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Press Release

Azimut commences a 6,000-metre Diamond Drilling Program to Expand the Elmer Gold Discovery, James Bay Region, Quebec

Longueuil, Quebec – **Azimut Exploration Inc.** (“Azimut” or the “Company”) (**TSXV: AZM**) is pleased to announce the start of a 6,000-metre (30-hole) diamond drilling program on its **100% owned Elmer Property** (the “Property”) in the James Bay region of Quebec ([see Figure 1](#)). This program starts immediately with two rigs and will run until the end of April.

The objective is to expand the Patwon gold discovery recently reported on the Property, which consists in multiple substantial drill hole intersections including 3.12 g/t Au over 102.0 m ([see press release of January 14, 2020](#)).

The program is strongly supported by the results of an induced polarization (“IP”) and magnetic geophysical survey over the discovery area and its vicinity, delineating extensive quality targets. A convincing relationship at Patwon between IP chargeability and gold mineralization is illustrated by an intersection grading 1.93 g/t Au over 82.0 m, including 3.46 g/t Au over 44.1 m in hole ELM 19-007 ([see Figure 8](#)).

The current drilling program aims to:

- Expand the Patwon Discovery laterally and at depth, over a minimum 850-metre strike length and down to 200 metres below the surface, with 20 holes totalling 4,000 metres; and
- Assess new targets along strike or subparallel to Patwon with 10 holes totalling 2,000 metres; these targets correspond to quality IP anomalies associated with high-grade gold prospects.

Azimut is fully-funded for a planned 2020 exploration budget of \$10.5 million that includes 18,000 metres of drilling on five (5) gold and copper-gold properties in Quebec.

Azimut has taken appropriate measures to mitigate the current health crisis while carrying out its activities. These measures will be continuously monitored and adjusted as needed on a regular basis.

HIGHLIGHTS ([see Figures 2 to 9](#))

- Completion of a winter geophysical program consisting of a 51.9 line-kilometres IP survey and a 56.6 line-kilometres magnetic survey over a grid 2.5 kilometres long by 1 kilometre wide with 100-metre line spacing in two perpendicular directions, except for the discovery area where the line spacing is 50 metres (Figure 3);
- **Five (5) priority target areas** identified by a combination of moderate to strong chargeability and resistivity anomalies that delineate a **cumulative prospective length of 3.5 kilometres** (Figures 3 to 6):
 - o **ELM-1:** 850 metres long by up to 350 metres wide, this main target hosts the Patwon Discovery; most parts remain untested by drilling, especially in the southwest over a potential

300-metre strike extension of the Patwon Discovery; a high-grade channel sample (25.2 g/t Au over 1.0 m) from the target area was collected within that extension (Figure 7);

- **ELM-2:** 550 metres long by up to 150 metres wide, this target is on strike to the northeast of ELM-1 and is immediately adjacent to the Patwon East Prospect (2.2 g/t Au);
 - **ELM-3:** 550 metres long by 150 metres wide, this target is about 200 metres north of ELM-1 and may represent a subparallel prospective strike;
 - **ELM-4:** 650 metres long by 250 metres wide, this target is on strike to the west of ELM-1; several high-grade grab samples (up to 12.65 g/t Au) have been collected from the target area;
 - **ELM-5:** 950 metres long by 150 metres wide and located to the southwest of ELM-1, this target may represent a subparallel mineralized strike; ELM-5 hosts the high-grade Gabbro Zone (up to 77.8 g/t Au and 167.0 g/t Ag) in the eastern part of the target area.
- With the exception of ELM-1, the target areas remain untested by drilling.
 - A significant number of secondary IP targets have been identified, and will be subject to a detailed assessment during the coming field season.
 - **These IP anomalies are thought to represent the potential footprint of a significant gold-bearing system** for the following reasons:
 - The five high-grade gold prospects known thus far within the grid area, including Patwon, show good spatial correlations with the IP anomalies;
 - The features displayed by these prospects – e.g., gold associated with disseminated pyrite and intense quartz veining – are known to produce good IP signatures characterized by chargeability anomalies (generated by chargeable pyrite) and resistivity anomalies (generated by resistive quartz veining).
 - The NE-SW magnetic pattern generally correlates well with the IP anomalies and strengthens the target definition. The 3D inversion of the IP and magnetic data indicates deeply-rooted anomalies.
 - Most targets should be accessible and drillable year-round, given the location of the target areas.

The Elmer Property now comprises 515 claims covering 271.3 km² over a 35-kilometre strike length. It includes the former Duxbury Property, positioned immediately east of the Elmer claims. The project is 285 kilometres north of Matagami, 60 kilometres east of the village of Eastmain, and 5 kilometres west of the paved James Bay Road, a major all-season highway. The region benefits from quality infrastructure, including significant road access, a hydro-power grid and airports.

The Government of Quebec and the Cree Nation recently announced a new \$4.7 billion economic development agreement (the “Grande Alliance”) to connect, develop and protect the James Bay-Eeyou Istchee Territory. This agreement will no doubt serve as leverage for mining projects in the region.

Elmer was staked based on the results of the Company’s predictive modelling for gold in the James Bay region using its proprietary **AZtechMine™** expert system. Exploration activities since October 2018 led to the Patwon Discovery, positioned near the centre of the Property. The prospect is part of a much larger **7-kilometre-long underexplored high-potential target zone** (Figure 2).

At Patwon, the results of the initial drilling program indicate that gold-bearing mineralization is associated with three vein sets with different orientations: 1) oblique to schistosity; 2) parallel to schistosity; and 3) flat-lying. The wall rocks of all three vein sets are often mineralized. Quartz veining seems related to a felsic intrusion, occurring also at or close to the lithological contact with the surrounding mafic volcanics and gabbros. The principal control on mineralization appears to be a dextral NE-SW shear zone generating the two main vein sets: NW-SE extensional veins (Riedel type) and NE-SW shear veins.

Selected core intersections of the initial drilling program reported on January 14, 2020 can be examined using the following link: [AZM Elmer Gold Discovery Initial drilling Nov2019.pdf](#)

About the Induced Polarization Method

IP surveying is a geophysical method that sends current into the ground through electrodes and measures the voltage response. The measurements are used to determine the chargeability of encasing metallic minerals and the resistivity of the rock. A greater concentration of chargeable material will typically produce a stronger response.

The method is particularly well-suited for investigating the extent of disseminated-style mineralization (especially minerals such as pyrite) in resistive environments, and thus it is a frequently used exploration technique for gold.

Geosig Inc. of Quebec City (Quebec) conducted the geophysical surveys over the Patwon grid. The IP survey used a pole-dipole array with readings every 25 metres (n=1 to 8). The high-definition magnetic survey was conducted with measurements in continuous mode.

This press release was prepared by Dr. Jean-Marc Lulin, P.Geo., acting as Azimut's qualified person under National Instrument 43-101. The field program is under the direction of François Bissonnette, P.Geo., Operations Manager. Joël Simard, P.Geo., Senior Consulting Geophysicist for Azimut, was responsible for processing and interpreting the survey data and has reviewed the content of this release.

About Azimut Exploration

Azimut is a mineral exploration company whose core business is centred on target generation and partnership development. The Company uses a pioneering approach to big data analytics (the proprietary **AZtechMine™** expert system) enhanced by extensive exploration know-how. Azimut maintains rigorous financial discipline and has 65.2 million shares outstanding.

Azimut holds the largest mineral exploration portfolio in Quebec. The Company's competitive edge against exploration risk is founded on systematic regional-scale data analysis and multiple concurrently active projects. This includes two regional strategic alliances with SOQUEM for six (6) gold properties in the James Bay region and three (3) major gold-copper properties in the Nunavik region.

Contact and Information

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