
ELM22-152A		1.60	2.50	93.00	95.50
		1.93	0.65	478.00	478.65
ELM22-153		1.16	3.40	485.00	488.40
		0.51	8.80	512.10	520.90
		2.65	2.20	535.20	537.40
		2.75	6.20	598.80	605.00

Hole #		Au	Intercepts (m)		
		(g/t) (1)	Length (2)	From	To
ELM22-154A		2.00	1.60	645.80	647.40
		1.69	2.90	706.00	708.90
		1.93	5.40	805.50	810.90
		0.99	5.10	821.00	826.10
ELM22-155		1.96	0.55	785.45	786.00
		1.10	1.55	794.45	796.00
		0.47	28.00	869.00	897.00
ELM22-157		1.69	2.30	916.10	918.40
		0.58	11.30	864.00	875.30
ELM22-158C		1.01	1.00	941.00	942.00
		1.63	2.00	823.00	825.00
		0.94	8.75	873.00	881.75
		1.01	1.00	886.00	887.00
		1.89	11.00	912.00	923.00
	incl.	4.07	4.25	913.45	917.70
	incl.	4.3	2.00	921.00	923.00
ELM22-159		1.76	2.00	950.00	952.00
		0.84	28.00	719.00	747.00
	incl.	1.59	7.30	728.70	736.00
		0.67	6.90	768.00	774.90
		1.97	3.00	799.00	802.00
ELM22-160 (partial)		1.02	1.00	848.00	849.00
		1.56	1.70	853.75	855.45
		2.81	9.20	808.60	817.80
	incl.	26.8	0.80	817.00	817.80
		8.50	1.70	827.30	829.00
		1.01	11.00	843.00	854.00
ELM22-161		1.22	1.00	863.00	864.00
		10.9	1.00	901.00	902.00
		1.67	1.00	850.00	851.00
		2.92	1.00	855.00	856.00
		2.02	23.50	861.00	884.50
ELM22-167 (partial)	Incl.	4.54	2.50	861.00	863.50
	Incl.	14.74	2.35	879.65	882.00
ELM22-167 (partial)		4.26	5.22	748.00	753.22
	Incl.	7.74	2.12	750.00	752.12

Notes

- (1) Assays are not capped.
- (2) Intervals presented as core lengths.

Wapatik (Au and Cu-Ni)

The wholly-owned Wapatik Property is a 25-km-long project on strike from the Elmer Property. Together, the two properties cover 60 km of favourable geological strike in a largely underexplored part of an Archean greenstone belt. Wapatik is located in an area with significant road and power infrastructure. The road to Newmont's Eleonore mine passes through the eastern limit of the property, and the Billy-Diamond Highway crosses its western end. Three powerlines also traverse the property.

The property is under option to Mont Royal (PR of September 22, 2020), a company listed on the Australian Securities Exchange, which can acquire a 50% interest from Azimut by spending \$4 million in exploration expenditures over four (4) years and a further 20% interest with an additional investment of \$3 million and the delivery of a PEA. As at August 31, 2022, the Company had incurred \$1,778,000 (\$307,000 – Fiscal 2021) on behalf of Mont Royal for exploration work (heliborne magnetics, structural study, till sampling and prospecting). The amount was charged back to Mont Royal in full, together with the operator fees of \$62,000 (\$17,000 Fiscal 2021). Mont Royal has renewed its option on the property for the second year and has given the Company an option payment of \$20,000. Azimut is the operator of the partner-funded exploration programs.

In June 2022, Azimut and Mont Royal announced the discovery of high-grade nickel-copper massive sulphide mineralization (**2.68% Ni, 1.30% Cu and 0.09% Co over 3.30 m**) during the first phase of a maiden diamond drilling program. The first two phases totalled 11 holes for 2,366.4 m (NRs of June 29, 2022 and October 3, 2022). The high-grade interval is one of the best nickel-copper results reported in the James Bay region. The host ultramafic intrusion (~1,000 m by 400 m) was recognized for the first time during the initial field exploration program in 2021 (NRs of October 25 and December 7, 2021; **Figure 9**). A follow-up (third) phase of drilling has commenced (5 holes; 1,100 m) to further delineate the shape and extent of the discovery (PR of October 19, 2022).

In October 2022, Azimut and Mont Royal announced they had discovered (by prospecting) a second nickel-copper intrusion; (**Figure 9**), further demonstrating the potential of the Property and supporting management's view that the region is underexplored for these commodities (PR of October 27, 2022). The partners have also made progress in identifying and exploring gold targets.

Ni-Cu exploration highlights

The main highlights from the first two drilling phases are as follows (PR of October 19, 2022; some assays still pending):

Hole WAP22-003:	2.68% Ni, 1.30% Cu, 0.09% Co over 3.30 m (from 143.4 m to 146.7 m), including: 3.63% Ni, 0.48% Cu, 0.12% Co over 1.0 m, and 3.04% Ni, 0.75% Cu, 0.10% Co over 1.1 m
Hole WAP22-009:	1.16% Ni, 3.85% Cu over 0.8 m (from 152.0 m to 152.8 m)
Hole WAP22-007:	0.29% Ni, 0.25% Cu over 18.0 m (from 129.0 m to 147.0 m)
Hole WAP22-010:	0.27% Ni, 0.41% Cu over 15.75 m (from 60.0 m to 75.75 m)
Hole WAP22-008:	0.33% Ni, 0.35% Cu over 1.1 m (from 116.9 m to 118.0 m), and 0.34% Ni, 0.43% Cu over 1.71 m (from 129.54 m to 131.25 m)
Hole WAP22-011:	0.27% Ni, 0.27% Cu over 3.0 m (from 11.1 m to 14.1 m)

The massive to semi-massive sulphide mineralization in the interval from Hole 003 comprises coarse-grained pentlandite, chalcopyrite and pyrrhotite (**Figure 10**). It displays brecciated textures containing angular to subangular fragments of ultramafic rocks and metasediments, and is schematically positioned at the interface between overlying ultramafic intrusive rocks and underlying foliated host rocks dominated by pyrrhotite-bearing metasediments. The intercept in Hole 009 displays massive chalcopyrite, pyrrhotite and pentlandite mineralization hosted in a biotite-rich metasedimentary rock in contact with peridotite. The other intercepts are related to disseminated sulphides (chalcopyrite, pyrrhotite and possibly pentlandite) hosted within the ultramafic intrusion, close to the contact with the surrounding metasediments.

The drilling intervals indicate the potential for sulphide accumulation at the bottom of the intrusion with an interpreted basin-shaped geometry, supported by 3D magnetic inversion modelling. The drilling program was guided by the results of a very responsive electromagnetic ("SQUID") ground survey and modelling (PR of April 19, 2022; **Figure 11**). Pulse-EM borehole surveys were performed during the first phase to maximize the search radius for each hole and provide information about the possible extension of any conductors encountered.

The best prospecting assay results from the new intrusion are as follows (PR of October 27, 2022):

Ni (%)	Cu (%)	Co (ppm)	Ag (g/t)	MgO (%)	Sample #
0.327	0.446	177.5	2.23	22.80	G395792
0.180	0.165	133.5	0.87	25.70	G395793
0.301	0.341	208.0	1.66	22.88	G395795

Mineralization comprises disseminated chalcopyrite, pyrrhotite (and maybe pentlandite). Host rocks are massive pyroxenite and/or peridotite. The new intrusion has little exposure. The grab samples were collected from sub-cropping boulders.

Gold exploration highlights

New gold targets have been defined at Wapatik following systematic property-wide evaluation that included a high-resolution magnetic survey, remote sensing analysis, lithostructural interpretation and an extensive till survey (154 samples) to characterize the gold grain counts of these samples (see PR of October 25, 2021).

Excellent additional results have recently been received for the dense mineral fraction from the 2021 till survey. Twenty-two (22) samples returned values higher than 0.5 g/t Au, including 14 samples with values higher than 1.0 g/t Au, with one maximum value of more than 30 g/t Au.

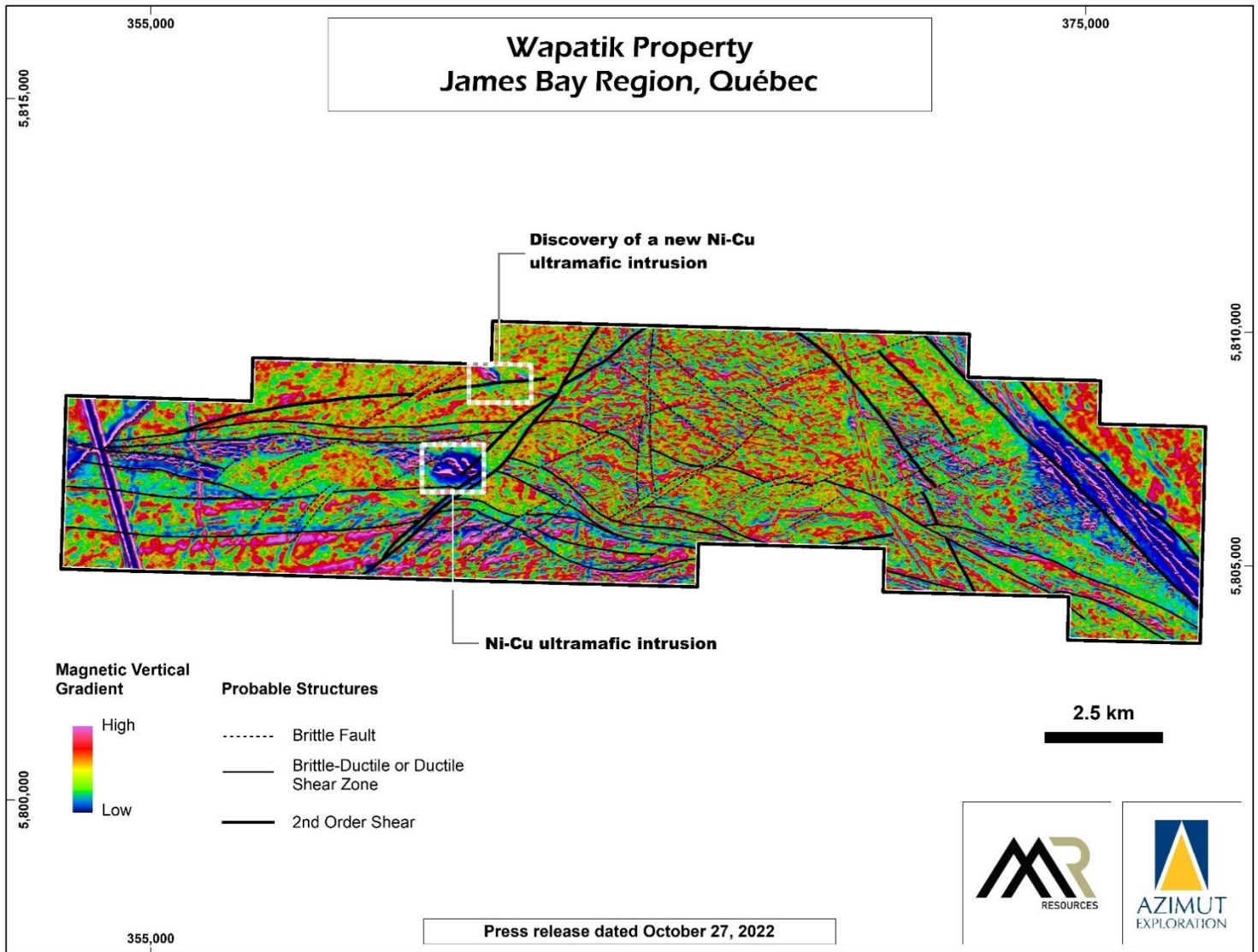


Figure 9: Magnetic map of the Wapatik Property showing structures and the locations of known mineralized intrusions.



Hole WAP22-003

Interval grading **2.68% Ni, 1.30% Cu, 0.09% Co** over **3.30 m** (from 143.40 m to 146.70 m) along the hole.

Figure 10: Photographs of mineralized core from the first ultramafic intrusion discovery (PR of June 29, 2022).

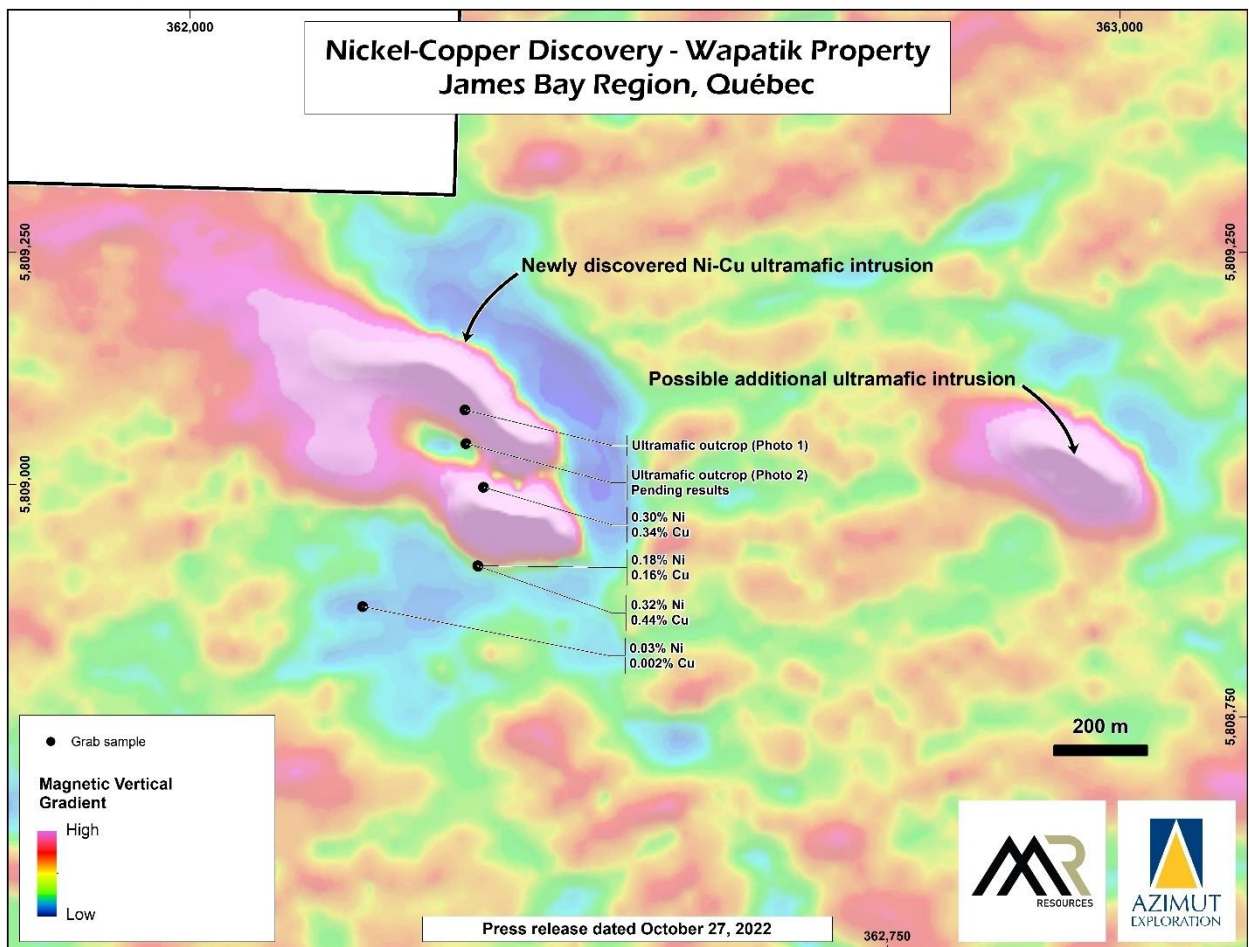
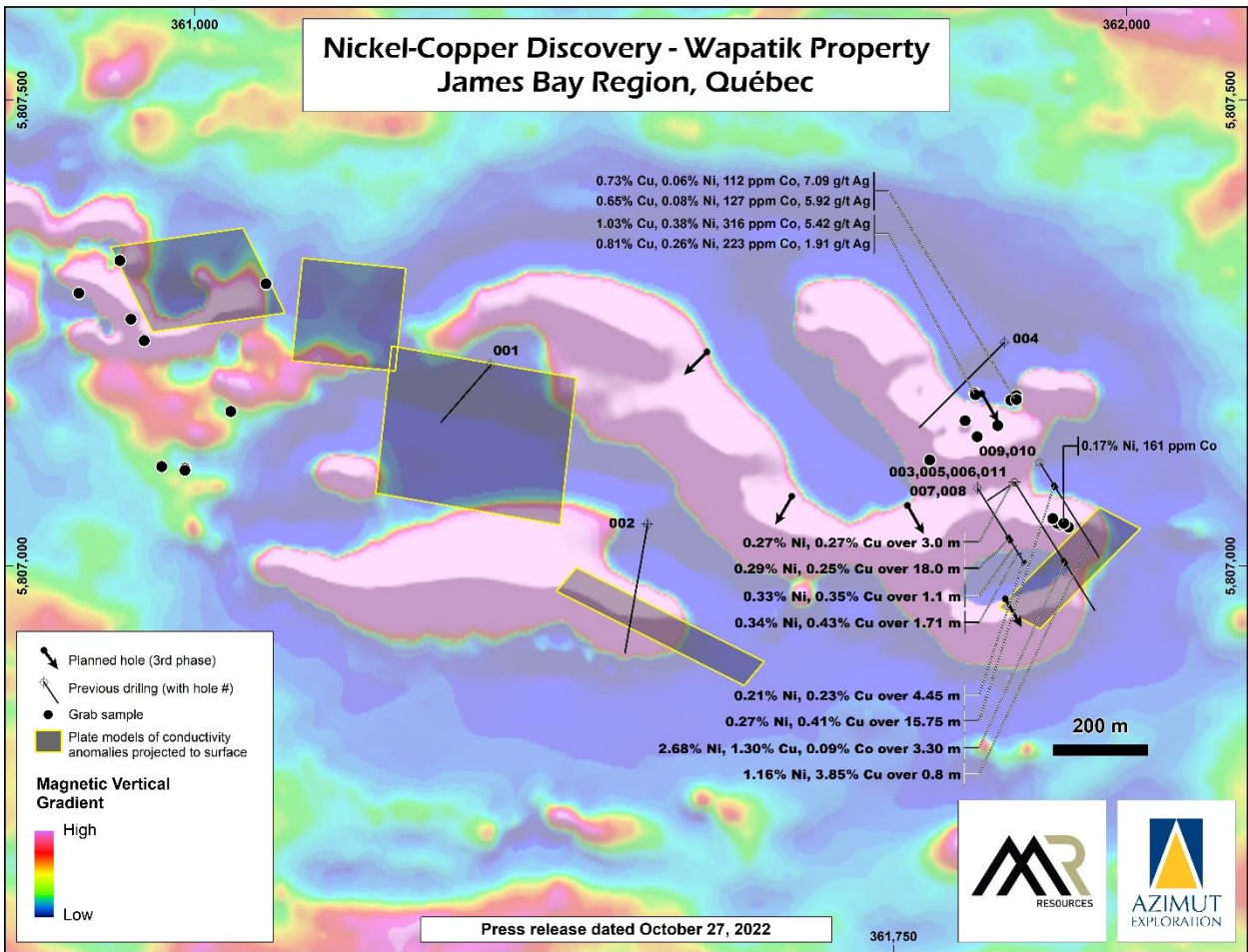


Figure 11: Magnetic expression of the mineralized ultramafic intrusion on the Wapatik Property.

Munischiwan (Au-Ag-Cu)

The Munischiwan Property is a 50/50 JV project with SOQUEM about 11 km north of the Elmer Property and 85 km from the Cree community of Eastmain on the east coast of James Bay. The Billy-Diamond Highway passes through the property. The project partly covers a well-defined As-Ag-Bi-Cu-Sb anomaly in LBS within the Lower Eastmain greenstone belt, accompanied by favourable geophysical, geological and structural criteria. Intrusion-related and shear zone-hosted systems are the main target types. There were no known showings on Munischiwan before Azimut began exploring the property.

The main showing on the Munischiwan Property is the kilometre-scale **Insight Prospect**, an outcropping Au-Cu-Ag zone roughly 600 by 150 m at surface, with a best grab sample grade of 100.5 g/t Au, 151.0 g/t Ag, 156.0 g/t Te and 0.14% Cu. The zone dips about 30° to the east, is open in all directions, and coincides with a 300- by 1,000-m 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 m to the south (2.42 g/t Au) could be an extension.

In Fiscal 2022, the JV partners incurred \$1,000 (\$19,000 – Fiscal 2021) in claim renewals and \$453,000 (\$8,000 – Fiscal 2021) in work expenditures for drilling, of which \$252,000 was invested by Azimut (\$27,000 – Fiscal 2021 when Azimut was completing its back-in option). SOQUEM has agreed to compensate Azimut for its shortfall in shared expenditures.

Pilipas (Au)

The wholly-owned Pilipas Property is a gold project adjacent to the north of the Munischiwan Property. The Billy-Diamond Highway 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. Like Munischiwan, Pilipas is underlain by volcano-sedimentary rocks of the Lower Eastmain greenstone belt. The target deposit types are intrusion-related systems, VMS, iron formation-hosted mineralization and gold-bearing shear zones.

In Fiscal 2022, the Company incurred \$17,000 (\$17,000 – Fiscal 2021) in exploration expenditures for data interpretation but did not incur any claim-related costs (\$Nil – Fiscal 2021).

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.

Corvet (Au-Cu)

The wholly-owned Corvet Property lies immediately south of the Pikwa Property, 55 km southwest of the La Grande-4 airstrip and 225 km southeast of Radisson. Azimut acquired the property after identifying a strong multi-element (Ag-As-Bi-Cu-Sb) anomaly in LBS during its mineral potential assessment of the James Bay region. The LBS anomaly coincides with the major tectonic boundary between the La Grande and Opinaca geological subprovinces. The main target type is shear-related copper-gold mineralization. The property is also of interest for its lithium potential. The Company performed reconnaissance fieldwork in 2017 and 2018, yielding gold, copper and arsenic anomalies in grab samples.

In Fiscal 2022, the Company incurred \$13,000 (\$Nil – Fiscal 2021) in claim renewals and \$36,000 (\$3,000 – Fiscal 2021) in exploration expenditures for data interpretation.

Dalmas Property

The Dalmas Property is a 50/50 JV gold project with SOQUEM located 25 km south of the Trans-Taiga Road. The property covers a sheared greenstone belt (La Grande Subprovince) with a strong arsenic-bismuth-copper-antimony footprint in LBS. Azimut has performed prospecting and till sampling as part of its field assessment of the property. Shear zone-hosted gold is the main target type.

In Fiscal 2022, the JV partners incurred \$2,000 (\$10,000 – Fiscal 2021) in claim renewals but \$Nil (\$4,000 – Fiscal 2021) in work expenditures for data interpretation, of which \$1,000 (\$7,000 – Fiscal 2021) was invested by Azimut.

Kaanaayaa (Cu-Au, Cu-Ni)

The wholly-owned Kaanaayaa Property is located 35 km south of the Trans-Taiga Road and the adjacent powerline, and 42 km south of the LG-4 airport. It is attractive for its strong, large-scale LBS footprint (Bi-Ag-Mo-Cu-W) and favourable geology marked by metasediments and mafic to intermediate volcanics cut by several small but potentially fertile granitic intrusions. The property's multi-element footprint is comparable to that of the Copperfield Trend on the Pikwa Property, 15 km to the northwest. The property is at the reconnaissance stage, and prospecting is planned for 2023. The main target type is shear-related copper-gold mineralization. An adjacent property, jointly held by Osisko Exploration James Bay Inc. and Newmont Corporation, hosts several significant gold prospects, including 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).

In Fiscal 2022, the Company incurred \$48,000 (\$57,000 – Fiscal 2021) in exploration expenditures for an infill LBS survey and data interpretation but did not incur any claim-related costs (\$50,000 – Fiscal 2021).

Kukamas (Cu-Au)

The wholly-owned Kukamas Property covers a 41-km cumulative strike length along a highly prospective greenstone belt. It displays one of the strongest geochemical footprints for copper-gold systems in the James Bay region, marked by strong Cu, Ag, As and Sb values in LBS. While numerous known prospects sit on or adjacent to the property, Kukamas is considered largely underexplored. Shear-related copper-gold systems and intrusion-related nickel-copper-cobalt-PGE systems are the main target types.

In December 2022, Azimut announced the signing of a JV option agreement with KGHM International Ltd (“KGHM”) for this property. KGHM is a subsidiary of KGHM Polska Miedź S.A, a Polish corporation that has been a major copper and silver producer for more than 50 years, with mining projects in Europe, North America and South America. Under the agreement, KGHM can acquire from Azimut an initial 50% interest in the Property over 4 years with \$5 million in exploration expenditures, and can earn an additional 20% interest with a further investment of at least \$4.2 million to complete and deliver a PEA (PR of December 8, 2022).

Kukamas is located in an area with significant road and power infrastructure, situated just 4 km north of the Trans-Taiga Road (Km 100) and LG-3 airstrip, along an access road leading to the LG-3 hydroelectric generating station. The nearest town is Radisson, 80 km to the north-northwest.

Historical grab samples from the property grade up to 10.63 g/t Au and 20.7% Cu (**Figure 12**). The geology is characterized by sheared metasediments (La Grande Subprovince), including iron formations and metavolcanics surrounding granitic intrusions.

In Fiscal 2022, the Company incurred \$20,000 (\$Nil – Fiscal 2021) in claim renewals and \$54,000 (\$4,000 – Fiscal 2021) in exploration expenditures for data interpretation.

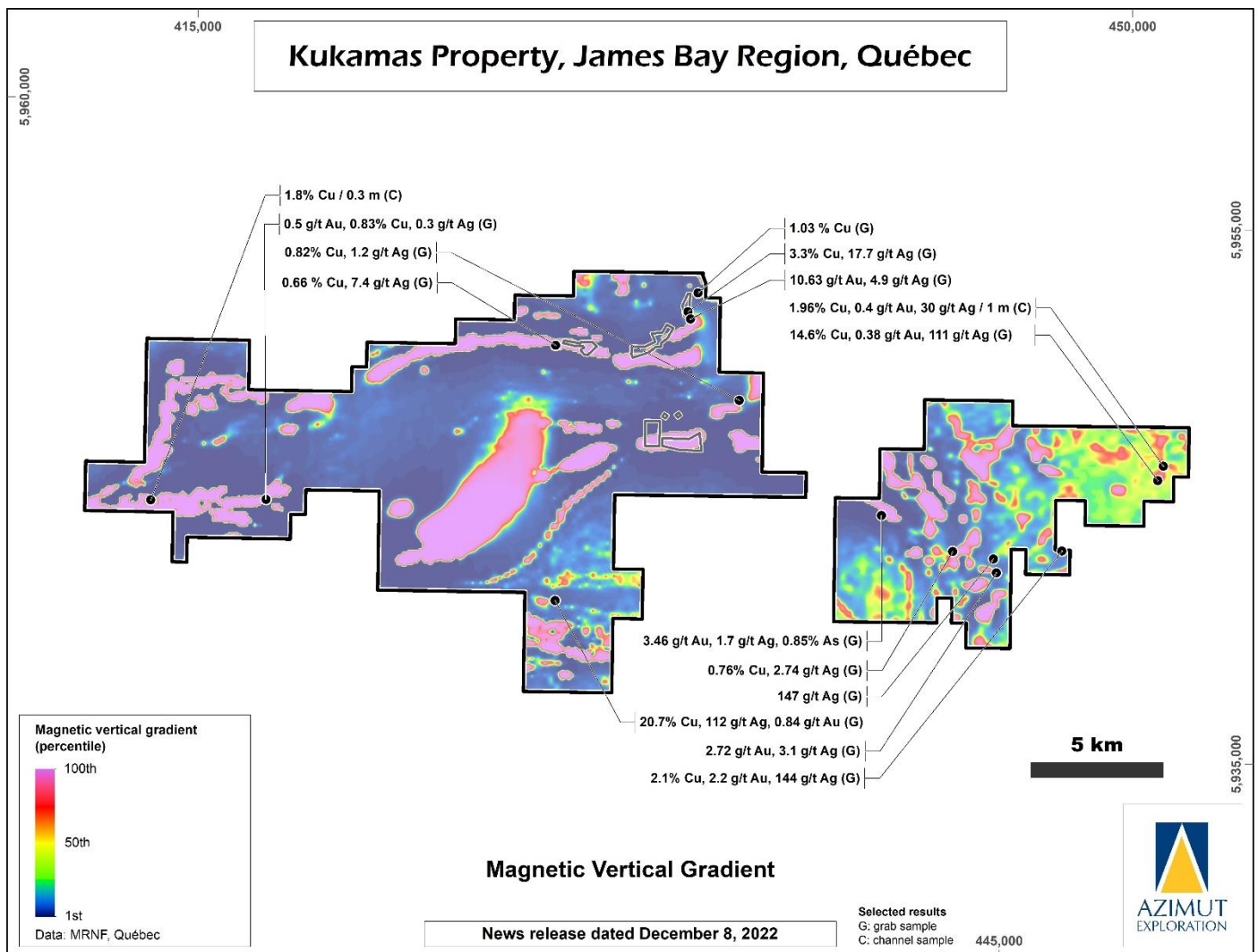


Figure 12: Magnetic map of the Kukamas Property showing historical grab samples.

Pikwa (Au-Cu-Co-Mo)

The Pikwa Property, a 50/50 JV project held with SOQUEM, is located 2 km south of the Trans-Taiga Road and 40 km east of the LG-3 hydroelectric generating station. It covers a regional As-Bi-Cu anomaly in LBS and a 20-km-long magnetic high. The primary area of interest is the 20-km-long **Copperfield Trend**, a copper-gold target that appears to be on strike (based on publicly available information) with a mineralized system on the adjacent Mythril Property held by Midland Exploration Inc.

The Copperfield Trend is characterized by several spatially correlated features, notably a continuous IP corridor 10 km long by up to 400 m wide, coincident magnetic highs, electromagnetic conductors, a strong polymetallic (Cu-Au-Ag-Mo) soil anomaly, and mineralized outcrops and boulders in the eastern end where the overburden is thinnest. The main host rock is biotite-rich gneiss (presumably altered metadiorite or granodiorite). The dominant copper mineral is chalcopyrite (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. Collectively, the data point to a Cu-Au-Ag-Mo porphyry system (already partly identified in mineralized outcrops) emplaced along the margins of an intrusion and subsequently sheared during regional-scale tectonic events (for additional details, see PR of December 9, 2019).

In late 2020, the JV partners commenced a maiden drilling program on a 10-km-long copper-gold target (**Copperfield East**) within the Copperfield Trend (PR of October 6, 2020). The Company continues to review the property's potential, and prospecting is planned for 2023.

In Fiscal 2022, the JV partners incurred \$1,000 (\$79,000 – Fiscal 2021) in claim renewals and \$219,000 (\$936,000 – Fiscal 2021) in work expenditures for drilling and data interpretation, of which \$159,000 was invested by Azimut (\$957,000 – Fiscal 2021 when Azimut was completing its back-in option). SOQUEM has agreed to compensate Azimut for its shortfall in shared expenditures.

Pontois (Au)

The Pontois Property, held as a 50/50 JV project with SOQUEM, straddles the Trans-Taiga Road (Km 316) several km south of the LG-4 hydroelectric generating station. It covers a strong multi-element (As-Sb-W) LBS signature in a favourable geological and structural setting within the underexplored La Grande greenstone belt. Azimut's prospecting work led to the discovery of the **Black Hole Prospect** (6.02 g/t Au, 2.56 g/t Au and 0.90 g/t Au), 40 m long by 20 m wide and open along strike in both directions. Gold is hosted in mafic metavolcanics and dykes carrying quartz veins and fine disseminated pyrite near a sheared contact with metasediments. Other anomalous metals include silver and tellurium.

In Fiscal 2022, the JV partners incurred \$8,000 (\$24,000 – Fiscal 2021) in claim renewals and \$500 (\$9,000 – Fiscal 2021) in work expenditures for data interpretation, of which \$8,000 was invested by Azimut (\$30,000 – Fiscal 2021, Azimut was completing it back-in option). SOQUEM has agreed to compensate Azimut for its shortfall in shared expenditures.

EASTMAIN RESERVOIR SECTOR

Azimut has two properties in the Eastmain Reservoir Sector, Wabamisk (gold) and Chromaska (chromium), along with several claim blocks belonging to the wholly-owned JBN nickel project. The area, as it is defined in this report, is roughly 260 km northwest of Chibougamau and 60 km southeast of Newmont's Eleonore mine. It is notable for hosting the Eau Claire gold deposit (Clearwater Property) of Fury Gold Mines Ltd and the Whabouchi deposit of Nemaska Lithium Inc. The Eau Claire deposit consists of combined open pit and underground scenarios containing NI 43-101 compliant measured and indicated resources of 4.294 Mt at 6.18 g/t Au for 853,000 oz Au and inferred resources of 2.382 Mt at 6.53 g/t Au for 500,000 oz Au (Fury Gold Mines PR of July 4, 2018). The area contains significant road and power infrastructure, including the 400-km-long North Road gravel highway and the Eastmain-1 and Eastmain-1A hydroelectric generating stations.

Wabamisk Property

The Wabamisk Property is a wholly-owned gold project (40 km by 10 km) situated 13 km east of the Clearwater Property, 42 km northeast of the Whabouchi property, and 70 km south of the Eleonore mine. Major powerlines pass through or close to the property's eastern end, and the North Road highway passes 37 km to the south. The nearest town is Nemaska a Cree village municipality, 55 km to the southeast.

Wabamisk has a comparable geological context and geochemical signature to Eleonore. Azimut acquired the property by map designation in 2005 following its James Bay-scale predictive modelling for gold. Eight (8) of the claims are subject to a 2.1% NSR payable to Virginia Mines (1.4%; now Osisko Exploration) and SOQUEM (0.7%), with a buy-back of 1.05% for \$350,000.

On September 9, 2022, Azimut closed a transaction with former partner Newmont (NRs of August 8 and September 9, 2022), pursuant to which Newmont exercised its right to voluntarily withdraw from the Wabamisk JV, thereby ceasing to be a participant. In connection with the withdrawal, Newmont transferred its 51% participating interest in the JV to Azimut, resulting in Azimut regaining a 100% interest in all the claims forming the property.

While a substantial amount of quality exploration work totalling \$5.7 million in expenditures has been conducted by the partners to date, the property remains underexplored and hosts multiple significant prospect discoveries, including the **GH Prospect** (2.27 g/t Au over 4.3 m within an envelope grading 0.7 g/t Au, 0.39% Sb and 0.20% As over 19.0 m), which remains open. Mineralization is characterized by Sb and As sulphides as disseminations and veinlets accompanied by sericitization and silicification. The target zone is 3.5 km long, outlined by coincident soil (Sb, As) and geophysical (IP) anomalies. The alteration-mineralization footprint indicates strong exploration potential along strike and at depth. Several other extensive target zones have also been identified and can rapidly reach the drilling stage, including the 1.7-km-long **Dome-ML Prospect**, which yielded several historical high-grade gold values (up to 80.7 g/t Au) in grab samples.

ROUTE 167 SECTOR

This sector is serviced by Route 167, a permanent all-season road that connects the provincial highway network to the Renard diamond mine of Stornoway Diamonds (Canada) Inc. (“Stornoway”) via the communities of Mistissini and Chibougamau (see **Figure 2**). The Government of Quebec has proposed a second phase to extend Route 167 northward for approximately 125 km, where it would connect with the Trans-Taiga Road.

Galinée (Au)

The 36-km-long Galinée Property, held in a 50/50 JV project with SOQUEM, is located about 50 km north-northwest of Stornoway’s Renard mine and 60 km south of the Trans-Taiga Road. The property provides a controlling position over an extensive As-Bi-Sb anomaly in LBS accompanied by favourable geophysical, geological and structural criteria. Shear zone-hosted and intrusion-related systems are the main target types. Azimut has carried out preliminary exploration work since it acquired the property based on regional predictive modelling using interdisciplinary data. Azimut’s prospecting work led to the discovery of the subcropping, tonalite-hosted **Gamora Prospect** (up to 2.17 g/t Au). About 5 km to the west, a gold grain dispersal train in till yielded a sample containing up to 688 gold grains, including pristine grains, suggesting a proximal common source.

In Fiscal 2022, the JV partners incurred \$52,000 (\$8,000 – Fiscal 2021) in claim renewals and \$4,000 (\$80,000 – Fiscal 2021) in work expenditures for data interpretation, of which \$28,000 (\$44,000 – Fiscal 2021) was invested by Azimut.

Corne (Cu-Au)

The wholly-owned Corne Property lies about 25 km west of Route 167. It covers 17 km of a well-marked Cu-Bi-As anomaly in LBS in the metasedimentary Opinaca Subprovince, close to the tectonic boundary with the Opatica Subprovince. Azimut carried out preliminary exploration work on Corne after it acquired the claims based on regional predictive modelling using interdisciplinary data. In 2018, the Ministry of Energy and Natural Resources of Quebec collected grab samples on the property as part of a larger mapping program. The property has never been drilled or explored by other companies, and there are no known prospects.

A small copper-molybdenum-silver intrusion-related deposit (MacLeod–Pointe Richard) is located about 20 km to the northwest. The main zone contains indicated resources of 18.18 Mt grading 0.60% Cu, 0.094% Mo, 4.48 g/t Ag and 0.06 g/t Au.

JBN (Ni)

In 2021, the Company acquired a new portfolio of 57 attractive nickel targets by map designation, collectively forming the JBN Project (PR of November 30, 2021). In 2022, the Company doubled the project’s land holdings to 2,063 map-designated claims (1,070 km²) (PR of July 5, 2022). At the date of this report, the JBN Project consists of 3,657 claims (1,908.0 km²), 112 claim blocks distributed at the scale of the James Bay region. The Company’s management considers the James Bay region underexplored for nickel. Project generation was mainly driven by Azimut’s advanced processing of regional-scale geophysical, geochemical and geological data. Most targets correspond to hectometre- to kilometre-scale mafic to ultramafic intrusions, likely representing subvolcanic conduits, dykes and sills intruded in volcano-sedimentary sequences. Most of the acquired targets display little or no past exploration history. The exploration concept supporting this claim position is based on a specific high-grade nickel deposit model, best illustrated by the Eagle’s Nest deposit in the Ring of Fire (Ontario, Canada) and the Eagle deposit in Michigan (USA). The JBN Project also presents a significant potential for copper, cobalt and platinum group elements, which are commonly associated with nickel deposits. Given the current global energy transition period, all these

commodities will be in high demand in the long term. Azimut is implementing efficient in-house exploration protocols to rapidly validate and advance these targets to the drilling stage.

ROUTE 389 SECTOR

The main infrastructure in the far eastern James Bay region is Route 389, a 570-km-long stretch of highway between the city of Baie-Comeau in Quebec and the iron mining town of Fermont, where it crosses the Newfoundland-Labrador border as Highway 500, continuing to the eastern seaboard. A 10-year federal-provincial joint improvement program, already underway, will improve access to lands north of the 49th parallel in this area.

Desceliers (Au-Cu)

The Desceliers Property is held in a 50/50 JV project with SOQUEM, approximately 150 km west of Route 389. It is underlain by Archean rocks of the Opinaca Subprovince and is characterized by a strong geochemical signature of Au-As-Cu-W in LBS, accompanied by favourable geophysical criteria. The property is attractive for the nature and size of its geochemical footprint (an especially strong Au-Cu association) and the untested potential of the area. Work to date by Azimut and SOQUEM has defined several robust targets, namely for IOCG and magmatic Ni-Cu deposits.

In Fiscal 2022, the JV partners incurred \$4,000 (\$38,000 – Fiscal 2021) in claim renewals and \$4,000 (\$10,000 – Fiscal 2021) in work expenditures for data interpretation, of which \$5,000 was invested by Azimut (\$48,000 – Fiscal 2021, Azimut was completing it back-in option). SOQUEM has agreed to compensate Azimut for its shortfall in shared expenditures.

Mercator (Cu-Ni-Co)

The wholly-owned Mercator Property is 22 km long by 16 km wide, located roughly 100 km west of Route 389. Geologically, it lies in the Opinaca Subprovince at the tectonic boundary with the Ashuanipi Subprovince. The property displays strong LBS signatures (Cu, Bi, Mo, Ni and Co). This area has no record of past exploration.

NUNAVIK REGION - EXPLORATION UPDATES

Azimut holds six (6) properties in Nunavik, the region in Northern Quebec above the 55th parallel (**Figure 13**). Management believes the region offers significant potential for commodities deemed critical or strategic by the Quebec and Canadian governments, specifically copper, tellurium, bismuth, tungsten, tin, molybdenum, rhenium, indium and rare earth elements. The Company also recognizes the region's potential for gold, uranium and diamonds.

Two of the Nunavik properties, Rex-Duquet and Rex South, provide the Company with a controlling land position over the **Rex Trend**, a vast underexplored region characterized by a strong 300-km-long copper anomaly in LBS, coupled with a strong 100-km-long REE anomaly. The main targets are IOCG deposits, reduced intrusion-related gold-polymetallic systems, copper-gold mineralization in shear zones, and volcanogenic massive sulphides. A comparison can be made between the Rex Trend context and the world-class Carajás Mineral Province in Brazil. The latter hosts several large IOCG deposits and intrusion-related Cu-Au-(W-Bi-Sn) and W deposits associated with anorogenic granite intrusions.

The following sections describe the Nunavik properties on which the Company has been active since September 1, 2020. For additional details, see the Company's annual MD&A for the year ended August 31, 2021, and the Company's website.

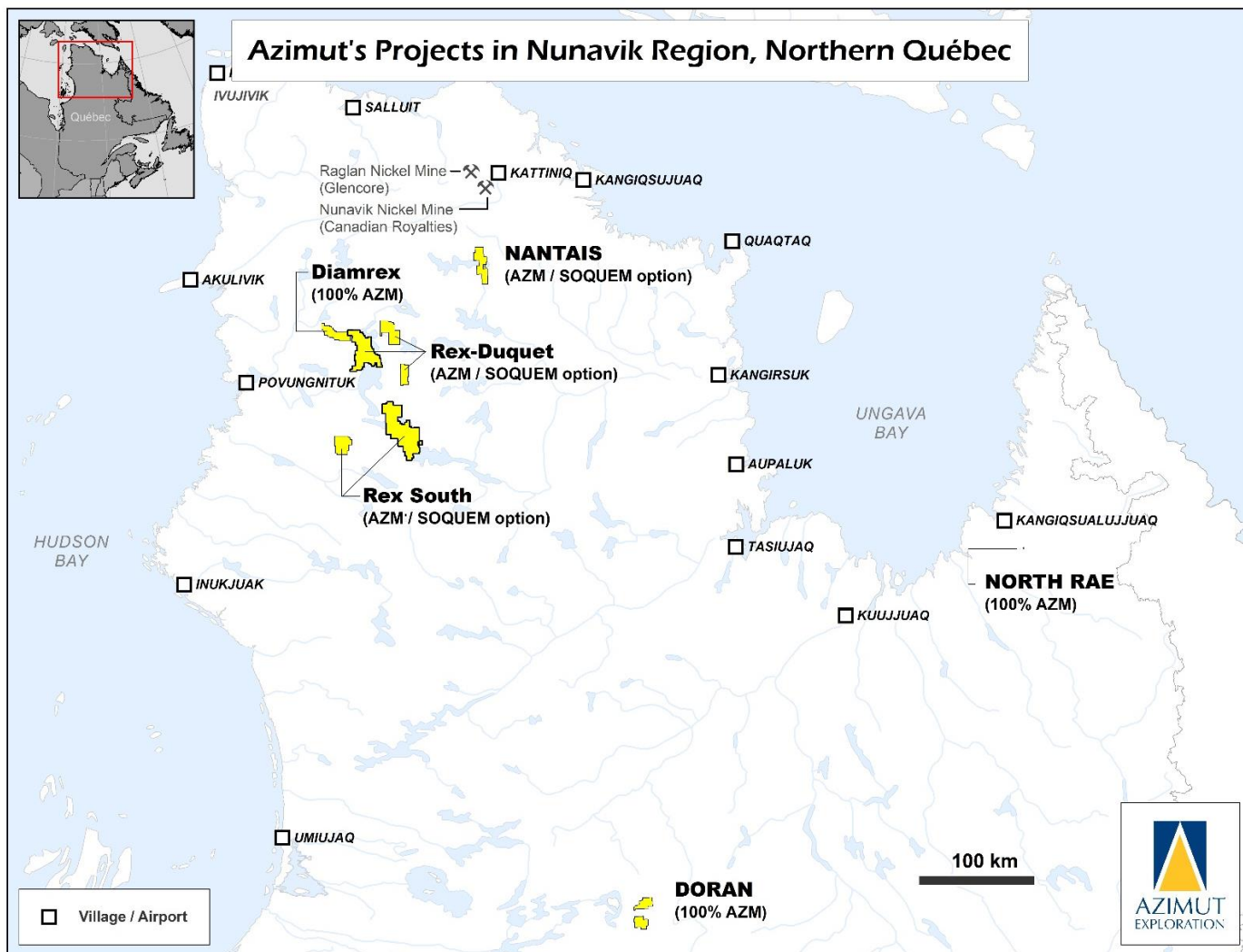


Figure 13: Map of Azimut’s Nunavik property portfolio as at December 22, 2022.

Rex-Duquet (Au-Ag-Cu-REE)

The wholly-owned Rex-Duquet Property occupies the northern segment of the Rex Trend. The claim blocks are spread over 80 km. In Fiscal 2022, on behalf of SOQUEM, the Company incurred \$76,000 in claim renewals (\$19,000 – Fiscal 2021) and \$199,000 (\$2,258,000 – Fiscal 2021) in exploration expenditures, all charged back to SOQUEM in full.

The Rex-Duquet Property demonstrates evidence for district-scale IOCG mineralization associated with brittle structures and characterized by copper-dominant values accompanied by magnetite, hematite and pervasive potassic alteration, primarily represented by the RBL, Mousquetaires and CM zones.

The Rex-Duquet component of the SOQUEM-funded Nunavik Alliance summer 2021 exploration program consisted of diamond drilling (2,152 m in 12 holes), geophysics (IP and magnetics) and channel sampling (PR of September 15, 2021). The latest set of acquired data is under review. The key features of the drill-tested target zones (**Figure 14**) are summarized below. All assays correspond to previously reported results.

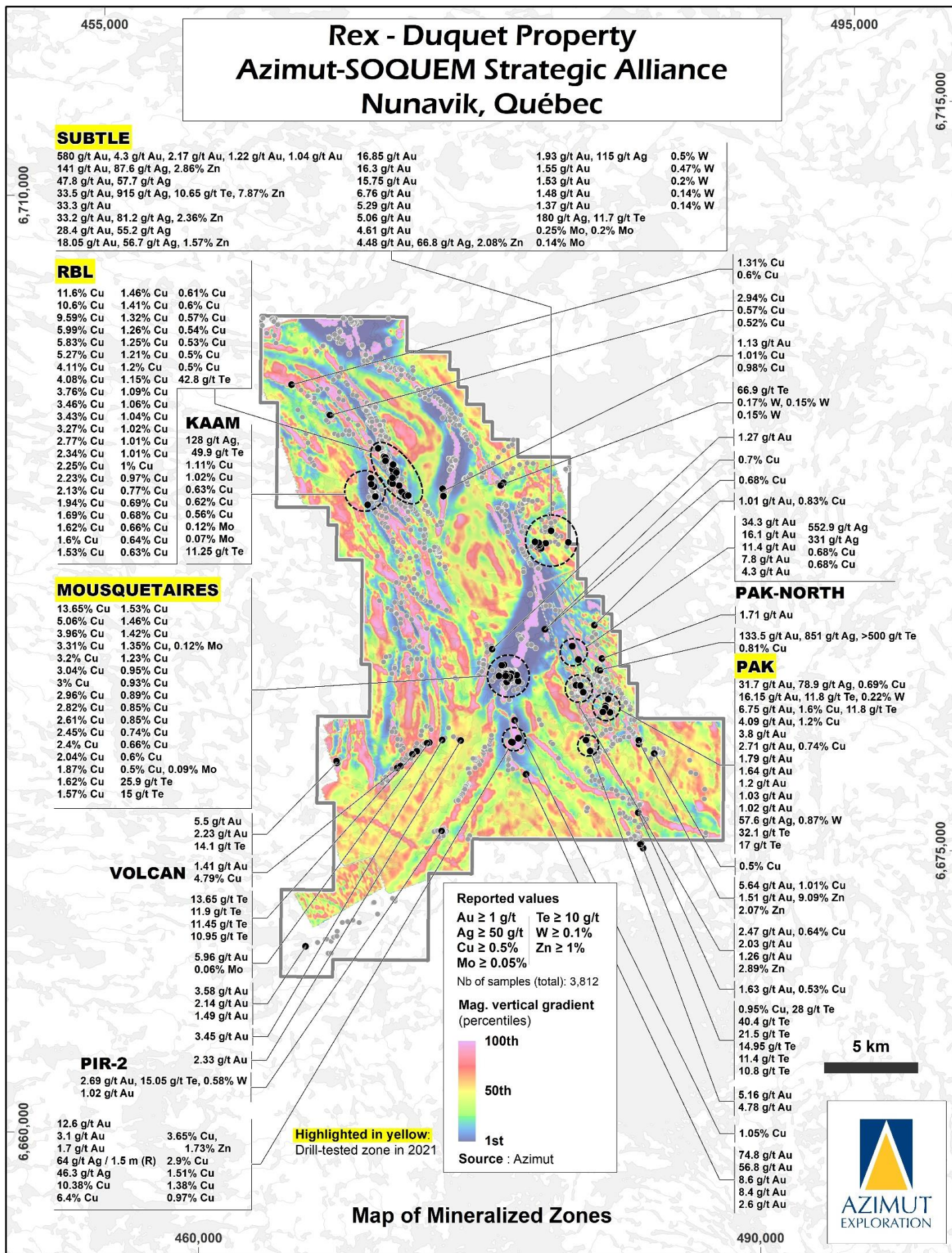


Figure 14: Map of the Rex-Duquet Property (main "A" block) showing the best grab and channel sample results.

RBL Zone

The RBL Zone is at least 3 km long by 50 to 200 m wide, with up to 11.3% Cu in grab samples. Mineralization primarily consists of chalcopyrite (lesser digenite, covellite) and pyrite. Copper mineralization is present as disseminations or in veinlets, stockworks, centimetric to decimetric massive sulphide blebs, semi-massive veins and breccia cement. RBL exhibits characteristics of a major IOCG-type hydrothermal-magmatic system with possible significant down-dip extensions.

Mousquetaires Zone

Mousquetaires is a target zone at least 1.5 km long by 200 m wide related to a copper-bearing brittle fault cutting a foliated iron formation. The zone returned grades up to 13.65% Cu, 0.12% Mo, 25.9 g/t Te and 14.25 g/t Re from different grab samples. This zone may represent the strike extension of the RBL Zone located 10 km to the north-northwest.

Subtle Zone

The Subtle target zone is recognized over an area 500 m long by 150 m wide, striking NNW with a subvertical dip and largely open along strike. It is interpreted as a shear-hosted mineralized system, returning best grab sample grades of 580 g/t Au, 915 g/t Ag and 7.87% Zn, including up to 11.7 g/t Te, 0.5% W and 0.25% Mo.

PAK Zone and PAK North Zone

These zones lie on strike with the Subtle Zone. They form a group of 10 prospects spread over 7 km that yielded 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 in grab samples and proximal boulders.

Rex South (Au-Ag-Cu-W-REE)

The wholly-owned Rex South Property occupies the southern segment of the Rex Trend. In Fiscal 2022, on behalf of SOQUEM, the Company incurred \$81,000 in claim renewals (\$56,000 – Fiscal 2021) and \$240,000 (\$1,570,000 – Fiscal 2021) in exploration expenditures, which were charged back to SOQUEM in full.

The Rex South component of the summer 2021 exploration program consisted of diamond drilling (738 m in 5 holes), geophysics (IP and magnetics) and channel sampling (PR of September 15, 2021). The latest set of acquired data is being reviewed. The key features of the drill-tested target zones (**Figure 15** and **Figure 16**) are summarized below. All assays correspond to previously reported results.

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

1. Intrusion-related polymetallic system associated with an oval (5 km by 15 km) fluorite-topaz-bearing A-type intrusive complex (the Qalluviartuuq Intrusive Complex: “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-km contact between the QIC and the volcano-sedimentary host rocks, as well as within the intrusion itself. The Aura-Pegor and Lebreuil zones may represent a less eroded part of the system (possible roof zones) along the extensions of the trend. The QIC mineralized system has several features in common with the Breves deposit in Brazil (see PR of April 4, 2012).
2. IOCG mineralization associated with brittle structures and copper-dominant values (Jemima Zone, Sombrero Prospect, Impact Prospect). Mineralization is accompanied by magnetite, hematite and pervasive potassic alteration.

Augossan Zone

The Augossan Zone represents a large polymetallic envelope (Au, Ag, Cu, W, Sn, Te, Bi, Rb, Mo) about 8 km long by 100 to 350 m wide at the contact between the QIC and volcano-sedimentary rocks. The zone remains open in all directions, notably toward the intrusion. Grab samples returned grades of up to 47.2 g/t Au, 90.0 g/t Ag, 2.56% Cu, 60.8 g/t Te, 4.62% W, 7.53% Sn, 0.36% Mo, 0.77% Bi, and 0.25% Rb in grab samples. Channel sampling yielded 7.53% Sn, 0.72% W and 0.14% Cu over 2.7 m. RC drilling highlights include: 0.14% W over 15.24 m, 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. Augossan represents the first reported occurrence of significant tungsten grades in the Nunavik region.

Copperton Zone

The Copperton Zone, 3.5 km long by 20 to 100 m wide, is hosted in a variably sheared, steeply dipping feldspathic intrusion and amphibolites and gneissic metasediments. Mineralization is disseminated to semi-massive chalcopyrite, pyrite and pyrrhotite. The best grades were 9.56 g/t Au, 82.7 g/t Ag, 9.56% Cu, 38.4 g/t Te and 0.23% W in various grab samples.

Rex South Property Azimut-SOQUEM Strategic Alliance Nunavik, Québec

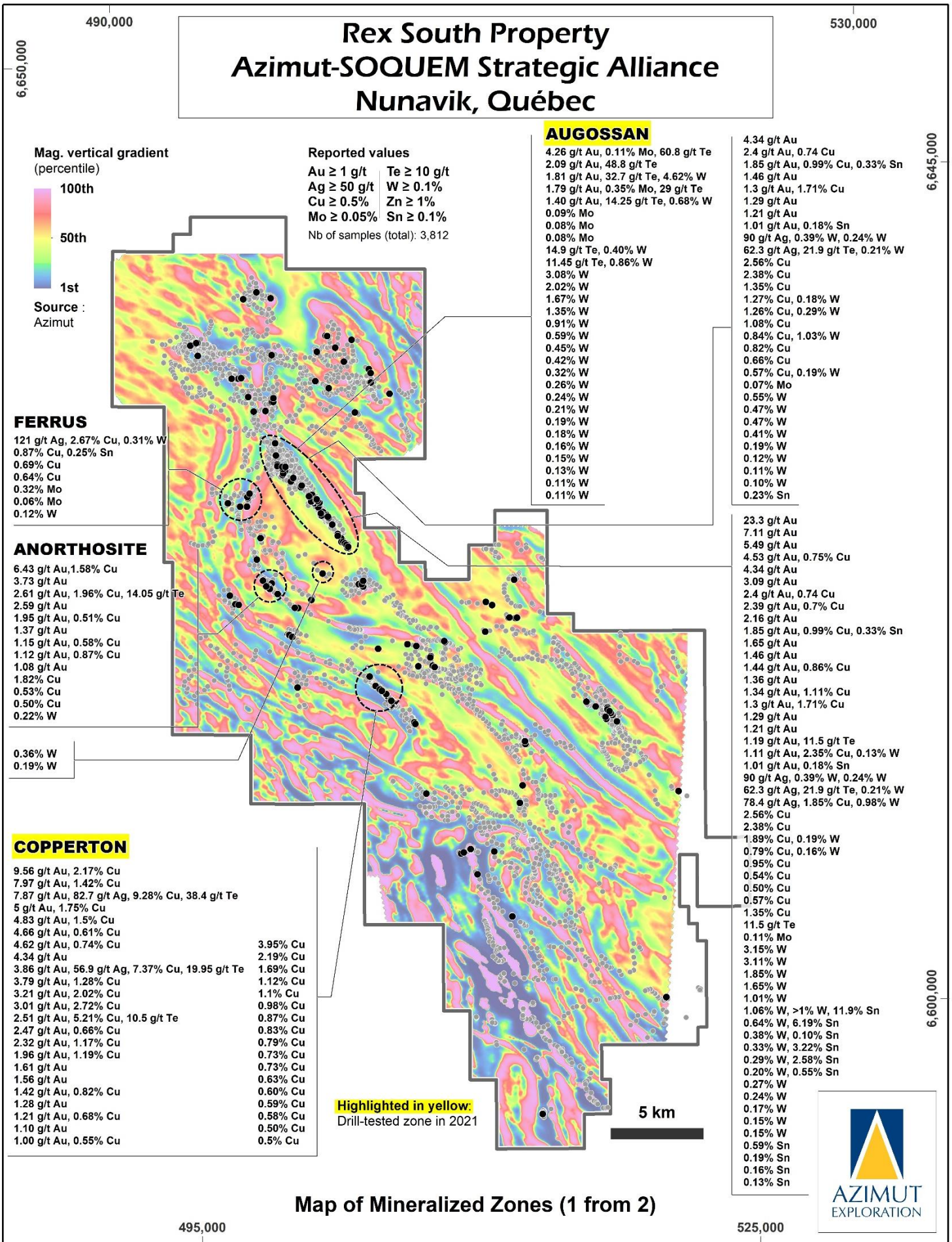


Figure 15: Map of the Rex South Property showing some of the significant zones and best grab samples (more in next figure).

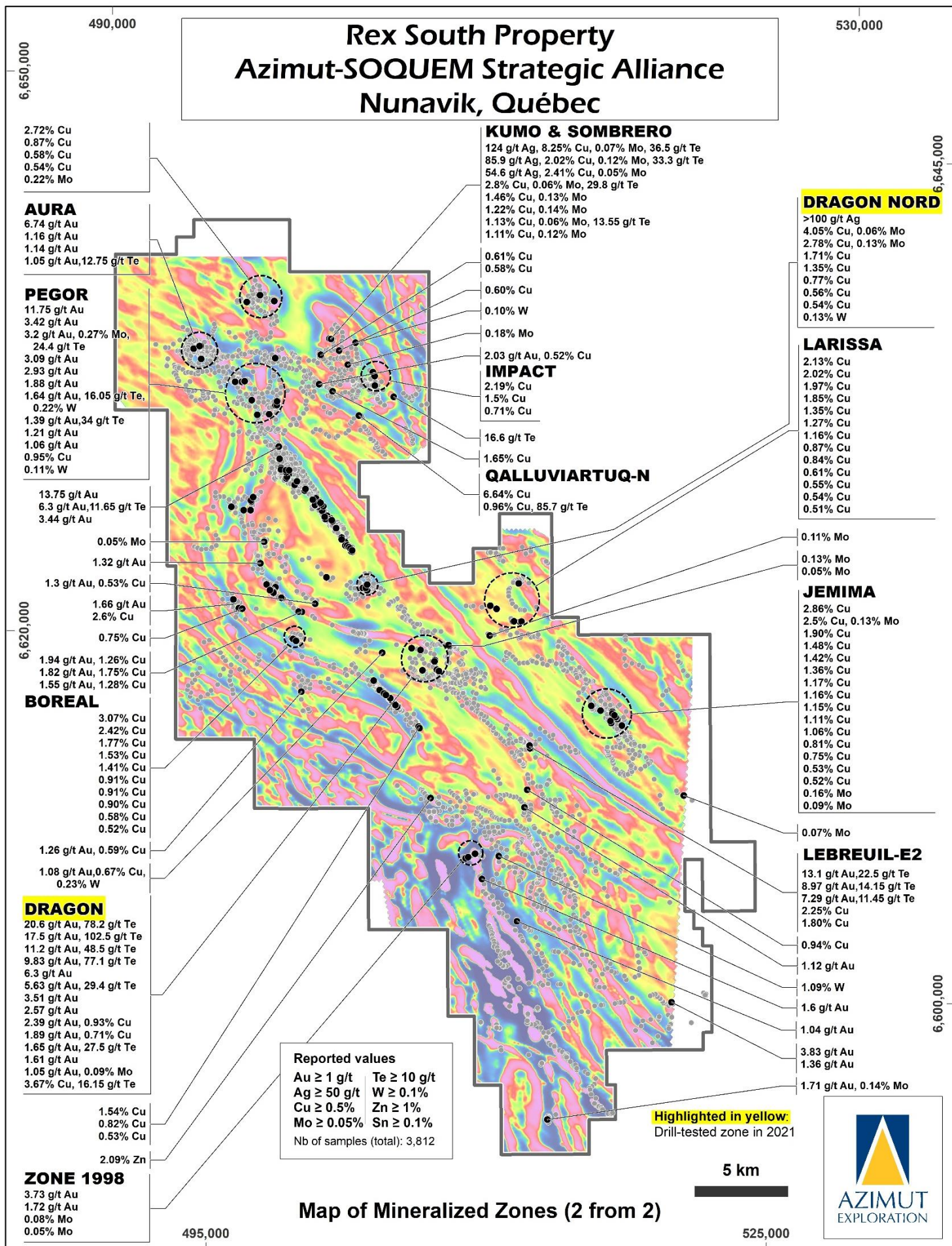


Figure 16: Map of the Rex South Property showing the remaining significant zones and best results to date.

Dragon North Zone

The Dragon North target zone, 450 m long by 90 m wide, is hosted in foliated mafic and felsic volcanics striking NW and dipping to the NE. Mineralization is mainly chalcopyrite accompanied by lesser pyrite and magnetite. The best grab samples are 4.05% Cu, 0.6% Mo and 2.78% Cu, 0.13% Mo. Alteration is mainly silicification.

Dragon Zone

The Dragon Zone, roughly 2 km in strike length, is hosted in felsic orthogneiss. Mineralization occurs as 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.

Anorthosite Zone

A few reconnaissance holes and the prospecting data for this gold-copper-tungsten zone have outlined a preliminary envelope 4 km long by 200 m wide, with Au, Ag, Cu, W and Te mineralization.

Aura–Pegor Zone

The Aura–Pegor Zone, 2 km long, is characterized by disseminated pyrite and strong alteration, including tourmaline in veinlets or stockworks accompanied by silica and albite. Grab sample grades range from 0.5 g/t Au to 11.75 g/t Au, with anomalous values of other elements up to 0.37% Cu, 0.06% W, 0.14% Bi and 34 g/t Te.

Jemima Zone

The Jemima Zone, 2 km long by 30 to 100 m wide, is 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. Grab samples assayed from 0.5% to 2.86% Cu, with up to 0.17% Mo and 0.422 g/t Re.

Nantais (Au-Ag-Cu-Zn)

This wholly-owned Nantais Property covers 32 km of an underexplored greenstone belt about 110 km east of the Rex Trend, 80 km south of Glencore's Raglan nickel mine and 115 km southwest of the Inuit village of Kangiqsujuaq. Three historical showings are present on the property. Target deposit types are gold-rich polymetallic VMS and shear zones. The Company's prospecting results supported by other data have outlined a 1.6-km-long gold-bearing area (best grab sample grade of 6.91 g/t Au, 16.4 g/t Ag and 0.22% Cu from an angular boulder). A polymetallic corridor, 3.1 km long by up to 500 m wide, in the central part of the property yielded best grab sample grade of 17.4 g/t Au, 8.82 g/t Ag, 0.2% Cu and 245 g/t Ag, 1.62% Pb, 6.45% Zn).

In Fiscal 2022, on behalf of SOQUEM, the Company incurred \$6,000 in claim renewals (\$9,000 – Fiscal 2021) and \$Nil (\$7,000 – Fiscal 2021) in exploration expenditures. The claim renewal fees were charged back to SOQUEM in full. Azimut and SOQUEM will continue the technical assessment of this property through the Nunavik Alliance program.

Doran (Cu)

The wholly-owned Doran Property is of interest for its copper potential. A chalcocite showing in a granite outcrop yielded >40% Cu and 12 g/t Ag. A major structure on the property correlates with a 25-km copper anomaly in LBS (up to 316 ppm Cu).

Diamrex (diamonds)

The wholly-owned Diamrex Property is adjacent to the western limit of the Rex-Duquet Property. The claim blocks are spread over an area measuring 25 km by 15 km. Azimut conducted generative work to assess the potential for diamond targets related to the deep-seated structural corridor known as the Allemand-Tasiat Zone. The Diamrex Property covers several areas of interest identified by that work. The Allemand-Tasiat Zone has been recognized as prospective for diamonds by the Ministry of Energy and Natural Resources of Quebec.

SELECTED FINANCIAL INFORMATION

	August 31,		
	2022 (\$)	2021 (\$)	2020 (\$)
Revenue			
Operator income	107,435	314,592	180,028
Expenses			
G&A	1,672,592	1,272,388	1,930,191
General exploration	208,597	316,275	227,121
Impairment of E&E assets	17,629	352,887	4,291
Interest income, net of finance costs	(30,677)	(27,328)	(32,438)
	1,868,141	1,914,222	2,129,165
Other losses (gains)	22,001	(25,344)	(9,363)
Deferred income tax recovery	3,399,557	1,023,527	1,636,604
Net (earnings) loss for the fiscal year	(1,616,850)	550,759	303,170
Basic and diluted net (earnings) loss per share	(0.02)	0.01	0.01

RESULTS OF OPERATIONS

FISCAL 2022 COMPARED TO FISCAL 2021

The Company reported a net earnings of \$1.6 million for Fiscal 2022 compared to a net loss of \$551,000 for Fiscal 2021. The variation is mainly due to the non-cash items consisting of deferred income tax recovery related to tax deductions renounced by the Company to flow-through shareholders in the amount of \$3.4 million (\$1,024,000 – Fiscal 2021). Other significant variations are detailed below.

Revenue

The Company reported revenue of \$107,000 (\$314,000 – Fiscal 2021) in operator income. The decrease is mainly the result of less work performed on properties for which Azimut is the operator (Wapatik and the properties under the Nunavik and James Bay alliances) due to the general labour shortage and difficulty in procuring equipment.

Operating expenses

G&A expenses amounted to \$1,673,000 in Fiscal 2022 compared to \$1,272,000 in Fiscal 2021. The variation is mainly due to the net effect of the following: (i) higher salaries and fringe benefits and director fees (\$211,000 in Fiscal 2022 compared to \$129,000 in Fiscal 2021); (ii) higher stock-based compensation costs (\$825,000 in Fiscal 2022 compared to \$607,000 in Fiscal 2021); (iii) a reduction in professional fees (\$201,000 in Fiscal 2022 compared to \$265,000 in Fiscal 2021) due to no special mandate granted to legal counsel; (iv) increased business development and administration fees (\$110,000 in Fiscal 2022 compared to \$29,000 in Fiscal 2021) mainly due to the Company's growth and the costs incurred to list Azimut on the OTCQX market and update the Company's website; (v) higher insurance costs of \$49,000 in Fiscal 2022 compared to \$26,000 in Fiscal 2021) due to greater involvement in mineral exploration activity and following the Company's listing on the OTCQX; and (vi) higher conference and meeting costs (\$102,000 in Fiscal 2022 compared to \$65,000 in Fiscal 2021) due to greater in-person participation at mining conferences and meetings.

General exploration expenses were \$209,000 in Fiscal 2022 compared to \$316,000 in Fiscal 2021. The decrease is mainly due to stock-based compensation costs of \$193,000 (\$310,000 – Fiscal 2021), an expense that did not affect cash.

Other gains or losses

The Company reported other losses of \$22,000 for Fiscal 2022, compared to other gains of \$25,000 for Fiscal 2021. The variation was mainly due to the change in the fair value of the Company's investment in Captor Capital Corp.

OTHER INFORMATION

	August 31, 2022	August 31, 2021
Cash and cash equivalents	\$14,035,435	\$27,641,849
Total assets	\$54,205,106	\$51,860,897
Shareholders' equity	\$47,175,225	\$44,332,440
Number of shares outstanding	82,193,844	81,753,844
Number of stock options outstanding	6,079,000	5,085,000
Number of underwriter's options outstanding	501,695	501,695

The Company has not declared cash dividends on its outstanding common shares since its incorporation. Any future dividend payment will depend on the Company's financial needs for its exploration programs and future financial growth or 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 \$14.6 million as at August 31, 2022, compared to \$25.0 million as at August 31, 2021. Management believes that the Company's current cash position is sufficient to continue advancing its flagship project, the Elmer Property, to pursue its budgeted exploration expenditures on its other properties and 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, 2023, 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 that it will be able to do so in the future, that 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.

Total assets amounted to \$54.2 million as at August 31, 2022, compared to \$51.9 million as at August 31, 2021, owing mainly to the net cash used for exploration and evaluation programs and the expansion of the Elmer camp and operations. The increase in the current tax credit and mining rights receivable item was mainly due to an amount of \$2.4 million that was reclassified from a long-term receivable in anticipation of the results of Revenu Québec's 2021 audit of the tax credit and mining rights, which was subsequently received. The decrease in amounts receivable was mainly due to \$2.35 million received from partners related to the cash-call for work expenditures on the optioned properties of which the Company is the operator. The decrease in commodity taxes receivable was due to the amount received in full following an audit by Revenu Québec. The available-for-sale asset was in connection with the sale of its 23.77% participating interest in the ELSJV to Newmont and Fury. In consideration for the sale of its interest in the ELSJV, Azimut received 2.9 million shares of the Company. The increase in E&E costs was incurred mainly in the James Bay region on the Elmer Property and the acquisition of the JBN Project. The decrease in current liabilities is a net effect of (i) no flow-through shares premium liability (\$3.4 million – August 31, 2021) related to a tax recovery expense because \$10.6 million in eligible expenditures were incurred and renounced to the flow-through shareholders during Fiscal 2022, and (ii) the increase in accounts payable and liabilities, which is mainly attributable to higher drilling costs on the Elmer Property. The increase in non-current liabilities of \$1.5 million (\$1.1 million – August 31, 2021) is mainly due to the estimated decommissioning costs for the Rex, Rex South and Elmer camps.

OPERATING ACTIVITIES

In Fiscal 2022, net cash flows from operating activities amounted to \$1,765,000 compared to net cash flows of \$847,000 used in operating activities in Fiscal 2021. The net change in non-cash working capital, amounting to \$2,345,000 (\$575,000 – Fiscal 2021), comprises the variation in amounts receivable mainly related to an amount of \$2.4 million that was reclassified from a long-term receivable in anticipation of the results of the 2021 tax credit and mining rights audit by Revenu Québec, the commodity taxes received of \$1.1 million after an audit conducted by Revenu Québec, and the current input tax credit receivable. The net variation in accounts payable and accrued liabilities is mainly related to the Company's current operations.

FINANCING ACTIVITIES

The Company did not complete any non-brokered private placements in Fiscal 2022 compared to \$32.6 million in Fiscal 2021. A total of 440,000 stock options were exercised for total cash received of \$206,300 (\$74,000 – Fiscal 2021).

INVESTING ACTIVITIES

Investing activities consisted mainly of additions to E&E assets. In Fiscal 2022, the net cash flows used in investing activities totalled \$15.5 million compared to \$10.0 million in Fiscal 2021. The variation is attributable to the net effect of the following:

- Additions to E&E assets amounting to \$16.2 million (\$12.6 million – Fiscal 2021). The Company incurred significant costs in the James Bay region on the Elmer Property and through its acquisition of the JBN Project by staking claims through map designation;
- Additions to property and equipment amounting to \$544,000 (\$7,000 – Fiscal 2021), mainly for the expansion of the Elmer Camp;
- Advances received from partners in the amount of \$1.2 million (\$1.7 million – Fiscal 2021) to conduct exploration work on the Rex-Duquet, Rex South, Nantais and Wapatik properties; and
- \$80,000 received for the Company's 2020 mining rights (\$814,000 – Fiscal 2021).

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 relied 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 (expense) \$	Net earnings (loss) \$	Net earnings (loss) per share	
			Basic (\$)	Diluted (\$)
31-08-2022	18,831	** (1,130,408)	(0.014)	(0.014)
31-05-2022	37,420	* 1,055,235	0.013	0.013
28-02-2022	(1,220)	* 1,178,831	0.014	0.014
30-11-2021	30,405	* 513,191	0.006	0.006
31-08-2021	142,465	* 140,435	0.002	0.002
31-05-2021	129,451	*** (1,055,182)	(0.015)	(0.015)
28-02-2021	53,549	* 181,873	0.003	0.003
30-11-2020	14,472	* 182,115	0.003	0.003

* Deferred income tax recovery

** Stock-based compensation

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

Current quarter

For the three months ended August 31, 2022 ("Q4 2022"), the Company reported a net loss of \$1,130,000, compared to \$140,000 earnings for the three months ended August 31, 2021 ("Q4 2021"). The variations in 2022 were primarily the following:

- Lower operator income of \$27,000 (\$151,000 – Q4 2021) due mainly to the lack of field work conducted on the Nunavik properties in Q4 2022 compared to Q4 2021, for which Azimut is the operator.
- Higher stock-based compensation costs of \$847,000 (\$26,000 – Q4 2021), and
- Lower income tax recovery of \$16,000 (\$142,000 – Q4 2021) related to tax deductions renounced by the Company to flow-through shareholders.

CONTRACTUAL OBLIGATIONS

As at August 31, 2022, the Company's contractual obligation payments are as follows:

	Carrying amount	Contractual cash flows	0 to 12 months	12 to 24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities, and advances received for exploration work	5,443,341	5,443,341	5,443,341	-	-
Lease liabilities	73,438	117,680	64,189	53,491	-

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 2022, the Company impaired certain properties, given that no exploration and evaluation expenses were budgeted and that some claims were abandoned or were not expected to be renewed (Note 10). In the James Bay region, gold properties were impaired by \$17,490 and the uranium property by \$139, for a total impairment of \$17,629.

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

RELATED PARTY TRANSACTIONS

The Company's related parties include key management personnel and companies owned by them. Key management personnel include the directors, the chief executive officer ("CEO"), the Vice-President Corporate Development (starting May 16, 2022) ("VP") and the chief financial officer ("CFO"). The Vice-President Technology and Business Development vacated the position on December 1, 2021.

The table below summarizes the compensation paid or payable to key management personnel for services:

	2022	2021
	\$	\$
Salaries	554,215	543,330
Director fees	98,629	45,658
Stock-based payment	807,516	565,800
	<u>1,460,360</u>	<u>1,154,788</u>

An amount for salaries of \$282,000 (\$330,000 – Fiscal 2021) was capitalized to E&E assets in Fiscal 2022.

As at August 31, 2022, accounts payable and accrued liabilities included an amount of \$235,000 owed to key management personnel (\$365,000 as at August 31, 2021).

If termination of employment is for reasons other than gross negligence, the CEO and CFO will be entitled to receive an indemnity equal to twelve (12) months of salary, and the VP shall be entitled to receive an indemnity equal to twelve (12) weeks of salary after completing the first year of employment, increasing by four (4) weeks for every additional year of employment to a maximum of one (1) year of salary. The indemnity paid must not represent more than 10% of the Company's cash and cash equivalents at such time. As at August 31, 2022, the entitled indemnity amounted to \$545,000.

In the event of a change of control or a termination of employment following a change of control, the CEO will be entitled to receive an indemnity of \$680,000, equal to twenty-four (24) months of salary. The VP will be entitled to receive an indemnity of \$267,000 within the twelve (12) months following the change of control, equal to sixteen (16) months of salary. The CFO will be entitled to receive an indemnity of \$285,000, equal to eighteen (18) months of salary.

SUBSEQUENT EVENTS

On September 9, 2022, Azimut closed a transaction regarding the ELSJV, thereby reducing the Company's total common shares issued and outstanding to 79,293,844.

On November 30, 2022, the Company granted KGHM the option to earn up to 70% interest in the Kukamas Property in the James Bay region of Quebec. For the first option phase, KGHM must make total cash payments to Azimut aggregating \$250,000, funding a minimum \$5 million in work expenditures over four (4) years and performing a minimum 5,000 m of diamond drilling for an initial 50% interest. KGHM may earn an additional 20% interest (the second option phase), for a total of 70%, by making an additional cash payment of \$225,000, incurring an additional \$4.2 million in work expenditures over three (3) years from the election date, and delivering a PEA under NI 43-101 on or before the third (3rd) anniversary of the election notice.

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, 2022.

NEW ACCOUNTING STANDARDS OR AMENDMENTS

The Company did not adopt any new accounting standards or amendments in Fiscal 2022.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

A detailed summary of the Company's critical accounting policies and estimates is provided in Note 3 of the annual financial statements as at August 31, 2022.

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 20 of the annual financial statements as at August 31, 2022.

RISKS AND UNCERTAINTIES

The Company has exposure to various risks and uncertainties related to the following:

Inflation

A general price hike for all goods and services and less purchasing power may significantly impact the Company's liquidity, resulting in increased operating and E&E asset costs. The Company is financially and operationally flexible and capable of adjusting to changing situations as appropriate. Management will continue to monitor the situation closely.

Workforce

Skilled workforce attraction and retention remain under pressure due to the full employment context in the mining sector. Although the Company has implemented favourable salary and benefit packages comparable to its peers, it has had to outsource some of its work activities to service providers to fulfill its needs. Management continues to look for ways to attract and retain new workers.

Metal Prices

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

Property Title Risk

The Company has taken steps to verify property titles relating to its mineral properties in which it holds an interest, and those steps satisfy industry standards given the current exploration stage of the properties. However, 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 TSXV. Historically, the Company has relied primarily on equity financings from the sale of its common shares to fund its 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 a risk that the Company may not be able to complete equity financings at acceptable prices 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.

Financial Risks

Management believes it has sufficient funds to pay its ongoing G&A expenses, pursue its budgeted exploration expenditures, and 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 exploring its properties and carrying out its operations beyond August 31, 2022. 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.

Environmental Risk

The Company is susceptible to various environmental incidents 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 that it cannot be insured against or against which it may elect not to insure due to 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 the 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, as well as for recruitment and retention of qualified employees.

Conflicts of Interest

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

COVID-19 Global Health Crisis

The Company faces risks related to the global health crisis caused by the COVID-19 pandemic. These risks include adverse effects on 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 the Company'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 COVID-19 pandemic adversely affects the Company's activities and may cause additional delays to its 2022 field programs in the James Bay and Nunavik regions.

Due to the highly uncertain outcome and duration of the COVID-19 pandemic, the Company's management cannot 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.

Cyber Security

Threats to information technology systems associated with cyber security risk and attacks continue to grow due to remote work during the COVID-19 pandemic. Risks associated with these threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, privacy and confidentiality breaches, and increased costs to prevent, respond to or mitigate cyber security incidents. The significance of any cyber security breach is difficult to quantify but may, in certain circumstances, be material and could have a material adverse effect on the Company's business, financial condition and results of operations.

INFORMATION REGARDING OUTSTANDING SHARES

The Company can issue an unlimited number of common shares with no par value. As at December 22, 2022, there were 79,383,844 issued and outstanding shares, no shares held in escrow, no outstanding warrants and 501,695 underwriter compensation options, each exercisable for one common share of the Company at a price of \$1.90 per share until January 16, 2023.

The Company maintained a stock option plan in which a maximum of 8,190,000 stock options may be granted. The exercise price of the options is set at the closing price of the Company's shares on the TSXV the day before the grant date. The options have a maximum term of ten (10) years following the grant date. 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 the blackout period. The options vest immediately unless otherwise approved by the Board of Directors. As at December 22, 2022, a total of 6,189,000 stock options were outstanding and 5,712,000 had vested. Their exercise prices range from \$0.19 to \$1.76, and the expiry dates range from July 29, 2023 to December 13, 2032.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This MD&A report is dated December 22, 2022, the date on which it was approved by the Board. The Company regularly discloses additional information through press releases and its financial statements filed on SEDAR.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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, they are essentially forward-looking and often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". These 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. Many factors could cause such differences, particularly the impact of COVID-19, volatility in and sensitivity to market metal prices, the 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 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

Christiane Bergevin, BA, Director (Montreal) ⁽²⁾
Michel Brunet, LL.B., Director (Montreal) ⁽¹⁾
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal)
Angelina Mehta, Eng., MBA, LL.M., Director (Montreal) ⁽¹⁾
Glenn Mullan, P.Geo., Chairman & Director (Val-d'Or)
Jean-Charles Potvin, MBA, B.Sc., Director (Ottawa) ⁽²⁾
Jacques Simoneau, P.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
Moniroth Lim, Chief Financial Officer and Corporate Secretary
Jonathan Rosset, Vice-President Corporate Development

Legal Counsel

Marc Pothier, Fasken (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 Exchange (TSXV)
Symbol: AZM
OTCQX[®] Best Market (OTCQX)
Symbol: AZMTF

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