



For immediate release
July 18, 2018
Symbol: AZM.TSX Venture

Press Release

Azimut and Partners strengthen the large-scale intrusion-hosted gold system on the Eleonore South Property

Longueuil, Quebec – **Azimut Exploration Inc.** (“Azimut” or the “Company”) (TSXV: **AZM**) is pleased to report the results of thirty-two (32) diamond drill holes totalling 5,448.6 metres on the Eleonore South Property (Azimut-Goldcorp-Eastmain JV). This phase completes the 2017-2018 diamond drilling program of fifty (50) holes for 9,891.6 metres. Located in the James Bay region of Quebec, Eleonore South is adjacent to the property that hosts the major Eleonore gold mine owned and operated by Goldcorp (see Figure 1). A new work program is being prepared and will soon be announced.

From 2016 to 2018, Azimut has been the operator of surface exploration work and diamond drilling programs (76 holes totalling 15,134 m) that revealed a **large tonalite-hosted gold-bearing system** with the following key features:

- A gold corridor at least 2 kilometres long by 600 to 700 metres wide largely constrained within the tonalite intrusion but close to its contact with the surrounding metasedimentary rocks;
- Consistent anomalous gold values (>0.5 g/t Au) within the mineralized corridor, along with several networks of quartz veins and veinlets, strong sodic alteration, very low sulphide concentrations (<0.5%) and frequent native gold grains;
- Several higher-grade zones within the mineralized envelope, characterized by: a) clusters of quartz-albite-biotite stockworks accompanied by arsenopyrite, pyrrhotite, pyrite, scheelite and native gold (principally along the “**Contact Trend**”); and b) a quartz-feldspar pegmatitic vein system with native gold (principally along the “**Moni Trend**”).

In addition, gold zones in the metasediments around the intrusion, such as the JT Prospect, define a semi-circular area approximately 5.5 kilometres across with considerable exploration upside (see Figures 2 and 3).

http://www.azimut-exploration.com/en/presentations/PR_20180718_Figures.pdf

http://www.azimut-exploration.com/en/presentations/PR_20180718_Table1.pdf

New Drilling Highlights

Hole ES18-92a:	5.7 g/t Au over 2.9 m	
Hole ES18-93:	3.8 g/t Au over 4.2 m	including 20.1 g/t Au over 0.7 m
Hole ES18-95:	13.58 g/t Au over 2.5 m	including 33.0 g/t Au over 1.0 m
Hole ES18-98:	8.56 g/t Au over 8.4 m	including 71.4 g/t Au over 1.0 m and 18.01 g/t Au over 3.9 m
Hole ES18-99:	2.58 g/t Au over 7.8 m	including 17.4 g/t Au over 0.9 m
Hole ES18-100:	42.37 g/t Au over 7.0 m	including 294.0 g/t Au over 1.0 m
Hole ES18-101:	6.06 g/t Au over 3.5 m	including 13.6 g/t Au over 1.5 m

Hole ES18-102:	1.68 g/t Au over 5.0 m 15.7 g/t Au over 0.6 m	
Hole ES18-108a:	1.12 g/t Au over 33.6 m 0.69 g/t Au over 84.8 m	including 18.5 g/t Au over 1.5 m including 1.17 g/t Au over 10.9 m and 1.23 g/t Au over 16.1 m
Hole ES18-109:	1.69 g/t Au over 3.6 m 0.65 g/t Au over 30.0 m	
Hole ES18-111:	1.41 g/t Au over 9.4 m	including 5.64 g/t Au over 1.0 m and 2.18 g/t Au over 5.6 m
Hole ES18-51ext:	0.57 g/t Au over 143.1 m	including 5.0 g/t Au over 4.0 m , 14.05 g/t Au over 1.0 m , 0.81 g/t Au over 28.5 m , and 1.16 g/t Au over 6.7 m
Hole ES18-112:	0.71 g/t Au over 43.4 m	including 1.17 g/t Au over 19.3 m and 10.2 g/t Au over 1.0 m
Hole ES18-113 :	2.18 g/t Au over 3.0 m 1.13 g/t Au over 9.9 m 0.62 g/t Au over 16.0 m	including 5.92 g/t Au over 1.0 m
Hole ES18-118:	0.64 g/t Au over 25.1 m	
Hole ES18-119 :	10.4 g/t Au over 1.5 m	

Native gold has been identified in 18 of the 32 drill holes (see Figure 4).

Technical Comments

The objectives of this diamond drilling phase were to (see press release of February 27, 2018):

- Test the **Moni Trend**, particularly through closely spaced holes along the high-grade **Moni Prospect**; and
- Assess the grade and geometric continuity of the **Contact Trend** in greater detail.

The **Moni Trend** has now been drilled with twenty (20) holes totalling 2,351.2 metres, including twelve (12) holes totalling 754.8 metres focused on the Moni Prospect. This includes the extension of hole ES16-48 by 107.2 metres (final depth of 258 m for ES18-48ext). One hole was abandoned (ES18-92 at 14.6 m). The northeast-striking Moni Trend is in the tonalite intrusion, about 500 metres from the metasedimentary contact.

The results of the closely spaced holes on the Moni Prospect indicate good geometric continuity for the northeast-striking quartz-feldspar pegmatitic vein, which starts at surface and has been tested to a vertical depth of 40 metres along a 60-metre strike length (see Figures 5 and 6). The best results include **42.37 g/t Au over 7.0 m** (hole ES18-100), **8.56 g/t Au over 8.4 m** (hole ES18-98) and **13.58 g/t Au over 2.5 m** (hole ES18-95). These drilling results correlate well with channel results returning up to **79.5 g/t Au over 5.87 m** and **79.6 g/t Au over 4.25 m** (see press release of October 17, 2017).

The veining encountered during this detailed drilling phase shows variable width. Several holes testing the Moni Prospect intersect a brittle post-mineralization fault causing strong fragmentation and local core loss within some of the gold-bearing pegmatitic veins.

Gold values obtained in these veins are generally related to the presence of visible gold. The dense drilling test below known surface mineralization was a useful tool for establishing the potential for continuity of gold mineralization in a Moni Type vein system. The results increase the confidence for successful drilling of similar veins.

Other drill intercepts along the Moni Trend returned encouraging values that may indicate multiple subparallel high-grade veins within a 200-metre-wide corridor:

- **6.05 g/t Au over 3.5 m** (hole ES18-101)
- **15.7 g/t Au over 0.55 m** (hole ES18-102)
- **10.4 g/t Au over 1.5 m** (hole ES18-119)

The vein systems at the Moni Prospect and within the currently defined Moni Trend remain open at depth and laterally, warranting additional trenching and drilling.

The **Contact Trend** has been drilled with twelve (12) holes totalling 3,097.4 metres. This includes the extension of hole ES16-51 by 116.7 metres (final depth of 366 m for ES18-51ext). One hole was abandoned (ES18-108 at 57.0 m). Drilling confirms the presence of consistent gold mineralization along a zone at least 1.2 kilometres long and 150 to 300 metres wide, adjacent to the contact with the surrounding metasedimentary rocks.

The recent drilling phase shows a reasonably good geometric continuity of gold mineralization identified in 2017 in three drill hole clusters (see Figures 3, 7 and 8). These zones remain open down dip and along strike. From northeast to southwest, the clusters yielded the following results:

- **1.12 g/t Au over 33.6 m** and **0.69 g/t Au over 84.8 m**, including **1.17 g/t Au over 10.9 m** and **1.23 g/t Au over 16.1 m** (hole ES18-108a).

Hole ES18-108a represents the downdip extension of the following previously reported results:
1.46 g/t Au over 45.5 m, **0.53 g/t Au over 106.0 m** (hole ES17-77); and
0.65 g/t Au over 144.0 m including **1.9 g/t Au over 22.5 m**, **4.74 g/t Au over 6.0 m** (hole ES17-60).

This cluster trends northeast and is 200 m long by 100 m wide with a dip of 50 to 60 degrees to the southeast.

- **1.41 g/t Au over 9.4 m** including **5.64 g/t Au over 1.0 m** and **2.18 g/t Au over 5.6 m** (hole ES18-111); and
0.57 g/t Au over 143.1 m including **5.0 g/t Au over 4.0 m**, **14.05 g/t Au over 1.0 m**, **0.81 g/t Au over 28.5 m** and **1.16 g/t Au over 6.7 m** (hole ES18-51ext).

Both holes represent the extension of the following previously reported results:
3.06 g/t Au over 77.3 m including **4.9 g/t Au over 45.0 m** (hole ES17-64)
1.58 g/t Au over 12.0 m and **0.59 g/t Au over 28.5 m** (hole ES16-55)
0.45 g/t Au over 87.0 m (hole ES17-74)

This cluster measures at least 300 metres by 50 metres and trends northeast with a possible subhorizontal to shallow dip to the southeast.

- **2.18 g/t Au over 3.0 m**, **1.13 g/t Au over 9.9 m** and **0.62 g/t Au over 16.0 m** (hole ES18-113).

This hole represents the extension of the following previously reported significant results:

0.49 g/t Au over 76.5 m (hole ES17-87)
0.62 g/t Au over 147.5 m including **1.11 g/t Au over 6.0 m**, **5.76 g/t Au over 9.0 m** (hole ES17-80)
1.53 g/t Au over 6.0 m and **3.15 g/t Au over 24.0 m** (hole ES17-88)
0.50 g/t Au over 123.5 m including **4.45 g/t Au over 4.5 m**, **12.35 g/t Au over 1.5 m** and **1.04 g/t Au over 6.0 m** (hole ES17-90).

This cluster has a northeast trend with a minimum extent of 300 metres by 100 metres and a possible subhorizontal dip.

Drilling also investigated an untested area between two drill hole clusters centred on ES18-111 and ES18-113, respectively. Three holes have been drilled within a 500-metre interval. Salient results are: **0.71 g/t Au over 43.4 m including 10.2 g/t Au over 1.0 m** (hole ES18-112) and **0.48 g/t Au over 15.4 m** (hole ES18-117).

Exploration Model and Upside

- Several key factors point toward a *reduced intrusion-related deposit type* for the gold-bearing system identified at Eleonore South (see press release of February 27, 2018). The Fort Knox mine in Alaska (Kinross Gold Corporation) and the Côté Lake Project in Ontario (IAMGOLD) are useful examples of large-scale intrusion-related gold deposits.
- In this scenario, assessing the geometry of the intrusion and the surrounding metasedimentary rocks is critical given that the tops of intrusions are typically viewed as highly prospective.
- Subject to further validation, the intrusion appears to be a thick planar body (450 m to 500 m thick) with a moderate to shallow dip to the south or southeast along its southern boundary, and a dip to the west along its western boundary (JT Prospect area). In this geometric context, the upper contact of the uneroded intrusion is overlain by metasediments.
- Decompression along the upper contact of the tonalite intrusion may have been the main control for mineralization along the **Contact Trend**, with decompression-related fracturing acting as a conduit and trap for late-stage magmatic-hydrothermal fluids. The main features in this zone include networks of veins and veinlets, stockworks, and quartz-feldspar pegmatites, all of which are associated with large alteration zones (200 m to 400 m thick).
- Additional significant exploration upside exists within the portions of the tonalite that extend below the metasediments, as shown by the results obtained in holes ES18-108a and ES18-113. The same configuration exists at the JT Prospect where historical hole ES08-12 returned 2.15 g/t Au over 14 m.
- The metasedimentary rocks overlying the tonalite also appear to be highly prospective, as illustrated by sediment-hosted gold mineralization at the JT Prospect; these warrant further evaluation.
- Future exploration at Eleonore South will focus on two main target types: the network of high-grade veins along the **Moni Trend**, and the wide low-grade (0.5 g/t to 1.0 g/t Au) gold-bearing system along the **Contact Trend**.

Drilling Contract and Analytical Protocol

The drilling contract was awarded to Chibougamau Drilling Ltd based in Chibougamau, Quebec. The hole diameter is BTW. Drill core samples were sent to ALS Minerals in Val-d'Or, Quebec. Gold was analyzed by fire assay with atomic absorption and gravimetric finish for grades above 3.0 g/t Au. Samples were also analyzed for a 48-element suite using ICP. Azimut applied industry-standard QA/QC procedures to the program. Certified reference materials, blanks and field duplicates were inserted in all batches of drill core sent to the laboratory.

About the Eleonore South Joint Venture Property

The Eleonore South Property is a three-way joint venture between Azimut, Eastmain Resources Inc. (TSX: ER) and Les Mines Opinaca Ltée ("Opinaca"), a wholly-owned subsidiary of Goldcorp Inc. (TSX: G; NYSE: GG). Ownership in the Property is as follows: Azimut 26.6%, Eastmain 36.7% and Goldcorp 36.7%.

The 2017-2018 program is operated by Azimut under the supervision of Dr. Jean-Marc Lulin and the field direction of François Bissonnette, both professional geologists. This press release was prepared by Jean-Marc Lulin, acting as Azimut's qualified person under National Instrument 43-101.

About Azimut Exploration

Azimut is a mineral exploration company whose core business is centred on target generation and concurrent partnership development. Targeting is performed using a pioneering proprietary approach to Big Data analytics, enhanced by extensive exploration knowledge. The Company maintains rigorous financial discipline and has 48.5 million shares outstanding.

Azimut holds a strategic position for gold and base metals in Quebec, including one of the largest exploration portfolios in the James Bay region (21 properties covering 4,421 claims or 2,297 km²).

Contact and Information

Jean-Marc Lulin, President and CEO

Tel.: (450) 646-3015 – Fax: (450) 646-3045

info@azimut-exploration.com www.azimut-exploration.com