MINES
ABCOURT
MINES INC.

# INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

## For the Third Quarter Ended on March 31, 2015

# ABCOURT MINES INC.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THIRD QUARTER ENDED ON MARCH 31, 2015

This management's discussion and analysis provides an analysis of our exploration and development results and our financial situation which will enable the reader to evaluate important variations in exploration and development results and in our financial situation for the third quarter ended March 31, 2015, in comparison with the third quarter of the previous year. This report supplements our audited financial statements and should be read in conjunction with our financial statements and the accompanying notes dated June 30, 2014. Our financial statements are prepared in accordance with the applicable International Accounting Standard (IFRS). All monetary values included in this report are in Canadian dollars, unless it is indicated otherwise. Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our exploration and development results and our financial situation.

You are invited to consult the SEDAR web site at www.sedar.com, where all the documents filed according to the applicable Canadian security Laws may be found and the Abcourt web site at www.abcourt.com, where you will find a description of the mining properties.

## INCORPORATION AND NATURE OF OPERATIONS

Abcourt Mines Inc. (the "Corporation" or "Abcourt") was incorporated by letters patent of amalgamation dated January 11, 1971 pursuant to Part 1 of the *Companies Act* (Quebec) and continued its existence under Part 1A of the same Act by certificate of continuation dated March 6, 1981. On February 14, 2011, the Corporation was continued automatically pursuant to the *Business Corporation Act* (Québec), following the coming into force of such Act. The Corporation is primarily engaged in the exploration of mining properties with a view to commercial production. It does not currently have any mines in production. The current Corporation's portfolio comprises only mining properties located in Abitibi, Province of Quebec, Canada.

## FORWARD LOOKING STATEMENTS

Some statements contained in this MD&A constitute forward looking statements including, without limitation, anticipated developments in the Corporation's operations in future periods and other events or conditions that may occur in the future. These statements are about the future and are inherently uncertain and actual achievements of the Corporation or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur.

## GLOBAL PERFORMANCE FOR THE QUARTER ENDED MARCH 31, 2015

During the 3-month interim period ended on March 31, 2015, the Corporation issued 10,232,000 units at $0.05 per unit. Each unit is made up of one common class B share and one half warrant. A full warrant allows its holder to subscribe to one share at $0.07 for a period of 12 months. The proceed from this placement was $511,600 and was presented after a deduction of the fair value of the warrants estimated at $28,958. The main expenses were incurred for the acquisition of deferred evaluation and exploration assets at the Elder mine.

## PRINCIPAL ANNUAL INFORMATION (audited)

| Period ended June 30, | **2014** | **2013** | **2012** |
|---|---|---|---|
| **Statement of comprehensive income** | | | |
| Interests | 17,391 | 55,100 | 91,999 |
| Net loss | 331,967 | 354,316 | 503,109 |
| Net loss per share diluted | 0.00 | 0.00 | 0.01 |
| **Statement of financial position ($)** | | | |
| Cash and term deposits | 934,486 | 1,370,990 | 4,475,798 |
| Total assets | 22,648,536 | 21,086,078 | 20,720,267 |
| Long-term debt | 229,678 | 208,798 | -- |
| **Mining Exploration ($)** | | | |
| Exploration and evaluation assets | 15,951,740 | 14,361,612 | 11,182,075 |

## QUARTERLY INFORMATION (non-audited)

| | **2015 March** | **2014 March** | **2014 Dec.** | **2013 Dec.** | **2014 Sept.** | **2013 Sept.** | **2014 June** | **2013 June** |
|---|---|---|---|---|---|---|---|---|
| **Statement of comprehensive income ($)** | | | | | | | | |
| Other income | - | - | | - | 9,000 | - | - | - |
| Interests | 933 | (6,930) | 964 | 1,548 | 908 | 13,025 | 9,748 | 16,542 |
| Net profit (net loss) | (104,459) | (140,638) | (147,043) | (149,094) | (77,546) | (76,336) | 34,101 | (156,455) |
| Net profit (net loss) per share diluted | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Statement of financial position ($)** | | | | | | | | |
| Cash and term deposit | 472,702 | 418,785 | 1,047,389 | 1,225,619 | 415,445 | 1,138,364 | 934,486 | 1,400,705 |
| Total assets | 24,571,459 | 22,580,814 | 23,934,531 | 22,288,413 | 23,214,629 | 22,249,533 | 22,648,536 | 21,086,078 |
| Long-term debt | 0.00 | 224,270 | 240,888 | 218,989 | 235,216 | 213,833 | 229,678 | 208,798 |
| **Mining exploration ($)** | | | | | | | | |
| Exploration and evaluation expenditures net of mining duties, tax credits and production value of gold and silver ingots | 460,659 | 910,473 | 701,284 | (1,218,597) | 570,419 | 1,116,919 | 752,054 | 1,178,107 |

### INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS

**<u>Interest and other Income</u>**

Our revenue consists essentially in interest received on certificates of deposit and other income. The amount received during the third quarter ended on March 31, 2015 was $933 compared to ($6,930) during the same period in 2014.

**<u>Expenses</u>**

For the three-month period and the nine-month period ended on March 31, 2015, expenses totaled $152,215 and $400,176 compared to $133,708 and $427,601 in 2014. For the three-month period, the main difference is in the cost of training ($21,750). For the nine-month period, costs for 2015 are slightly lower than those for 2014.

| | For the three-month period ended March 31, 2015 | | For the nine-month period ended March 31, 2014 | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| | 3 months | 3 months | 9 months | 9 months |
| **(unaudited)** | | | | |
| | | **$** | | **$** |
| **EXPENSES** | | | | |
| Part XII.6 income taxes | (440) | 1,600 | - | 1,600 |
| Consultant fees | - | 5,000 | 21,375 | 11,075 |
| Professional fees | 25,033 | 5,975 | 91,802 | 60,884 |
| Salaries and administrative fees | 28,323 | 18,376 | 64,103 | 47,064 |
| Registration, listing fees and shareholders' information | 20,191 | 20,393 | 60,438 | 55,369 |
| Restoration of the Vendôme site | - | - | 7,945 | 10,370 |
| Training | 21,750 | - | 21,750 | - |
| Accretion expense | (552) | 5,281 | 10,658 | 15,472 |
| Miscellaneous | 8,903 | 3,881 | 22,764 | 21,116 |
| Software and Internet | 10,885 | - | 16,678 | 2,890 |
| Fringe benefits | 9,111 | 11,868 | 14,486 | 21,323 |
| Insurances | 3,055 | 2,965 | 9,300 | 13,771 |
| Financing costs | 12,727 | 7,127 | 28,479 | 19,183 |
| Forestry expenses | - | 515 | 862 | 515 |
| Supplies | 405 | - | 1,215 | - |
| Bank charges | 9,537 | 158 | 14,803 | 1,038 |
| Restoration of the Abcourt-Barvue site | - | (1,000) | - | 16,926 |
| Advertising | 1,000 | (175) | 1,000 | 7,056 |
| Taxes, licences and permits | 84 | 21 | 84 | 230 |
| Share-based compensation | - | 14,100 | 6 ,400 | 14,100 |
| Amortization of property, plant and equipment | 2,203 | 37,623 | 6,034 | 107,619 |
| | 152,215 | 133,708 | 400,176 | 427,601 |
| **REVENUE** | | | | |
| Other income | - | - | 9,000 | - |
| Sale of ore | - | - | 3,000 | - |
| Interest income | 933 | (6,930) | 2,805 | 7,643 |
| | 933 | (6,930) | 14,805 | 7,643 |
| **LOSS BEFORE INCOME TAXES** | (151,282) | (140,638) | (385,371) | (419,958) |
| Income taxes and deferred taxes | (46,823) | - | (56,323) | (53,890) |
| **NET LOSS AND COMPREHENSIVE LOSS** | **(104,459)** | **(140,638)** | **(329,048)** | **(366,068)** |
| **BASIC AND DILUTED NET LOSS PER SHARE** | - | - | - | - |

The accompanying notes are an integral part of the interim financial statements.

## Loss before Income Tax

The loss before income taxes and deferred taxes for the nine-month period ended on March 31, 2015 ($385,371) compared to the loss of the same period in 2014 ($419,958) was slightly lower. The main difference is in the amortization of property, plant and equipment, $107,619 in 2014 and $6,034 in 2015.

## Net Loss and Comprehensive Loss

The net loss and comprehensive loss for the nine-month period was $329,048 in 2015 and $366,068 in 2014.

## STATEMENT OF CASH FLOWS

## Operating Activities

During the nine-month period ending March 31, 2015, operating activities before the variations in the non-cash items of the working capital used an amount of $362,279 in 2015 while in 2014, for the same period, $282,767 were used. The net change in non-cash working capital items was $432,378 in 2015 and $703,765 in 2014. The main element of these non-cash items is trade and other receivables.

## Financing Activities

During the nine-month period ending on March 31, 2015, financings for a total of $2,303,450 were realized, net of costs. In 2014, financings totaled $1,170,275 net of costs.

## Investing Activities

Investing activities in the nine-month period ending on March 31, 2015, totaled $2,443,279. In 2014, an amount of $1,135,948 was invested. The main investment in 2015 and 2014 was the acquisition of exploration and evaluation assets, net of the proceeds from the sale of gold and silver.

## Cash and Cash Equivalent at the end of the Third Quarter

On March 31, 2015, the available cash was nil, while in 2014, it was $418,785. The sale of gold ingots and receivable amounts for taxes should provide enough cash to cover our operating activities over the next few months.

Net change in non-cash working capital items:

| | 2015 | 2014 |
|---|---|---|
| | $ | $ |
| Interests receivable | 381 | (4,195) |
| Taxes receivable | (413,032) | (534,609) |
| Trade and other receivables | (1,327,067) | (1,235,652) |
| Mining duty and tax credit related to resources receivable | 103,411 | 312,101 |
| Gold and silver ingots in inventory | 964,295 | - |
| Prepaid expenses | 11,512 | 14,028 |
| Accounts payable and accrued liabilities | 508,122 | 744,562 |
| Subscriptions received in advance | (280,000) | - |
| | (432,378) | (703,765) |

| | | |
|---|---|---|
| Items not affecting cash and cash equivalents: | | |
| Acquisition of exploration and evaluation assets by issuance of capital stock | - | - |
| Share issuance expenses for brokers and intermediaries options | 1 179 | - |
| Decommissioning provisions for mining sites computed to exploration and evaluation assets | 10 658 | - |

**Term deposits**

| | 2014 December 31 | 2014 June 30 |
|---|---|---|
| | $ | $ |
| Term deposit, matured in April 2015, (interest rate of 1.06% as at June 30, 2014), redeemable at any time | - | 208,360 |
| | - | 208,360 |

## INTERIM CHANGES IN EQUITY

The total equity as at March 31, 2015, totaled $22,690,303 compared to a total of $21,873,956 for the same period in 2014. The increase in the assets is due to the financings realised in the July 2014– March 2015 period.

## NATURE OF ACTIVITIES AND GOING CONCERN

The Corporation is engaged in the acquisition and exploration of mining properties in Canada. Its common shares are trading on TSX Venture Exchange under the symbol ABI, on Berlin Stock Exchange under the symbol AML-BE and on Frankfurt Exchange under the symbol AML-FF. The address of the Corporation's head office is 506 des Falaises, Mont-St-Hilaire, (Quebec) J3H 5R7. The Corporation has economical ore reserves on the Abcourt-Barvue property. In addition, the Corporation presently extracts from the Elder mine, material mineralized with gold to be processed at a mill in the province of Quebec. The exploration and development of mineral deposits involves significant financial risks. The success of the Corporation will be influenced by a number of factors, including exploration and extraction risks, regulatory issues, environmental regulations and other regulations.

As at March 31, 2015, the Corporation had accumulated losses of $21,578,144 ($21,198,682 in 2014). In the past, the Corporation had to finance its operations through the issuance of shares and the exercise of share purchase options and warrants. At this moment, the management has a reasonable expectation that the milling of the mineralized material in the coming months will generate sufficient revenues to enable the Corporation to continue its operations for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Although management has engaged a qualified person to verify titles of the mining properties in which the Corporation has an interest, in accordance with industry standards for the current stage of exploration of such properties. These procedures do not guarantee the Corporation's property title. Property title may be subject to unregistered prior agreements and non-compliant with regulatory requirements. There is no indication to date that these situations may exist.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations and do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses and statement of financial position classifications that would be necessary if the going concern assumption would not be appropriate. These adjustments could be material.

### Basis of presentation and compliance declaration

These unaudited interim condensed financial statements of Abcourt Mines Inc., were prepared by management in accordance with the International Financial Reporting Standards ("IFRS") , as issued by the IASB and in accordance with IAS 34, *Interim Financial Reporting.*

The condensed interim financial statements do not include all the information and notes required for the purpose of methods used are the same as those used for the purpose of auditing the annual financial statements for the year ended June 30, 2014, prepared in accordance with the ("IFRS") as published by the International Accounting Standards Board ("IASB"). Consequently, these unaudited condensed interim financial statements and the notes thereto should be read in conjunction with the audited annual financial statements for the period ended June 30, 2014.

**Basis of Measurement**

The financial statements have been prepared joing the historical method.

**Main accounting estimates, assumptions and judgments**

To prepare condensed interim financial statements, the management of the Corporation has to make estimates and make hypothesis pertaining to the application of the methods and the amount presented in the assets and liabilities as well as in the revenue and expenses. The estimates and the related hypothesis are based on empirical evidence and other different factors that are believed reasonable under the circumstances and for which results constitute the basis of judgments made on the accounting values of the assets and liabilities that are not easily obvious from other sources. The real results could differ from these estimates. The main accounting estimates, assumptions and judgments are the same as those in the most recent annual financial statements.

## ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The Corporation provides information on its deferred exploration and evaluation assets in its interim financial statements for periods of three months and nine months ending on March 31, 2015. The Corporation has no deferred expenses other than mining properties and deferred exploration and evaluation assets.

The Corporation has no research and development expenses.

## EXPLORATION AND EVALUATION ASSETS

The exploration and evaluation assets for the nine-month period ended on March 31, 2015, totaled $10,820,767 compared to $8,237,471 for the period ended March 31, 2014. Most of the expenses were incurred for the mine development program at the Elder mine.

**Details on the two most important items in exploration and evaluation expenses in the nine-month period ended on March 31, 2015:**

1. The most important expense was for the mine development of the Elder mine at a cost of $10,017,724 ($7,658,314 in 2014);

2. The second most important expense was for the payment of royalties, $290,937 in 2015, compared to $205,699 in 2014.

## EXPLORATION AND EVALUATION EXPENSES

For the periods ended March 31, 2015 and March 31, 2014, the following expenses, associated to the discovery of mineral resources, have been included in the cost of exploration and evaluation expenses.

| | 2015<br>3 months | 2014<br>3 months | 2015<br>9 months | 2014<br>9 months |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **EXPLORATION AND EVALUATIONS EXPENSES :** | | | | |
| Drilling | 122,460 | 43,532 | 122,460 | 96,119 |
| Analysis | 2,310 | 2,502 | 6,162 | 6,208 |
| Telephone and electricity | 10,205 | 839 | 15,798 | 6,972 |
| Insurance, taxes and permits | 8,166 | 4,491 | 903 | 4,566 |
| Fees and engineers expenses | 43,120 | 36,288 | 69,945 | 173,363 |
| Elder mine Dewatering | 2,497 | 31,127 | 16,441 | 35,431 |
| Elder mine development | 3,969,856 | 3,073,989 | 10,017,724 | 7,658,314 |
| Rails | 66,803 | - | 70,317 | - |
| General exploration and evaluation expenses | 34,658 | 20,427 | 80,343 | 22,412 |
| Repairs | 85 | 202 | 385 | 202 |
| Royalties | 179,021 | 72,154 | 290,937 | 205,699 |
| Mining properties | 2,956 | 945 | 9,659 | 28,185 |
| Amortization of equipment | 46,014 | - | 129,352 | - |
| Increase of exploration and evaluation expenses | 4,488,151 | 3,286,496 | 10,830,426 | 8,237,471 |
| Gold and silver ingots | (4,027,492) | (2 ,252,856) | (8,749,558) | (7,208,469) |
| Mining duties and tax credit related to resources | - | (122,222) | (348,506) | (192,022) |
| Balance, beginning of year | 17,223,443 | 14,287,174 | 15,951,740 | 14,361,612 |
| Balance, end of year | 17,684,102 | 15,198,592 | 17,684,102 | 15,198,592 |

Here are some details concerning the exploration and evaluation assets:

| | March 31, 2015<br>$ | June 30, 2014<br>$ |
|---|---|---|
| Mining properties | 2,145,262 | 2,135,603 |
| Exploration and evaluation expenses | 15,538,840 | 13,816,137 |
| | 17,684,102 | 15,951,740 |

**Exploration and Evaluation Expenses for each property**

| | Balance as at June 30, 2014<br>$ | Addition nine- month at March 31,2015<br>$ | Mining duties and tax credits<br>$ | Gold and silver ingots<br>$ | Balance as at March 31, 2015<br>$ |
|---|---|---|---|---|---|
| Abcourt – Barvue, Qc | 3,710,381 | 146,709 | - | - | 3,857,090 |
| Vendôme, Qc | 201,786 | 2,008 | - | - | 203,794 |
| Elder, Qc (1) | 8,619,574 | 10,612,208 | (348,506) | (8,749,558) | 10,133,718 |
| Aldermac , Qc | 616,787 | 58,928 | - | - | 675,715 |
| Jonpol , Qc | 667,609 | 914 | - | - | 668,523 |
| | 13,816,137 | 10,820,767 | (348,506) | (8,749,558) | 15,538,840 |

(1) Royalties of 1% and 2% are payable on Elder project and are recorded in exploration and evaluation expenses. The 2% royalty is paid to a related company (see Note 16).

**CAPITAL STOCK**

Authorized

Unlimited number of preferred shares without par value which may be issued in one or more series; the privileges, rights, conditions and restrictions will be determined by the Board of Directors. None are outstanding

Unlimited number of subordinate class “A” shares, without par value, non-voting. None are outstanding.

Unlimited number of voting class “B” shares, without par value.
Changes in class “B” capital stock were as follows:

| | **Nine-month period closed March 31, 2015** | | **Year ended June 30, 2014** | |
|---|---|---|---|---|
| | Number | Amount<br>$ | Number | Amount<br>$ |
| **Balance, beginning of year** | 182,332,419 | 36,024,060 | 167,019,772 | 34,936,391 |
| Paid in cash (1) | 22,323,000 | 1,271,752 | 11,720,000 | 790,934 |
| Flow-through shares (2) | 15,999,800 | 786,510 | 3,442,647 | 284,735 |
| Mining property | - | - | 150,000 | 12,000 |
| **Balance, end of year** | 220,655,219 | 38,082,322 | 182,332,419 | 36,024,060 |

As at June 30, 2014, all issued shares were fully paid.

(1) Value of capital stock paid in cash is presented net of the fair value of warrants amounting to $86,218 as at March 31, 2015 ($72,466 as at June 30, 2014).

(2) Value of flow-through shares is presented net of fair value of warrants amounting to $0 ($0 as at June,30 2014) and premium related to the sale of tax deductions amounting to $220,985 as at March 31, 2015 ($10,140 as at June,30 2014).

On the date of this report, there were 220,655,219 class B shares issued, outstanding and fully paid.

**Shares, Options and Warrants issued in the nine-month period ended on March 31, 2015**

**Shares**

**Nine-month period ended March 31, 2015**

In September 2014, the Company closed a private placement constituted of 12,091,100 units at a price of $0.07 per unit. Each unit consisted of one class "B" share and one-half warrant, each whole warrant entitling its holder to purchase one share at a price of $0.10 over a 12 month period. The total gross proceeds of $846,370 was presented net of the fair value of warrants amounting to $57,260.

In addition in July 2014, 1 900 300 flow-through shares was issued at $0.085 per share. The total gross proceed of $161,525 was presented net of premium on flow-through shares of $4,500.
In December 2014, the Company closed a private placement constituted of 11,789,833 flow-through shares at $0.06 per share. The total gross proceed of $707,390 was presented net of a premium on flow-through shares of $176,840.

In December 2014, the Company closed another private placement constituted of 2,309,667 flow-through shares at $0.06 per share. The total gross proceed of $138,580 was presented net of a premium on flow-through shares of $34,645.

In January 2015, the Company closed a private placement constituted of 10,232,000 units at a price of $0.05 per unit. Each unit consisted of one class "B" share and one-half warrant, each whole warrant entitling its holder to purchase one share at a price of $0.07 over a 12-month period. The total gross proceeds of $511,600 was presented net of the fair value of warrants amounting to $28,958.

**Warrants**

During the nine-month period, the Company granted warrants to investors through private placements. The fair value of warrants was estimated using the Black-Scholes pricing model considering the following weighted average assumptions: estimated duration of 1 year, risk-free interest rate of 1%, share price at the time of grant of $0.06, dividend yield of 0% and expected volatility rate of 56% and exercise warrants price of $0.09.

During the year ended June 30, 2014, the Company granted warrants to investors through private placements. The fair value of warrants was estimated using the Black-Scholes pricing model considering the following weighted average assumptions: estimated duration of 1 year (1.3 year in 2013), risk-free interest rate of 1.07% (1.09% in 2013), share price at the time of grant of $0.09 ($0.11 in 2013), exercise warrants price of $0.10 ($0.18 in 2013), dividend yield of 0% (0% in 2013) and expected volatility rate of 59% (72% in 2013).

Changes in Company warrants were as follows:

| | Number | Weihted average exercice price | Number | Weihted average exercice price |
|---|---|---|---|---|
| | | $ | | $ |
| **Balance, beginning of year** | 6,731,000 | 0.11 | 2,492,500 | 0.18 |
| Granted | 11,161,500 | 0.09 | 5,860,000 | 0.10 |
| Expired | (6,731,000) | 0.11 | (1,621,500) | 0.20 |
| **Balance, end of year** | 11,161,500 | 0.09 | 6,731,000 | 0.11 |
| Exercisable, end of year | 11,161,500 | 0.09 | 6,731,000 | 0.11 |

| | **Nine-month period closed March 31, 2015** | **Year ended June 30, 2014** |
|---|---|---|
| | $ | $ |
| Weighted average fair value of warrants granted | 0.008 | 0.01 |

The following tables summarize the information related to the warrants:

| Warrants Outstanding as at March 31, 2015 | Exercice price | Expiry Date |
|---|---|---|
| | $ | |
| 6,045,500 | 0.10 | July 2015 |
| 5,116,000 | 0.07 | January 2016 |
| 11,161,500 | | |

| Warrants Outstanding as at March 31, 2014 | Exercice price | Expiry Date |
|---|---|---|
| | $ | |
| 871,000 | 0.16 | October 2014 |
| 3,710,000 | 0.10 | August 2014 |
| 2,150,000 | 0.10 | October 2014 |
| 6,731,000 | | |

**Shares purchase options**

The shareholders of the Company approved a stock option plan (the " plan ") whereby the Board of Directors may grant to employees, officers, directors and suppliers of the Company, share purchase options to acquire shares in such numbers, for such terms and at such exercise price as may be determined by the Board of Directors. The exercise price cannot be lower than the market price of the common shares at the time of grant.

The plan provides that the maximum number of shares in the capital of the Company that can be reserved for issuance under the plan shall be equal to 14,500,000 shares. The maximum number of shares that can be reserved for issuance of option to any one person may not exceed 5% of the outstanding shares at the time of grant and the maximum number of shares which may be reserved for issuance to an investor relations representative, a consultant or a supplier may not exceed 2% of the outstanding shares at the time of grant.

The acquisition conditions of share purchase options are without restriction. However, the options granted to investor relations representatives will be acquired at a rate of 25% per quarter. These options will expire no later than five years after being granted.

During the nine-month period, the fair value of options granted in accordance with the plan was estimated using the Black-Scholes option pricing model with following weighted average assumptions: estimated duration of 5 years, risk-free interest rate of 1,43%, share price at the time of grant of $0,06 , dividend yield of 0% and expected volatility rate of 68%.

Changes in Company share purchase options were as follows:

**Share purchase options**

| | **Nine-month period closed March 31, 2015** | | **Year ended June 30, 2014** | |
|---|---|---|---|---|
| | Number | Weighted average exercice price $ | Number | Weighted average exercice price $ |
| Balance, beginning of year | 10,500,000 | 0.115 | 10,200,000 | 0.12 |
| Granted | 200,000 | 0.07 | 300,000 | 0.10 |
| Cancelled | (1,150,000) | 0.11 | - | |
| Balance, end of year | 9,550,000 | 0.114 | 10,500,000 | 0.115 |
| Exercisable, end of period | 9,550,000 | 0.114 | 10,500,000 | 0.115 |

| | Nine-month period closed March 31, 2015 | Year ended June 30, 2014 |
|---|---|---|
| | $ | $ |
| Weighted average of granted options fair value | 0.032 | 0.047 |

| Outstanding Options as at March 31, 2015 | Weighted average remaining contractual life | Exercice price |
|---|---|---|
| | | $ |
| 7,200,000 | 1,17 year | 0.12 |
| 1,250,000 | 0.33 year | 0.10 |
| 600,000 | 2.67 years | 0.10 |
| 300,000 | 3.75 years | 0.16 |
| 200,000 | 4.60 years | 0.07 |
| 9,550,000 | | |

| Options Outstanding as at March 31, 2014 | Weighted average remaining contractual life | Exercice price |
|---|---|---|
| | | $ |
| 7,500,000 | 2.17 years | 0.12 |
| 1,250,000 | 1.33 years | 0.10 |
| 600,000 | 3.67 years | 0.10 |
| 350,000 | 0.83 years | 0.10 |
| 200,000 | 0.25 year | 0.10 |
| 200,000 | 0.83 year | 0.10 |
| 100,000 | 0.83 year | 0.16 |
| 300,000 | 4.91 years | 0.10 |
| 10,500,000 | | |

**Options granted to Brokers and Intermediaries**

**Nine month period closed March 31, 2015**

| | Number | Weighted average exercice price |
|---|---|---|
| | | $ |
| Amount at beginning | - | - |
| Granted | 589,492 | 0.08 |
| Expired | - | - |
| Amount at the end | 589,492 | - |
| Exercisable, end of year | 589 492 | - |

The fair value of these options was estimated using the Black-Scholes pricing model considering the following assumptions:
Estimated duration 1 year, risk-free interest rate of 0.99%, share price at the time of grant of $0.05, dividends yield of 0%, expected volatility rate of 61%, exercise options price of $0.08.

| | **Nine-month period closed on March 31, 2015** |
|---|---|
| | $ |
| Weighted average fair value of warrants granted | 0.002 |

**<u>Convertible Securities</u>**

None

**<u>Escrowed Shares</u>**

None

**CONTRACTUAL OBLIGATIONS**

**<u>Long-term Debt</u>**

The Corporation has no long-term debt, other than the provision for the restoration of the Elder mine site when operations will be terminated.

**Royalties**

| Property | Royalty |
|---|---|
| Elder | 2 to 3% NSR |
| Barvue | $0.25 per short ton on former Barvue property and 1 to 1.5% NSR on some other claims |
| Vendome | 2% on Xstrata claims |
| Abcourt | 0 |
| Tagami | 1 to 2% NSR |
| Jonpol | 2.5% NSR |
| Aldermac | $2.00/t for 1.5 M t |
| Aldermac West | 2% NSR |

**Environment**

A settling pond on the Abcourt-Barvue property was restored during the 2005-2010 years. We also installed a water treatment plant to treat a small leachate produced by the restored basin. The restoration cost for the nine-month period ended on March 31,2015, were nil, but in 2014, it was $16,926.

**Provisions for decommissioning of Elder mine site:**

| | Nine-month period ended on March 31, 2015 | 12-month period ended on June 30, 2014 |
|---|---|---|
| | $ | $ |
| Amount at beginning | 229,678 | 208,798 |
| Paid for the Elder mine | (240,336) | - |
| Accretion expenses | 10,658 | 20,880 |
| Balance, end of the 6-month period | 0 | 229,678 |

At the time of its recognition, during the year ended June 30, 2013, the obligation amounted to $480,670 and represented the estimated future site restoration costs of the Elder mine project. Subsequently, this amount has been capitalized for a period of ten years with an inflation rate of 1.2% and was discounted at a 10% rate. Its current value therefore amounts to $0 as at March 31, 2015, since the amount previously provisioned was fully paid to the MRNQ on March 12, 2015.

## OFF BALANCE SHEET ARRANGEMENTS

The Corporation did not enter into any arrangements off balance sheet.

## RELATED PARTY TRANSACTIONS

The tables below show related party transactions and balances payable for each of the Corporation's related party. The amounts payable are usually settled in cash.

| | Nine-month period closed March 31, 2015 | Nine-month period closed March 31, 2014 |
|---|---|---|
| | $ | $ |
| **Company controlled by the Chief Executive Officer and president of the Company)** | | |
| Engineer fees included in exploration and evaluation | 241,061 | 217,077 |
| Invoiced expenses included in exploration and evaluation expenses | 2,500 | 15,722 |
| Mining properties | 3,151 | |
| Fees and financing costs | 4,399 | 8,000 |
| Forestry expenses | - | - |
| Restoration of a mining site | - | 1,000 |
| Consultants fees | 1,000 | 3,163 |
| Office supplies | - | 2,895 |
| Royalties | 194,277 | 113,097 |
| Management salaries | 2,186 | - |
| Balance included in payable accounts and accrued liabilities as at March 31, 2015 | 214,287 | 131,077 |
| **Directors and key management personnel** | | |
| Salaries and administrative fees | 20 589 | 4 611 |
| Professional fees | 14 350 | 17 388 |
| Share -based compensation | 6 400 | 14 100 |
| Financing costs | 13 627 | 3 600 |
| Registration, listing fees and shareholders' information | - | 7 890 |
| Costs included in exploration expenses | 8 487 | - |
| Balance included in accounts payables and accrued liabilities as at March 31, 2015 | 10 213 | - |

These transactions were measured at the amount of consideration established and agreed by the related parties.

## CONTINGENT LIABILITIES

a) During the nine-month period ended March 31, 2015, the Company received non-compliance notices for excess of copper and zinc in the effluent of the pit and drainage canals surrounding the settling basin. From the samples taken last Summer and Autumn, the Company was able to identify the source of contamination in the effluent of the pit. Restoration will take place next Spring.

The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are hardly identifiable, in term of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations in effect. Restoration costs and penalties, if any, will be charged to income when expensed.

The north and south drainage canals in the old settling basin are located close to the Barvue tailings park being restored by the Ministères des Ressources naturelles du Québec. The Company think that the drainage from this working area is responsible for the contamination of the basin. In the opinion of the Company's management, it is not likely that the Company will have to disburse a significant amount in relation to this fact. For this reason, as of June 30, 2014, no provision appears in the Company's financial statement.

b) The Company is partly financed by the issuance of flow-through shares. However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. Refusal of certain expenses by tax authorities would have negative tax consequences for Abcourt Mines Inc. or for investors. In the past, the Company has respected all its obligations under the flow-through agreements signed.

**SUBSEQUENT EVENTS**

On March 2015, Abcourt announced that it had signed an indicative Term sheet aimed at acquiring the processing plant and the Beacon mine in the Val d'Or area.

On May 6, 2015, The Company announced that it had terminated discussions concerning the acquisition of these assets and that it was negotiating a custom milling contract with another party to threat the gold mineralization extracted from the Elder mine.

## MINING PROPERTIES

Abcourt has two mining projects at an advance stage of development in Abitibi, Quebec, Canada:

- A gold project with the Elder and Tagami properties near Rouyn-Noranda, Quebec, Canada;
- A silver/zinc project with the Abcourt-Barvue and Vendome properties north of Val-d'Or Quebec, Canada.

and two advanced exploration projects, also in Abitibi, Quebec, Canada:

- The Aldermac property located near Rouyn-Noranda, Quebec, Canada with historical resources in copper, zinc, silver and gold.
- The Jonpol property located near Amos, Quebec, Canada with historical resources in copper, zinc, silver and gold.

Here is some information on each property:

## THE ELDER-TAGAMI MINE

The Elder mine is owned 100% by Abcourt. The mine is conveniently located inside the mining community of Rouyn-Noranda, Quebec, just six miles (ten km) northwest from the town center. The property comprises 34 contiguous claims and a mining concession covering an area of 876 hectares. Royalties of 2% to 3% are payable on different parts of the property.

The surface plant includes an office, a service building, a hoist room and a shaft building. The mine is serviced to a depth of 794 meters (2,606 feet) by two shafts and several drifts on 16 levels. Almost all of the mining equipment is available and all the facilities are in place.

The ore is found in several quartz veins generally striking N-40$^{o}$–E on surface but east-west at a depth of 305 meters (1,000 feet) down the mine and dipping on the average at 22$^{o}$ to the south-east, with the exception of the no 4 vein which is striking north-south and dipping 22$^{o}$ to the east. The CDR vein is located 4,500 feet (1,377 m) south of vein no. 1.

Between 1984 and 1989, a total of \$23 M was spent on this property by the Aunore Resources Inc – Nova Beaucage Mines Limited joint venture. The surface plant was installed and the necessary equipments were purchased. The mine was dewatered, 4,268 meters (14,000 feet) of old drifts were rehabilitated, the shaft was deepened 15 meters (50 feet), new stations were established on three upper levels, in no 2 shaft, that is the 4$^{th}$, 5$^{th}$ and 6th levels, an ore pass and a waste pass system with loading pockets was established, 142 surface and 75 underground diamond drill holes were drilled, approximately 2,134 meters (7,000 feet) of new drifts were excavated, ventilation raises were driven and a few stopes were started. Approximately 13,200 metric tonnes of ore with a grade of 0.198 oz/mt of gold were extracted. Following a drop in the price of gold, the mine was closed and almost all mining equipment was sold.

From 1995 to 2012, several surface drilling programs were completed and results obtained were used to revise the NI 43-101 resources. Also, all the old historic data were converted to the metric system. The revision of resources was completed by Mr. Jean-Pierre Bérubé, P. Eng. Mr. Bérubé is a qualified, independent person.

Here are the results of the 2012 calculations:

***Table 1a – Measured and indicated resources at Elder and Tagami***

| ZONE | MEASURED | | | INDICATED | | | MEASURED + INDICATED | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | TONNES | GRADE | WIDTH | TONNES | GRADE | WIDTH | TONNES | GRADE | WIDTH | GOLD OUNCES |
| | (metric) | (g/t) | (m) | (metric) | (g/t) | (m) | (metric) | (g/t) | (m) | |
| ELDER | 512,739 | 6.68 | 2.20 | 671,139 | 6.50 | 2.16 | 1,183,878 | 6.58 | 2.18 | 250,341 |
| CDR | - | - | - | 4,172 | 16.49 | 2.50 | 4,172 | 16.49 | 2.50 | 2,213 |
| TAGAMI | - | - | - | 173,162 | 6.54 | 2.10 | 173,162 | 6.54 | 2.10 | 36,391 |
| **TOTAL ALL** | **512,739** | **6.68** | **2.20** | **848,473** | **6.55** | **2.10** | **1,361,212** | **6.60** | **2.14** | **288,945** |

***Table 1b – Inferred resources at Elder and Tagami***

| ZONE | TONNES | GRADE | WIDTH | GOLD OUNCES |
|---|---|---|---|---|
| | **(metric)** | **(g/t)** | **(m)** | |
| ELDER | 412,668 | 5.76 | 1.92 | 76,392 |
| CDR | 50,248 | 5.15 | 1.83 | 8,328 |
| TAGAMI | 175,384 | 5.69 | 1.68 | 32,106 |
| **TOTAL ALL** | **638,300** | **5.70** | **1.85** | **116,826** |

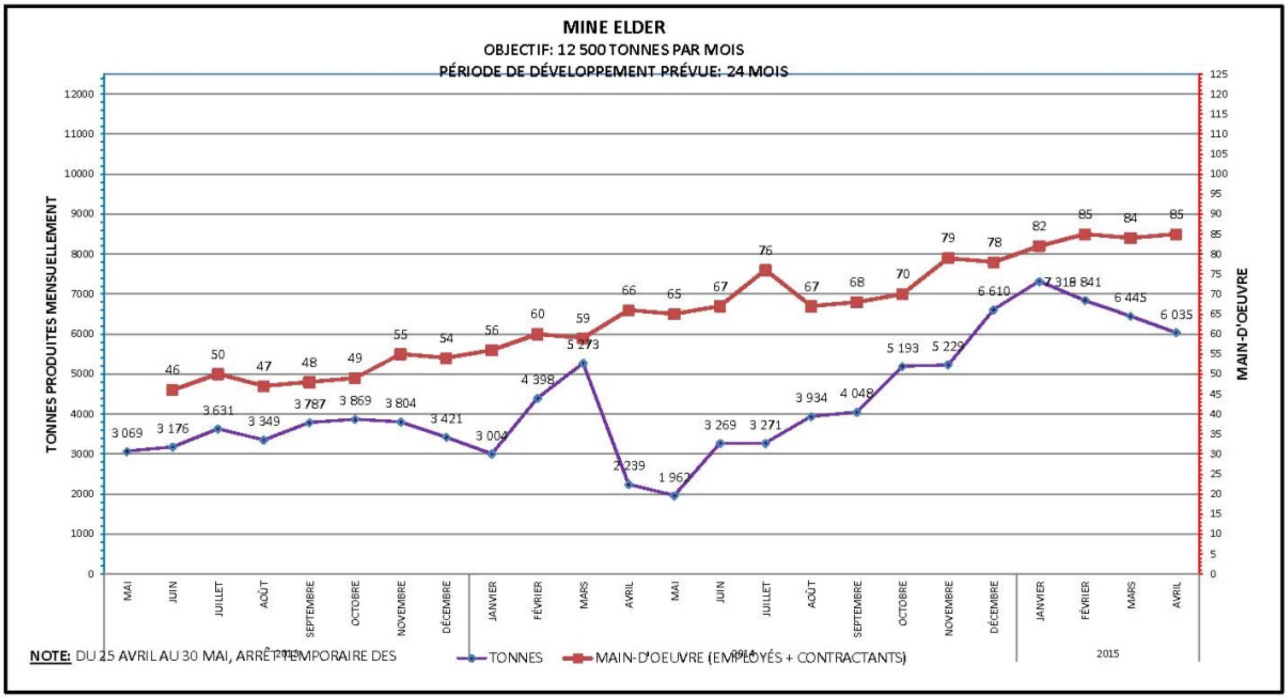
Based on these resources, a preliminary economic assessment report (PEA) was prepared to determine if additional exploration work were needed to increase resources before considering mine development, or not.

The NI 43-101 preliminary economic assessment report on the Elder gold mine project prepared by Roche Ltd., Consulting Group (Roche) and independent consultants, indicates a total cash flow of $138 M over a 10.4-year initial period of mine life, a before-tax Net Present Value (NPV) of $81.8 M at a discount rate of 8%, a before-tax Internal Rate of Return (IRR) of 140.5% and a payback period of 1.1 years. Based on these positive conclusions, it was decided to start a mine development program. The report was filed on SEDAR.

### *Current operations at the Elder mine*

We are currently proceeding with a mine development program with about 85 employees and contractors. Short of getting the necessary financing to proceed according to the plan prepared for the PEA study, we had to modify the approach. As soon as Abcourt received the Certificate of Authorization from the ministry of Environment and permits to use explosives from the *Sûreté du Québec*, in April 2013, we started with the rehabilitation of old drifts, the progress made with the preparation of stopes and the extraction of ore from stopes.

The graph below shows the progress made with the hiring of personnel, the increase in tonnes broken, tonnes produced and tonnes treated from the start of operations to March 31, 2015, and also the ounces of gold produced and the ounces sold during the mine development period.




Here is a summary of results, regrouped by quarters:

| **Period** | **Tonnes broken** | **Tonnes extracted** | **Tonnes milled** | **Gold oz produced** | **Gold oz sold** |
|---|---|---|---|---|---|
| May – June 2013 | 3,088 | 5,851 | - | - | - |
| July 2013 – September 2013 | 12,050 | 9,962 | - | - | - |
| October – December 2013 | 11,859 | 10,017 | 22,267 | 3,755.8 | 3,691.6 |
| January – March 2014 | 13,986 | 12,491 | 10,042 | 1,417.6 | 1,586.0 |
| April – June 2014 | 7,490 | 7,470 | 10,879 | 1,463.7 | 1,373.1 |
| July – September 2014 | 13,104 | 11,278 | 12,709 | 1,804.1 | 1,802.8 |
| October – December 2014 | 17,002 | 17,021 | 11,497 | 1,746.3 | 1,746.3 |
| January – March 2015 | 18,520 | 20,438 | 17,780 | 2,492.0 | 2,217.3 |

The main cross-cut on level 6, completed in November 2014, has given us access to 170,940 tonnes of measured and indicated resources on this level. First, the old drifts will be rehabilitated and eventually, they will be extended to reach these new resources. As this work progresses, new stopes will be opened and this will enable us to increase the tonnes extracted.

From May 2013 to March 2015, the grade of the mineralization treated was 4.83 grams of gold per tonne and the average gold recovery in the mill was 94.5 %.
A 6-month milling contract, for a total of 50,000 tonnes was signed with QMX Gold Corporation on November 14, 2014 and was expected to be terminated on May 14, 2015. However, the availability of the mill was not sufficient to treat all these tonnes during the contracted time. Hence, the contract was extended to June 30, 2015, with an option for one additional month. Abcourt's objective is to reach full production at the Elder mine as quickly as possible. This objective will be reached when all the criteria listed on page 20 of the financial statements dated March 31, 2015, will be in place.

Meanwhile, it is necessary to realize the following objectives:

- Continue to hire miners and purchase equipment to increase the rate of production, rehabilitate old drifts and excavate new drifts;
- Sign a six-month milling contract, renewable for a long term period if results and conditions are acceptable;
- Prepare a feasibility study;
- Obtain at least $1M in financing to accelerate the rate of mine development at Elder , including the purchase of mine equipment and to have enough working capital.

The Elder budget for the April – June 2015 quarter will be determined by the availability of cash. For this period, the budget is about $4.5M to extract approximately 25,000 tonnes of gold mineralization and to produce from 3,500 to 4,000 ounces of recoverable gold.

## ABCOURT-BARVUE PROPERTY

The Abcourt-Barvue property is conveniently located at Barraute, 60 kilometers (35 miles) north the mining community of Val-d'Or, Quebec. It covers 5,865 hectares with 139 claims and two (2) mining concessions held 100% by Abcourt.

In 1950, zinc was discovered on surface on the Barvue claims. The mine was operated from 1952 to 1957 with an open pit by Barvue Mines Limited and from 1985 to 1990 with an underground operation by Abcourt Mines Inc.

Our objective is to place this property into production. From 2002 to 2007, several drilling programs, technical and environmental studies were completed or were done to provide data for a feasibility study and to support our applications for permits. The feasibility study is now completed but various alternatives are considered to improve the profitability of this project. In February 2011, Abcourt purchased the Xstrata Zinc Canada Division interest in fifteen half claims being part of the Vendome property. The purchase of these claims will allow us to add Vendome to the Abcourt-Barvue project.

### Resource calculation and feasibility study 2006 - 2007

In May 2006, a revision of the Abcourt-Barvue resources was completed by an independent qualified person, Mr. Jean-Pierre Bérubé, P.Eng., consultant for MRB & Associates of Val-d'Or, Québec, Canada. This revision was made according to NI 43-101 Standards. This report is available on SEDAR.

Genivar, Limited Partnership of Quebec City and Bumigeme of Montréal, completed a feasibility study, which was published in February 2007. With this feasibility study, almost all the resources were converted into proven and probable ore reserves. This report is available on SEDAR.

The mining plan involves the extraction of 85% of the ore from an open pit and the treatment of this ore in a mill built on the mine site with a capacity of 1,800 tonnes per day for a total of 650,000 tonnes per year.

The amount needed for the opening of the Abcourt-Barvue mine, according to the scenario proposed in the 2006 feasibility study, is $71M, including working capital. However, we have assessed several other scenarios since that time (not 43-101) with costs between $46M and $70M. We also looked at the possibility of spinning off this project into a new company. Before proceeding with this plan, we have to choose the best scenario as a function of metal prices and update the feasibility study. The start of this project depends on the availability of funds and we have no guarantee that we will get the necessary funds in the near term, but the outlook for zinc and silver is good and the $US / $CAN exchange rate is favourable.

**New resources calculations in 2014**

A 43-101 report on the Abcourt-Barvue resources was prepared by Mr. Jean-Pierre Bérubé, engineer and independent consulting geologist with pertinent experience in this field. This report, prepared according to NI 43-101, indicates an increase in indicated and inferred resources in comparison with those of 2006. This report was filed on SEDAR.

Here is a comparative table of resources in all categories:

| | **2014 Estimate** | | | **2006 Estimate** | | |
|---|---|---|---|---|---|---|
| CATEGORY | TONNES | Ag (g/t) | Zn (%) | TONNES | Ag (g/t) | Zn (%) |
| Measured | 6,284,000 | 43.98 | 3.09 | 6,516,000 | 58.32 | 3.33 |
| Indicated | 1,799,000 | 95.51 | 2.94 | 503,000 | 98.35 | 3.44 |
| M + I | 8,083,000 | 55.45 | 3.06 | 7,019,000 | 61.19 | 3.33 |
| Inferred | 2,037,000 | 114.16 | 2.89 | 1,506,000 | 120.53 | 2.98 |

If the open pit outlines designed in 2007 by GENIVAR remain unchanged, it is estimated that 77% of the measured and indicated resources could be extracted from an open pit and 23% from underground operations.

The increase in tonnage between the 2006 estimate and the 2014 estimate was brought about by additional diamond drilling in 2010 and 2011 and by a substantial increase in the price of silver which enabled us to use a lower cut-off grade for silver.

The measured resources are generally extending from surface to a maximum depth of 165 meters. The indicated resources are generally located in the immediate extensions of the measured blocks from elevation -125 to -300 meters.

**2013 – 2014 diamond drilling program**

In the Fall of 2013 and in January 2014, seven holes for a total of 1,546 meters were drilled on surface in the eastern and western part of the property and at depth on mining concession 393. Low grade mineralization was found as indicated in hole BB13-02, as follow:

| FROM | TO | LENGHT METERS | SILVER g/t | ZINC g/t |
|---|---|---|---|---|
| 166.10 | 171.00 | 4.90 | 2.15 | 0.61 |
| 253.00 | 254.00 | 1.00 | 6.30 | 1.82 |
| 268.00 | 279.60 | 11.60 | 6.61 | 0.48 |
| 285.10 | 287.20 | 2.10 | 5.93 | 3.08 |

**January – March 2015 drilling**

Two holes were drilled for a total of 557 meters. The first hole was drilled on a claim at the east end of the Abcourt-Barvue property to confirm a hole drilled previously which gave good gold values. No value was intersected by the new hole. The second hole was drilled in the Abcourt-Barvue mineralized zone and intersected two zones at a depth of 290 meters from surface. Here are the results obtained:

| From | To | Meters | Silver G / tonn | Zinc % |
|---|---|---|---|---|
| 297.5 | 306.2 | 8.7 | 40.35 | 0.67 |
| 306.2 | 313.0 | 6.8 | 47.06 | 2.18 |

**Expenses incurred during the 3$^{nd}$ quarter ending on March 31, 2015**

During the 3$^{nd}$ quarter ending on March 31, 20154, an amount of \$90,912 was spent, principally for diamond drilling on surface.

**Plan for 2015**

As the overall economic situation is favourable to the development of a silver-zinc mine, our objective this year will be to raise money and to start the development of this mine.

**THE VENDÔME PROPERTY**

The Vendome property is located 11 kilometres (seven miles) south of the Abcourt-Barvue property. It comprises 59 full claims for a total of 2,546 hectares owned 100% by Abcourt.

In the 1950's, a small ore body was discovered and a three-compartment shaft was sunk to a depth of 160 meters (525 feet). Three levels were established at depths of 76 meters (250 feet), 114 meters (375 feet) and 153 meters (500 feet). A total of 2,134 meters (7,000 feet) of drifts and raises were excavated and 540 holes were drilled underground for a total of 66,700 meters (218,776 feet). At the same time, two deposits, the **Barvallee** and the **Belfort** were found on strike to the west by surface drilling. In addition, some holes drilled in the Magador batholith found some gold values.

In 1987, a surface plant was installed and a short (76 meters) ramp was excavated on the Barvallee part of the property.

In 1998, the Corporation drilled nine holes for a total of 1,505 meters (4,936 feet) in the Barvallee sector of the zone. Results were very encouraging.

In 2011, four holes were drilled to confirm historical resources and excellent results were obtained. See our Press Release dated August 9, 2011. An evaluation of resources according to NI 43-101 was completed by Mr. Jean-Pierre Bérubé, Consulting Engineer, and a report was published on February 12, 2013. Mr. Bérubé is a qualified independent person. This report was filed on SEDAR.

Here are the 43-101 Vendôme resources:

| **Category** | **Tonnes** | **Grade** | | | |
|---|---|---|---|---|---|
| | | **Au g/t** | **Ag g/t** | **Cu %** | **Zn %** |
| Mesured | 347,890 | 1.46 | 73.97 | 0.52 | 9.78 |
| Indicated | 364,332 | 1.00 | 47.15 | 0.74 | 5.33 |
| Total | 712,222 | 1.23 | 60.11 | 0.63 | 7.50 |
| | | | | | |
| Inferred | 305,769 | 0.99 | 36.77 | 0.49 | 4.30 |
| Total all categories | 1,017,991 | 1.15 | 53.10 | 0.59 | 6.54 |

No significant expenditure was done on this property during the quarter ended on March 31, 2015 and none is expected in the next period.

## THE ALDERMAC PROPERTY

In January 2007, Abcourt announced that a 4-year option was signed for 100% of the Aldermac property located in Beauchastel township near Rouyn-Noranda, Quebec, Canada. This 303-hectare property is the site of a former mine, serviced by a 495-meter 3-compartment shaft and nine levels. In the past, it produced two million tons of ore with a grade of 1.78% Cu, 0.2 oz/t Ag, 0.02 oz/t Au and 1.50% ± Zn.

Around the old mine and 300 meters further east, where a new ore body was discovered in 1987, historical resources are as follows:

| **Description** | **Short tons** | **Cu %** | **Zn %** | **Ag oz/t** |
|---|---|---|---|---|
| **Area around the old mine** | 620,000 | 1.60 ± | 2.00 ± | 0.2 |
| **New ore body to the east** | 1,150,000 | 1.50 | 4.13 | 0.9 |
| **Total** | 1,770,000 | 1.54 | 3.38 | 0.6 |

The historical resources reported above were prepared before the introduction of National Instrument 43-101 (“43-101”). The historical resources have not been verified and should not be relied upon. This being said, Abcourt believes that these estimates, particularly the ones prepared by Wright Engineers, were estimated by competent persons. This statement is made by Mr. Renaud Hinse, professional engineer, President of Abcourt Mines Inc. Mr. Hinse is a qualified person under 43-101.

A 22-hole drilling program totalling 5,514 meters at a cost of $601,399 was completed during the 2008 winter. Several excellent values over important widths were cut and reported in Press Releases and previous annual reports. See our Web site: www.abcourt.com.

**Diamond drilling in the January – March quarter ended on March 31, 2015**

A 528-meter hole was drilled in the 2015 January – March quarter. The objective was to check an important massive sulphide zone intersected in the past by a horizontal hole drilled from the old mine. Hole A15-01 that we drilled missed the target. An amount of $91,927 was spent. The information obtained by this hole will enable us to adjust our planning for the next hole.

## THE JONPOL PROPERTY

In March 2007, Abcourt announced the signature of a 7-year option to purchase 100% of the Jonpol property located in Dalquier township near Amos, Quebec, Canada. This 880-hectare property was subject to several exploration programs in the past and three shafts were sunk, the deepest reaching a depth of 152 meters.

This exploration work outlined the following historical resources:

| Zone | Date | Author | Short tons | % Cu | % Zn | oz/t Ag |
|---|---|---|---|---|---|---|
| Upper Ag-Zn | 1969 | Waisberg (1) | 20,000 | - - | 4.0 | 8.0 |
| Jay Copper | 1969 | Waisberg | 26,000 | 3.5 | - - | 1.0 |
| Main West Cu | 1974 | Kilborn (2) | 1,946,000 | 1.04 | - - | 0.02 |
| Lower Ag-Zn-Cu | 1983 | Getty (3) | 815,000 | 1.25 | 3.21 | 3.55 |

(1) S. Waisberg, 1969, Conigo Mines Ltd
(2) H.B. Hicks, 1974, Kilborn Engineering Ltd, preliminary feasibility study for 1,000 TPD mining and milling plant
(3) D. Titaro, 1983, Getty Canadian Mines Ltd, work summary

In addition, several significant gold intersections were obtained in the drilling.

This information comes from a report by C.M Cooke, senior project geologist for Aur Resources Inc., dated November 1992.

The historical resources reported above were prepared before the introduction of National Instrument 43-101 ("43-101"). The historical resources have not been verified and should not be relied upon. However Abcourt believes that these estimates, particularly the ones prepared by Kilborn and Getty, were estimated by competent persons. This statement is made by Mr. Renaud Hinse, professional engineer, President of Abcourt Mines Inc. Mr. Hinse is a qualified person under 43-101.

Aur Resources, with whom we had negotiated the first agreement, was amalgamated with Teck-Cominco Limited. We renegotiated the Agreement with the latter and obtained more advantageous conditions.

**Diamond drilling in the first quarter of the 2012 period**

During the first quarter of the period ended on June 30, 2012, we drilled nine holes. Eight of these holes were drilled on the western extension of a silver zone indicated by previous drilling. These holes only gave low values. The ninth hole was drilled to intersect a rhyolite-tuff contact. It cut a 1-meter mineralized section averaging 267.50 g/t silver and 0.24 % zinc at an approximate depth of 100 meters.

**Diamond drilling in the period ending on June 30, 2013**

In September 2012, six additional holes, for a total of 1,466 meters, were drilled. These holes did not produce any significant results.

**No work planned for 2015**

Our objective in 2015 is to keep the claims in good standing. Additional work will be done as soon as funds become available.

## THE VEZZA PROPERTY

In 2009 and 2010, Abcourt has acquired by staking 85 claims and 19 cells totalling 2,233 hectares in Vezza Township, Quebec. This property covers about 8 km along the Casa Berardi-Douay-Cameron deformation zone where several gold occurrences have been reported in the past. This new property is currently in the exploration stage and is without a known body of commercial ore or economic deposit.

In the period ending on June 30, 2013, we drilled four holes (1,011 meters) on the sediment/volcanic contact, usually mineralized with pyrite and some gold. No significant value was intersected. These holes were drilled to renew the claims.

During the period ending on June 30, 2013, the Corporation decided to write-off the value of the deferred evaluation expenses. In the 2014 period, 11 cells were abandoned. No exploration work is planned for the 2015 period.

**PERSON RESPONSIBLE OF TECHNICAL INFORMATION**

The qualified person under National Instrument 43-101 respecting standards of disclosure for mineral projects, who is responsible of the technical information relating to the mining properties of the Corporation, is Mr Renaud Hinse, mining engineer, President of Abcourt Mines Inc.

## RISKS AND UNCERTAINTIES

## RISK FACTORS

In the course of its business and affairs, the Corporation faces the following risks factors:

### Fluctuations in the Market Price of gold and other metals

The profitability of mining operations, and thus the value of the mineral properties of the Corporation, is directly related to the market price of gold and other metals. The market price of gold and other metals fluctuates and is affected by numerous factors beyond the control of any mining company. If the market price of gold and metals should decline dramatically, the value of the Corporation's mineral properties could also decrease dramatically and the Corporation might not be able to recover its investment in those interests or properties. The selection of a property for exploration or development, the determination to construct a mine and place it into production and the dedication of funds necessary to achieve such purposes, are decisions that must be made long before first revenues from production are received. Price fluctuations between the time that such decisions are made and the commencement of production can, drastically, affect the economics of a mine.

### Financial Risk

Additional funds will be required in the future to finance the Corporation's exploration and development work. The Corporation may have access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Corporation. Furthermore, even if such a financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Corporation or provide the Corporation with sufficient funds to meet its objectives, which could adversely affect the Corporation's business and financial condition.

### Exploration and Mining Risks

Mineral resources exploration and development is highly speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not be able to avoid. While the discovery of a deposit may prove extremely lucrative, most exploration efforts are not successful in that they do not result in the discovery of mineralization of sufficient quantity or quality to be profitably mined. Substantial sums may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. **There is no assurance that ores will be discovered by the Corporation in quantities sufficient to warrant mining operations. There is also no assurance that the mining properties of the Corporation will be brought into commercial production.** The economic life of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size and grade. Other factors include the proximity of the deposit to infrastructure, the production capacity of mining facilities and processing equipment, market fluctuations, possible claims of native peoples and government regulations, including regulations relating to prices, royalties, allowable production, importation and exportation of minerals, environmental protection and the protection of agricultural territory. The effect of these factors cannot be accurately predicted and may prevent the Corporation from providing an adequate return on investment.

**Regulatory Compliance, Permitting Risks and Environmental Liability**

Exploration, development and mining activities are subject to extensive Canadian federal and provincial laws and regulations governing exploration, development, production, taxes, labour standards, waste disposal, protection and conservation of the environment, reclamation, historic and cultural preservation, mine safety and occupational health, toxic substances as well as other matters. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing a mine and other facilities in compliance with such laws and regulations is significant. The costs and delays associated with compliance with such laws and regulations could become such that the Corporation cannot proceed with the development or operation of a mine.

Mining in particular (and the ownership or operation of properties upon which historic mining activities have taken place) is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Corporation (or to other companies within the industry) at a reasonable price. To the extent that the Corporation becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Corporation and could have a material adverse effect on the Corporation. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

**Risks concerning titles to Properties**

Although the Corporation has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Corporation's interests.

**Industry Conditions**

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial sums may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Corporation will result in a profitable mining operation. The economic life of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metal prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed, but may prevent the Corporation from providing an adequate return on investment.

**Outlook**

Management will continue to manage its funds rigorously, its primary objective being to optimize return on investment for the Corporation's shareholders. The Corporation's development strategy is focused on the discovery of economically-viable deposits that will generate profits from mining and ensure the Corporation's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of gold and other metals.

**Competition**

The Corporation competes with major mining companies and other natural resource companies in the acquisition, exploration, financing and development of new properties and projects. Many of these companies are more experienced, larger and better capitalized than the Corporation. The competitive position of the Corporation depends upon its ability to obtain sufficient funding and to explore, acquire and develop new and existing mineral-resource properties or projects in a successful and economic manner. Some of the factors which allow producers to remain competitive in the market over the long term are the quality and size of an ore body, cost of production and operation generally, and proximity to market. The Corporation also competes with other mining companies for skilled geologists and other technical personnel.

**Permits and Licenses**

The operations of the Corporation require licences and permits from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all necessary licences and permits that may be required to carry out further exploration, development and mining operations at its projects.

**Volatility of Stock Price and Limited Liquidity**

The common shares of the Corporation are listed on the TSX Venture Exchange and on the Frankfurt and Berlin Exchanges. The common shares have experienced volatility in price and limited trading volume over the last several years. There can be no assurance of adequate liquidity in the future for the common shares.

**Dependence on Key Personnel**

The Corporation is dependent on the services of certain key officers and employees. Competition in the mining exploration industry for qualified individuals is intense and the loss of any key officer or employee if not replaced could have a material adverse effect on the business and operations of the Corporation.

## STRATEGY AND OUTLOOK

Our objective is to maximize the value of the Corporation for our shareholders and our strategy to obtain this result is to develop our gold properties. To proceed with this strategy, private placements were completed in the year ended June 30, 2014 and in the nine-month period ended on March 31, 2015. The funds received are being used to realize an important development program at the Elder mine. Our short term objectives are to reach full production as soon as possible, i.e. 12,500 tonnes per month and 2,000 ounces of gold per month. In addition, we are trying to figure out the best leverage which will allow us to start the mine development of the Abcourt-Barvue property with substantial silver and zinc resources.

For any additional information, please consult our web site www.abcourt.com and the SEDAR site www.sedar.com.

**CERTIFICATE**

This management's discussion and analysis has been approved by the Audit Committee and by the Board of directors of the Corporation.

*(s) Renaud Hinse*
Renaud Hinse
Chief Executive Officer
2015/05/29

*(s) Marc Filion*
Marc Filion
Chief Financial Officer
2015/05/29