



Azimut Exploration Inc. (AZM-V)

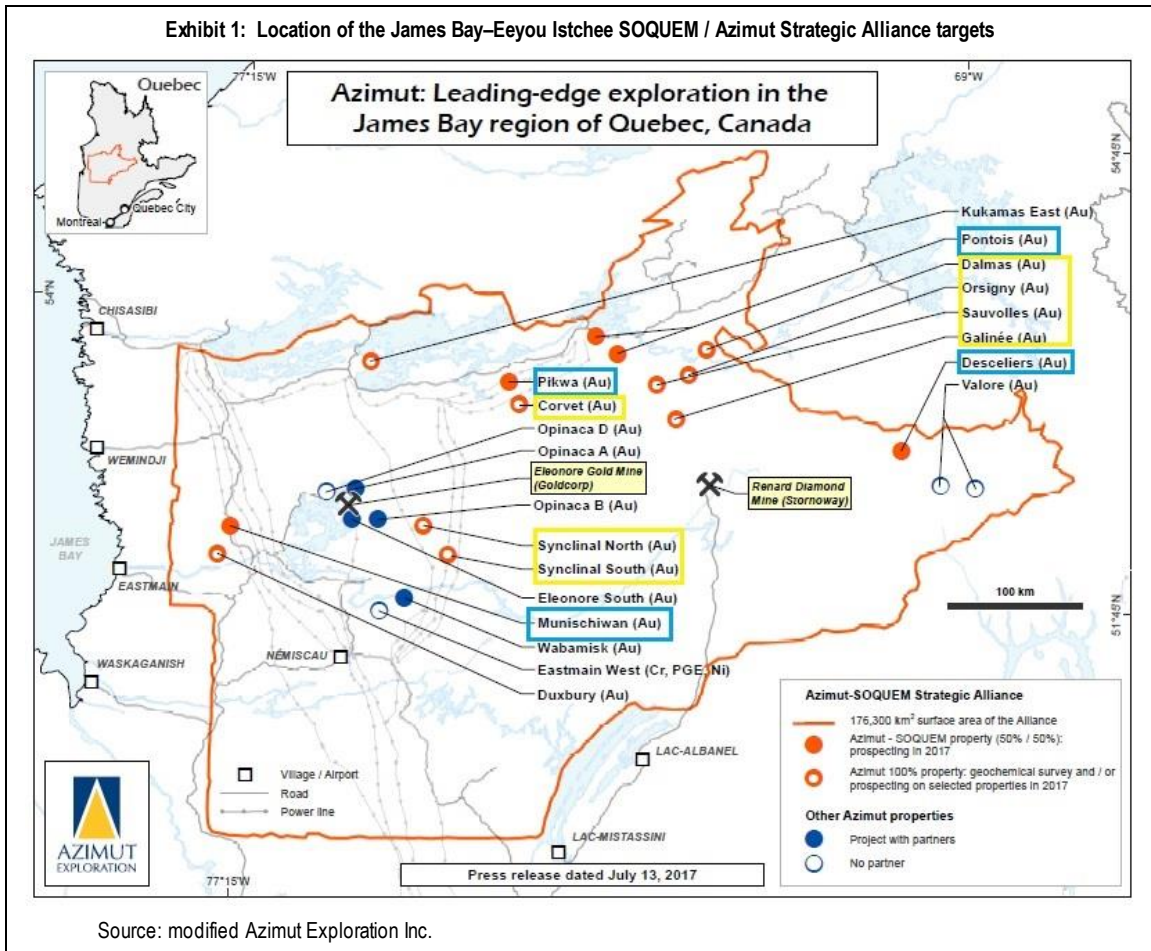
James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance quite active

Event: On July 13, 2017, SOQUEM selected 7 new targets (100% owned by AZM-V) to be subject of initial field programs.

Impact: Positive. Azimut strengthens the James Bay–Eeyou Istchee Strategic Alliance pipeline and benefits from this new data acquisition to calibrate its advanced digital processing and project generation capacity.

- **On July 13, 2017, Azimut (AZM) announced that SOQUEM had selected 7 new targets (100% owned by AZM-V) to be the subject of a new field program managed by AZM.** They include the i) Galinée (349 claims), ii) Sauvolles (150 claims), iii) Dalmas (77 claims), iv) Orsigny (46 claims), v) Syndinal North (46 claims), vi) Syndinal South (54 claims) and vii) Corvet (72 claims) properties for a total of 794 claims covering 409.5 km² (see Exhibit 1). The program is 100% funded by SOQUEM with a budget of \$0.247M and shall consist of a detailed lake-bottom sediment survey (~605 samples) on 6 of the properties (Galinée, Sauvolles, Dalmas, Orsigny, Syndinal North and Syndinal South) and reconnaissance prospecting on Corvet. The acquired data will be used by SOQUEM to decide which targets it will retain for additional investment (i.e.: acquire 100%).
- **Growing, solid and dynamic Alliance in the making:** The objective of the 4-year Strategic Alliance (signed September 26, 2016), covering a 176,300-km² surface area, is to identify, acquire and explore highly prospective gold targets. SOQUEM has the option of selecting targets that are converted into properties (at SOQUEM's cost); with initial ownership being 50% AZM / 50% SOQUEM. SOQUEM has the option to acquire AZM's 50% interest by investing a total of \$0.75M in exploration work (including diamond drilling) per property over a 4-year period. AZM shall retain a 2% NSR royalty interest on each property, of which 0.8% can be bought back for \$800,000 in cash. In the event that SOQUEM does not complete its minimum investment of \$0.75M for a given target, the target shall become a JV project. AZM is the manager of the Strategic Alliance and SOQUEM can provide up to 50% of the field personnel.
- **Field work to commence on front-end of pipeline:** Recall on July 11, 2017, AZM and SOQUEM initiated a prospecting program the first 4 gold properties of the Strategic Alliance (Pikwa (420 claims), Pontois (418 claims), Desceliers (363 claims) and Munischiwan (120 claims) for a total of 1,321 claims covering 679.6 km². Surveys (lake-bottom sediment by Geo Data Solutions Inc and helicopter-borne magnetic and VTEMTM+ electromagnetic survey by Geotech Ltd) conducted in late 2016 and early 2017 (~\$0.2M) identified 18 target areas on the 4 properties, consisting of 13 geochemical targets (on Pikwa, Pontois and Desceliers) and 5 geophysical targets (on Munischiwan). The summer 2017 follow-up prospecting program with a budget of \$0.523M involves the field follow-up of targets. Field work is managed by Azimut and funded by SOQUEM. **In total, work managed by Azimut this summer should be in the order of \$0.77M on the James Bay–Eeyou Istchee Strategic Alliance.**
- **Active James Bay player:** We continue to believe that AZM is very well positioned in the James Bay with a diversified portfolio of properties (see Exhibit 2). We refer to our May 3, 2017 and March 2, 2017 Analyst Notes that highlighted some of AZM's growing activities for 2017.

Exhibit 1: Location of the James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance targets



Source: modified Azimut Exploration Inc.

Exhibit 2: James Bay project portfolio

Project

- 1 Eleonore South (JV Goldcorp 36.8%, Eastmain Resources 36.8% and AZM 26.4%)
- 2 Opinaca A (50% JV with Everton Resources) (see July 6, 2017 PR)
- 3 Opinaca B (AZM (50%), Everton (50%) and Hecla Mining (option 50%))
- 4 Opinaca D (100% AZM)
- 5 Wabamisk (51% Goldcorp)
- 6 Eastmain West (100% AZM) (chrome & PGE)

James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance

7. Munischawan (AZM 50%, SOQUEM 50%+)
8. Pikwa (AZM 50%, SOQUEM 50%+)
9. Pontois (AZM 50%, SOQUEM 50%+)
10. Desceliers (AZM 50%, SOQUEM 50%+)

Project

11. Galinée (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
12. Sauvolles (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
13. Dalmas (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
14. Orsigny (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
15. Synclinal North (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
16. Synclinal South (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)
17. Corvet (James Bay–Eeyou Istchee SOQUEM / Azimut Strategic Alliance)

18. Valore (100% AZM)
19. Duxbury *
20. Kukamas East *

* Potentially part of the James Bay–Eeyou Istchee SOQUEM / AZM Strategic Alliance

Source: modified from Azimut Exploration Inc.

Important Disclosures

Company	Ticker	Disclosures*
Azimut Exploration Inc.	AZM-V	B, V, P

* Legend

- A The Mining Analyst, in his own account or in a family related account, owns securities in excess of 1,000 shares of the issued and outstanding equity securities of this issuer.
- B The Mining Analyst, in his own account or in a family related account, owns securities in excess of 10,000 shares of the issued and outstanding equity securities of this issuer.
- C The Mining Analyst, in his own account or in a family related account, owns securities in excess of 30,000 shares of the issued and outstanding equity securities of this issuer.
- D The Mining Analyst, in his own account or in a family related account, owns securities in excess of 50,000 shares of the issued and outstanding equity securities of this issuer.
- E The Mining Analyst, in his own account or in a family related account, owns securities in excess of 100,000 shares of the issued and outstanding equity securities of this issuer.
- F The Mining Analyst, in his own account or in a family related account, owns securities in excess of 250,000 shares of the issued and outstanding equity securities of this issuer.
- V The Mining Analyst has visited material operations of this issuer, namely company headquarters and key projects.
- P This issuer paid a portion of the travel-related expenses incurred by the Mining Analyst to visit material operations of this issuer.
- Q This issuer has directly paid the Mining Analyst.
- R This issuer has indirectly paid the Mining Analyst.

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