

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Azimut Exploration Inc. (the “**Company**”)
110 De La Barre Street
Suite 224
Longueuil, Québec
J4K 1A3

2. **Date of Material Change**

July 16, 2021.

3. **News Release**

The press release was issued on July 16, 2021.

4. **Summary of Material Change**

Closing of a bought deal private placement.

5. **Full Description of Material Change**

Closing of a bought deal private placement (the “**Offering**”), for total gross proceeds of approximately \$28.75 million, consisting of 3,463,900 common shares of the Company that qualify as flow-through shares (the “**FT Shares**”) at a price of \$3.32 per FT Share and 9,078,472 common shares of the Company on a non-flow-through basis at a price of \$1.90 per share

Paradigm Capital Inc. acted as lead underwriter (the “**Lead Underwriter**”) in connection with the Offering with a syndicate including Laurentian Bank Securities Inc. and Sprott Capital Partners LP (together with the Lead Underwriter, the “**Underwriters**”). As consideration for the services provided by the Underwriters in connection with the Offering, the Underwriters received: (a) a cash commission representing 6% of the aggregate gross proceeds from sales of the offered shares under the Offering (reduced to 3% for certain subscribers on the president's list of the Company); and (b) non-transferable compensation options, representing 4% of the total number of shares sold under the Offering, each exercisable for one common share of the Company at a price of \$1.90 per share until January 16, 2023.

The Company will use an amount equal to the gross proceeds received by the Company from the sale of the FT Shares, pursuant to the provisions in the *Income Tax Act* (Canada) and the *Taxation Act* (Québec), to incur eligible “Canadian exploration expenses” that qualify as “flow-through mining expenditures” as both terms are defined in the *Income Tax Act* (Canada) (the “**Qualifying Expenditures**”) on or before December 31, 2022, and to renounce all the Qualifying Expenditures in favour of the subscribers of the FT Shares effective December 31, 2021. In addition, with respect to Québec resident subscribers of the FT Shares who are eligible individuals under the *Taxation Act*

(Québec), the Canadian exploration expenses will also qualify for inclusion in the “exploration base relating to certain Québec exploration expenses” within the meaning of section 726.4.10 of the *Taxation Act* (Québec) and for inclusion in the “exploration base relating to certain Québec surface mining expenses or oil and gas exploration expenses” within the meaning of section 726.4.17.2 of the *Taxation Act* (Québec). The net proceeds from the sale of the shares will be used for exploration and for general corporate purposes.

The strategic investor, who participated in the February 2020 private placement, also participated in the Offering and following the Offering will have pro-forma ownership of approximately 9.79%.

All securities issued in connection with the Offering are subject to a statutory hold period in Canada expiring on November 17, 2021. The Offering remains subject to final acceptance of the TSX Venture Exchange.

6. **Reliance on subsection 7.1(2) of Regulation 51-102**

Not applicable.

7. **Omitted Information**

None.

8. **Executive Officer**

Jean-Marc Lulin
President and Chief Executive Officer
Tel.: (450) 646-3015

9. **Date of Report**

July 16, 2021.