



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal years ended August 31, 2021 and 2020

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SCOPE OF MANAGEMENT'S FINANCIAL ANALYSIS

This management discussion and analysis (“MD&A”) report represents a complementary addition to the audited annual financial statements of Azimut Exploration Inc. (“Azimut” or the “Company”) by providing additional contextual and prospective information on the Company’s financial position and operating performance for the fiscal years ended August 31, 2021 (“Fiscal 2021”) and 2020 (“Fiscal 2020”). This report should be read in conjunction with the Company’s audited annual financial statements for the fiscal years ended August 31, 2021 and 2020, prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures are in Canadian dollars, unless otherwise noted, which is the functional currency and the presentation currency of the Company.

CORPORATE PROFILE AND MISSION

Azimut is a publicly traded Canadian exploration-stage company with a solid reputation for quality target generation and partnership development. It is listed on the TSX Venture Exchange (“TSXV”) under the symbol AZM. The Company is actively advancing its wholly owned flagship Elmer project in the James Bay region to the resource stage.

Azimut uses a pioneering approach to big data analytics (the proprietary AZtechMine™ expert system) to maximize the probability of discovery, enhanced by extensive exploration know-how. Azimut’s competitive edge against exploration risk is based on systematic regional-scale data analysis and concurrently active projects. The Company holds one of the largest mineral property portfolios in Quebec, recognized as a leading mining jurisdiction in the world. Azimut maintains rigorous financial discipline and a strong balance sheet, and has 81.8 million shares issued and outstanding as at December 27, 2021.

As at December 27, 2021, the Company holds an exploration portfolio of 12,477 claims in Quebec (11,768 claims – August 31, 2021) representing twenty-nine (29) exploration properties (**Figure 1**). The portfolio is subdivided below by region and commodity of interest:

James Bay:

- 19 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 and Desceliers)
 - 4 in the Eleonore Gold Camp (Eleonore South, Opinaca A, Opinaca B and 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 (James Bay Nickel or “JBN”)

Nunavik:

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

Azimut owns a 100% interest in nineteen (19) of the properties and partial interests in ten (10) others representing joint venture projects: 23.77% in Eleonore South, 49% in Wabamisk, 25% in Opinaca B, and 50% in each of Opinaca A, Dalmas, Galinée, Munischiwan, Pikwa, Pontois and Desceliers. In the fourth quarter of Fiscal 2021, Azimut advised SOQUEM Inc. (“SOQUEM”) that the Company had fulfilled its obligations to exercise its back-in option on the latter four properties and had thus regained a 50% interest in said properties.

Jean-Marc Lulin, P.Geo., Azimut’s President, CEO and Director, is a qualified person under National Instrument 43-101 and has reviewed the technical disclosures presented in subsequent sections. All claim totals, surface areas and property descriptions are effective as at December 27, 2021.

OVERALL PERFORMANCE

Summary of exploration activities for the quarter ended August 31, 2021 and subsequent activities:

- Azimut and Mont Royal Resources Ltd (“Mont Royal”) reported encouraging prospecting results with the discovery of a nickel-copper ultramafic intrusion on the Wapatik Property during the initial exploration program (press releases (“PRs”) of October 25 and December 7, 2021).
- Azimut announced a major nickel position in the James Bay region of Quebec after acquiring a new portfolio of 57 attractive nickel targets (PR of November 30, 2021).
- Azimut reported positive initial metallurgical results (gold recoveries up to 94%) for gold-mineralized material from the Patwon Zone on its flagship project, the Elmer Property in the James Bay region (PR of November 22, 2021).
- After announcing the commencement of a 20,000-metre drilling program to advance the Elmer Property toward a maiden gold resource estimate (PR of October 18, 2021), Azimut strengthened the high-grade core of the Patwon Zone on the Elmer Property with 25 drill hole intercepts that yielded an average true width of 45 metres grading 2.86 g/t Au (PR of November 4, 2021), and also obtained excellent results within a 2-kilometre-long target parallel to Patwon, including 122 g/t Au, 160 g/t Ag and 307 g/t Te over 0.5 m (PR of November 11, 2021).
- Azimut and SOQUEM drilled eight (8) targets on the district-scale Rex and Rex South copper-gold properties in the Nunavik region of Quebec; assay results are pending (PR of September 15, 2021).

Financial and corporate highlights for Fiscal 2021:

- Azimut completed a bought deal private placement financing for total gross proceeds of \$28.7 million¹, consisting of 3,463,900 flow-through shares at a price of \$3.32 per share and 9,078,472 common shares at a price of \$1.90 per share (PR of July 16, 2021).
- Azimut completed a private placement of 3,333,335 common shares at a price of \$1.80 per share for aggregate proceeds of \$6.0 million (PR of September 3, 2020).
- In January 2021, Glenn Mullan replaced Jean-Marc Lulin on the Audit Committee. In February 2021, Louis Salley did not renew his mandate as Director to become a senior advisor. In March 2021, Azimut appointed Krista Muhr to the Board of Directors (PR of March 19, 2021). In December 2021, Mathieu Landry left his position as VP Technology Business Development to become a senior consultant (PR of December 7, 2021).
- Azimut issued a notice in the fourth quarter to advise SOQUEM that the Company had fulfilled its obligations to exercise its back-in option for a 50% interest in four (4) properties.
- Azimut ended Fiscal 2021 with working capital of \$25.0 million (\$3.0 million – Fiscal 2020). Management believes it has sufficient funds to pay its ongoing general and administration (“G&A”) expenses and to meet its liabilities, obligations and existing commitments for at least twelve (12) months after Fiscal 2021.
- Azimut incurred \$9.7 million in exploration and evaluation (“E&E”) expenditures during Fiscal 2021.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Azimut is dedicated to conduct exploration activities safely while minimizing environmental impacts and respecting local communities. Efforts are deployed to maintain and continuously improve internal management systems.

As part of its environmental, social and governance (“ESG”) commitments, Azimut took the following actions in Fiscal 2021 to ensure the Company follows best practices for sustainable development, responsible investment and compliance with industry health & safety practices and applicable regulations.

ECOLOGO certification

- Azimut has initiated the process to obtain the UL ECOLOGO® certification. The objective of this program is to promote the widespread application of environmental, social and economic best practices in the mineral exploration industry.

Health and safety

- Special protocols addressing the health risks from COVID-19 were maintained and adjusted as required.

¹ For ease of reading and comparison, 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 between \$1,000 and \$1,000,000, and to the nearest hundred if less than \$1,000. For the exact amounts, refer to the tables in this MD&A and to the accompanying financial statements.

- Some of the Company's standards regarding personal protective equipment were upgraded to address the cold working conditions encountered during winter drilling programs.

Environment stewardship

- All the necessary permits were obtained before carrying out any work to ensure compliance with environmental laws.
- A 6-metre container was filled with scrap metal and shipped out of Nunavik for recycling.

Community relations

- Letters were sent to communities to make them aware of the Company's exploration activities in compliance with provincial law.
- A local Inuit business was hired to provide logistical support for the Nunavik exploration programs.

EXPLORATION AND EVALUATION ASSETS

In Fiscal 2021, Azimut incurred E&E expenditures of \$9.7 million (\$6.1 million – Fiscal 2020). The majority were incurred in the James Bay region on the Elmer Property (100% Azimut) and the Pikwa Property (a property under a strategic alliance with SOQUEM).

Table 1 and **Table 2** detail the type of work done and paid for by the Company on its E&E assets for Fiscal 2021 and Fiscal 2020, respectively. All properties are located in the province of Quebec, Canada.

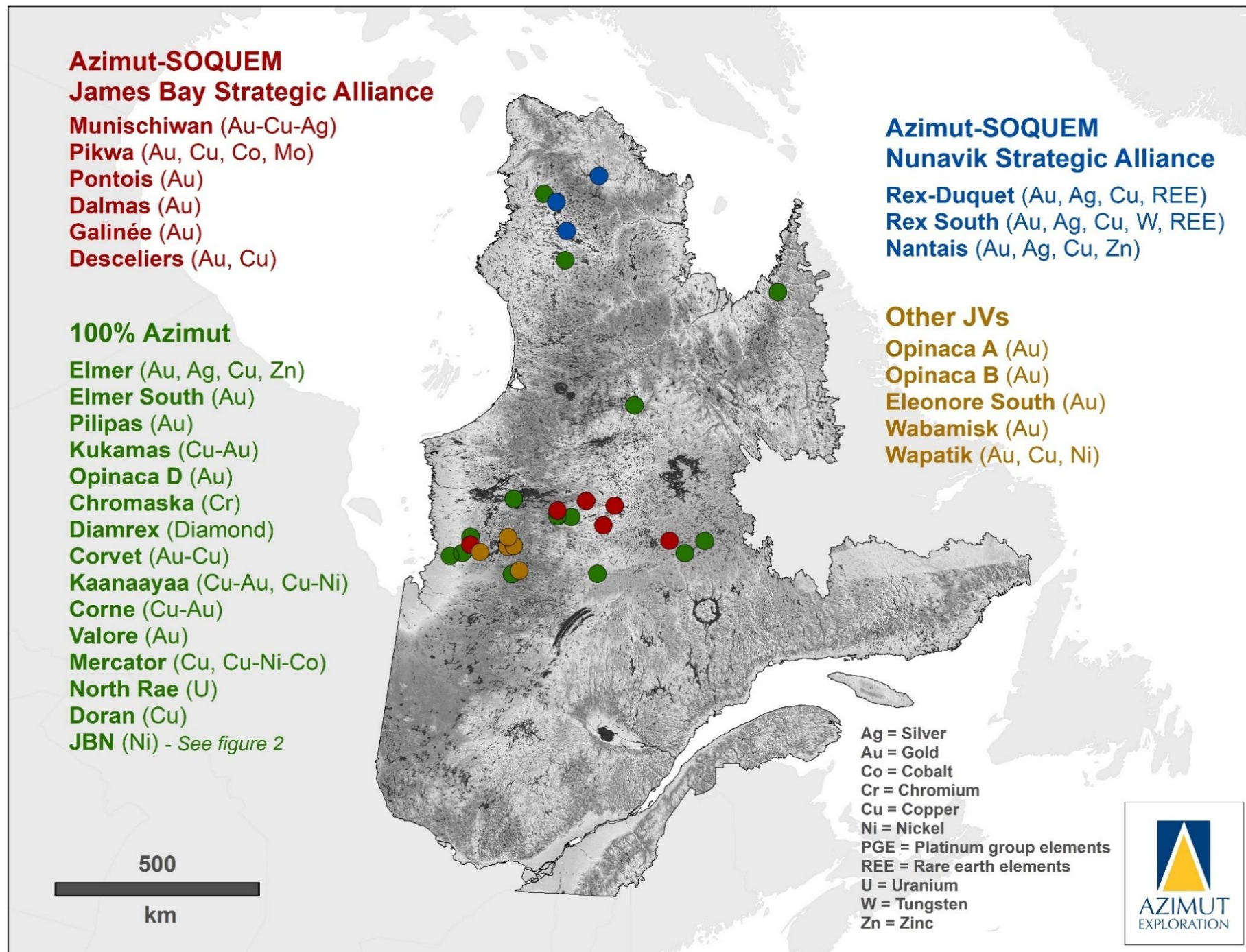


Figure 1: Map of Azimut's exploration property portfolio in Quebec.

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	4,669,408	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	48,503	4,914	322	1,429	-	-	-	-	-	6,665	(734)	-	54,434
Galinée	76,578	4,181	8,902	27,280	-	-	-	-	-	40,363	(5,615)	-	111,326
Eleonore South	1,625,627	-	175	5,834	-	4,900	-	836	-	11,745	(5,127)	-	1,632,245
Opinaca A	69,489	6,708	-	-	-	-	-	-	-	6,708	-	(59,361)	16,836
Opinaca B	6,547	1,850	-	80	-	-	-	-	-	1,930	(35)	-	8,442
Opinaca D	304,129	780	-	136	-	-	-	-	-	916	(60)	(290,305)	14,680
Wabamisk	30,806	-	-	415	800	-	-	-	-	1,215	(530)	-	31,491
Corvet	72,314	-	-	2,555	-	-	-	-	-	2,555	(1,078)	-	73,791
Kukamas	92,162	-	1,740	1,860	-	-	-	-	-	3,600	(1,571)	-	94,191
Wapatik	44,934	-	-	-	-	-	-	11,023	-	11,023	-	-	55,957
Pilipas	21,730	-	-	16,672	-	-	-	-	-	16,672	(2,528)	-	35,874
Kaanaayaa	71,702	49,608	46,544	11,100	-	-	-	-	-	107,252	(23,678)	-	155,276
Others	16,225	9,126	-	-	-	-	-	-	-	9,126	-	(1,855)	23,496
Total – Gold	8,356,011	260,704	334,197	1,365,736	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	334,397	1,374,514	591,718	6,448,680	(8,094)	48,336	399,104	9,449,359	(2,426,132)	(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
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
North Rae	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Uranium	-	-	-	-	-	-	-	-	-	-	-	-	-
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	334,397	1,394,494	591,718	6,448,680	(8,094)	50,874	532,602	9,665,107	(2,432,678)	(352,887)	17,223,009

Table 2: Change in E&E assets – Fiscal 2020

Mineral property	Acquisition costs		Exploration costs										Proceeds received \$	Credit on duties refundable for loss and refundable tax credit for resources \$	Impairment \$	Net book value as at August 31, 2020 \$
	Net book value as at August 31, 2019 \$	Claims & permits \$	Geochem. surveys \$	Geol. surveys \$	Geophys. surveys \$	Drilling \$	Stripping \$	Admin. and others \$	Technical assessment \$	Depreciation of property and equipment \$	Costs incurred during the period \$					
James Bay																
Elmer	220,518	38,654	4,390	183,289	574,499	3,542,711	146,615	3,270	-	150,300	4,643,729	-	(396,913)	-	-	4,467,334
Duxbury	112,263	-	297	4,483	86,261	-	-	-	-	-	91,041	-	(1,230)	-	-	202,074
SOQUEM	436,819	8,778	221,881	295,620	486,960	29,751	55,147	-	-	-	1,098,137	-	(329,099)	-	-	1,205,857
Dalmas	25,366	847	10,247	26,181	-	-	360	-	-	-	37,635	-	(14,498)	-	-	48,503
Galinée	47,358	10,530	18,238	5,185	-	-	-	-	-	-	33,953	-	(4,733)	-	-	76,578
Eleonore South	1,553,228	19,420	-	1,254	-	7,995	-	3,511	13,924	34,989	81,093	-	(8,694)	-	-	1,625,627
Opinaca A	68,999	-	-	757	-	-	-	-	-	-	757	-	(267)	-	-	69,489
Opinaca B	5,855	-	-	1,228	-	-	-	-	-	-	1,228	-	(536)	-	-	6,547
Opinaca D	303,616	-	-	781	-	-	-	-	-	-	781	-	(268)	-	-	304,129
Wabamisk	26,910	-	3,200	1,385	-	-	-	1,312	-	-	5,897	-	(2,001)	-	-	30,806
Corvet	63,771	1,080	319	7,547	76	-	-	-	-	-	9,022	-	(479)	-	-	72,314
Kukamas	83,196	-	637	6,997	1,859	-	-	-	-	-	9,493	-	(527)	-	-	92,162
Wapatik	-	33,880	858	18,025	2,806	-	-	11,888	-	-	67,457	(20,000)	(2,523)	-	-	44,934
Pilipas	-	20,790	788	152	-	-	-	-	-	-	21,730	-	-	-	-	21,730
Kaanaayaa	65,507	-	557	5,954	76	-	-	-	-	-	6,587	-	(392)	-	-	71,702
Others	15,854	-	76	508	-	-	-	-	-	-	582	-	(166)	(45)	-	16,225
Total – Gold	3,029,260	133,979	261,488	559,344	1,152,538	3,580,457	202,122	19,981	13,924	185,289	6,109,122	(20,000)	(762,326)	(45)	-	8,356,011
Chromaska	-	-	-	2,444	-	3,325	-	-	-	-	5,768	-	(1,710)	(4,058)	-	-
Total – Chromium-PGE	-	-	-	2,444	-	3,325	-	-	-	-	5,768	-	(1,710)	(4,058)	-	-
Mercator	53,908	-	455	5,235	76	-	-	-	-	-	5,766	-	(282)	-	-	59,392
Corne	27,634	-	379	6,663	76	-	-	-	-	-	7,118	-	(299)	-	-	34,453
Other	3,624	822	-	-	-	-	-	-	-	-	822	-	-	-	-	4,446
Total – Base Metals	85,166	822	834	11,898	152	-	-	-	-	-	13,706	-	(581)	-	-	98,291
Total – James Bay	3,114,426	134,801	262,322	573,686	1,152,690	3,583,782	202,122	19,981	13,924	185,289	6,128,596	(20,000)	(764,617)	(4,103)	-	8,454,302
Nunavik																
Rex	1,122,956	-	-	-	-	-	-	-	-	1,514	1,514	-	-	-	-	1,124,470
Duquet	16,057	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,057
Rex South	550,722	-	-	-	-	-	-	-	-	1,755	1,755	-	-	-	-	552,477
Nantais	196,162	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196,162
NCG	120	-	-	-	-	-	-	-	-	-	-	-	-	(120)	-	-
Total – Gold	1,886,017	-	-	-	-	-	-	-	-	3,269	3,269	-	-	(120)	-	1,889,166
North Rae	-	-	-	120	-	-	-	-	-	-	120	-	(52)	(68)	-	-
Total - Uranium	-	-	-	120	-	-	-	-	-	-	120	-	(52)	(68)	-	-
Total – Nunavik	1,886,017	-	-	120	-	-	-	-	-	3,269	3,389	-	(52)	(188)	-	1,889,166
Total – E&E assets	5,000,443	134,801	262,322	573,806	1,152,690	3,583,782	202,122	19,981	13,924	188,558	6,131,985	(20,000)	(764,669)	(4,291)	-	10,343,468

JAMES BAY REGION

The Eeyou Istchee James Bay territory (the “James Bay region”) has been one of the most active gold exploration areas in Canada since early 2000. It has major infrastructure, including paved access roads, a hydroelectric power grid, airports, and several operating mines or mine development projects. Azimut performed its initial mineral potential modelling of the entire region in 2003, and it continues to be a strategic priority for the Company. Azimut’s current James Bay portfolio (**Figure 2**) comprises twelve (12) wholly-owned properties and ten (10) JV projects, in addition to the wholly-owned JBN nickel project comprising 57 blocks of claims across the region. The list below breaks down the portfolio by location, commodity of interest and ownership.

Elmer Discovery Sector

Elmer (gold-polymetallic)	100% Azimut
Elmer South (gold)	100% Azimut
Munischiwan (gold-polymetallic)	50% Azimut; JV with SOQUEM
Pilipas (gold)	100% Azimut
Wapatik (gold)	100% Azimut; under option to Mont Royal (agreement of September 21, 2020)

Trans-Taiga Road Sector

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

Eleonore Gold Camp

Eleonore South (gold)	23.77% Azimut; JV with Fury Gold Mines Ltd (“Fury Gold”) and Les Mines Opinaca Ltée, a wholly-owned subsidiary of Newmont Corporation (“Newmont”)
Opinaca A (gold)	50% Azimut; JV with Everton Resources Inc. (“Everton”)
Opinaca B (gold)	25% Azimut; JV with Everton and Hecla Québec Inc. (“Hecla”)
Opinaca D (gold)	100% Azimut

Eastmain Reservoir Sector

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

Route 167 Sector

Galinée (gold)	50% Azimut; JV with SOQUEM
Corne (copper-gold)	100% Azimut

Route 389 Sector

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

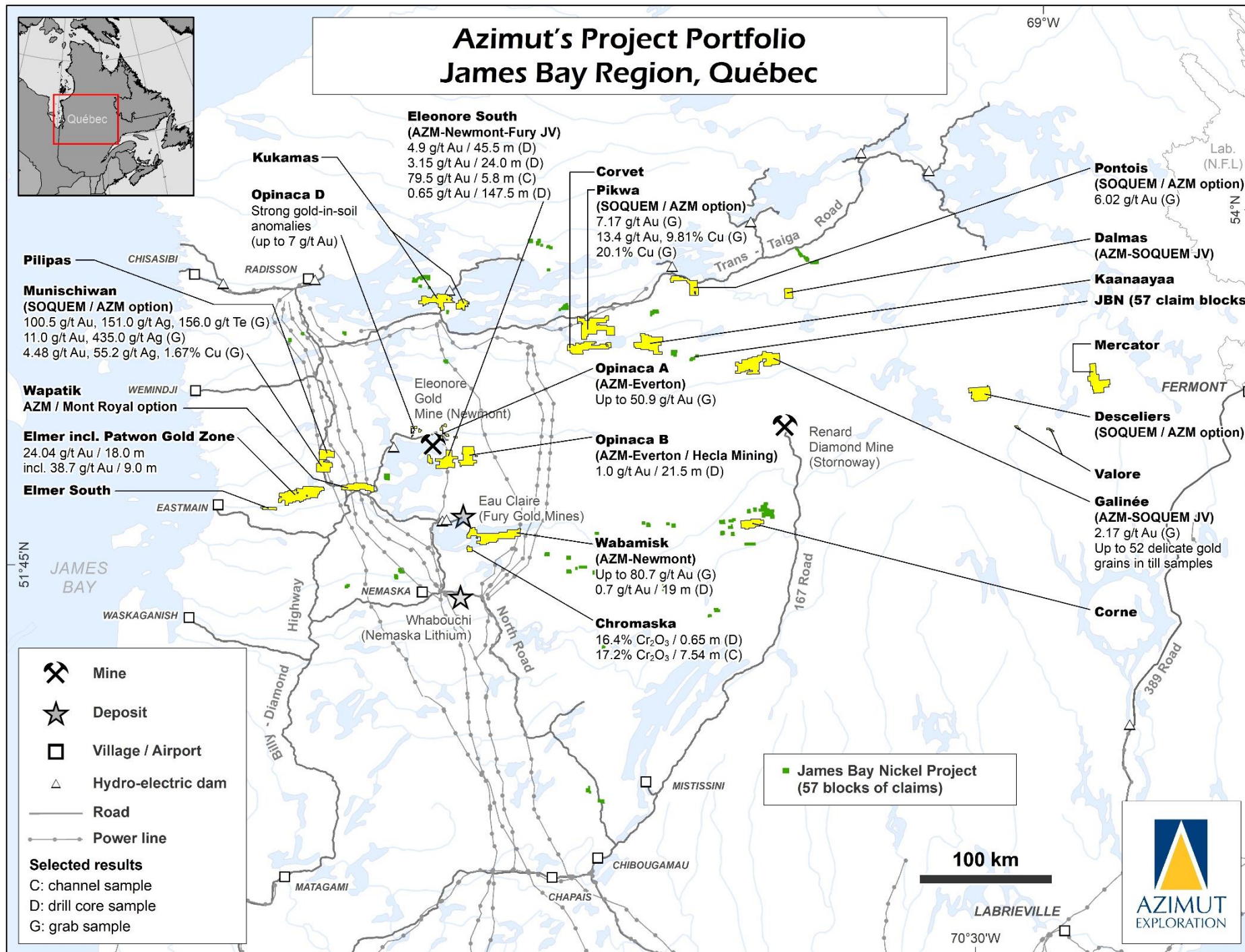


Figure 2: The Company's project portfolio in the James Bay region showing key results. (James Bay Road = Billy-Diamond Highway)

AZIMUT-SOQUEM JAMES BAY ALLIANCE

On September 26, 2016, Azimut announced a four-year strategic alliance with SOQUEM covering 176,300-km² in the James Bay region (the “James Bay Alliance”). The objective was to identify gold targets and explore the most prospective targets after converting them into properties. Under the terms of the agreement, SOQUEM could select targets among those identified in a target report provided by Azimut to convert into properties at SOQUEM’s cost, with initial 50/50 ownership. SOQUEM could then acquire Azimut’s interest in each of these properties by fulfilling certain terms and conditions over a four-year period. Azimut would have the right to explore any targets not retained by SOQUEM alone or with third parties.

SOQUEM selected four (4) targets identified in the report to convert into properties at SOQUEM’s cost for an initial 50% ownership (Munischewan, Pikwa, Pontois and Desceliers; collectively the “SOQUEM” entry in **Table 1** and **Table 2**). After SOQUEM had acquired Azimut’s interest in these properties by investing a total of \$3 million in exploration work over four (4) years, including diamond drilling, the parties amended the agreement on May 15, 2019 to include a 50% back-in option for Azimut to regain a 50% interest in the said properties by conducting \$3.3 million in exploration work over three (3) years. In the fourth quarter of Fiscal 2021, Azimut advised SOQUEM that it had cumulatively invested \$3.3 million in work expenditures and had thus fulfilled its obligations to exercise the back-in option on the Munischewan, Pikwa, Pontois and Desceliers properties. Consequently, these properties became 50/50 JV projects.

In 2018, Azimut and SOQUEM agreed to add the Dalmas and Galinée targets as JV projects under the James Bay Alliance, with Azimut as the operator (PR of October 3, 2018). Furthermore, the amended agreement of 2019 also stipulates that SOQUEM had relinquished its exclusive rights to acquire an interest in four other targets that had become wholly owned Azimut properties, of which the Company still holds three (Corvet, Duxbury and Kukamas).

ELMER DISCOVERY SECTOR

Azimut’s portfolio includes several properties in the Elmer Discovery sector. This area became a strategic priority for the Company after it announced a significant drilling discovery on the Elmer Property (PR of January 14, 2020). The infrastructure in the area includes permanent roads, power grids and airport facilities. The Billy-Diamond Highway (formerly the James Bay Road), which passes through or near the Company’s projects in this area, is a paved 620-kilometre all-season highway running between the mining town of Matagami in the south and Radisson in the north. Azimut holds four wholly-owned projects in the Elmer Discovery sector (Elmer, Elmer South, Pilipas and Wapatik), one JV property (Munischewan), and one of the claim blocks of the wholly-owned JBN Project.

Elmer Property

The wholly-owned Elmer Property (515 claims, 271.3 km²) (**Figure 3**) is a gold-polymetallic (Au-Ag-Cu-Zn) project located 5 kilometres west of the Billy-Diamond Highway. The property is 60 kilometres from the Cree community of Eastmain on the east coast of James Bay. It provides a controlling position over a 35-kilometre-long gold corridor known as the **Elmer Trend**, in the underexplored Lower Eastmain greenstone belt of the La Grande Subprovince roughly 10 kilometres north of the boundary with the Opinaca Subprovince. Through its exploration programs on the Elmer and Wapatik properties, Azimut is covering 60 kilometres of favourable geological strike in the Lower Eastmain greenstone belt (PR of June 28, 2021). The belt is considered highly prospective for shear-zone hosted and intrusion-related gold deposits.

On January 14, 2020, Azimut announced the substantial drilling discovery of the **Patwon Zone (Figure 4)** during the Company’s maiden 2019 diamond drilling program on the property (996 m in 7 holes), with a highlight of 102.5 metres grading 3.15 g/t Au, including 10.1 g/t Au over 20.5 metres. Several drilling campaigns quickly followed (25,672 m in 117 holes plus the current 20,000-metre program), confirming the zone’s robustness and strong growth potential and the potential for other significant mineralization on the property. Management considers Patwon to be one of the largest gold discoveries in the James Bay region since the discovery of the Éléonore deposit in 2004. The current drilling program, which involves up to three rigs, aims to prepare for a maiden NI 43-101 compliant resource estimate, among other objectives.

In Fiscal 2021, the Company incurred \$8.1 million (\$4.7 million – Fiscal 2020) in exploration expenditures for drilling, prospecting, channel sampling and geophysics, and \$22,000 in claim acquisition costs (\$39,000 – Fiscal 2020).

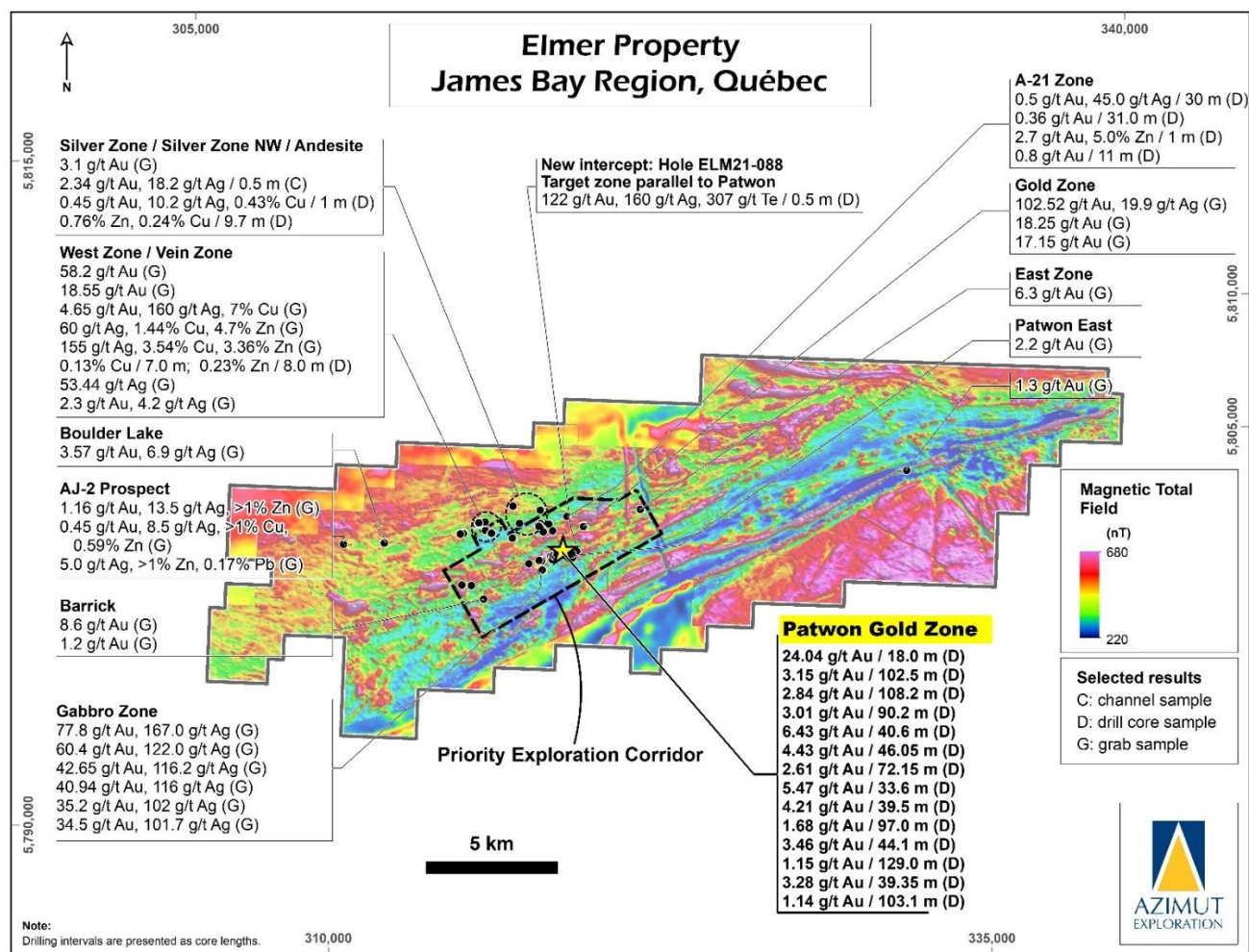


Figure 3: Magnetic map of the Elmer Property showing the location of the Patwon Zone in the priority exploration corridor, along with salient historical and recent exploration results as at November 11, 2021.

Key features of the Patwon Zone (PRs of November 22, November 4, October 18, July 20, June 22, June 2 and May 19, 2021)

- Patwon is a consistent, steeply dipping gold-bearing zone that has been traced over a strike length of 520 metres (**Figure 4**) and to a minimum depth of 450 metres where the system remains open.
- It appears geometrically simple, with no internal complexity due to folding and no crosscutting 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 central core appears to widen to the west with increasing depth. Based on the results disclosed to date and using true estimated widths, the core zone is defined thus far by 25 drill hole intercepts with *grade x thickness* (“GT”) factors² ranging from 50 GT to 412 GT (**Figure 5**), including 11 intercepts above 100 GT. These 25 drill hole intercepts display an average true width of 45 metres, with an average grade of 2.86 g/t Au.
- 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 comprises pervasive silica along with sericite, carbonate, chlorite, feldspar and tourmaline, accompanied by 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.
- Preliminary metallurgical tests indicate non-refractory free-milling gold mineralization with potentially excellent gold recoveries up to 94% through a gravity circuit and cyanide leaching. Patwon is a gold-only system with no deleterious elements, such as arsenic or bismuth.
- 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.

² The grade x thickness factor (example: 5.0 g/t Au x 10 m = 50 GT) is commonly used in the mining industry to rank and compare mineralized intercepts.

- Patwon is an orogenic gold-bearing system in a 3-kilometre-thick sequence of felsic volcanics with porphyritic intrusions, mafic volcanics, polymictic conglomerates and gabbroic sills. This deposit type classically has the potential for kilometre-scale vertical extension. One of the possible geologic analogs is the Goldex mine, owned and operated by Agnico Eagle (see below for details).

Diamond drilling program details

On January 14, 2020, Azimut announced wide gold-bearing intervals including high-grade sections, in all seven (7) holes of the Company's maiden diamond drilling program (996 m of oriented core). The highlight was an interval of 102.5 metres grading 3.15 g/t Au, including 10.1 g/t Au over 20.5 m (hole ELM19-002).

In March 2020, Azimut had to temporarily suspend a new diamond drilling program due to government restrictions in response to the COVID-19 pandemic (PR of March 25, 2020). The Company resumed work in May (PR of May 26, 2020), and by late fall 2020 had drilled 55 holes (10,515 m), successfully expanding the Patwon Zone on strike and at depth (PR of November 30, 2020). Drill targets were supported by detailed induced polarization ("IP") (51.9 line-km) and magnetic ("Mag") (56.6 line-km) surveys over the discovery area and its vicinity (PR of March 18, 2020). A convincing relationship between IP-chargeability and gold mineralization was illustrated in hole ELM 19-007 with an intersection grading 1.93 g/t Au over 82.0 m, including 3.46 g/t Au over 44.1 m (PR of March 18, 2020). Drilling results were reported in the PRs of July 27, September 15 and November 30, 2020.

A new drilling program commenced in January 2021 within the 3-kilometre by 8-kilometre priority exploration corridor (PR of January 27, 2021). The objectives were to expand the Patwon Zone and test 10 new nearby targets. Targets were defined by combining IP data (105 line-km; PR of March 18, 2021), high-resolution heliborne magnetics, detailed prospecting and till results (PR of January 19, 2021), and property-scale structural interpretations. The program ended in June 2021 with 62 holes drilled totalling 15,157 metres. Delineation drilling on the Patwon Zone was done on systematic 50-metre centres to expand the zone. Drilling results were reported in the PRs of May 19, June 2, June 22 and July 20, 2021. Assay results are presented in **Table 3**.

On October 18, 2021, Azimut announced the commencement of the current 20,000-metre drilling phase, which aims to expand the size of the mineralized body in the Patwon Zone, prepare for a maiden 43-101 compliant resource estimate, and drill-test other promising exploration targets on strike from Patwon and in subparallel shear zones. The delineation drilling on the Patwon Zone involves a minimum of 14,000 metres of diamond drilling from surface down to 800 metres. Specifically, from surface to 500 metres, the program will complete a systematic drilling grid on 50-metre centres, and from 500 metres to 800 metres, it will complete a systematic grid of 50 metres along strike by 100 metres vertically. At least 6,000 metres of diamond drilling is following up on several exploration targets elsewhere on the property that were previously drill-tested in 2021. These targets are supported by quality data, including high-resolution magnetic, IP and till survey data. Reverse circulation ("RC") drilling is planned for the winter phase to test the bedrock surface in non-outcropping sectors along favourable interpreted shear zones. Assay results for the diamond drilling program, received as at the date of this report, are presented in **Table 3**.

Significant drilling results (PRs of November 11, November 4, October 18, July 20, June 22, June 2, and May 19, 2021)

Patwon Zone:

The following figures show the traces of all holes drilled to date along the priority corridor (**Figure 4**), a longitudinal section through the mineralized zone showing gold grade-thickness (**Figure 5**), two sample cross-sections (**Figure 6** and **Figure 7**), and photographs of drill core (**Figure 8**). **Table 3** presents significant intervals from the Company's diamond drilling programs to date on the property. Grades are not capped and intervals are presented as core lengths. Estimated true widths are reported in **Table 3**.

Exploration Targets:

Drilling has been promising thus far in a 2-kilometre-long target zone to the south of Patwon, yielding a high-grade gold-silver-tellurium drill intercept of 122 g/t Au, 160 g/t Ag and 307 g/t Te over 0.5m (hole ELM21-088). Tellurium is considered by the Quebec and Canadian governments as a critical commodity, essential to the country's economic security and required for the transition to a low-carbon economy. The target zone is subparallel to the shear hosting the Patwon Zone, about 200 metres to the south. The mineralized intercept is related to centimetric quartz veinlets with visible gold, pyrite and tourmaline in a sheared gabbro. It was encountered almost at the end of the hole (depth of 123 m), indicating the possibility of a much wider zone further south. At a distance of 1.2 kilometres to the west along the same shear corridor as the high-grade intercept in hole 088, the **Gabbro Prospect** (up to 77.8 g/t Au, 167 g/t Ag and 124 g/t Te in grab samples³) underscores the potential for strike continuity in the target zone. Assay results are still pending for three other holes near ELM21-088.

³ Note that grab samples are selective by nature and unlikely to represent average grades.

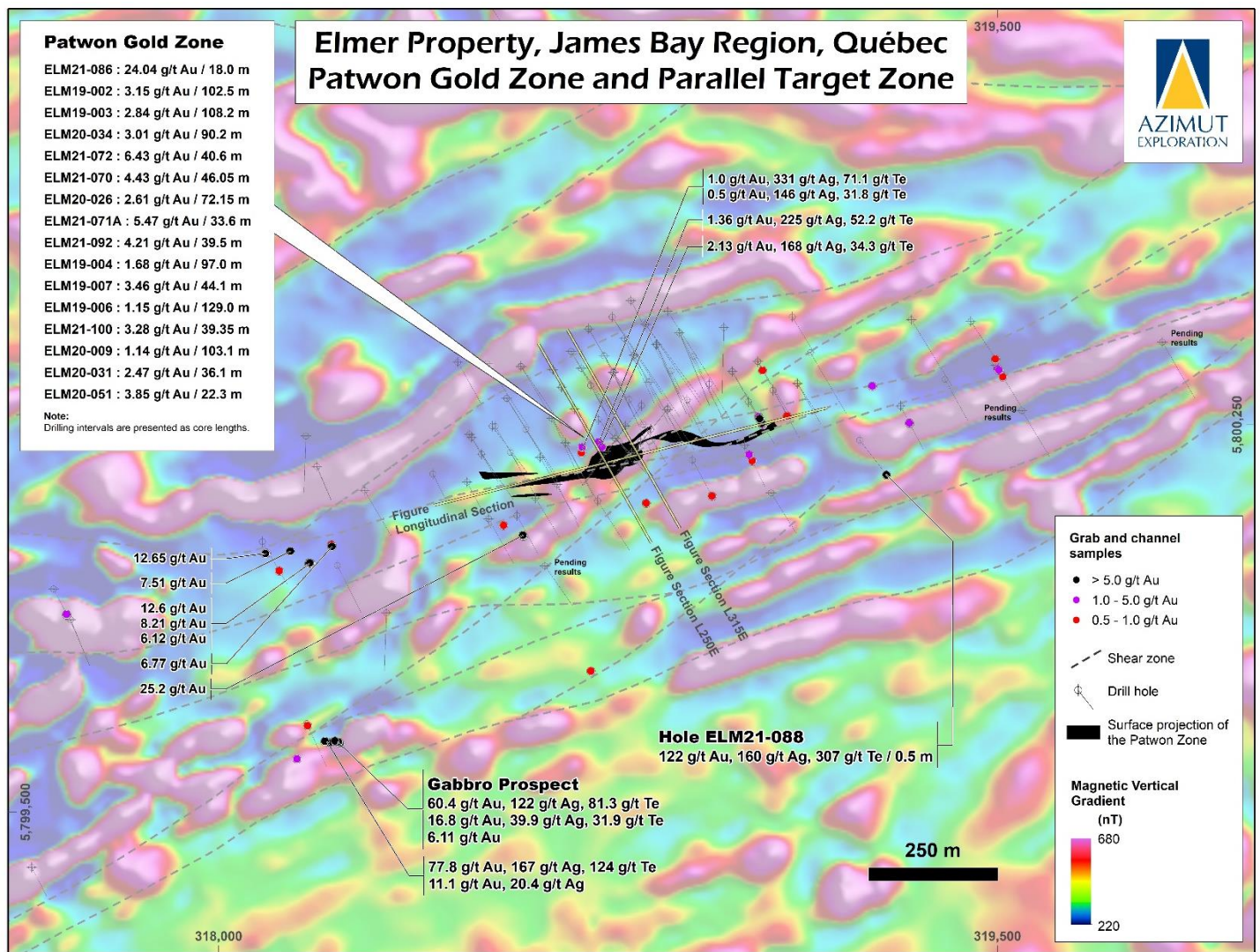


Figure 4: Close-up of the priority corridor on the Elmer Property showing drill hole traces, significant exploration results, the surface projection of the Patwon Zone, and the locations of the longitudinal section and cross-sections in the following figures.

Metallurgical test results

Azimut contracted SGS Canada Inc. (“SGS”) to perform a test program that included chemical and metallurgical characterization, comminution, and metallurgical testing on two representative samples from the Patwon Zone (PR of November 27, 2021). This work followed the initial metallurgical tests performed by AGAT Laboratories (“AGAT”) on coarse rejects from diamond drill holes (PR of May 4, 2021). The objective was to obtain baseline grindability and recovery data for a gravity separation and gravity tailings cyanidation flowsheet.

The positive findings from SGS are coherent with those of AGAT and support the positive indications that Patwon’s mineralized material is amenable to cost-efficient gold extraction. The highlights from the SGS report are summarized below:

- The preliminary metallurgical tests for the Patwon gold zone 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.
- Gravity tests resulted in a gold recovery of 27% and 37%. These excellent recoveries indicate the potential to include a gravity circuit in a process flowsheet.
- Whole-gold extractions from cyanide leaching range from 88% to 93% and from 91% to 95%.
- Very low graphitic carbon values (below the assay detection limit of 0.05%) suggest that a carbon-in-pulp process might be preferable to carbon-in-leach for downstream gold recovery.
- Comminution tests (ball mill grindability) returned average Bond Work Index (BWI) values that categorize MET-1 as medium and MET-2 as moderately soft.

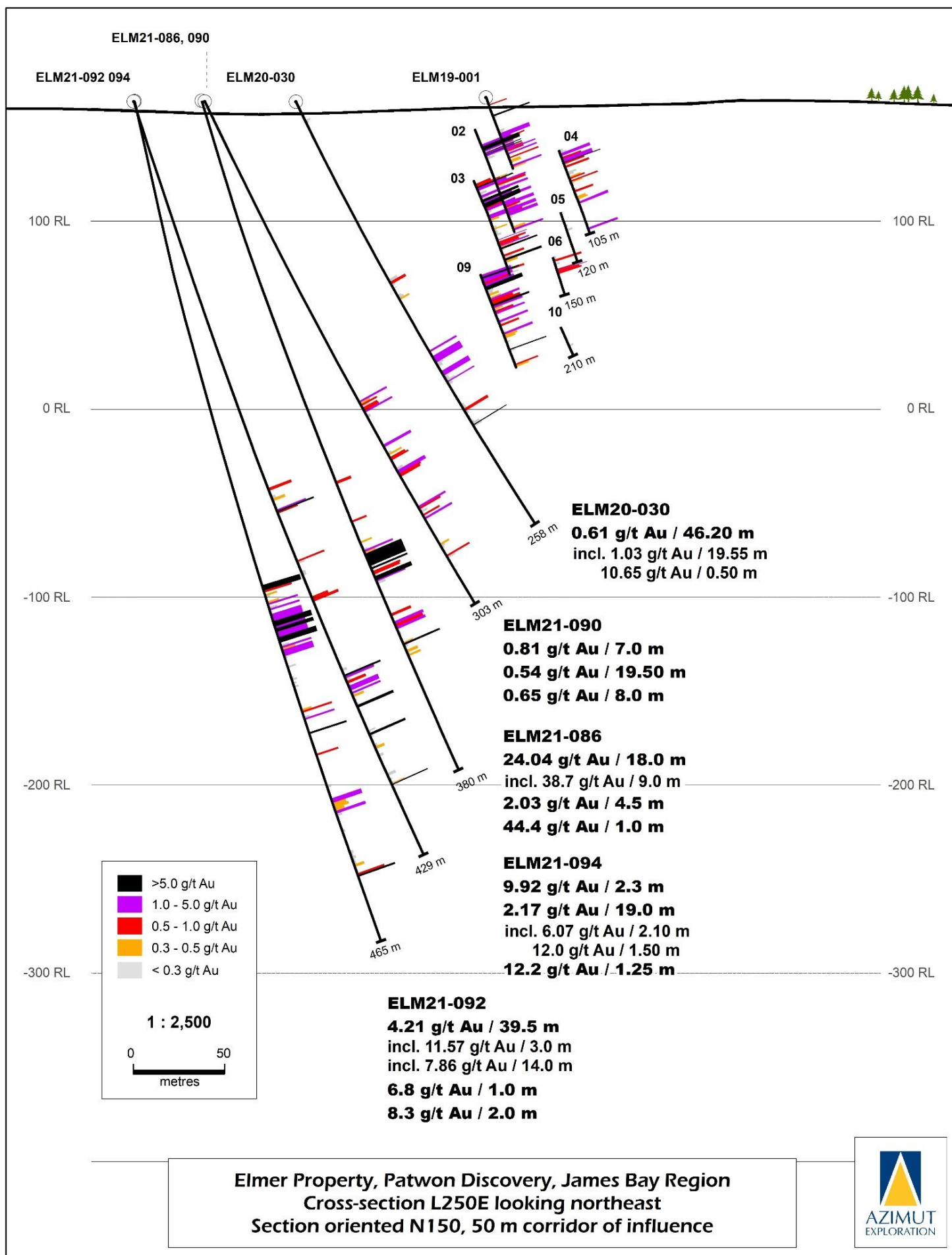


Figure 6: Cross section L250E through the Patwon Zone (looking NE).

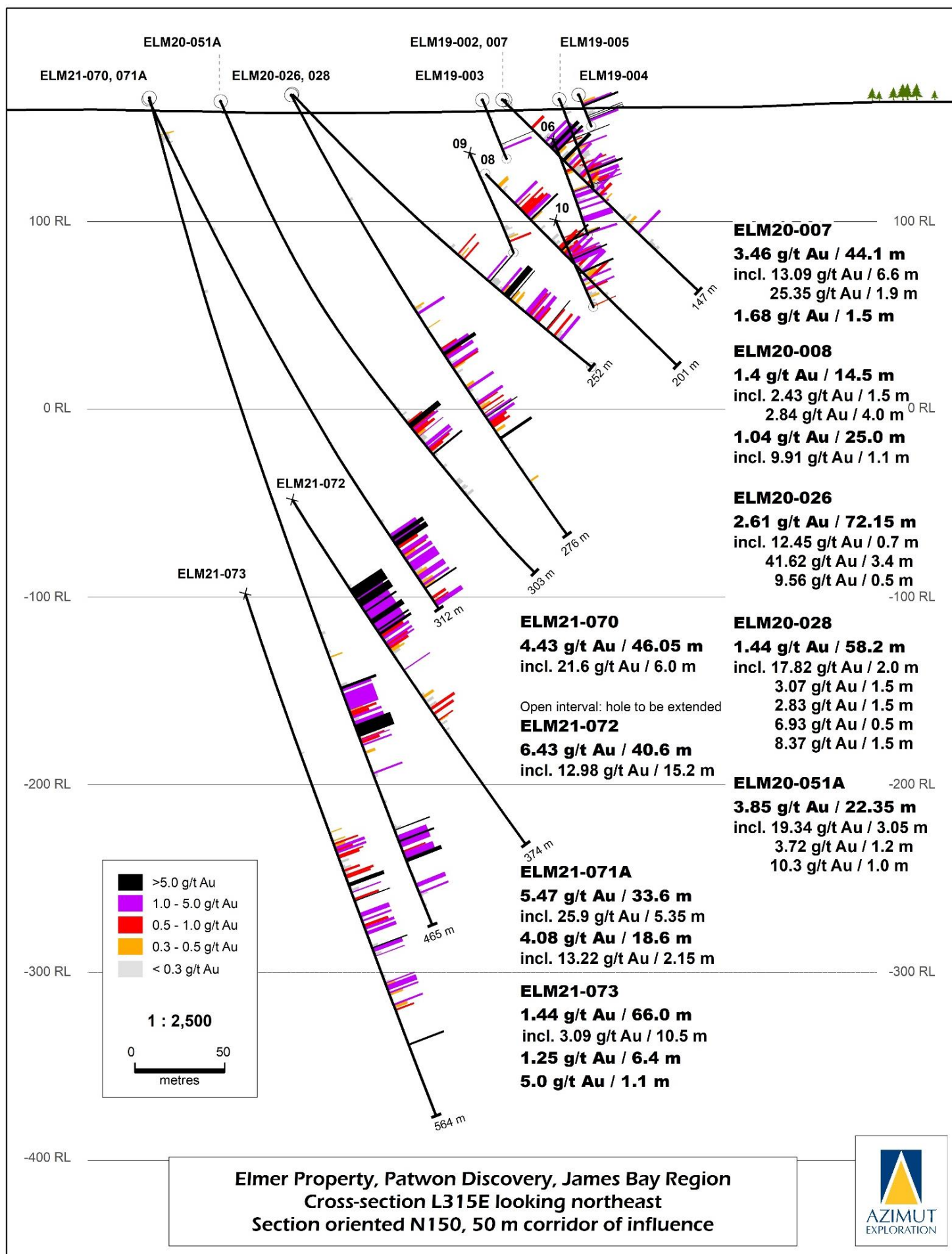


Figure 7: Cross section L315E through the Patwon Zone (looking NE).

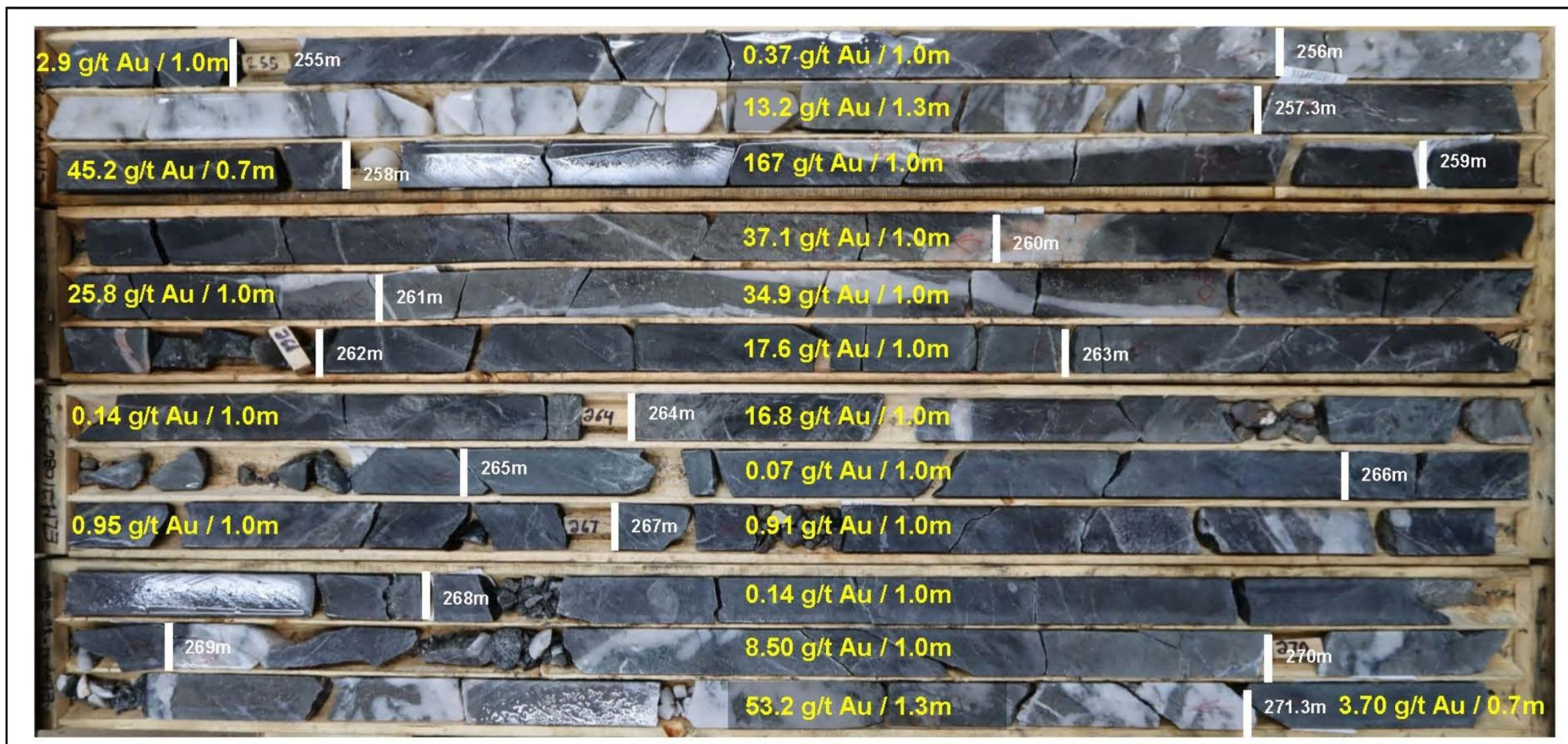


Figure 8: Photograph of drill core from hole ELM21-086: interval grading 38.7 g/t Au over 9.0 m (from 256 m to 265 m) within an interval of 24.04 g/t Au over 18.0 m (from 254 m to 272 m) (PR of June 22, 2021).

Table 3: Significant gold assays from Azimut's diamond drilling programs on the Elmer Property (compilation tables in PRs of October 18 and July 20, 2021).

Drill hole		Grade	Intersection (m)			True thickness ⁽³⁾	Grade thickness (g/t x m)
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To		
ELM19-001		6.39	1.20	13.50	14.70	0.70	4.47
		0.78	32.00	27.40	59.40	19.16	14.94
	incl.	1.68	2.90	27.40	30.30	1.74	2.92
		1.00	4.00	39.50	43.50	2.39	2.39
		2.28	4.20	51.30	55.40	2.45	5.59
		2.45	8.00	85.00	93.00	4.64	11.37
	incl.	18.40	0.80	86.80	87.60	0.46	8.54
		1.99	1.50	105.50	107.00	0.89	1.77
		1.70	2.80	112.00	114.80	1.66	2.82
	incl.	3.60	0.80	112.00	112.80	0.47	1.70
ELM19-002		5.15	9.00	33.50	42.50	5.36	27.61
	incl.	6.71	4.00	34.00	38.00	2.38	15.99
		19.15	0.50	39.60	40.10	0.30	5.70
		9.57	0.50	41.00	41.50	0.30	2.85
		1.10	28.50	58.70	87.20	16.82	18.50
	incl.	3.54	1.00	62.00	63.00	0.60	2.11
		2.00	2.00	72.50	74.50	1.18	2.36
		2.01	8.70	77.50	86.20	5.31	10.68
		10.10	20.50	96.50	117.00	12.44	125.63
	incl.	12.43	6.00	99.50	105.50	3.51	43.59
		12.82	10.00	107.00	117.00	6.07	77.79
		107.00	1.00	116.00	117.00	0.60	63.67
		3.22	11.00	125.00	136.00	6.66	21.45
	incl.	7.95	4.20	125.80	130.00	2.54	20.22
ELM19-003		27.36	4.70	34.30	39.00	2.81	76.90
	incl.	254.00	0.50	34.30	34.80	0.30	75.95
		4.65	29.00	65.50	94.50	17.00	79.06
	incl.	11.90	1.00	68.00	69.00	0.60	7.12
		16.00	6.50	78.00	84.50	3.81	60.97
		2.20	7.60	109.30	116.90	4.37	9.62
	incl.	4.07	3.40	113.50	116.90	1.97	8.01
		1.66	6.00	121.00	127.00	3.47	5.76
	incl.	5.23	1.50	124.00	125.50	0.87	4.54
		1.08	11.00	131.50	142.50	6.41	6.93
ELM19-004	incl.	2.78	2.70	139.90	142.50	1.57	4.38
		4.16	15.50	5.00	20.50	9.37	38.99
	incl.	11.61	2.60	6.50	9.10	1.57	18.25
		8.99	3.20	15.80	19.00	1.93	17.39
		7.85	5.50	25.50	31.00	3.33	26.11
	incl.	80.00	0.50	25.50	26.00	0.30	24.19
		0.86	2.50	36.50	39.00	1.51	1.30
		3.78	11.00	44.50	55.50	6.56	24.79
	incl.	5.48	7.20	44.50	51.70	4.29	23.52
		59.50	0.50	51.20	51.70	0.30	17.74
ELM19-005		1.03	1.50	81.00	82.50	0.89	0.92
		1.94	1.50	100.50	102.00	0.88	1.70
		29.80	0.50	28.40	28.90	0.31	9.13
		1.33	51.00	31.50	82.50	31.33	41.66
		2.53	13.50	50.00	63.50	8.29	20.98

Drill hole		Grade	Intersection (m)			True thickness ⁽³⁾	Grade thickness (g/t x m)
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To		
	incl.	10.30	1.50	53.00	54.50	0.94	9.66
		2.68	1.00	68.30	69.30	0.61	1.63
		3.91	5.60	74.80	80.40	3.39	13.27
		37.00	0.50	79.90	80.40	0.30	11.21
ELM19-006		1.35	1.50	5.00	6.50	0.88	1.19
		1.07	5.50	31.50	37.00	3.26	3.49
		0.54	3.50	54.00	57.50	2.00	1.08
		3.38	25.30	69.20	94.50	14.46	48.86
	incl.	11.92	5.80	70.20	76.00	3.30	39.31
		121.00	0.50	70.20	70.70	0.28	34.40
	incl.	1.49	33.50	100.50	134.00	19.14	28.52
		7.56	5.00	102.00	107.00	2.82	21.29
		64.90	0.50	104.60	105.10	0.28	18.28
		3.88	0.50	131.20	131.70	0.27	1.06
ELM19-007	incl.	3.46	44.10	30.00	74.10	34.07	117.90
		13.09	6.60	34.40	41.00	4.91	64.30
		93.60	0.50	37.50	38.00	0.37	34.83
		25.35	1.90	45.40	47.30	1.47	37.22
		2.33	1.50	57.50	59.00	1.15	2.67
ELM20-008	incl.	1.68	1.50	101.50	103.00	1.18	1.97
		1.40	14.50	77.20	91.70	11.47	16.06
		2.43	1.50	77.20	78.70	0.94	2.29
		2.84	4.00	86.90	90.90	2.34	6.64
		1.04	25.00	111.00	136.00	19.51	20.29
ELM20-009	incl.	9.91	1.10	113.20	114.30	0.89	8.78
		1.14	103.10	121.15	224.30	60.20	68.63
		2.05	45.90	121.15	167.05	26.34	54.00
		4.15	12.00	136.50	148.50	9.38	38.92
		8.36	1.50	159.40	160.90	1.17	9.79
ELM20-010	incl.	16.30	0.70	194.30	195.00	0.53	8.70
		1.14	1.20	56.80	58.00	0.71	0.81
		0.71	78.00	78.00	156.00	45.60	32.38
		4.12	0.50	79.05	79.55	0.29	1.21
	incl.	1.72	1.20	88.70	89.90	0.70	1.21
		0.89	58.00	112.10	170.10	33.28	29.62
		6.12	1.30	115.70	117.00	0.76	4.65
		2.55	7.50	125.80	133.30	4.34	11.08
	incl.	8.23	1.10	129.20	130.30	0.64	5.24
		8.68	1.50	140.80	142.30	0.86	7.47
ELM20-011	incl.	3.66	22.75	45.75	68.50	18.26	66.84
		7.21	10.65	50.35	61.00	8.55	61.64
		40.90	0.55	52.85	53.40	0.44	18.05
ELM20-012	incl.	1.23	15.40	77.40	92.80	12.49	15.37
		5.82	1.45	91.35	92.80	1.18	6.85
		0.90	3.00	130.50	133.50	2.39	2.15
ELM20-013	incl.	1.65	18.55	56.45	75.00	15.55	25.66
		7.60	1.40	67.10	68.50	1.17	8.92
		4.62	1.25	70.55	71.80	1.05	4.84
ELM20-014		1.02	1.50	9.00	10.50	NA	NA
ELM20-018		0.96	1.50	112.50	114.00	NA	NA
ELM20-019		1.10	1.50	28.50	30.00	NA	NA
ELM20-020		1.89	1.60	67.00	68.60	1.35	2.56
		3.72	8.70	154.80	163.50	7.11	26.43

Drill hole		Grade	Intersection (m)			True thickness ⁽³⁾	Grade thickness (g/t x m)
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To		
	incl.	16.80	1.70	154.80	156.50	1.39	23.33
ELM20-021		2.80	0.60	28.00	28.60	NA	NA
		0.96	0.80	46.20	47.00	NA	NA
ELM20-022		3.38	2.40	50.65	53.05	NA	NA
ELM20-023		1.43	1.00	82.00	83.00	0.94	1.34
		0.58	13.00	97.00	110.00	12.15	7.05
	incl.	3.16	1.00	109.00	110.00	0.93	2.95
		0.52	32.45	158.00	189.45	29.94	15.57
	incl.	3.73	2.80	158.00	160.80	2.58	9.63
ELM20-025		1.10	1.45	188.00	189.45	1.32	1.46
		0.53	6.00	11.00	17.00	NA	NA
	incl.	1.05	1.50	11.00	12.50	NA	NA
ELM20-026		1.21	1.00	16.00	17.00	NA	NA
		2.61	72.15	122.20	194.35	58.61	152.98
	incl.	3.59	51.85	142.50	194.35	42.14	151.27
		12.45	0.70	144.55	145.25	0.57	7.09
		41.62	3.40	154.75	158.15	2.76	114.96
		29.24	4.95	154.75	159.70	4.02	117.58
ELM20-028		9.56	0.50	184.00	184.50	0.40	3.85
		1.44	58.20	156.30	214.50	54.11	77.92
	incl.	3.60	13.45	156.30	169.75	12.48	44.94
		6.00	7.15	156.30	163.45	6.64	39.81
		17.82	2.00	158.80	160.80	1.86	33.08
		3.07	1.50	181.50	183.00	1.40	4.29
		2.83	1.50	190.50	192.00	1.39	3.95
		1.46	15.50	199.00	214.50	14.43	21.06
		6.93	0.50	200.00	200.50	0.46	3.22
		8.37	1.50	213.00	214.50	1.40	11.69
ELM20-029		1.50	30.50	96.00	126.50	25.18	37.77
	incl.	4.15	1.50	96.00	97.50	1.24	5.13
		8.59	2.10	103.90	106.00	1.73	14.87
		7.20	1.00	113.50	114.50	0.83	5.94
ELM20-030		0.61	46.20	150.00	196.20	43.46	26.51
	incl.	1.03	19.55	150.00	169.55	18.55	19.11
		10.65	0.50	195.70	196.20	0.47	5.05
ELM20-031		2.47	36.10	175.00	208.60	29.22	72.18
	incl.	9.63	6.60	176.00	182.60	5.36	51.65
		56.10	0.60	180.00	180.60	0.49	27.35
ELM20-032		0.94	30.35	191.65	222.00	27.12	25.50
	incl.	1.89	13.50	208.50	222.00	12.03	22.74
		2.83	6.35	213.00	219.35	5.66	16.01
ELM20-033		1.01	1.50	113.40	114.90	1.25	1.26
		6.17	1.30	126.00	127.30	1.06	6.57
		0.75	42.45	175.35	217.80	34.29	25.72
	incl.	1.30	15.70	202.10	217.80	12.64	16.44
		12.55	0.95	216.85	217.80	0.76	9.59
ELM20-034		3.01	90.20	151.30	241.50	82.71	248.97
	incl.	12.28	14.20	151.30	165.50	13.11	161.04
		23.26	5.85	151.30	157.15	5.43	126.35
		10.95	3.35	162.15	165.50	3.09	33.88
		5.35	2.90	202.60	205.50	2.66	14.23
		25.20	0.50	202.60	203.10	0.46	11.55
		3.95	9.95	221.55	231.50	9.09	35.92

Drill hole		Grade	Intersection (m)			True thickness ⁽³⁾	Grade thickness (g/t x m)
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To		
ELM20-035		1.24	34.75	127.25	162.00	28.83	35.75
	incl.	6.39	4.00	152.00	156.00	3.31	21.16
		1.16	1.00	191.50	192.50	0.82	0.95
ELM20-036		2.46	5.10	206.90	212.00	4.09	10.07
	incl.	7.30	0.60	209.60	210.20	0.48	3.52
ELM20-038		4.55	8.00	186.00	194.00	6.37	28.98
	incl.	10.12	2.95	189.55	192.50	2.35	23.77
ELM20-039		6.87	0.50	155.65	156.15	0.46	3.17
		1.29	1.60	181.80	183.40	1.48	1.90
		0.49	31.50	219.50	251.00	28.52	13.97
	incl.	1.20	8.50	242.50	251.00	7.68	9.22
ELM20-040		3.93	4.55	239.00	243.55	3.60	14.14
	incl.	8.04	2.05	241.50	243.55	1.62	13.03
ELM20-041		1.04	1.35	169.30	170.65	1.23	1.28
		0.77	2.00	281.50	283.50	1.72	1.33
ELM20-042		0.82	1.10	7.10	8.20	NA	NA
ELM20-043		1.90	1.70	80.30	82.00	NA	NA
ELM20-045		0.52	1.50	94.50	96.00	NA	NA
ELM20-048		1.20	11.00	48.00	59.00	9.17	11.00
	incl.	3.61	2.00	57.00	59.00	1.66	5.99
ELM20-049		0.75	4.15	51.00	55.15	3.72	2.79
		0.47	6.30	74.50	80.80	5.58	2.62
		1.05	10.90	103.10	114.00	9.62	10.10
	incl.	4.94	0.90	103.10	104.00	0.79	3.93
ELM20-050		5.86	9.75	95.25	105.00	8.51	49.89
	incl.	59.00	0.80	104.20	105.00	0.70	41.21
		4.44	3.15	158.95	162.10	2.73	12.14
ELM20-051A		3.85	22.35	198.15	220.50	20.26	77.98
	incl.	19.34	3.05	199.15	202.20	2.76	53.29
		3.72	1.20	213.60	214.80	1.09	4.05
		10.30	1.00	219.50	220.50	0.90	9.23
ELM20-052		1.38	48.05	230.80	278.85	45.89	63.33
	incl.	6.18	3.00	233.00	236.00	2.87	17.71
ELM20-053		1.41	0.50	65.75	66.25	0.42	0.60
		3.36	6.75	129.00	135.75	5.60	18.81
ELM20-054		1.39	1.00	81.80	82.80	0.83	1.16
ELM20-055		5.50	3.55	11.80	15.35	3.00	16.53
		1.21	1.50	28.50	30.00	1.27	1.54
ELM20-056		1.31	39.65	247.55	287.20	35.45	46.44
	incl.	6.50	4.75	282.45	287.20	4.24	27.57
ELM20-057		2.41	7.00	92.00	99.00	5.82	14.03
ELM20-058		5.70	8.30	68.20	76.50	6.92	39.43
	incl.	18.60	2.25	68.20	70.45	1.88	34.88
ELM21-063		0.44	2.75	79.85	82.60	2.29	1.01
ELM21-064		0.66	1.10	27.30	28.40	0.93	0.61
ELM21-065		0.24	1.35	32.95	34.30	1.24	0.30
ELM21-066		7.84	9.80	142.80	152.60	8.06	63.19
	incl.	39.81	1.80	149.90	151.70	1.48	58.93
ELM21-067		0.20	3.50	160.00	163.50	3.23	0.65
ELM21-068		NSR	NSR	NSR	NSR	NSR	NSR
ELM21-069		NSR	NSR	NSR	NSR	NSR	NSR
ELM21-070		4.43	46.05	265.25	310.50	42.62	188.81
	incl.	21.60	6.00	266.30	272.30	5.56	120.05

Drill hole		Grade	Intersection (m)			True thickness ⁽³⁾	Grade thickness (g/t x m)
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To		
	incl.	55.10	1.20	267.40	268.60	1.11	61.25
ELM21-071A		5.47	33.60	329.40	363.00	32.05	175.30
	incl.	25.91	5.35	352.50	357.85	5.11	132.33
	incl.	46.60	0.90	352.50	353.40	0.86	40.00
		1.33	3.00	378.00	381.00	2.86	3.80
		4.08	18.60	410.50	429.10	17.82	72.71
	incl.	12.70	0.65	410.50	411.15	0.62	7.89
	incl.	14.20	1.05	416.70	417.75	1.01	14.28
	incl.	13.22	2.15	426.95	429.10	2.03	26.84
ELM21-072		1.01	6.05	441.20	447.25	5.83	5.89
		6.43	40.60	287.90	328.50	38.24	245.91
		12.98	15.20	287.90	303.10	14.32	185.85
ELM21-073		37.50	0.90	291.00	291.90	0.85	31.79
		4.50	1.00	236.00	237.00	1.00	4.48
		1.44	66.00	407.30	473.30	65.61	94.48
	incl.	3.09	10.50	431.40	441.90	10.44	32.26
		1.25	6.40	488.00	494.40	6.36	7.94
ELM21-074		5.00	1.10	522.90	524.00	1.09	5.46
		0.54	19.20	312.50	331.70	18.07	9.76
		3.61	5.00	389.50	394.50	4.68	16.90
ELM21-075		0.76	7.50	27.00	34.50	6.81	5.18
	incl.	3.30	1.20	29.50	30.70	1.09	3.60
		1.49	2.40	280.50	282.90	2.13	3.17
		1.96	1.50	337.50	339.00	1.33	2.61
ELM21-076		1.43	1.90	285.50	287.40	1.77	2.53
		2.80	4.00	368.00	372.00	3.72	10.42
	incl.	4.45	2.00	369.00	371.00	1.86	8.28
ELM21-077		0.98	0.60	259.20	259.80	0.54	0.53
		2.74	5.00	322.50	327.50	4.45	12.19
	incl.	6.80	1.10	323.50	324.60	0.98	6.67
ELM21-079		1.25	6.40	488.00	494.40	5.71	7.14
		0.81	0.50	326.20	326.70	0.46	0.38
		2.75	0.80	416.20	417.00	0.74	2.03
ELM21-084A		0.46	1.50	111.00	112.50	1.39	0.64
		0.62	1.20	162.60	163.80	1.11	0.69
		0.47	2.05	259.70	260.85	1.89	0.89
		0.88	1.50	322.50	324.00	1.34	1.18
ELM21-090		0.81	7.00	179.00	186.00	6.51	5.27
	incl.	2.23	1.00	185.00	186.00	0.93	2.08
		0.54	19.50	205.50	225.00	18.16	9.81
	incl.	2.05	1.50	205.50	207.00	1.40	2.88
	incl.	1.82	2.00	221.00	223.00	1.86	3.39
		0.65	8.00	243.00	251.00	7.43	4.83
ELM21-093		8.19	2.40	150.40	152.80	2.18	17.82
		11.58	2.45	162.35	164.80	2.22	25.71
		0.47	9.40	211.80	221.20	8.44	3.97
	incl.	2.25	1.10	217.70	218.80	0.98	2.21
ELM21-094		9.92	2.30	229.70	232.00	2.17	21.48
	incl.	22.40	0.90	230.40	231.30	0.85	18.98
		0.57	2.00	258.80	260.80	1.89	1.07
		0.71	3.00	279.50	282.50	2.84	2.02
		2.17	19.00	324.50	343.50	17.97	38.99
	incl.	6.07	2.10	324.50	326.60	1.99	12.06

Drill hole		Grade	Intersection (m)		
		Au (g/t) ⁽¹⁾	Length ⁽²⁾	From	To
	incl.	12.00	1.50	342.00	343.50
		12.20	1.25	358.35	359.60
		3.43	1.20	387.30	388.50
ELM21-095C		1.22	4.9	190.2	195.1
	incl.	2.88	1.50	190.20	191.70
		1.39	27	225.6	252.6
	incl.	4.56	4.25	239.65	243.90
ELM21-096		0.89	1.10	39.90	41.00
		1.55	1.50	204.70	206.20
		1.08	28.50	255.00	283.50
	incl.	2.28	5.40	265.00	270.40
	incl.	1.69	4.90	278.60	283.50
		0.66	4.35	310.90	315.25
ELM21-097		1.1	57.9	295.6	353.5
	incl.	2.52	8.00	295.00	303.00
	incl.	4.14	3.75	347.45	351.2
		0.99	0.7	368.3	369
		3.08	1.45	381.30	382.75
ELM21-102		1.80	1.94	219.90	221.70
		1.44	60.80	228.50	289.30
	incl.	18.10	2.75	231.85	234.60
	incl.	2.55	6.90	272.65	279.55
	incl.	4.80	0.75	288.55	289.30
		1.70	1.50	300.00	301.50
ELM21-114		2.58	4.10	111.85	115.10
		2.81	3.70	329.30	333.00
	incl.	5.31	1.40	329.30	330.70
		1.27	6.50	350.50	357.00
	incl.	2.15	3.10	350.50	353.60
	incl.	1.86	1.10	361.15	362.25
		0.58	6.35	373.00	379.35

True thickness ⁽³⁾	Grade thickness (g/t x m)
1.42	17.02
1.18	14.42
1.13	3.87
4.71	5.75
1.44	4.15
25.01	34.77
3.94	17.95
0.98	0.87
1.28	1.99
24.77	26.76
4.69	10.70
4.24	7.17
3.75	2.47
54.66	60.12
7.55	19.03
3.55	14.68
0.66	0.66
1.37	4.22
1.86	3.34
58.06	83.61
2.62	47.45
6.62	16.88
0.72	3.45
1.44	2.44
3.99	10.28
3.54	9.94
1.34	7.11
6.20	7.87
2.96	6.35
1.05	1.95
6.04	3.50

Notes:

(1) Assays are not capped.

(2) Intervals are presented as core lengths.

(3) Grade x thickness is based on true widths.

Holes ELM-089 and ELM091: no significant values.

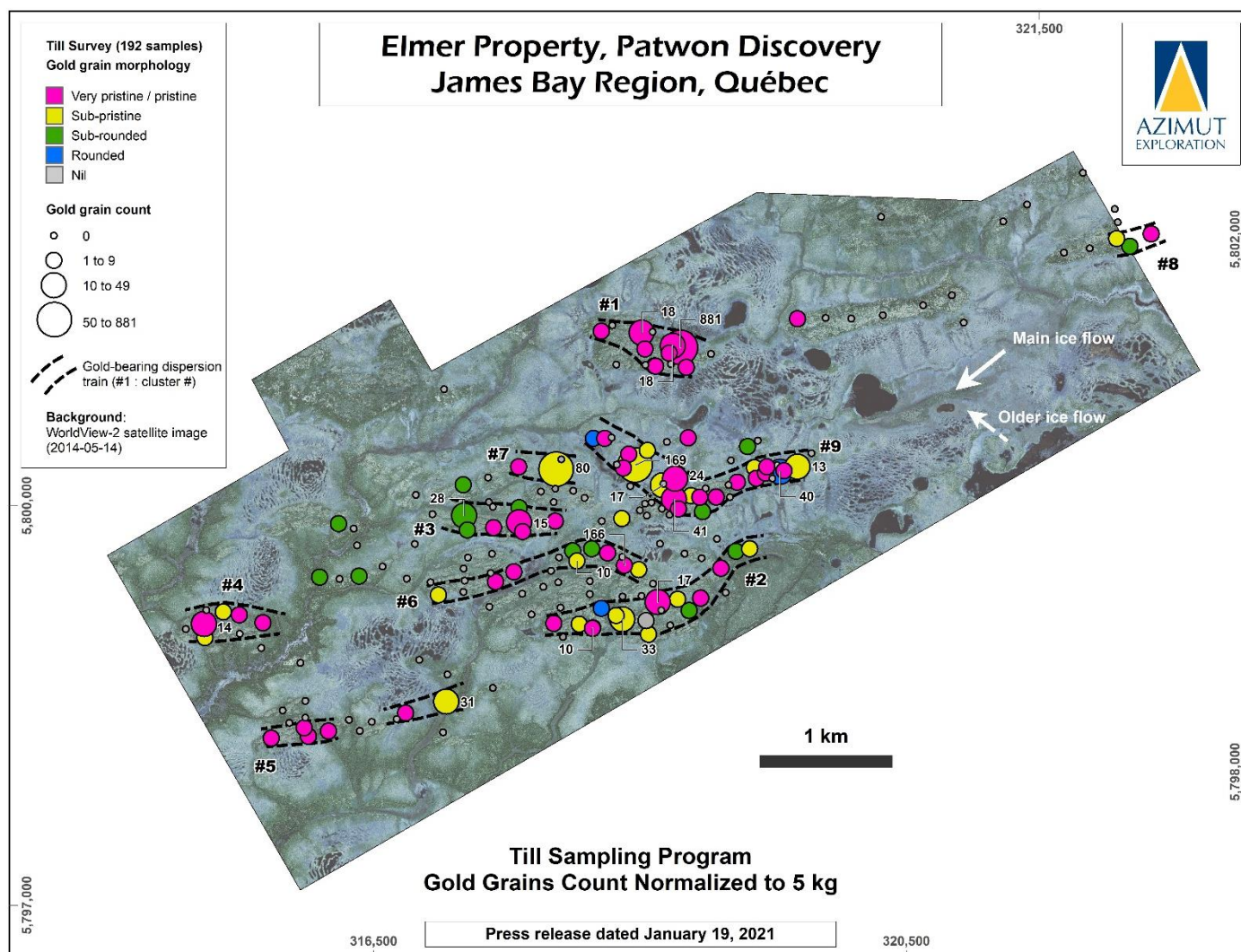


Figure 9: Close up of the priority exploration corridor (dashed outline in **Figure 3**) showing nine (9) gold-bearing till clusters on and near the Patwon Zone.

Possible analog and potential of the Elmer Trend

Comparing already known deposits with the features of a new discovery is a key step in supporting the exploration hypothesis and envisioning the upside potential of the discovery, even if each deposit is ultimately different. Key features of the Goldex deposit (Agnico Eagle Ltd) are presented for comparison with Patwon. Goldex is a multi-million-ounce gold mine to the west of Val-d'Or in the Abitibi region of Quebec. The steeply dipping mineralized body has a horizontal length of about 450 metres and is known down to 1.8 kilometres. It is principally hosted by a large tabular felsic intrusion (a quartz-diorite body) surrounded by a sequence of intermediated, mafic and ultramafic volcanic rocks. The orebody is defined by the intensity of stockwork veins and gold grades rather than by individual veins. Most of the gold occurs as microscopic particles associated with pyrite, while the rest occurs as coarse native gold grains. Several zones contain gold-bearing quartz-tourmaline-pyrite veins and veinlets. As at December 31, 2020, the mineral reserve and resource statement for the Goldex deposit comprises proven and probable reserves of 1.1 million ounces of gold (22.1 Mt at 1.57 g/t Au), measured and indicated resources of 1.7 million ounces (31.6 Mt at 1.66 g/t Au) and inferred resources of 1.2 million ounces (24.8 Mt at 1.5 g/t Au). (Agnico Eagle website).

Elmer South Property

The wholly-owned Elmer South Property (39 claims, 20.6 km²) is a gold project located 15 kilometres north of Eastmain Road and 45 kilometres west of the Billy-Diamond Highway. The property represents a small block of claims that was partitioned off from the Elmer Property in July 2021. The property is 35 kilometres from the Cree community of Eastmain on the east coast of James Bay. It covers part of the boundary between the La Grande and Opinaca geological subprovinces. The property's gold potential is related to this major lithostructural transition.

Munischiwan Property

The Munischiwan Property (167 claims, 87.6 km²) is a gold-polymetallic (Au-Ag-Cu) JV project with SOQUEM. The Company exercised its back-in option to regain a 50% interest in the property after fulfilling its obligations in Fiscal 2021. Munischiwan lies about 85 kilometres 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 lake-bottom sediments (“LBS”) within the Lower Eastmain greenstone belt of the La Grande Subprovince. The LBS anomaly is accompanied by favourable geophysical, geological and structural criteria. Target deposit types are intrusion-related and shear zone-hosted. There were no known showings on Munischiwan before Azimut began exploring the property.

Exploration highlights

The main showing on the Munischiwan Property is the kilometre-scale **Insight Prospect**, which was discovered in 2018 during a SOQUEM-funded, multi-property exploration program with Azimut as the operator, which followed up on Azimut’s previous field work. The prospect is an outcropping Au-Cu-Ag zone roughly 600 metres by 150 metres at surface, with a best grab sample⁵ 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 is coincident with a 300-metre by 1,000-metre IP anomaly striking NNW-SSE. Mineralization consists of disseminated chalcopyrite and quartz veins or veinlets hosted in foliated metasediments affected by strong biotite alteration. An additional gold showing 600 metres to the south (2.42 g/t Au) could be an extension.

Pilipas Property

The wholly-owned Pilipas Property (135 claims, 70.7 km²) is a gold project that covers the immediate potential extension of the kilometre-scale Insight Prospect (Au-Ag-Cu) on the adjacent Munischiwan Property, based on structural and IP data. Like Munischiwan, Pilipas is underlain by volcano-sedimentary rocks of the Lower Eastmain greenstone belt. The main targets are intrusion-related systems, VMS, iron formation-hosted mineralization and gold-bearing shear zones. The property is in structural continuity with the Insight Prospect. The Billy-Diamond Highway passes through the centre of Pilipas.

In Fiscal 2021, the Company incurred \$17,000 (\$22,000 – Fiscal 2020) in exploration expenditures for data interpretation but did not incur any additional claim acquisition costs (\$21,000 – Fiscal 2020).

Wapatik Property

The wholly-owned, 25-kilometre-long Wapatik Property (220 claims, 115.7 km²) is a gold-copper-nickel project under option to Mont Royal (PR of September 22, 2020). The Billy-Diamond Highway crosses the western end of the property and the road to Newmont’s Eleonore mine passes through the eastern limit. Three powerlines also cross the property. Wapatik is located in a largely underexplored part of the same Archean greenstone belt hosting the Elmer gold discovery. Collectively, Azimut’s exploration work on the Wapatik and Elmer properties covers 60 kilometres of favourable geological strike in the belt. The main gold targets are sheared iron formations and volcanics associated with gold-in-till anomalies. The main base metal-PGE target is a previously unrecognized kilometre-scale ultramafic intrusion.

In Fiscal 2021, Azimut completed the partner-funded \$600,000 exploration program (PR of November 18, 2020) comprising a high-resolution heliborne magnetic survey (5,116 line-km on 25-m spaced lines), remote sensing analysis, and systematic till sampling (154 till samples; 7 with normalized gold grain counts between 16 and 20 samples). The work yielded five highly prospective multi-kilometre-scale target areas that were evaluated in the field during the recent prospecting phase (PR of October 25, 2021). The campaign produced encouraging results (December 7, 2021), notably the discovery of a previously unrecognized ultramafic intrusion (~1,000 metres by 400 metres) containing copper and nickel sulphide mineralization. The most significant grab sample grades are reported in **Table 4**. The volcanosedimentary country rocks consist of iron formations and pyrite-rich metasediments and mafic volcanics. This lithological context is considered as highly favourable for massive to semi-massive nickel-copper sulphide mineralization, which is often positioned along the basal contact of an intrusive body. The mineralized facies carry chalcopyrite, pyrrhotite and possibly pentlandite, occurring as veinlets and disseminated or interstitial sulphides within coarse-grained pyroxenite and gabbro. The magnetic anomaly outlined by the heliborne survey appears to be composed of three (3) contiguous magnetic lobes that may correspond to different magmatic pulses. A 3D magnetic inversion of the data suggests a basin-shaped geometry for part of the intrusion, which may constitute a very favourable setting for sulphide accumulation (**Figure 10**).

⁵ Grab samples are selective by nature and unlikely to represent average grades.

Table 4: Significant grab sample grades from the ultramafic intrusion on the Wapatik Property (PR of December 7, 2021).

Copper (%)	Nickel (%)	Cobalt (ppm)	PGE (Pt+Pd) (ppb)	Silver (g/t)	MgO (%)	Sample #
1.035	0.384	316	28	5.42	15.09	E6320167
0.814	0.267	223	44	1.91	15.38	E6320152
0.731	0.061	112	176	7.09	14.72	E6320221
0.653	0.085	127	153	5.92	15.30	E6320154
0.098	0.129	132	7	0.64	26.61	E6320155
0.072	0.171	161	Not analyzed	0.27	26.42	E6320234

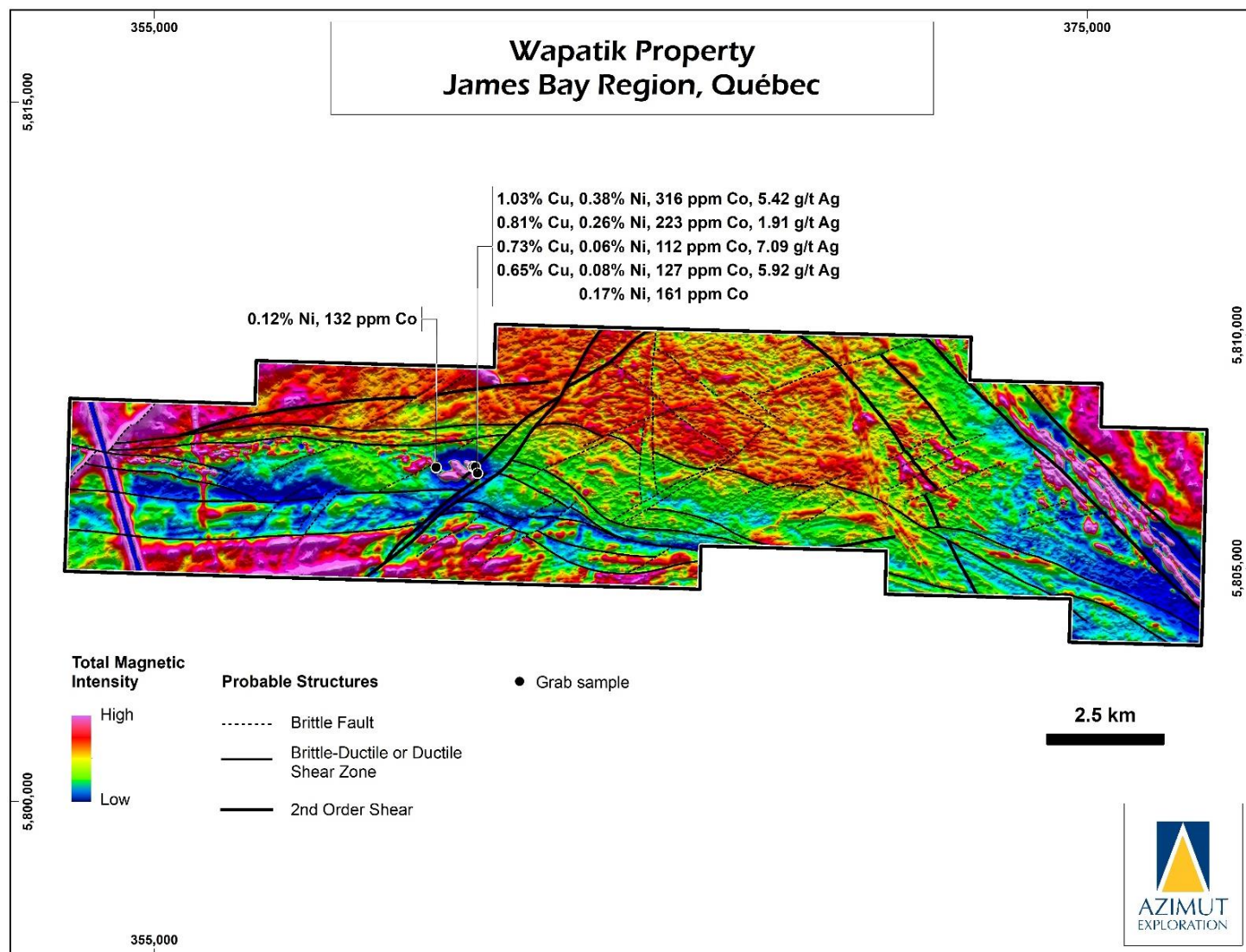


Figure 10: Magnetic map of the Wapatik Property showing structures and the locations of known mineralization.

In Fiscal 2021, the Company incurred \$11,000 (\$67,000 – Fiscal 2020) in exploration expenditures for data interpretation but did not incur any claim acquisition expenditures (\$34,000 – Fiscal 2020). Also, on behalf of Mont Royal, the Company incurred \$307,000 (\$Nil – Fiscal 2020) in exploration expenditures for heliborne magnetic survey, a structural study, systematic till sampling and prospecting program, all of which was charged back to Mont Royal in full. Mont Royal is renewing its option on the property for the second year. The next phase of the exploration work is an \$800,000 partner-funded program planned for early 2022, which will consist of ground geophysics over the ultramafic intrusion, possibly followed by a maiden core drilling program.

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. The infrastructure in the area includes permanent roads, power grids and airport facilities. The Trans-Taiga Road is a 582-kilometre

gravel highway that extends eastward from the Billy-Diamond Highway. It was built as an access to Hydro-Québec's hydroelectric generating stations along the La Grande and Caniapiscaw rivers. Azimut has three wholly-owned properties in the sector (Corvet, Kaanaayaa and Kukamas) and three JV projects (Dalmas, Pikwa and Pontois), in addition to several of the claim blocks forming the wholly-owned JBN Project.

Corvet Property

The wholly-owned Corvet Property (340 claims, 174.8 km²) lies south of the Pikwa Property, to the west of Lac de la Corvette. This gold-copper project is located 55 kilometres southwest of the La Grande-4 airstrip next to the Trans-Taiga Road and 225 kilometres east-southeast of Radisson. The western part of the project (formerly known as Masta-2) was amalgamated in May 2020. The property straddles the La Grande–Opinaca boundary and displays a strong multi-element (Ag-As-Bi-Cu-Sb) spatial association in LBS (PR of July 8, 2019). Exploration work in 2017 and 2018 yielded anomalous gold, copper and arsenic values in grab samples.

In Fiscal 2021, the Company incurred \$3,000 (\$8,000 – Fiscal 2020) in exploration expenditures but did not incur any claim renewal costs (\$1,000 – Fiscal 2020).

Dalmas Property

The Dalmas Property (88 claims, 44.9 km²) is a 50/50 JV gold project with SOQUEM, located 25 kilometres south of the Trans-Taiga Road. The property covers a sheared greenstone belt in the La Grande Subprovince with a strong arsenic-bismuth-copper-antimony footprint in LBS. Azimut has collected more than 250 grab samples and more than 80 till samples to date. The target deposit type is shear zone-hosted gold.

As at August 31, 2021, the JV partners have cumulatively invested \$210,000 (\$194,000 – August 31, 2020) in work expenditures, of which Azimut's share is \$105,000 (\$97,000 – August 31, 2020). The expenditures cover prospecting and till sampling.

Kaanaayaa Property

The wholly-owned Kaanaayaa Property (390 claims, 200.5 km²) is a copper-gold and copper-nickel project situated 35 kilometres south of Trans-Taiga Road and a Hydro-Québec powerline, and 42 kilometres south of the LG-4 airport. Kaanaayaa is attractive for its strong regional-scale LBS footprint (bismuth, silver, molybdenum, copper and tungsten) and favourable geology marked by metasediments and mafic to intermediate volcanics crosscut by several small granitic intrusions. A multi-kilometre fold may control the location of some of these intrusions. The fertile nature of these intrusions is suggested by the property's polymetallic footprint. Regional LBS samples returned values up to 84.3 ppm Cu, 0.36 ppm Ag, 1.51 ppm Bi, 15.2 ppm Mo, 75.8 ppm Ni and 51.9 ppm Co. This footprint is comparable to the mineralized Copperfield Trend on the Pikwa Property, 15 km to the northwest of Kaanaayaa. Historical exploration on the property is limited but an adjacent property, jointly held by Osisko Exploration James Bay Inc. ("Osisko Exploration") and Newmont, hosts several significant gold prospects about 5 kilometres southwest of Kaanaayaa, 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 2021, the Company incurred \$57,000 (\$7,000 – Fiscal 2020) in exploration expenditures, including an infill LBS survey and data interpretation and \$50,000 in claim acquisition costs (\$Nil – Fiscal 2020).

Kukamas Property

The wholly-owned Kukamas Property (409 claims in 2 blocks, 207.5 km²) is a copper-gold project located 4 kilometres north of the Trans-Taiga Road and LG-3 airstrip (Km 100), along an access road leading to the LG-3 hydroelectric generating station just north of the property. The nearest town is Radisson, 80 kilometres to the north-northwest. The project includes one of the strongest geochemical footprints for copper-gold systems in the James Bay region, characterized by regional LBS signatures (silver, arsenic, copper and antimony). The property geology is characterized by sheared metasediments of La Grande Subprovince, including iron formations and metavolcanics surrounding granitic intrusions. Numerous prospects sit on or adjacent to the property. Grab samples collected on the project graded up to 3.46 g/t Au and 20.7 % Cu. Historical work includes 27 drill holes and roughly 360 grab samples. Most of this work took place between 1995 and 2013.

In Fiscal 2021, the Company incurred \$4,000 (\$9,000 – Fiscal 2020) in exploration expenditures but did not incur any claim renewal or acquisition expenditures (\$Nil – Fiscal 2020).

Pikwa Property

The Pikwa Property (509 claims, 260.9 km²) is a gold-polymetallic (Au-Cu-Co-Mo) JV project with SOQUEM. The Company exercised its back-in option to regain a 50% interest in the property after fulfilling its obligations in Fiscal 2021. Pikwa is located 2 kilometres south of the Trans-Taiga Road, 40 kilometres east of the LG-3 hydroelectric generating station, and

roughly 300 kilometres east of the Cree community of Wemindji. The property covers a regional LBS anomaly (arsenic-bismuth-copper) and a 20-kilometre-long magnetic high in the La Grande Subprovince. On the adjacent Mythril Property (Midland Exploration Inc.) a copper-gold-molybdenum-silver mineralized system appears to be on strike with the main target zone on Pikwa (based on publicly available information).

Exploration highlights

In late 2020, Azimut and SOQUEM conducted a maiden drilling program on a 10-kilometre-long copper-gold target (see below; PR of October 6, 2020). Eleven (11) holes for 2,085 metres have been drilled mostly to test IP anomalies. In addition, a total of 268 grab samples have been collected, comprising 141 from boulders and 127 from outcrops (PR of December 19, 2019). Outcrop exposure on the main soil anomaly is generally poor. Of the 268 grab samples, the last batch of 169 yielded excellent results, the most significant of which are presented in **Table 5**. A compilation of the results acquired to date on the project is currently in progress to reassess its potential.

Exploration highlights include the following spatially correlated features:

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

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

Copperfield Trend

The main area of interest, the **Copperfield Trend (Figure 11 and Figure 12)**, is a 20-kilometre-long copper-gold exploration target comprising east and west segments, each 10 kilometres long. The results acquired to date point to a major copper-gold system centred on the 10-kilometre-long Copperfield East target. It is interpreted as a porphyry system emplaced along the margins of an intrusion and subsequently sheared during regional-scale tectonic events (PR of October 6, 2020).

To date, the mineralization is characterized as follows:

- The main host rock is biotite-rich gneiss (interpreted as altered metadiorite or granodiorite).
- The dominant copper mineral is chalcopyrite occurring as disseminations or semi-massive veins and veinlets accompanied by frequent bornite and chalcocite and lesser amounts of malachite and occasional azurite.
- Other sulphides include molybdenite and, less frequently, pyrite and pyrrhotite.
- Host rocks show varying degrees of alteration composed of biotite and potassium feldspar (potassic alteration), sericite, epidote, chlorite and magnetite.
- Mineralization generally occurs along foliation planes, often associated with quartz veinlets.
- Foliation strikes ENE-WSW and dips on average 50° to 60° to the south.

Copperfield East is defined as the spatial association of:

- A strong regional-scale copper LBS anomaly centred over the property. The footprint also includes polymetallic components (molybdenum, silver, bismuth, tungsten).
- A strong copper soil anomaly with a polymetallic footprint comparable to the LBS anomaly defined above. The anomaly forms a well-delineated target 5.5 kilometres long by 500 metres wide (locally up to 750 m) within the contours of the LBS anomaly. Peak values are 294 ppm for copper, 0.161 ppm for gold, 0.584 ppm for silver and 42.1 ppm for molybdenum.
- A 10-kilometre-long corridor of IP-chargeable anomalies of moderate to strong amplitudes superimposed on the copper soil anomaly. Most IP-chargeable anomalies correspond to resistivity highs or occur along the contacts of more resistive units (probably more silica-rich units). The anomalies are subcropping, continuous at depth, and generally dip moderately to steeply to the south.

- Two 500-metre-long VTEM conductors that correlate with IP anomalies. In this context, the VTEM anomalies represent attractive targets for massive to semi-massive sulphide mineralization despite the weak soil geochemistry footprint due to thick glacial sediment cover.
- A significant mineralized boulder field of mostly angular to slightly rounded boulders that follows the long axis of the soil anomaly. The best grades from 141 sampled boulders were 20.1% Cu, 2.99 g/t Au, 58 g/t Ag and 0.24% Mo.
- Several high-grade mineralized outcrops within the soil anomaly in the eastern part of the target where glacial sediment cover is thinnest. The best grades are 9.81% Cu, 13.45 g/t Au and 37.6 g/t Ag (grab A0366271).

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

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

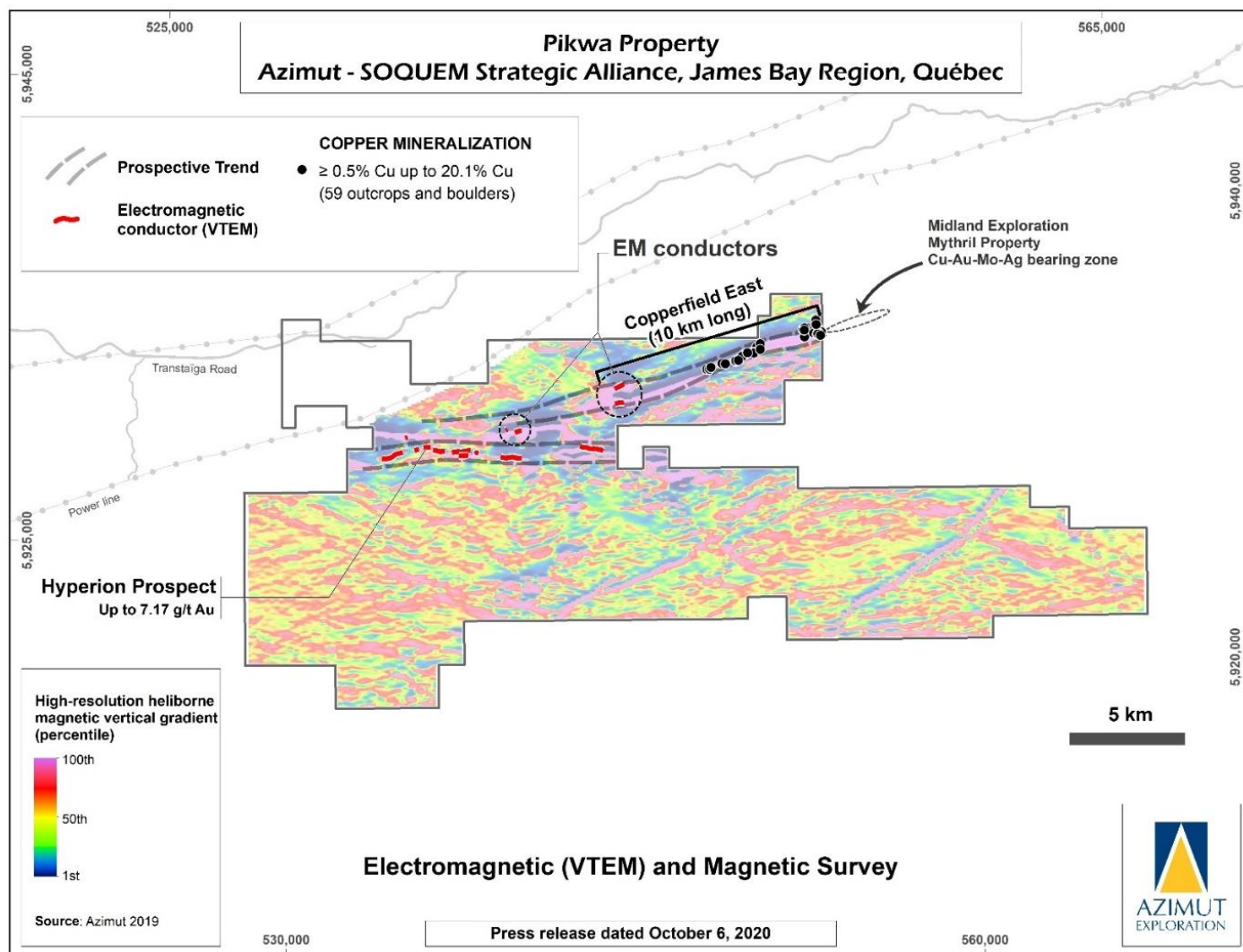


Figure 11: Geophysical signature of the Copperfield Trend on the Pikwa Property.

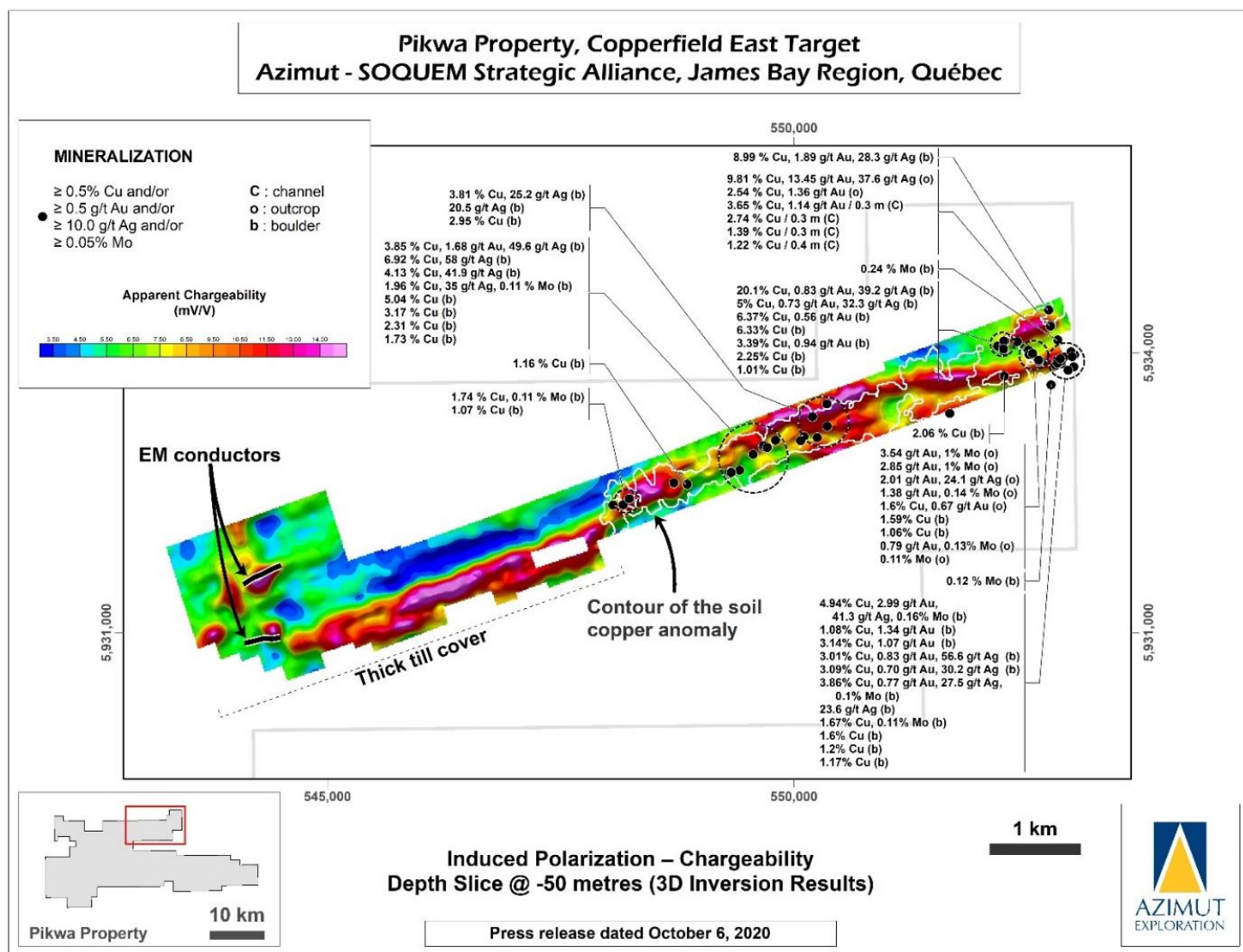


Figure 12: IP-chargeability footprint of the Copperfield East Target on the Pikwa Property.

Table 5: The best 30 prospecting samples from outcrops (o) and boulders (b) on the Pikwa Property (PR of December 9, 2019)

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

Copper (%)	Gold (g/t)	Silver (g/t)	Molybdenum (%)	Sample #
1.67	0.23	13.9	0.119	A0366659 (b)
1.60	0.67	11.4	0.007	A0366443 (o)
1.60	0.26	16.2	0.001	A0366524 (b)
1.59	0.28	11.9	0.020	A0366444 (b)
1.20	0.20	12.9	0.043	A0366528 (b)
1.17	0.15	6.8	0.001	A0366521 (b)
1.16	0.08	3.6	-	A0366657 (b)
1.08	1.34	5.5	0.004	A0366523 (b)
1.07	0.14	10.4	0.033	A0366663 (b)
1.06	0.142	8.73	0.002	A0366446 (b)
0.91	0.05	1.9	-	A0366448 (b)
0.56	2.01	24.1	0.019	A0366440 (o)
0.50	1.38	2.2	0.145	A0366571 (o)
0.43	3.54	13.0	>1.0	A0366570 (o)
0.37	0.79	4.6	0.135	A0366442 (o)
0.20	2.85	11.0	>1.0	A0366441 (o)

Comparison with the Aitik Porphyry Deposit in Sweden

As reported in the Company's press release of October 16, 2019, several features of the Copperfield Trend suggest it may represent an Archean analogue to Sweden's giant Paleoproterozoic Aitik porphyry deposit (Cu-Au-Ag-Mo). The relevant geological features of the Aitik deposit are the following:

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

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

Pontois Property

The Pontois Property (226 claims, 115.1 km²) is a gold JV project with SOQUEM. The Company exercised its back-in option to regain a 50% interest in the property after fulfilling its obligations in Fiscal 2021. The property is situated several kilometres south of the LG-4 hydroelectric generating station and is crossed by the Trans-Taiga Road (Km 316). It covers part of an underexplored sheared greenstone belt and corresponds to a strong As-Sb-W signature in LBS. The volcano-sedimentary rocks and iron formations of the La Grande greenstone belt, the bounding tonalitic intrusions, and the distribution of several regional faults and shear zones collectively provide a favourable geological and structural setting. No historical showings are known on the property but Azimut's prospecting work from 2017 to 2019 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). Other anomalous metals included silver and tellurium. Gold is hosted in mafic metavolcanics and intrusive dykes carrying quartz veins, near a sheared contact with metasediments. The intrusive facies contain disseminated fine pyrite. The 40- by 20-metre prospect is open along strike in both directions.

ELEONORE GOLD CAMP

Azimut's portfolio in the Eleonore gold camp includes three JV projects (Eleonore South, Opinaca A and Opinaca B) and one wholly-owned property (Opinaca D). The Company acquired extensive holdings both before and after the Eleonore gold

discovery in 2004 based on the targeting results of its regional-scale gold potential modelling. As a result, Azimut gained one of the leading property positions in the area. The Eleonore mine, owned by Newmont, is one of the largest gold mines in Quebec and is considered a world-class state-of-the-art facility. The deposit is marked by complex folding and faulting and remains open down plunge. Annual gold production is 270,000 attributable ounces as of December 31, 2020 (Newmont website). Proven and probable reserves stand at 7.80 Mt at 5.00 g/t Au for 1.26 Moz of gold, measured and indicated resources stand at 3.00 Mt at 4.51 g/t Au for 0.44 Moz of gold, and inferred resources stand at 2.50 Mt at 5.65 g/t Au for 0.46 Moz of gold (NI 43-101 compliant estimate as of December 31, 2020; Newmont PR of February 10, 2021).

Eleonore South Property

The Eleonore South gold property (282 claims in 2 blocks, 147.6 km²) is located in a highly prospective part of the Eleonore gold camp, only 10 kilometres south of Newmont's Eleonore mine. The project is subject to a three-party agreement between Azimut, Les Mines Opinaca Ltée (a wholly-owned subsidiary of Newmont) and Fury Gold (formerly Eastmain Resources Inc.). An NSR royalty applies to 116 claims (60.3 km²), payable to Newmont, Les Mines Opinaca Ltée and Osisko Exploration. The ownership of the Eleonore South Property is Azimut 23.77%, Newmont 38.11% and Fury Gold 38.12% following Azimut's decision not to contribute to the 2019 winter program. Fury Gold is the JV manager.

In Fiscal 2021, the Company incurred \$12,000 exploration expenditures (\$Nil – Fiscal 2020) but did not incur any claim costs (\$Nil – Fiscal 2020). No budgetary provisions have been made due to other regional priorities.

Exploration highlights

The property has been the subject of three major joint exploration programs from 2016 to 2019, including diamond drilling. Most of the work focused on a large tonalite-hosted gold-bearing system in the eastern part of the property. This gold corridor is at least 2 kilometres long by 600 to 700 metres wide in the Cheechoo tonalite intrusion and up to its contact with the surrounding metasedimentary rock. Mineralization remains open to the southwest but extends northeastward towards a discovery by Sirios Resources Ltd ("Sirios") on the adjacent Cheechoo Property (in-pit inferred resources of 93 Mt at 0.65 g/t Au for 1.96 Moz using a 0.25 g/t Au cut-off; Sirios PR dated November 17, 2020). Some of the holes drilled by Sirios were collared as close as 12 metres from Azimut's property boundary.

The corridor is characterized by consistent anomalous gold values (>0.5 g/t Au), several networks of quartz veins and veinlets, strong sodic alteration, very low sulphide concentrations (<0.5%) and frequent native gold grains. The two main higher-grade trends in the corridor, the **Moni Trend** and the **Contact Trend**, are described in detail below. The metasedimentary-hosted **JT Prospect**, 2.5 kilometres to the west, is also near the intrusive-metasedimentary contact. The sedimentary sequences in this area display comparable characteristics with the stratigraphy hosting the Eleonore gold mine 12 kilometres to the northwest. Previous drilling results indicate that the Cheechoo tonalite is mineralized in this area, suggesting a potential extension of the Contact Trend to form a semi-ring shape approximately 5.5 kilometres long.

The aim of the 2018-2019 diamond drilling program was to test the continuity and extensions of the Contact and Moni trends. The last batch of results was published in the PR of October 1, 2019. Highlights included 7.44 g/t Au over 9.7 m, including 63.3 g/t Au over 0.8 m and 1.02 g/t Au over 92.0 m (including 7.36 g/t Au over 8.2 m). **Figure 13** is a map showing the salient drilling, prospecting and channelling results from the Contact and Moni trends, and **Figure 14** shows a cross-section of mineralized drill holes.

Moni Trend

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

Moni Prospect

This outcropping high-grade quartzofeldspathic vein system is hosted in strongly altered tonalite and has been drill-tested to a vertical depth of 40 metres along a 60-metre strike length. Mineralized facies vary laterally from grey or black quartz veins to a quartzofeldspathic pegmatite carrying traces to 1-2% of sulphide minerals (mostly arsenopyrite with lesser pyrite, pyrrhotite) and small amounts of tourmaline and scheelite. Alteration minerals are silica, albite, biotite and chlorite. To date, 345 native gold grains have been observed in 42 of the 82 channel samples and more than 20 drill holes. The tonalite is pervasively altered (albite, silica) and displays a network of regularly spaced quartz veins and veinlets of variable widths, with feldspathic selvages (sheeted veins). The system is oriented NE-SW, shows evidence of folding, and is roughly parallel to the trend of steeply dipping foliation. Closely spaced drill holes on the Moni Prospect reveal a pegmatitic vein with good geometric continuity. Gold values generally reflect the presence of native gold. The information from these holes suggests that other Moni-type gold-bearing veins may show similar continuity.

101 Prospect

In 2017, a prospecting program yielded high-grade grab samples grading up to 101 g/t Au) from an outcrop on strike with the Moni Prospect. Grab samples are selective by nature and unlikely to represent average grades.

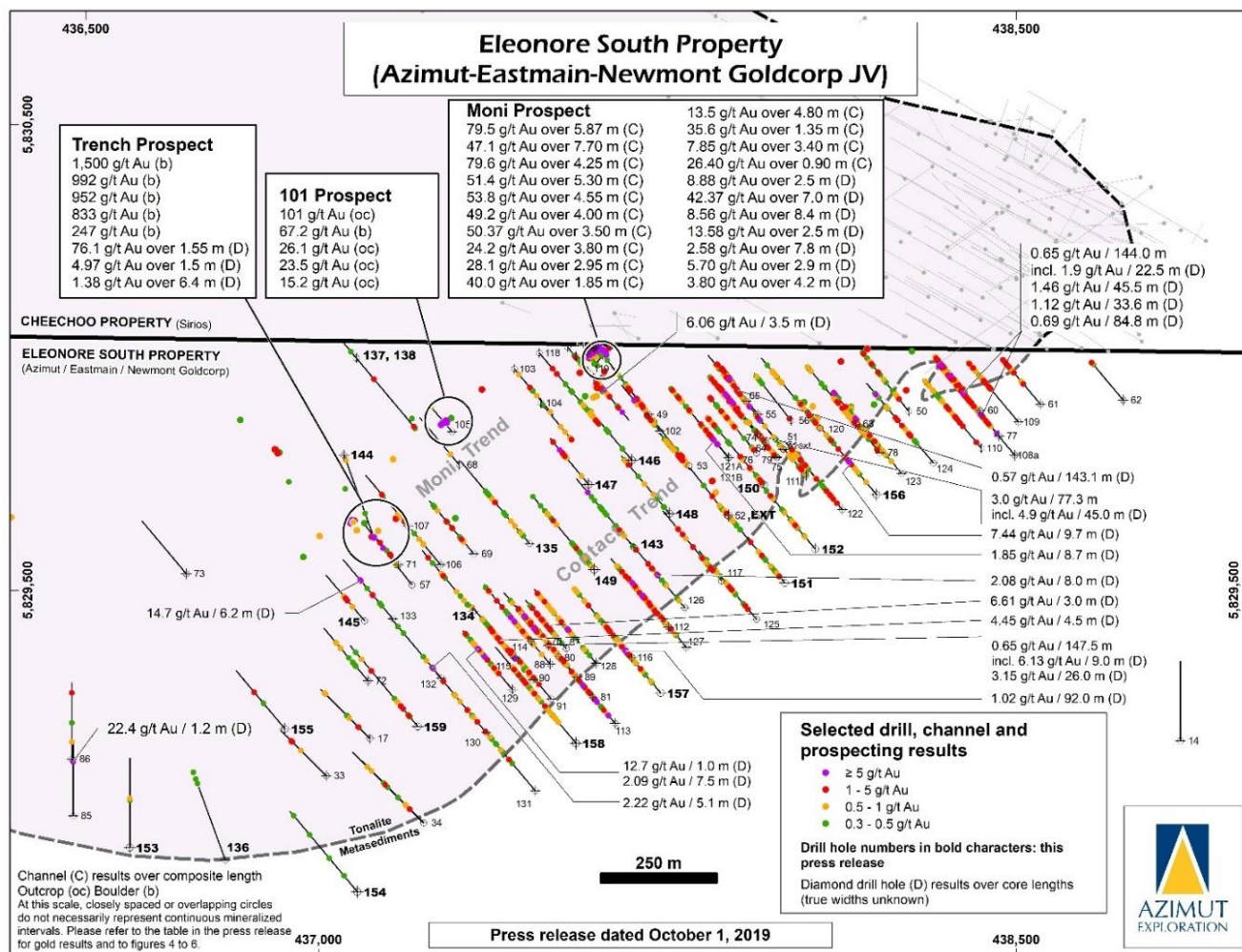


Figure 13: Details of the Moni and Contact trends along the tonalite-metasedimentary contact showing selected drill, channel and prospecting results.

Trench Prospect

The Trench Prospect is 650 metres southwest of the Moni Prospect (250 m southwest of the 101 Prospect). The very high-grade samples (up to 1,500 g/t Au) were collected from angular boulders of quartz-feldspar-(biotite) pegmatitic veins with native gold. These samples may correspond to a larger dismantled boulder. Mineralized tonalite boulders with arsenopyrite are also found nearby. It is believed these mineralized boulders come from a nearby source.

Contact Trend

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

Exploration model

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

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

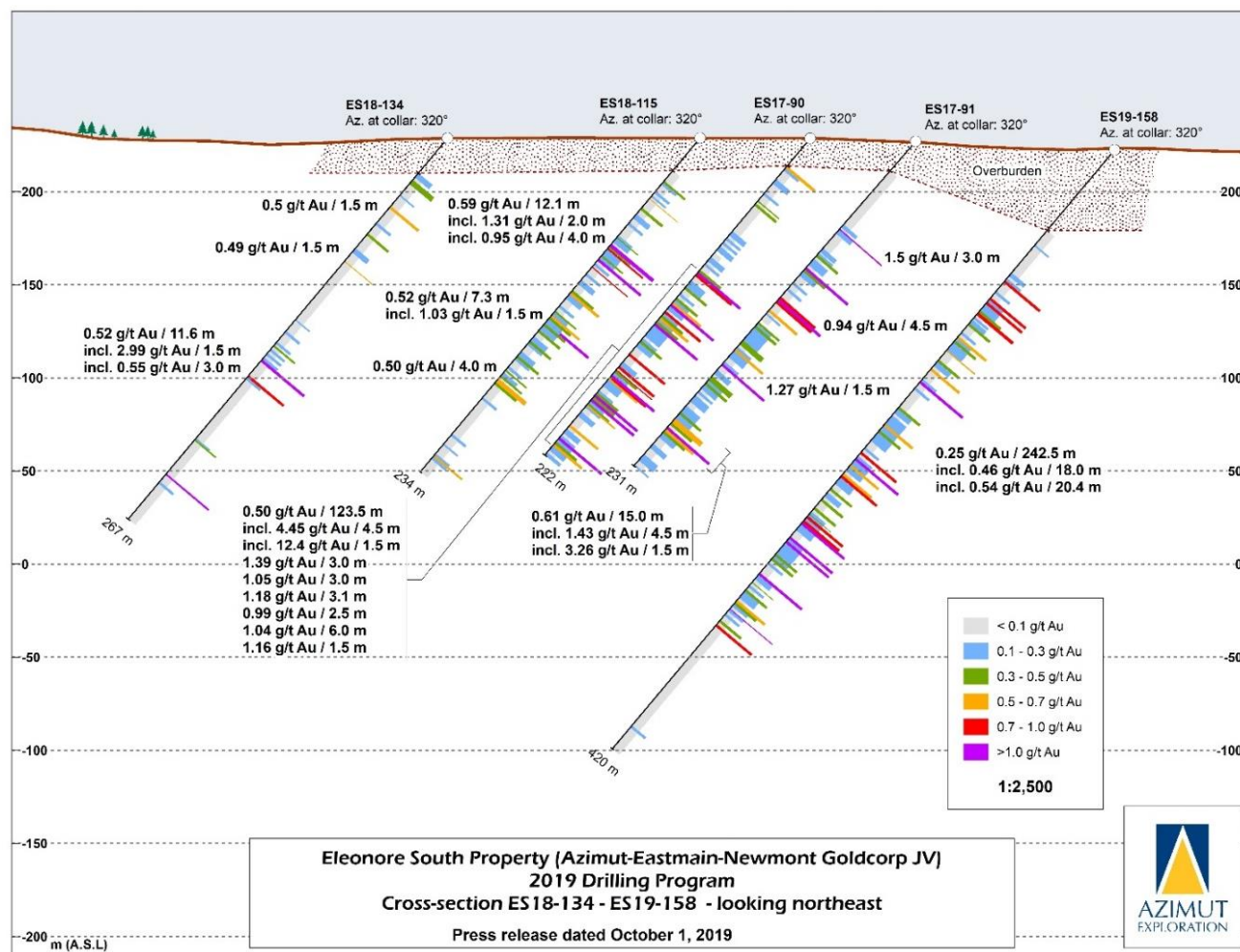


Figure 14: Example of a cross-section of diamond drill holes on the Eleonore South Property.

Azimut has performed a rigorous interpretation and comparison of the geochemical footprints for Eleonore South and Newmont's Eleonore gold mine, revealing comparable features. The Eleonore mine footprint suggests little to no displacement of the Eleonore South gold-arsenic soil anomalies from their bedrock sources. Consequently, the areas on the Eleonore South Property with unexplored strong geochemical anomalies are considered quality targets for potential near-surface discoveries.

Opinaca A Property

The Opinaca A Property (43 claims, 22.4 km²) is a 50/50 JV gold project with Everton. It is adjacent to Newmont's Eleonore mine property and the access road to the mine runs through Opinaca A.

Work programs have identified three main target areas: the **Charles Prospect** (2.7 g/t Au over 2.0 m in DDH and up to 42.34 g/t Au in grabs) hosted in biotite-rich paragneiss with quartz veins and up to 15% sulphides (pyrite, pyrrhotite); the **Inex Prospect** (9.03 g/t Au over 0.6 m in DDH and up to 50.9 g/t Au in grabs) associated with a garnet-biotite-amphibole-silica-rich rock hosted in paragneiss; and the **Smiley Prospect** (4.24 g/t Au over 1.0 m in hole OS-08-04-A) characterized by a major gold anomaly in till coupled with a gold-arsenic anomaly in soil and by locally intense alteration in greywackes and paragneiss.

In Fiscal 2021, the Company did not incur any exploration expenditures (\$800 – Fiscal 2020) but did incur \$7,000 in claim renewals (\$Nil – Fiscal 2020). No budgetary provisions have been made due to other regional priorities. Consequently, the property was partially impaired.

Opinaca B Property

The Opinaca B Property (248 claims, 129.7 km²) is a JV gold project with Everton and Hecla. Azimut owns a 25% interest in the property. It is adjacent to the Cheechoo gold project held by Sirios, approximately 16 kilometres to the east of Newmont's

Eleonore mine. The discovery potential of the property has been strengthened by Sirios' mineral resource estimate for Cheechoo (see the section on the Eleonore South Property).

The Company has received cash payments of \$290,000 on the first option. Hecla did not elect to proceed with the second option. In Fiscal 2021, the Company did not incur any exploration expenditures (\$1,000 – Fiscal 2020) but did incur \$2,000 (\$Nil – Fiscal 2020) in claim transfers.

Exploration highlights

The most significant results were from the **Dominic Prospect** (drill interval of 0.61 g/t Au over 30.7 m, starting in mineralization), which corresponds to a folded epidote-amphibole-quartz-feldspar vein hosted in metasediments close to a felsic intrusion. The **Fishhook Prospect** is a magnetic anomaly related to an iron-rich sedimentary unit (1.06 g/t Au over 1.5 m in a fault zone). The **D8 Prospect** is characterized by a 20-metre-wide altered arsenopyrite-tourmaline-rich shear zone in metasediments (0.55 g/t Au over 4.0 m in a trench), amphibolite-hosted quartz veins (2.3 g/t Au over 1.0 m in a channel), and a package of IP anomalies roughly 150 to 200 metres wide. The **Claude Prospect** is associated with quartz-tourmaline veins and veinlets (drill interval of 2 g/t Au over 187 m, including 1.0 g/t Au over 21.5 m). Grab samples returned 5.8 g/t Au and 4.3 g/t Au, and a channel graded 2.4 g/t Au over 0.5 m. The **Eric Prospect** is characterized by calc-silicate (altered) sediments and gold-bearing arsenopyrite-tourmaline-bearing pegmatites within a kilometre-scale arsenic-gold soil geochemistry target. Mineralization on the **Penelope Prospect** is associated with quartz-tourmaline veins and veinlets.

Opinaca D Property

The wholly-owned Opinaca D Property (31 claims, 16.2 km²) is a gold project about 15 kilometres northwest of Newmont's Eleonore mine. The access road to the mine runs through the property. Soil geochemistry surveys have confirmed a broad trend of strong gold, arsenic and antimony anomalies. Numerous VTEM anomalies are also present.

In Fiscal 2021, the Company incurred \$100 (\$800 – Fiscal 2020) in exploration work for data interpretation and \$800 in claim renewal expenditures (\$Nil – Fiscal 2020). No budgetary provisions have been made due to other regional priorities. Consequently, the property was partially impaired.

EASTMAIN RESERVOIR SECTOR

Azimut has two properties in the Eastmain Reservoir sector, Chromaska (chromium) and Wabamisk (gold), along with several claim blocks belonging to the wholly-owned JBN nickel project. The area is roughly 260 kilometres northwest of Chibougamau and 60 kilometres southeast of Newmont's Eleonore mine. The area is notable for the Eau Claire gold deposit (Clearwater Property) of Fury Gold and the Whabouchi deposit of Nemaska Lithium Inc. ("Nemaska"). The Eau Claire deposit consists of open pit and underground components containing combined measured and indicated resources of 4.294 Mt at 6.18 g/t Au for 853,000 oz Au and combined inferred resources of 2.382 Mt at 6.53 g/t Au for 500,000 oz Au (NI 43-101 compliant estimates, effective February 4, 2018; Fury Gold PR of July 4, 2018).

Chromaska Property

The wholly-owned Chromaska Property (28 claims, 14.8 km²) is a Cr-PGE-Ni project located in a highly accessible region with major infrastructure (permanent roads, power lines, airports), 35 kilometres north of Nemaska's Whabouchi mining project and the nearby community of Nemiscau.

Through drilling, channeling and geophysical work, Azimut has determined that chromium mineralization occurs as massive to semi-massive chromite layers and chromite-rich dykes or sills in a well-defined prospective horizon along a 4-kilometre-long ultramafic intrusion. Channeling in the central part of the intrusion produced a best interval of 17.21% Cr₂O₃ over 7.54 m. The main showings are the **Sledgehammer Prospect**, which can be traced at the surface for 100 metres within a magnetic high, and the **Dominic Prospect**, which occurs in a magnetic low. Preliminary mineralogical studies indicated that a primary grind should be sufficient to easily liberate the chromite from the silicate gangue and that chromite grains have a Cr₂O₃ content of 44.5% and Cr/Fe ratios ranging from 1.63 to 2.4. The residual gravity anomaly characterizing the intrusion is 1.2 kilometres long and up to 200 metres wide, remaining open to the north and south. Inversion modelling suggests a body of significant strike, generally more developed below a depth of 50 metres, possibly a subvertically dipping chromite body of substantial size, or disseminations/thin interdigitations of chromite within high-density host rocks (dunite, harzburgite). The property shares several attractive geological and geophysical similarities with the Black Thor Intrusive Complex, host to the Black Thor chromite deposit in the Ring of Fire district in Northern Ontario, including the ages of the two intrusive complexes appear to be very close (Black Thor: 2,734 Ma; Chromaska: 2,739 Ma).

In Fiscal 2021, the Company incurred \$1,000 (\$6,000 – Fiscal 2020) in drilling and prospecting compilations but did not incur any claim renewal expenditures (\$Nil – Fiscal 2020). No budgetary provisions have been made because the results did not meet the Company's objectives. The property was fully impaired in 2019.

Wabamisk Property

The Wabamisk Property (450 claims, 238.2 km²) is a gold project held 49% by Azimut and 51% by Newmont. It is located about 70 kilometres south of Newmont's Eleonore gold mine and has a comparable geological context and geochemical signature. 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.

The major gold target areas have been identified by soil sampling, geophysics (ground IP and heliborne SkyTEM and magnetic surveys), prospecting, and diamond drilling. The 3.5-kilometre-long **GH Prospect** is outlined by coincident soil (Sb, As) and IP anomalies associated with a diorite intrusion and metasedimentary rocks. The best drill intersection was 2.3 g/t Au over 4.3 m within a large envelope defined by 19 m grading 0.7 g/t Au, 0.39% Sb and 0.20% As. Mineralization is characterized by Sb and As sulphides as disseminations and veinlets accompanied by sericitization and silicification. Another target area, the 1.7-kilometre-long **Dome-ML Prospect**, which yielded several historical high-grade gold values (up to 80.7 g/t Au) in grab samples taken from sheared and altered mafic volcanic units and a dioritic intrusion.

In Fiscal 2021, the Company incurred \$1,000 (\$6,000 – Fiscal 2020) for a geological assessment but did not incur any costs relating to claims (\$Nil – Fiscal 2020). Newmont is the operator of the property.

ROUTE 167 SECTOR

Route 167 is 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 has proposed a second phase that would extend Route 167 northward to connect with the Trans-Taiga Road, over an approximate distance of 125 km. Azimut's holdings in the Route 167 sector comprise the wholly-owned Corne Property, the Galinée JV project, and the majority of the claim blocks belonging to the wholly-owned JBN Project.

Galinee Property

The 36-kilometre-long Galinée Property (588 claims, 303.5 km²) is a 50/50 JV gold project with SOQUEM, located about 50 kilometres north-northwest of Stornoway's Renard mine and 60 kilometres south of the Trans-Taiga Road. The property is underlain by the La Grande Subprovince, about 15 kilometres north of the contact with the Opinaca Subprovince. The property provides a controlling position over an extensive LBS anomaly marked by a strong arsenic-bismuth-antimony footprint, accompanied by favourable geophysical, geological and structural criteria. Target deposit types are shear zone-hosted and intrusion-related. No historical showings are known on the property but prospecting work in 2018 led to the discovery of the subcropping, tonalite-hosted **Gamora Prospect** (up to 2.17 g/t Au). About 5 kilometres to the west, a gold grain dispersal train in till yielded a sample containing 52 delicate gold grains, suggesting a proximal common source.

As at August 31, 2021, the JV partners have cumulatively invested \$364,000 (\$271,000 – August 31, 2020) in work expenditures, of which Azimut's share is \$182,000 (\$135,500 – August 31, 2020). The expenditures cover prospecting and till sampling.

Corne Property

The wholly-owned Corne Property (177 claims, 93.6 km²) is a copper-gold project about 25 kilometres west of Route 167. It covers a 17-kilometre strike over a well-marked copper-bismuth-arsenic LBS anomaly. The property is located within the metasedimentary Opinaca Subprovince, close to the boundary with the Opatika Subprovince, and has seen very limited exploration. A small copper-molybdenum-silver intrusion-related deposit is located about 20 kilometres to the northwest (MacLeod, Pointe Richard).

In Fiscal 2021, the Company incurred \$4,000 (\$7,000 – Fiscal 2020) in exploration work for data interpretation but did not incur any claim acquisition costs (\$Nil – Fiscal 2020).

JBN Project

In November 2021, Azimut acquired a new portfolio of 57 attractive nickel targets (1,128 claims or 590.2 km²) by map designation, collectively forming the James Bay Nickel ("JBN") Project (PR of November 30, 2021). The targets are widely dispersed throughout the James Bay region, but the majority lie between Route 167 and the Eastmain Reservoir. They also present a significant potential for copper, cobalt and PGE, which are commonly associated with nickel deposits. All the commodities of interest are expected to be in high demand in the long term, given the current global energy transition period. Most of the targets correspond to kilometre-scale mafic to ultramafic intrusions, likely representing subvolcanic conduits, dykes, and sills in volcano-sedimentary sequences. The majority have little or no past exploration history. Azimut considers the James Bay region to be underexplored for this discrete but potentially highly valuable target type. 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 belonging to Noront Resources Ltd in the Ring of Fire (Ontario) and the Eagle deposit of Lundin Mining Corporation in Michigan (USA). 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 part of the James Bay region is Route 389, a 570-kilometre-long highway between the city of Baie-Comeau in Quebec and the Newfoundland-Labrador border. A joint 10-year federal-provincial improvement program that began in 2019 will improve access to lands north of the 49th parallel in this area. Azimut holds two wholly-owned properties in the sector (Mercator and Valore) and a JV project (Desceliers).

Desceliers Property

The Desceliers Property (279 claims, 144.9 km²) is a gold-copper JV project with SOQUEM. The Company exercised its back-in option to regain a 50% interest in the property after fulfilling its obligations in Fiscal 2021. The property is located roughly 150 kilometres 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. This area has seen minimal historical exploration and very little is known about its geology. 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 (Azimut and SOQUEM) has included a geophysical survey (heliborne DIGHEM), an infill LBS survey and prospecting, the results of which collectively defined robust targets, namely for iron oxide copper-gold (“IOCG”) and magmatic Ni-Cu deposits.

Mercator Property

The wholly-owned Mercator Property (351 claims, 182.1 km²) is a copper-polymetallic (Cu-Ni-Co) project measuring 22 kilometres long by 16 kilometres wide. It is located roughly 100 kilometres west of Route 389. Geologically, it lies in the Opinaca Subprovince at the boundary with the Ashuanipi Subprovince. The property displays strong geochemical signatures in LBS, including copper, bismuth and molybdenum, as well as, more locally, nickel and cobalt. This area has no record of past exploration.

In Fiscal 2021, the Company incurred \$5,000 (\$6,000 – Fiscal 2020) in exploration work for data interpretation but did not incur any claim acquisition expenditures (\$Nil – Fiscal 2020).

Valore Property

The wholly-owned Valore Property (20 claims, 10.4 km²) is a gold project located roughly 100 kilometres northwest of Route 389 and 185 kilometres east of Stornoway’s Renard mine. Located in an area of the Opatika Subprovince with poor geological coverage, the property has seen little historical exploration. Azimut has identified several strong gold LBS anomalies, including 2.13 g/t Au and 2.12 g/t Au.

The claims are still in good standing as at December 18, 2021, but Azimut has elected to no longer pursue its assessment of the project due to other regional priorities. The property was partially impaired in 2019.

NUNAVIK REGION

Azimut holds six (6) properties in Nunavik, the region in Northern Quebec above the 55th parallel (**Figure 15**). 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 (“REE”). The Company also recognizes the region’s potential for uranium and diamonds. The Company’s current holdings are primarily the result of copper-gold predictive modelling using Azimut’s proprietary AZtechMineTM expert system over an area covering 1,247,900 km².

AZIMUT-SOQUEM NUNAVIK ALLIANCE

On May 15, 2019, Azimut announced that it had signed an agreement with SOQUEM to form a new alliance in Nunavik (the “Nunavik Alliance”) comprising two option phases representing a total investment of up to \$40 million. Under the first option, SOQUEM has the option to earn an initial 50% interest in the Rex-Duquet, Rex South and Nantais properties by investing \$16 million in exploration work over four (4) years, the first two (2) years being a firm commitment of \$4 million each year. Under the second option, SOQUEM may earn an additional 10% interest in each designated property (for a total 60% interest in each such property) by investing \$8 million per designated property over two (2) years and delivering a preliminary economic assessment. Azimut is the operator of the Nunavik Alliance.

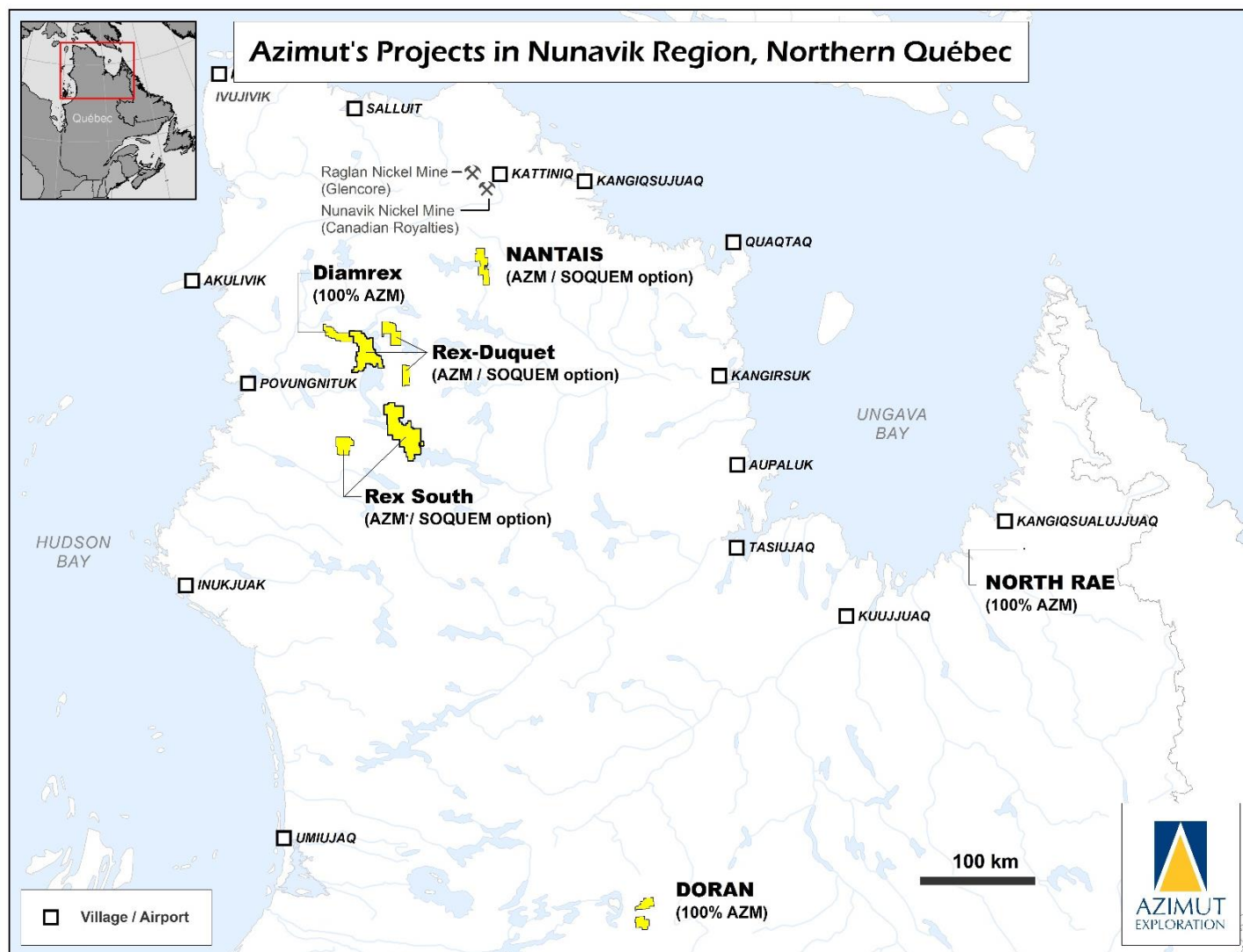


Figure 15: Map of Azimut’s Nunavik property portfolio.

The initial \$4-million Nunavik Alliance exploration program was completed in spring 2020. A new \$4-million program was scheduled to start in summer 2020 but had to be placed on hold after the Government of Quebec instituted a travel ban that prevented Company employees from entering the region. The travel ban was one of the government’s measures to combat the spread of the COVID-19 virus. After the travel ban was lifted, Azimut was able to resume field work in April 2021. All field work will adhere to the required operational rules in the context of the COVID-19 pandemic.

NUNAVIK – GOLD-COPPER POLYMETALLIC

Through its Rex-Duquet and Rex South properties, the Company has acquired a controlling land position over a vast underexplored region of Nunavik considered by management to be a new mineral province with the potential to host large-scale deposits. The area, known as the **Rex Trend**, is characterized by a strong 300-kilometre-long copper anomaly in LBS, coupled with a strong 100-kilometre-long REE anomaly. The Alliance aims to unlock the mineral potential of this largely underexplored region. The main targets are IOCG deposits, reduced intrusion-related gold-polymetallic systems, copper-gold mineralization in shear zones, and volcanogenic massive sulphides.

Rex-Duquet Property

The wholly-owned Rex-Duquet Property (2,041 claims, 871.9 km²) is a copper-gold project occupying the northern segment of the Rex Trend. The project is also of interest for a suite of other commodities, notably silver, tellurium, tungsten, REE and molybdenum. The claim blocks are spread over a distance of 80 kilometres and were two properties before becoming amalgamated under the Nunavik Alliance. All the rights, titles and interests in the former Duquet Property were transferred to Azimut in consideration of an aggregate 2.25% NSR on those claims, with a 0.75% NSR payable to each of the three previous joint owners (Osisko Exploration, Newmont Northern Mining ULC and SOQUEM).

In Fiscal 2021, on behalf of SOQUEM, the Company incurred \$19,000 in claim renewals (\$99,000 – Fiscal 2020) and \$2,258,000 (\$664,000 – Fiscal 2020) in exploration expenditures for ground geophysics and to prepare the 2021 drilling program, all of which was charged back to SOQUEM in full.

Exploration highlights – Summer 2021 program

The Rex-Duquet component of the current SOQUEM-funded Nunavik Alliance exploration program consisted of diamond drilling (2,152 m in 12 holes), geophysics (IP and magnetics) and channel sampling to accelerate the assessment of the best mineralized zones on the property. Assay results are pending. The key features of the main target zones (**Figure 16**) that were drill-tested during the summer program are summarized below (PR of September 15, 2021).

RBL Zone

The RBL Zone is at least 3 kilometres long by 50 to 200 metres 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 and in veinlets, stockworks, centimetric to decimetric massive sulphide blebs, semi-massive veins and breccia cement. The zone is marked by a wide alteration corridor (50 m to 400 m wide), conformable with a NNW-trending brittle fault. Alteration mainly consists of pervasive potassic alteration that obliterates primary gneissic host rocks, accompanied by pervasive silica, quartz veins and veinlets, chlorite and epidote. The corridor displays an extensive stockwork of quartz-magnetite/hematite veins and veinlets and polymictic breccias. RBL exhibits characteristics of a major IOCG-type hydrothermal-magmatic system with possible significant down-dip extensions. Other comparable zones in the Rex Trend appear to be related to brittle faults (the KAAM, Mousquetaires, CM, Jemima, Impact and Sombrero zones), highlighting the regional-scale potential for this type of deposit, likely related to deep-rooted crustal-scale structures.

Mousquetaires Zone

Mousquetaires is a target zone at least 1.5 kilometres long by 200 metres 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, which shows alteration and vein types comparable to the RBL Zone, may represent the strike extension of the RBL Zone located 10 kilometres to the NNW.

Subtle Zone

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

PAK Zone and PAK North Zone

The PAK and PAK North zones lie on strike with the Subtle Zone. They form a group of 10 prospects distributed over a distance of 7 kilometres 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 Property

The wholly-owned Rex South Property (2,301 claims, 1,002.2 km²) is a copper-gold project occupying the southern segment of the Rex Trend. The project is also of interest for a suite of other commodities, notably silver, tungsten, bismuth, REE, tellurium, molybdenum and tin.

In Fiscal 2021, on behalf of SOQUEM, the Company incurred \$56,000 in claim renewals (\$74,000 – Fiscal 2020) and \$1,570,000 (\$342,000 – Fiscal 2020) in exploration expenditures for ground geophysics and to prepare the 2021 drilling program, all of which was charged back to SOQUEM in full.

Exploration highlights – Summer 2021 program

The Rex South component of the current SOQUEM-funded Nunavik Alliance exploration program consisted of diamond drilling (738 m in 5 holes), geophysics (IP and magnetics) and channel sampling to accelerate the assessment of the best mineralized zones on the property. Assay results are pending. The key features of the main target zones (**Figure 17** and **Figure 18**) that were drill-tested during the summer program are summarized below (PR of September 15, 2021).

Augossan Zone

The Augossan Zone represents a large polymetallic envelope (Au, Ag, Cu, W, Sn, Te, Bi, Rb, Mo) at the contact between an oval-shaped (5 km by 15 km) fluorite-topaz-bearing A-type intrusive complex (the Qalluviartuuq Intrusive Complex: “QIC”) and volcano-sedimentary rocks. Augossan measures about 8,000 metres long by 100 to 350 metres wide, as defined by extensive prospecting results and data from previous reverse circulation (“RC”) reconnaissance drill holes. The zone remains open in all directions, notably toward the intrusion. Delineation work 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. Highlights from a previous RC program 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.

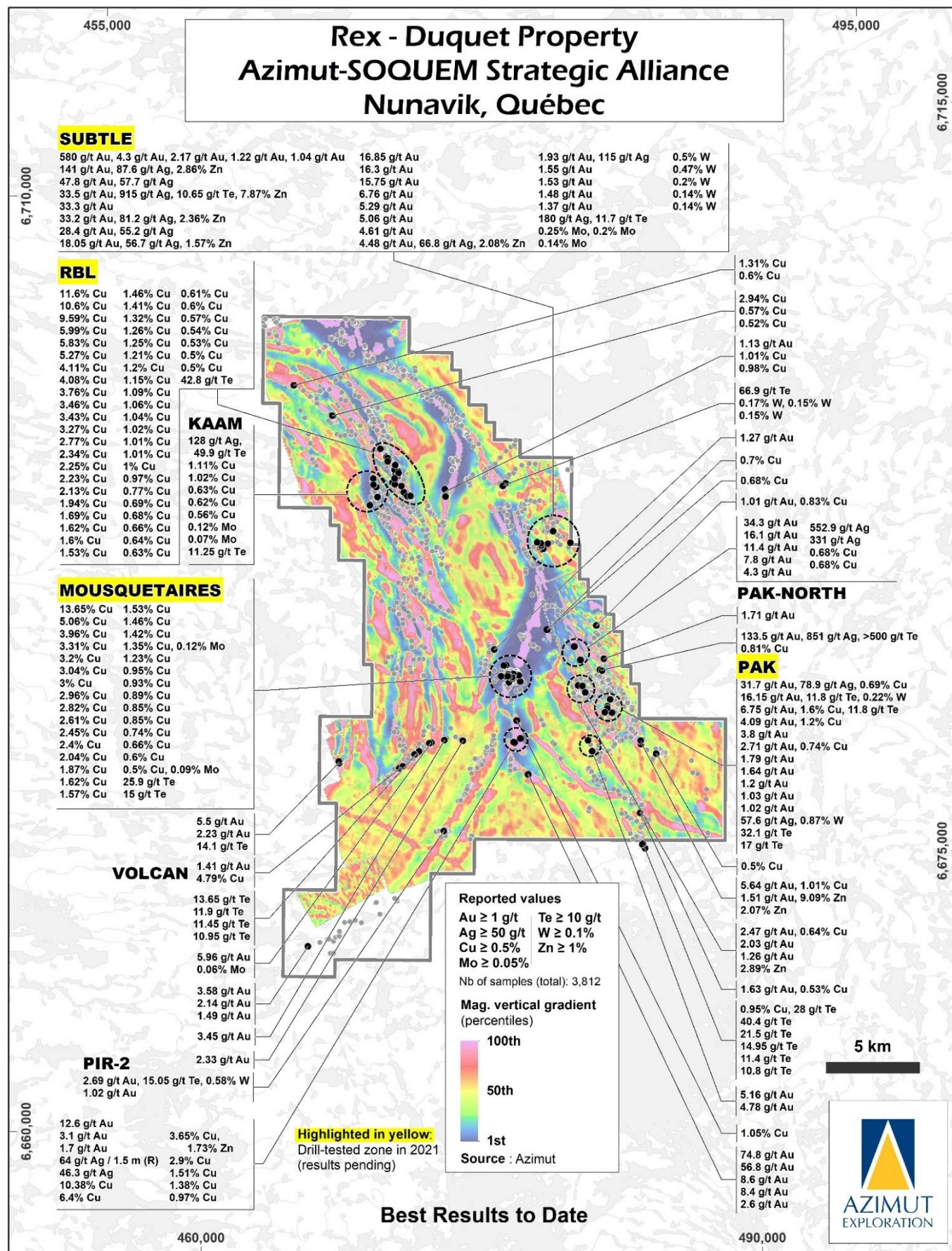


Figure 16: Map of the Rex-Duquet Property (A Block) showing the best grab and channel sample results to date

Copperton Zone

The Copperton Zone is hosted in a variably sheared, steeply dipping feldspathic intrusion, and in amphibolites and gneissic metasediments. The mineralized corridor is recognized over a strike length of 3.5 kilometres and a width of 20 to 100 metres. Mineralization is mainly disseminated to semi-massive chalcopyrite, 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.

Dragon North Zone

The Dragon North target zone is hosted in foliated mafic and felsic volcanics striking NW and dipping to the NE. It is approximately 450 metres long by 90 metres wide and appears spatially correlated with a magnetic high. Mineralization is mainly chalcopyrite accompanied by lesser pyrite and magnetite, with the best grab samples grading 4.05% Cu, 0.6% Mo and 2.78% Cu, 0.13% Mo. Alteration is mainly silicification.

Dragon Zone

Dragon 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. The preliminary strike extent of this zone is about 2 kilometres. Widths are still undefined.

Augossan Zone

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

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

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

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

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

Revers circulation drilling highlights from 2011 include: 0.14% W over 15.24 m with an interval of 4.20 g/t Ag, 893 ppm Bi, 0.12% W and 0.35% Cu over 7.62 m; 1.28 g/t Au, 8.41 g/t Ag and 0.12% Cu over 6.1 m; 1.10 g/t Au and 2.60 g/t Ag over 9.14 m; 0.56% W, 2.84 g/t Ag and 0.11% Cu over 1.52 m. True widths of the drilling intervals were estimated to be approximately 75% to 100% of core length.

Anorthosite Zone

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

Aura-Pegor Zone

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

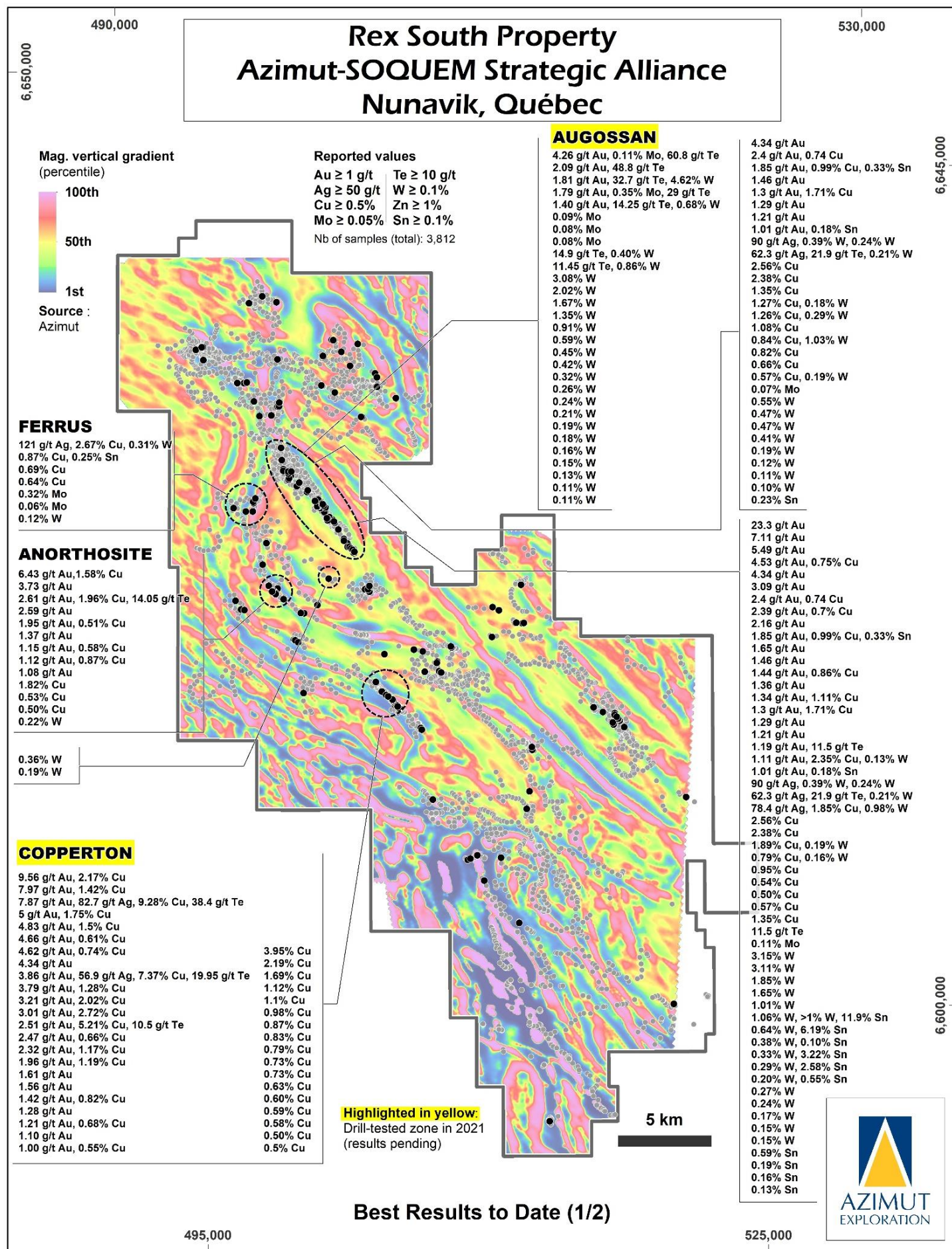


Figure 17: Map of the Rex South Property showing some of the most significant zones and best grab samples to date (continued in next figure).

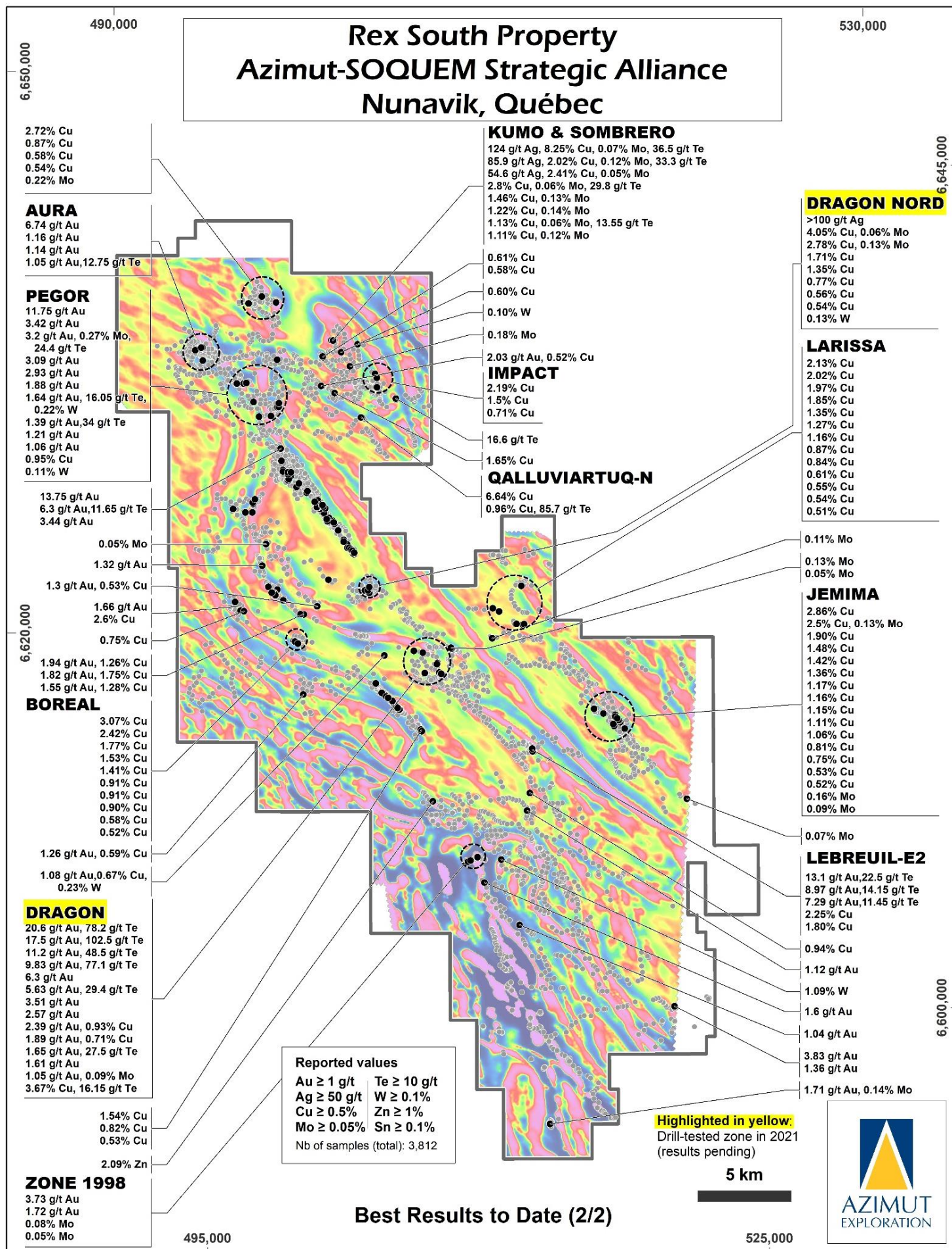


Figure 18: Map of the Rex South Property showing the remaining zones and best results to date.

Jemima Zone

The Jemima Zone is a mineralized corridor 2 kilometres long by 30 to 100 metres wide, characterized by disseminated to semi-massive chalcopyrite and bornite associated with hematite-magnetite in veins, veinlets or breccia cement, accompanied by strong pervasive potassic alteration, silica, chlorite and epidote. Mineralization and associated alteration are related to a brittle structure that clearly crosscuts the Archean gneissic country rocks. Assays for 15 grab samples ranged from 0.5% to 2.86% Cu, and contained molybdenum and rhenium grades of up to 0.17% Mo and up to 0.422 g/t Re.

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

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

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

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

Nantais Property

The wholly-owned Nantais Property (541 claims, 226.6 km²) is a Au-Ag-Cu-Zn project about 110 kilometres east of the Rex Trend, about 80 kilometres south of Glencore's Raglan nickel mine and 115 kilometres southwest of the Inuit village of Kangisujuaq. The project covers 32 kilometres of an underexplored greenstone belt in the Nantais Complex of the Minto Block, a geological division of the Archean Superior Province. Three historical showings are present on the property. Target deposit types are gold-rich polymetallic VMS and shear zone-hosted.

In Fiscal 2021, on behalf of SOQUEM, the Company incurred \$9,000 in claim renewal expenditures (\$12,000 – Fiscal 2020) and \$7,000 (\$117,000 – Fiscal 2020) in exploration expenditures to prepare the 2021 field work program, all of which was charged back to SOQUEM in full. Azimut and SOQUEM will continue the technical assessment of the property through the Nunavik Alliance program.

Exploration results

The 2019 exploration program, fully funded by SOQUEM under the Nunavik Alliance, consisted of systematic prospecting on target areas (**Figure 19**) defined by integrating all previous data from heliborne Mag-EM surveys, remote sensing, LBS geochemical modelling, and prospecting. A total of 518 grab samples were collected (PR of December 3, 2019).

The program outlined a 1.6-kilometre-long gold-bearing area from which the best grab sample graded 6.91 g/t Au, 16.4 g/t Ag and 0.22% Cu. This mineralized corridor correlates spatially with a 1.1-kilometre-long EM conductor. Most grab samples from this area are from angular boulders composed of sheared mafic volcanics with quartz veins and pyrite. The work also improved the definition, through infill prospecting, of a previously recognized polymetallic corridor, 3.1 kilometres long by up to 500 m wide, in the central part of the property. Mineralization (pyrrhotite, pyrite, chalcopyrite, arsenopyrite, sphalerite, galena) is hosted within a steeply dipping north-trending unit of mafic and felsic volcanic rocks. The two best grab samples graded 17.4 g/t Au, 8.82 g/t Ag, 0.2% Cu and 245 g/t Ag, 1.62% Pb, 6.45% Zn.

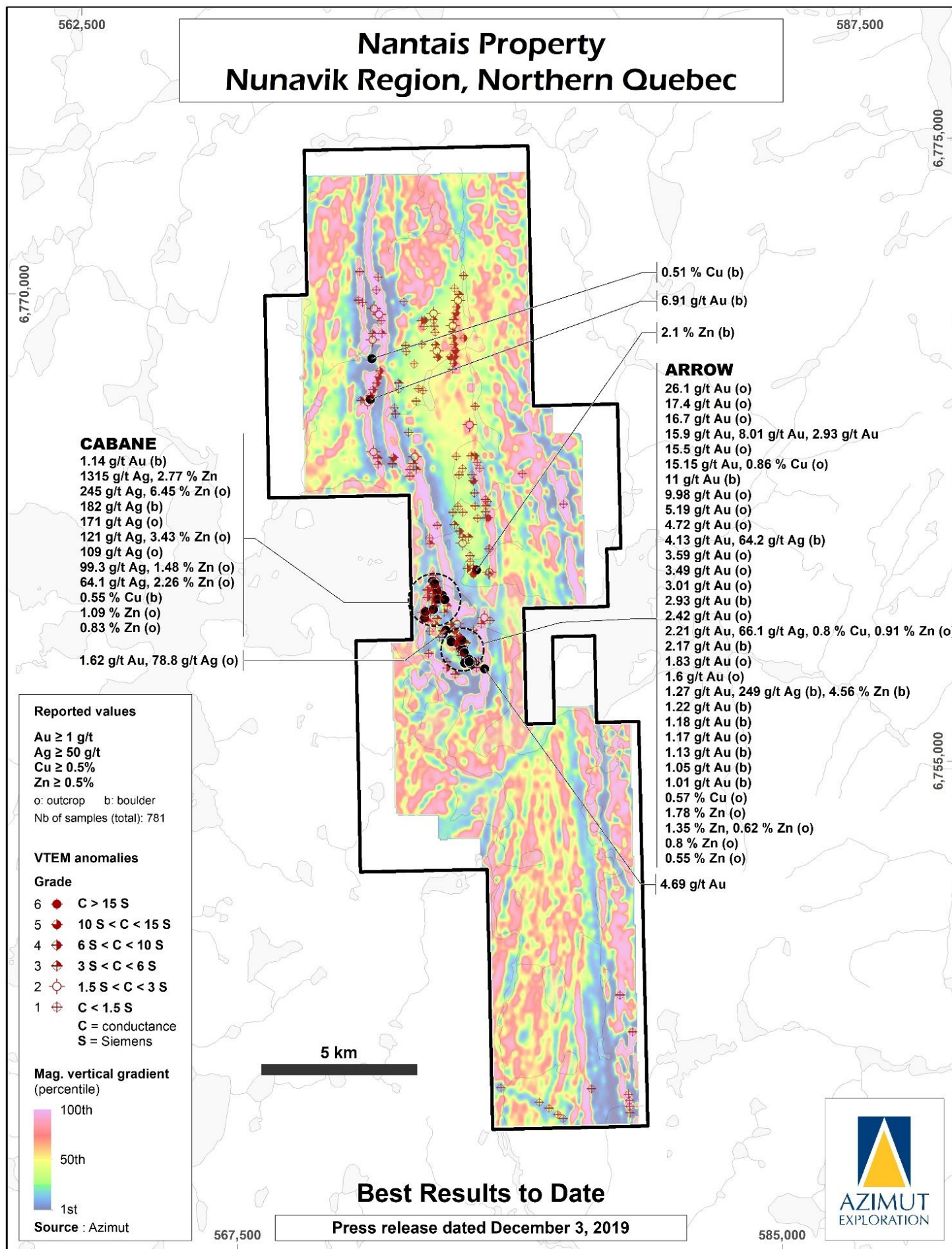


Figure 19: Map of the Nantais Property showing the main zones and best results to date.

NUNAVIK – COPPER

Doran Property

The focus of the wholly-owned Doran Property (436 claims, 210.7 km²) is its copper potential. A showing of chalcocite (a copper-bearing mineral) in a granite outcrop previously yielded >40% Cu and 12 g/t Ag. Abundant hematite veinlets, some silicification, and lesser amounts of disseminated pyrite and pyrrhotite were also observed. A major structure in the showing area correlates with a 25-kilometre copper anomaly in LBS (up to 316 ppm Cu).

In Fiscal 2021, the Company incurred \$60,000 in claim acquisition costs (\$Nil – Fiscal 2020) and \$70,000 in exploration expenditures consisting of data compilation and interpretation (\$Nil – Fiscal 2020).

NUNAVIK – DIAMONDS

Diamrex Property

The wholly-owned Diamrex Property (427 claims, 181.8 km²) is a diamond project adjacent to the west side of the Rex-Duquet Property. The claim blocks are spread over a distance measuring 25 kilometres east-west and 15 kilometres north-south. Azimut has conducted generative work to preliminarily assess the potential for diamond targets related to the deep-seated structural corridor known as the Allemand-Tasiat Zone. This corridor has been recognized as prospective for diamonds by Quebec's Ministry of Energy and Natural Resources. The Diamrex Property now covers several targets of interest generated by that work.

NUNAVIK – URANIUM

North Rae Property

Azimut's sole uranium property is the wholly-owned North Rae Property (1 claim, 0.5 km²). Azimut considers Nunavik to be highly prospective for large-tonnage uranium deposits related to intrusive rocks in high-grade metamorphic environments. Management considers the North Rae property area in the eastern Ungava Bay region to be a new uranium province.

In Fiscal 2021, the Company did not incur any claim renewal expenditures (\$Nil – Fiscal 2020) or exploration work expenditures (\$Nil – Fiscal 2020). The property was fully impaired since no E&E expenditures had been planned, given the uncertainty surrounding the uranium industry in Quebec.

OUTLOOK

In the coming fiscal year, Azimut will continue advancing its flagship project, the Elmer Property, along with other wholly-owned properties in the James Bay region (Kaanaayaa, Corne, Corvet, Kukamas, Mercator and JBN) and three of the JV projects under the James Bay Alliance with SOQUEM (Pikwa, Munischiwan and Galinée), and it will continue to assess the technical progress made on the Eleonore South Property. Furthermore, Azimut will pursue its work with SOQUEM under the Nunavik Alliance to advance the Rex-Duquet and Rex South properties. The following tables present the status of the current work programs on the Company's key properties and the planned exploration programs for 2022.

Based on industry trends and demand, Azimut will also continue to model the mineral potential of several regions in Quebec to generate new projects and may consider opportunities for other commodities and in other regions. The Company 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.

Although the Company resumed operations after temporarily suspending field operations in March 2020 to comply with the COVID-19-related travel ban issued by the Government of Quebec, the COVID-19 pandemic may continue to create operational uncertainties.

JAMES BAY REGION		
Property	Status	2022 planned work program
Elmer (gold)	Targets identified	Diamond drilling, RC drilling, prospecting, mechanical stripping
Wapatik (gold, nickel-copper)	Targets identified	Ground geophysics, diamond drilling Partner-funded program
Munischewan (gold-copper)	Targets identified	Diamond drilling 50% funded
Pikwa (gold-copper)	Technical assessment underway	Compilation and interpretation 50% funded
Galinée (gold)	Targets identified	Prospecting, till sampling 50% funded
Opinaca B (gold)	Targets identified	Drilling stage Partner-funded program to be defined
Eleonore South (gold)	Targets identified	Drilling stage, prospecting Partner-funded program
Wabamisk (gold)	Technical assessment underway	Drilling stage Partner-funded program to be defined
Corvet (gold-copper)	Reconnaissance	Heliborne geophysics
Kukamas (copper-gold)	Reconnaissance	Heliborne geophysics, detailed LBS geochemistry, prospecting
Mercator (copper-polymetallic)	Reconnaissance	Detailed LBS geochemistry, prospecting
Corne (copper-gold)	Reconnaissance	Detailed LBS geochemistry, prospecting
Kaanaayaa (gold-copper)	Technical assessment underway Reconnaissance	Prospecting
JBN	Technical assessment underway	Data compilation, data processing

NUNAVIK REGION		
Property	Status	2022 planned work program
Rex-Duquet (gold-copper)	Priority targets identified	Ground geophysics, prospecting, drilling Partner-funded program
Rex South (gold-copper)	Priority targets identified	
Nantais (gold, silver, copper, zinc)	Technical assessment underway	Data processing Partner-funded program

SELECTED FINANCIAL INFORMATION

	August 31,		
	2021 (\$)	2020 (\$)	2019 (\$)
Revenue			
Operator income	314,592	180,028	396,681
Expenses			
G&A	1,272,388	1,930,191	482,198
General exploration	316,275	227,121	29,594
Impairment of E&E assets	352,887	4,291	920,963
Interest income, net of finance costs	(27,328)	(32,438)	(40,821)
	1,914,222	2,129,165	1,391,934
Other loss (gain)	(25,344)	(9,363)	33,938
Deferred income tax recovery	1,023,527	1,636,604	(72,853)
Net loss for the fiscal year	550,759	303,170	956,338
Basic and diluted loss per share	0.008	0.006	0.018

RESULTS OF OPERATIONS

FISCAL 2021 COMPARED TO FISCAL 2020

The Company reported a net loss of \$551,000 for Fiscal 2021 compared to \$303,000 for Fiscal 2020. The variation is mainly due to the net effect of 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 \$1,024,000 (\$1,637,000 – Fiscal 2020) and stock-based compensation costs of \$917,000 (\$1,260,000 – Fiscal 2020). Other significant variations are detailed below.

Revenue

The Company reported revenue of \$314,000 (\$180,000 – Fiscal 2020) in operator income. The increase is mainly due to the resumption of fieldwork after the Government of Quebec lifted its COVID-related ban on intra-provincial travel.

Operating expenses

G&A expenses amounted to \$1,272,000 in Fiscal 2021 compared to \$1,930,000 in Fiscal 2020. The variation is mainly due to the net effect of the following: (i) a decrease of \$282,000 in salary and fringe benefits in Fiscal 2021 due mainly to \$Nil in bonuses (\$222,000 – Fiscal 2020) paid to officers and employees; (ii) stock-based compensation costs of \$607,000 in Fiscal 2021 compared to \$1,086,000 in Fiscal 2020; (iii) an increase of \$82,000 in professional fees in Fiscal 2021 due mainly to costs incurred for professional fees related to a special mandate pertaining to the gold discovery on the Elmer Property; and (iv) an increase in administration and office expenses of \$11,000 in Fiscal 2021 due to the greater volume of press releases, the Company's membership in an organization to help out with overseas recruitment, and higher annual listing fees related to the increase in the Company's capitalization value.

General exploration expenses were \$316,000 in Fiscal 2021 compared to \$227,000 in Fiscal 2020. The increase is mainly due to stock-based compensation costs of \$310,000 (\$174,000 – Fiscal 2020). The stock-based compensation costs, an expense that did not affect cash, resulted from the Company granting 1,007,000 options (1,245,000 options – Fiscal 2020) to its directors, officers, employees and consultants.

Other gains and losses

The Company reported other gains of \$25,000 for Fiscal 2021, compared to \$9,000 for Fiscal 2020. The increase was mainly due to the change in the fair value of the Company's investment in Captor Capital Corp.

OTHER INFORMATION

	August 31	August 31,
	2021	2020
Cash and cash equivalents	\$27,641,849	\$5,827,207
Total assets	\$51,860,897	\$18,306,300
Shareholders' equity	\$44,332,440	\$14,530,680
Number of shares outstanding	81,753,844	65,788,137
Number of stock options outstanding	5,085,000	4,480,000
Number of underwriter's options outstanding	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 \$25.0 million as at August 31, 2021, compared to \$3.0 million as at August 31, 2020. Management believes that the Company's current cash position is sufficient to meet current commitments on a continuous basis for at least the next twelve (12) months. To pursue the Company's exploration and evaluation programs and operations beyond August 31, 2022, it will be necessary to periodically raise additional funds through the issuance of new equity instruments and/or the exercise of stock options and warrants and/or the signing of option agreements with partners on the Company's E&E assets. While the Company has been successful in doing so in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available to the Company, or that they will be available on terms that are acceptable to the Company.

Total assets amounted to \$51.9 million as at August 31, 2021, compared to \$18.3 million as at August 31, 2020, owing mainly to the net cash received from the issuance of shares through units and flow-through private placements. The increase in amounts receivable was mainly due to \$2.35 million receivable from partners related to the cash-call for work expenditures on the optioned properties of which the Company is the operator. The increase in commodity taxes receivable was due to audit conducted by Revenue Quebec. These receivables were received in full after year ended. The increase in E&E costs was incurred mainly in the James Bay region on the Elmer and Pikwa properties. The increase in accounts payable and accrued liabilities is largely the result of summer fieldwork conducted in the Nunavik and James Bay regions. The increase in other liabilities is due to the flow-through shares premium liability of \$3.4 million (\$935,000 – Fiscal 2020) related to the private placement financing completed in July 2021. The increase in shareholders' equity is mainly due to the net cash received of \$32.6 million (\$8.0 million – Fiscal 2020) through private placements for the issuance of 12,411,807 common shares and 3,463,900 flow-through shares. The exercise of stock options and warrants amounted to \$74,000 (\$2.0 million – Fiscal 2020).

Operating activities

In Fiscal 2021, net cash flows used in operating activities amounted to \$847,000 compared to \$838,000 in Fiscal 2020. The variation is mainly due to the costs related to professional fees of \$265,000 (\$183,000 – Fiscal 2020), which were incurred for a special mandate pertaining to the discovery on the Elmer Property. The net change in non-cash working capital amounted to \$575,000 (\$196,000 – Fiscal 2020). The variation in amounts receivable resulted mainly from the following: \$2.3 million in cash call receivables from partners for the 2021 chargeback of work expenditures; \$1.1 million in commodity taxes receivable for the six-month period ended August 31, 2021 (the commodity taxes receivable for the period ended May 31, 2021 were under audit by Revenue Quebec); and the \$80,000 from the 2020 refundable duties credit for losses. The variation in accounts payable results from the greater volume of the Company's exploration work carried out in the summer. Subsequent to August 31, 2021, the Company has received \$3.4 million related to the receivables.

Financing activities

The Company completed a non-brokered private placement of 3,333,335 common shares at a price of \$1.80 per share for aggregate proceeds of \$6.0 million and a brokered private placement for total gross proceeds of \$28.7 million, consisting of

3,463,900 flow-through shares at a price of \$3.32 per share and 9,078,472 common shares at a price of \$1.90 per share. An amount of \$74,000 was received for the exercise of stock options. An amount of \$1.9 million was paid for share issuance expenses in respect of the offering and \$294,000 for lease liabilities repayment.

Investing activities

Investing activities consisted mainly of additions to E&E assets. In Fiscal 2021, the net cash flows used in investing activities totalled \$10.1 million compared to \$6.0 million in Fiscal 2020. The variation is attributable to the net effect of the following:

- Additions to E&E assets amounting to \$12.6 million (\$8.0 million – Fiscal 2020). The Company incurred significant costs in the James Bay region on the Elmer and Pikwa properties.
- Advances received from partners in the amount of \$1.7 million (\$1.3 million – Fiscal 2020) to conduct exploration work on the Rex-Duquet, Rex South, Nantais and Wapatik properties.
- An amount of \$814,000 received for the refundable tax credit relating to resources (\$812,000 – Fiscal 2020).

Advanced exploration work on the Company's properties and ongoing work to identify major early-stage exploration targets are pursuits that require substantial financial resources. In the past, the Company has been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that the Company will be successful in raising additional funds in the future.

QUARTERLY INFORMATION

The information presented below details the total income (expenses), net earnings (loss), and net earnings (loss) per share for the last eight quarters. The information is based on the Company's financial statements prepared in accordance with IFRS.

Quarter ended	Income (expenses)	Net earnings (loss)	Net earnings (loss) per share	
			Basic (\$)	Diluted (\$)
	\$	\$		
31-08-2021	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
31-08-2020	(193,002)	35,787	0.000	0.000
31-05-2020	264,504	*** (298,934)	(0.005)	(0.005)
29-02-2020	51,168	(26,022)	0.000	0.000
30-11-2019	66,721	(14,001)	0.000	0.000

* Deferred income tax recovery

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

*** Stock-based compensation

Current quarter

For the three months ended August 31, 2021 (Q4 2021), the Company reported net earnings of \$140,000 compared to \$36,000 for the three months ended August 31, 2020 (Q4 2020). The change in 2021 was attributable primarily to the net effect of the following:

- Operator income of \$151,000 (expense of \$53,000 in Q4 2020) generated by the Company's 2021 fieldwork programs in Nunavik following its resumption of exploration activities in the region after travel restrictions related to the COVID-19 pandemic were lifted.
- Income tax recovered of \$142,000 (\$1,033,000 in Q4 2020) related to tax deductions renounced by the Company to flow-through shareholders.
- Professional fees of \$80,000 (\$141,000 in Q4 2020) but no legal fees incurred (\$75,000 in Q4 2020) for a special mandate and a \$10,000 increase in the annual audit fees.
- Stock-based compensation costs of \$26,000 (\$594,000 in Q4 2020) resulting from the gradually vesting options granted by the Company. This expense did not affect cash.

CONTRACTUAL OBLIGATIONS

As at August 31, 2021, the Company's contractual obligation payments are as follows:

	Contractual cash flows	0 to 12 months	12 to 24 months	More than 24 months
	\$	\$	\$	\$
Accounts payable and accrued liabilities, advances received for exploration work	3,022,478	3,022,478	-	-
Lease liabilities	121,713	63,531	58,182	-
Total contractual obligations	<u>3,144,191</u>	<u>3,086,009</u>	<u>58,182</u>	<u>-</u>

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CARRYING AMOUNT OF EXPLORATION AND EVALUATION ASSETS

At the end of each quarter, management reviews the carrying value of its E&E assets to determine whether any write-offs or write-downs are necessary. Based on the impairment analysis in 2021, the Company decided to impair certain properties in the James Bay region given that no E&E expenses were budgeted and that some claims were abandoned or were not expected to be renewed: gold properties by \$351,000, the chromium-PGE property by \$500, and a base metal property by \$800.

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

RELATED PARTY TRANSACTIONS

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

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

	2021	2020
	\$	\$
Salaries	543,330	455,392
Bonus	-	155,000
Director fees	45,658	42,538
Stocked-based payment	<u>565,800</u>	<u>1,114,219</u>
	<u>1,154,788</u>	<u>1,767,149</u>

An amount for salaries of \$330,000 (\$231,000 – Fiscal 2020) was capitalized to E&E assets in Fiscal 2021.

As at August 31, 2021, accounts payable and accrued liabilities include an amount of \$365,000 owed to key management (\$104,000 as at August 31, 2020).

If termination of employment is for reasons other than gross negligence, the CEO and the CFO shall be entitled to receive an indemnity equal to twelve (12) months salary. The VP shall be entitled to receive an indemnity equal to twelve (12) weeks salary, which shall be increased by one (1) month for every additional year of employment. The indemnity paid must not represent more than 10% of the Company's liquidities at such time and is subject to a maximum indemnity period of twelve (12) months. As at August 31, 2021, the entitled indemnity amounted to \$453,000.

In the event of a change of control or the termination of employment following a change of control, the CEO shall be entitled to receive an indemnity of \$525,000, equal to twenty-four (24) months salary, and the CFO an indemnity of \$232,000 equal to eighteen (18) months salary.

SUBSEQUENT EVENT

No material subsequent event to report.

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, 2021.

NEW ACCOUNTING STANDARDS OR AMENDMENTS

No new accounting standards or amendments were adopted by the Company in Fiscal 2021.

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, 2021.

INFORMATION REGARDING OUTSTANDING SHARES

The Company can issue an unlimited number of common shares with no par value. As at December 27, 2021, there were 81,853,844 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 5,857,000 stock options may be granted. The exercise price of the options is set at the closing price of the Company's shares on the 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 27, 2021, a total of 5,075,000 stock options were outstanding, and 4,853,000 were vested. Their exercise prices range from \$0.19 to \$1.76 and the expiry dates range from May 9, 2022 to December 13, 2031.

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 18 of the annual financial statements as at August 31, 2021.

RISK AND UNCERTAINTIES

Metal Prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities, and worldwide production levels. The effect of these factors cannot be accurately predicted.

Industry Conditions

Mining and milling operations are subject to government regulations. Operations may be affected to varying degrees by government regulations such as restrictions on production, price controls, tax and mining duty increases, expropriation of property, pollution controls, or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The Company undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

Property Title Risk

Although the Company has taken steps to verify property titles relating to its mineral properties in which it holds an interest, and that those steps are in accordance with industry standards regarding the current exploration stage on the properties, these procedures do not guarantee the Company's right to the property title. The property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Equity Price Risk

The Company is subject to market risk related to the market price of the equity of the Company, which trades on the TSX Venture Exchange. Historically, the Company has been reliant primarily on equity financings from the sale of its common shares to fund the operations. Movements in the price of the Company's common stock have been volatile in the past and may continue to be volatile in the future. As a result, there is risk that the Company may not be able to complete an equity financing at an acceptable price when required. Also, a prolonged decline in the market price of the Company's common shares or a reduction in the Company's accessibility to global markets may result in its inability to secure additional financing which would have an adverse effect on operations.

Financial Risks

Management believes it has sufficient funds to pay its ongoing G&A expenses, to pursue its budgeted exploration expenditures, and to meet its liabilities, obligations and existing commitments for at least the next twelve (12) months as they fall due. The Company will spend its existing working capital and raise additional funds as needed to continue its exploration program on its properties and its operations beyond August 31, 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 that can occur during exploration work. The Company implements and maintains an environmental risk management system that includes operational plans and practices. The Company is in compliance with the regulatory requirements.

Uninsured Hazards

Hazards, such as unusual geological conditions, are involved in exploring and developing mineral deposits. The Company may become subject to liability for pollution or other hazards, which cannot be insured against, or against which the Company may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Company assets or the insolvency of the Company.

Competition

The mining industry is intensely competitive in all its phases. The Company seeks partners to advance exploration work and continue development of its mineral properties and in so doing must compete with many other companies possessing properties that are considered attractive in terms of potential return and investment cost, as well as for recruitment and retention of qualified employees

Conflicts of Interest

Certain directors, proposed directors and officers of the Company are already or may also become directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director involved in the conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the voting directors will primarily consider in addition to economic value, the degree of risk to which the Company may be exposed and its financial position at that time.

Key Employees

Management of the Company relies on a few key officers, the loss of any of whom could have a detrimental effect on its operations. Azimut is the beneficiary of a \$1.0 million life insurance policy subscribed for Jean-Marc Lulin.

Canada Revenue Agency and Provincial Tax Agencies

No assurance can be made that the Canada Revenue Agency and the provincial tax agencies will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses, or the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada).

COVID-19 Global Health Crisis

Azimut faces risks related to the global health crisis caused by the COVID-19 pandemic, which could adversely affect global economies and financial markets, including a possible national or global recession.

The COVID-19 pandemic and the Company's compliance with the Government of Quebec's directives, including Azimut's implementation of strict protective measures for its operations, may have a significant impact on the Company's business and the market for its securities. The Company's activities may be adversely impacted by the COVID-19 pandemic and may create delays to its 2022 field programs in the James Bay and Nunavik regions.

Due to the highly uncertain outcome and duration of the COVID-19 pandemic, it is not possible to estimate its impact on the Company's business, operations or financial results; however, the impact could be material.

The Company is financially and operationally flexible and capable of adjusting to the changing situation as appropriate. Management will continue to monitor the situation.

Cyber Security

Threats to information technology systems associated with cyber security risk and attacks continue to grow as a result of 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.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This MD&A report is dated December 27, 2021, the date on which it was approved by the Board of Directors. The Company regularly discloses additional information through press releases and its financial statements filed on SEDAR (www.sedar.com).

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements, which reflect the Company's current expectations regarding future events. To the extent that any statements in this document contain information that is not historical, 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 to do so by applicable securities laws.

(s) Jean-Marc Lulin
President and CEO

(s) Moniroth Lim
CFO and Corporate Secretary

CORPORATE INFORMATION

Azimut Exploration Inc.

Board of Directors

Michel Brunet, LL.B., Director (Montreal) ⁽¹⁾
Jean-Marc Lulin, P.Geo., PhD, Director (Montreal)
Angelina Mehta, Eng., MBA, LL.M., Director (Montreal) ⁽¹⁾
Krista Muhr, Director (Vancouver)
Glenn Mullan, P.Geo., Director (Val-d'Or) ⁽²⁾
Jean-Charles Potvin, MBA, B.Sc., Director (Ottawa) ⁽²⁾
Jacques Simoneau, Eng., PhD, Director (Montreal) ⁽¹⁾⁽²⁾

⁽¹⁾ Member of the Governance and Compensation Committee

⁽²⁾ Member of the Audit Committee

Management

Jean-Marc Lulin, President and Chief Executive Officer
Moniroth Lim, Chief Financial Officer and Corporate Secretary

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

Contact Information

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