



**ABCOURT MINES INC.
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2024 (unaudited)**

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated Interim Statements of Financial Position

Consolidated Interim Statements of Comprehensive Income

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ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(in Canadian dollars)

		September 30, 2024	June 30, 2024
		\$	\$
ASSETS	Notes		
Current assets			
Cash		792,879	757,753
Receivables	5	415,978	348,960
Prepaid expenses		128,722	353,595
Inventory	6	1,040,793	1,212,493
Listed shares		1,934,650	-
Credit on mining rights refundable and refundable tax credit for resources		466,592	466,592
Total current assets		4,779,614	3,139,393
Non-current assets			
Deposit		211,683	211,683
Deposits for restoration	11	2,024,708	2,024,708
Property, plant and equipment	7	9,383,370	8,688,199
Total non-current assets		11,619,761	10,924,590
Total assets		16,399,375	14,063,983
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	5,590,477	6,398,727
Deferred revenue		-	38,641
Mining taxes payable		515,548	515,548
Current portion of lease obligations	9	17,490	17,221
Current portion of long-term debt	10	1,014,584	1,116,667
Total current liabilities		7,138,099	8,086,804
Lease obligations	9	26,690	31,499
Long-term debt	10	100,000	150,000
Provisions for restoration of mining sites	11	12,741,266	12,079,816
Total liabilities		20,006,055	20,348,119
NEGATIVE EQUITY			
Share capital	12	60,809,102	57,551,585
Contributed surplus	13	7,731,653	7,650,641
Warrants		3,865,732	2,623,249
Deficit		(76,013,167)	(74,109,611)
Total equity		(3,606,680)	(6,284,136)
Total liabilities and negative equity		16,399,375	14,063,983

ON BEHALF OF THE BOARD,

(s) Pascal Hamelin, President and Chief Executive Officer and Director

(s) Loic Bureau, President of the board and Director

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME THREE MONTHS ENDED SEPTEMBER 30, (In Canadian dollars)

		2024	2023
	Notes	\$	\$
Revenues		-	255,000
EXPENSES			
Administration	14	775,757	999,740
Care and maintenance expenses		887,433	873,438
Exploration and evaluation expenses	14	501,160	706,771
Total expenses		<u>2,164,350</u>	<u>2,579,949</u>
			4
OPERATING EARNINGS		<u>(2,164,350)</u>	<u>(2,324,949)</u>
FINANCE COSTS AND INCOMES			
Finance income		(460,864)	(9,022)
Finance costs		136,415	133,316
		<u>(324,449)</u>	<u>124,294</u>
EARNINGS BEFORE INCOME AND MINING TAXES		<u>(1,839,901)</u>	<u>(2,449,243)</u>
NET EARNINGS AND TOTAL COMPREHENSIVE INCOME		<u>(1,839,901)</u>	<u>(2,449,243)</u>
NET EARNINGS PER SHARE			
Basic and diluted		(0.00)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING			
Basic and diluted		667,279,094	438,544,218

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(in Canadian dollars)

	Share Capital	Warrants	Contributed Surplus	Déficit	Total Equity
Notes	\$	\$	\$	\$	\$
Balance as at June 30, 2024	57,551,585	2,623,249	7,650,641	(74,109,611)	(6,284,136)
Net earnings and total comprehensive income	-	-	-	(1,839,901)	(1,839,901)
Units issued	12 – 13 3,257,517	1,242,483	-	-	4,500,000
Share purchase options issued	12 – 13 -	-	81,012	-	81,012
Share issuance costs	-	-	-	(63,655)	(63,655)
Balance as at September 30, 2024	60,809,102	3,865,732	7,731,653	(76,013,167)	(3,606,680)
Balance as at June 30, 2023	52,464,386	621,918	7,374,384	(62,328,624)	(1,867,936)
Net earnings and total comprehensive income	-	-	-	(11,585,571)	(11,585,571)
Units issued	12 – 13 5,023,704	1,978,166	-	-	7,001,870
Payment of a royalty	12 – 13 63,495	23,165	-	-	86,660
Share purchase options issued	12 – 13 -	-	275,357	-	275,357
Share issuance costs	-	-	900	(195,416)	(194,516)
Balance as at June 30, 2024	57,551,585	2,623,249	7,650,641	(74,109,611)	(6,284,136)

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

THREE MONTHS ENDED SEPTEMBER 30,

(in Canadian dollars)

	Notes	2024	2023
		\$	\$
OPERATING ACTIVITIES			
Net earnings		(1,839,901)	(2,449,243)
Items not affecting cash:			
Accretion expense		108,036	103,125
Share-based compensation		81,012	168,944
Amortization and depletion		53,631	43,267
Interests on lease obligations		714	-
Sale of a property		(1,500,000)	-
Change in fair value of listed shares		(464,650)	-
		(3,531,158)	(2,133,907)
Changes in non-cash working capital items	4	(517,336)	607,416
		(4,048,494)	(1,526,491)
FINANCING ACTIVITIES			
Issuance of units		4,500,000	1,582,750
Share issuance costs		(63,655)	(6,569)
Repayment of long-term debt		(152,083)	(137,575)
Payments on lease obligation		(5,254)	-
		4,279,008	1,438,606
INVESTING ACTIVITIES			
Credit on mining rights refundable and refundable tax credit for resources		-	186,485
Acquisition of property, plant and equipment		(195,388)	(2,184)
		(195,388)	184,301
NET CHANGE IN CASH		35,126	96,416
CASH, AT THE BEGINNING		757,753	963,974
CASH, AT THE END		792,879	1,060,390

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023
(en dollars canadiens)

1- INCORPORATION AND NATURE OF ACTIVITIES

Abcourt Mines Inc. (together, with its subsidiary, the « Company ») was incorporated by letters patent of amalgamation in January 1971 and continued under Part 1A of the Quebec Companies Act in March 1981. On February 14, 2011, the Company was automatically continued under Business Companies Act (Quebec) following the coming into force of this law. The Company is engaged in the acquisition, exploration and evaluation, development and operating of mining properties in Canada, primarily gold. Its shares are trading on the TSX Venture Exchange under the symbol ABI, on the Berlin Stock Exchange under the symbol AML-BE and on the Frankfurt Exchange under the symbol AML-FF. The Company's head office is located at 475 De l'Eglise Avenue, Rouyn-Noranda, (Quebec) J0Z 1Y0.

These consolidated financial statements were approved for issue by the Board of Directors on November 21, 2024.

2- GENERAL INFORMATION AND BASIS OF PRESENTATION

These consolidated interim financial statements have been prepared by the Company's management in accordance with International Financial Reporting Standards (« IFRS accounting standards »), as established by the International Accounting Standards Board and in accordance with IAS 34 « Interim Financial Reporting ». These consolidated interim financial statements were prepared using the same basis of presentation and accounting policies outlined in the annual financial statements on June 30, 2024. They do not include all the information required in annual financial statements in accordance with IFRS accounting standards and must be read in conjunction with the consolidated financial statements for the year ended June 30, 2024. These consolidated interim financial statements have not been reviewed by the Company's auditor.

The Company's independent auditor has not performed a review of these unaudited consolidated interim financial statements for the period ended September 30, 2024, in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the Company's auditor.

GOING CONCERN

These consolidated interim financial statements have been prepared on the going concern basis, where assets are realized and liabilities are settled in the normal course of business.

The Company's ability to ensure the continuity of its operations relies on the realization of its assets and on additional financing. Despite the Company's ability to obtain financing in the past, there can be no assurance that it will be able to obtain financing in the future, and there can be no assurance that such financing will be available on terms acceptable to the Company. The Company has not yet determined whether the mining properties contain ore reserves that can be economically exploited and has not yet generated operating revenues. Recovery of the cost of mineral properties depends on the ability to economically exploit the ore reserves, obtaining the necessary financing for the exploration of these properties and bringing them into commercial production or proceeds from the sale of the properties. As of September 30, 2024, the Company has a deficit of \$76,013,167, cash of \$792,879 and negative working capital of \$2,358,485.

These conditions indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

The consolidated financial statements do not reflect the adjustments that would be necessary to the carrying amount of assets and liabilities, the amounts reported for revenues and expenses, and the classifications of items in the statement of financial position if the going concern assumption were not appropriate. These adjustments could be material.

3- NEW OR REVISED STANDARDS AND INTERPRETATIONS

New and revised IFRSs issued but not yet effective

At the date of authorization for publication of these consolidated financial statements, several new, but not yet effective, Standards, amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards, amendments or interpretations have been adopted early by the Company

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations neither adopted nor listed below have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023
(en dollars canadiens)

4- ADDITIONAL INFORMATION ON CASH FLOWS

Net change in non-cash working capital items

	September 30, 2024	September 30, 2023
	\$	\$
Account, receivable	(67,018)	694,652
Prepaid, expenses	224,873	(13,706)
Inventory	171,700	-
Accounts, payable, and, accrued, liabilities	(808,250)	(73,530)
Deferred, revenue	(38,641)	-
	<u>(517,336)</u>	<u>607,416</u>

No mining and income taxes paid as at September 30 and June 30, 2024.

Items not affecting cash:

	September 30, 2024	September 30, 2023
	\$	\$
Warrants granted to investors	1,242,483	437,674
Warrants granted to intermediaries	-	700

5- RECEIVABLES

	September 30, 2024	June 30, 2024
	\$	\$
Commodity taxes	327,344	285,834
Other receivables	88,634	63,126
	<u>415,978</u>	<u>348,960</u>

6- INVENTORY

	September 30, 2024	June 30, 2024
	\$	\$
Gold and silver inventories	463,300	773,000
Mines supplies	577,493	439,493
	<u>1,040,793</u>	<u>1,212,493</u>

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(en dollars canadiens)

7- PROPERTY, PLANT AND EQUIPMENT

	Cost			Accumulated Amortization			September 30, 2024	
	June 30, 2024	Addition	Provision for restoration adjustment	September 30, 2024	June 30, 2023	Amortization	September 30, 2024	Valeur nette comptable
	\$	\$	\$	\$	\$	\$	\$	\$
Corporate								
Office furniture	63,529	-	-	63,529	42,515	1,333	43,848	19,681
Computer equipment	41,773	-	-	41,773	29,689	2,537	32,226	9,547
	105,302	-	-	105,302	72,204	3,870	76,074	29,228
Elder mine site								
Terrains	37,263	-	-	37,263	-	-	-	37,263
	37,263	-	-	37,263	-	-	-	37,263
Sleeping Giant mine site								
Mill and production equipment	8,856,069	1,501-	448,265	9,305,835	1,982,439	5,458	1,987,897	7,317,938
Land	19,000	-	-	19,000	-	-	-	19,000
Mobile equipment	528,539	-	-	528,539	474,580	8,365	482,945	45,594
Computer equipment	167,601	-	-	167,601	115,737	9,595	125,332	42,269
	9,571,209	1,501	448,265	10,020,975	2,572,756	23,418	2,596,174	7,424,801
Exploration								
Land	55,000	-	-	55,000	-	-	-	55,000
Buildings	1,475,993	43,535	105,149	1,624,677	242,667	2,413	245,080	1,379,597
Equipment	457,551	150,352	-	607,903	174,334	19,445	193,779	414,124
	1,988,544	193,887	105,149	2,287,580	417,001	21,858	438,859	1,848,721
Right-of-use asset								
				9				
Mobile equipment	53,822	-	-	53,822	5,980	4,485	10,465	43,357
	53,822	-	-	53,822	5,980	4,485	10,465	43,357
	11,756,140	195,388	553,414	12,504,942	3,067,941	53,631	3,121,572	9,383,370

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023
(en dollars canadiens)

8- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30,	June 30,
	2024	2024
	\$	\$
Accounts payable	2,698,879	3 727 790
Royalties payable	232,592	250 289
Salaries and benefits payable	749,683	630 137
Payable to governments	1,909,323	1 790 511
	<u>5 590 477</u>	<u>6,398,727</u>

9- LEASE OBLIGATION

	September 30,	June 30,
	2024	2024
	\$	\$
Lease obligations included in the statement of financial position		
Balance at the beginning of the period	48,720	-
Addition	-	53,822
Interests	714	901
Payments	<u>(5,254)</u>	<u>(6,003)</u>
Balance at the end of the period	44,180	48,720
Current portion of lease obligation	<u>(17,490)</u>	<u>(17,221)</u>
Lease obligation	<u>26,690</u>	<u>31,499</u>
Maturity analysis – contractual undiscounted cash flows		
Less than one year	19,512	19,512
One to five years	<u>27,767</u>	<u>33,020</u>
Total undiscounted lease obligation	<u>47,278</u>	<u>52,532</u>

10- LONG-TERM DEBT

	September 30,	June 30,
	2024	2024
	\$	\$
Loan authorized for a maximum amount of \$3,000,000 bearing interest at fixed rate of 7.16 % et 7.25 % (7.16% and 7.25% as at June 30, 2024) and prime rate plus 1.5% (7.45% as at September 30, and 7.95% as at June 30, 2024) maturing in January and June 2025 and February 2026, secured by a first rank hypothec of \$3,000,000 on equipment and mobile equipment of the Sleeping Giant mine and mill facility and a mortgage of \$250,000 on accounts receivable and inventory and on the universality of movable property.	1,114,584	1,266,667
	<u>1,114,584</u>	<u>1,266,667</u>
Current Portion	<u>(1,014,584)</u>	<u>(1,116,667)</u>
	<u>100,000</u>	<u>150,000</u>

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023
(en dollars canadiens)

10- LONG-TERM DEBT (continued)

Reconciliation of movements of long-term debt to cash flows arising from financing activities:

	September 30, 2024	June 30, 2024
	\$	\$
Balance, beginning of year	1,266,667	1,854,241
Cash flows		
Repayment of long-term debt	(152,083)	(587,574)
Balance, end of the year	<u>1,114,584</u>	<u>1,266,667</u>

As at September and June 30, 2024, the principal payments required in the next years are as follows:

Within one year	1,014,584	1,116,667
More than one year and less than five years	100,000	150,000

11- PROVISIONS FOR RESTORATION OF MINING SITES

The following table sets forth the variation in the provisions for restoration of mining sites:

	September 30, 2024	June 30, 2024
	\$	\$
Balance, beginning of the year	12,079,816	11,616,198
Change to estimates	553,414	25,872
Accretion expenses	<u>108,036</u>	<u>437,746</u>
Balance, at the end of the year	<u>12,741,266</u>	<u>12,079,816</u>

The rate used to determine the future value is 2.87% and 2.54% (2.59% and 3.17% as at June 30, 2024), while the rate reflecting current market assessments (adjusted to take into account the risks specific to this liability) used to determine the present value of the provisions is 3.00% and 2.91% (3.55% and 4.05% as at June 30, 2024). The payments schedule was determined by taking into account the measured and indicated resources, the estimated annual production level and the estimated mine life.

The schedules of the estimated cash flows of future restoration costs of the Elder and Sleeping Giant mines were revised following the update of the resources and their estimated life as well as the revision of the future restoration costs of the Elder and Sleeping Giant sites. During the years 2024 and 2023, the Company revised upwards the future restoration costs of the Sleeping Giant site. Total future costs were estimated at \$12,212,697 (\$12,027,338 in 2023). Revised estimates have been recognized in property, plant and equipment. During the year 2024, the Ministry of Natural Resources and Forestry (« MNR ») approved the new plan.

During the year ended June 30, 2024, the Company revised upwards the future restoration costs of the Elder mine site, the total undiscounted future costs were estimated at \$704,425. Revised estimates have been recognized in net income, as the mining asset was fully impaired in 2022. In 2024, the revised restoration costs for the Elder mine have been approved by the MNR.

The following table presents the estimated undiscounted cash flows arising from future restoration costs used in the calculation of provisions related to mine site restoration as at September 30, 2024.

	<u>Montant total estimé des mouvements de trésorerie prévus</u>	Date prévue des sorties de fonds
	\$	
Mine Elder	812,003	2028
Mine Géant Dormant	<u>15,249,091</u>	2032
	<u>15,961,003</u>	

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023
(en dollars canadiens)

11- PROVISIONS FOR RESTORATION OF MINING SITES (continued)

The following table sets forth the distribution of provisions for restoration of mining sites:

	September 30,	June 30,
	2024	2024
	\$	\$
Elder site	708,233	701 132
Sleeping Giant site	12,033,033	11 378 684
	<u>12 741 266</u>	<u>12,079,816</u>

Deposits for restoration

Deposits for restoration include the following items:

	September 30,	June 30,
	2024	2024
	\$	\$
Term deposit, 2.6%, maturing April 2025	2,000,000	2,000,000
Quebec government deposits	24,708	24,708
	<u>2,024,708</u>	<u>2,024,708</u>

La société est tenue de fournir au MNRF des garanties financières couvrant le coût de la restauration de ses sites miniers. Au cours de l'exercice se terminant le 30 juin 2024, la Société a conclu une entente avec une compagnie d'assurance pour fournir des cautionnements au MNRF pour les garanties financières conformément aux exigences selon les plans de restauration approuvés par ce dernier. Au 30 juin 2023, le gouvernement du Québec détenait des dépôts de garantie pour la restauration principalement pour les sites des mines Géant Dormant et Elder. Selon l'entente de cautionnement, la compagnie d'assurance se porte garante auprès du MNRF des coûts de restauration prévus aux plans de restauration. Conformément aux conditions de l'entente, la Société doit fournir une lettre de crédit irrévocable d'une banque canadienne équivalent à environ 50 % de la valeur du cautionnement. Au 30 septembre 2024, la lettre de crédit est de 2 000 000 \$ et est garanti par un certification de placement garanti de la même valeur. Ce cautionnement est également garanti par une hypothèque de 3 700 000 \$ sur la propriété de Géant Dormant. La lettre de crédit est garantie par le dépôt à terme du même montant.

The Company is required to provide the MNRF with financial guarantees covering the cost of restoring the mine sites. During the year ended June 30, 2024, the Company entered into an agreement with an insurance company to provide bonds to the MNRF for the financial guarantees in accordance with the requirements of the restoration plans approved by the MNRF in 2024. In 2023, the Government of Quebec held security deposits primarily for the Sleeping Giant and Elder mine sites. Under the terms of the bonding agreement, the insurance company guarantees to the MNRF the restoration costs as set out in the restoration plans. Under the terms of the agreement, the Company has provided an irrevocable letter of credit from a Canadian bank equivalent to approximately 50% of the value of the bond. This bond is also secured by a \$3,700,000 mortgage on the Sleeping Giant property. As at September 30, 2024, the letter of credit is \$2,000,000 and is secured by a guaranteed investment certificate of the same value.

As at September 30, 2024, financial guarantees of \$5,971,805 (\$5,370,214 for the Sleeping Giant mine and \$601,019 for the Elder mine) have been issued to the MRNF.

Following the increase in restoration costs at the Sleeping Giant mine, the financial guarantee required by the MNRF is \$12,212,697, with one instalment of \$3,421,242 accrued in June 2024 and two instalments each of \$1,710,621 due in March 2025 and 2026. As at September 30, 2024, the company is in default of the \$3,421,242 financial guarantee due to the MRNF.

Following the increase in restoration costs at the Elder mine, the financial guarantee required by the MNRF is \$704,425. The Company is required to make two payments of \$51,713, in February 2025 and 2026.

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(en dollars canadiens)

12- SHARE CAPITAL

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 outstanding).

Unlimited number of subordinate Class « A » shares, without par value, non-voting (none outstanding).

Unlimited number of Class « B » shares», without per value, with voting rights.

Changes in the Company Class « B » share capital were as follows:

	September 30, 2024		June 30, 2024	
	Number	Amount \$	Number	Amount \$
Balance, at the beginning	583,213,160	57,551,585	428,108,504	52,464,386
Common shares issued	112,500,000	3,257,517	152,938,150	5,023,704
Issuance of shares in payment of royalties	-	-	2,166,506	63,495
Balance, at the end	695,713,160	60,809,102	583,213,160	57,551,585

Quarter ended September 30, 2024

Le 24 juillet 2024, la Société a complété un placement privé composé de 112 500 000 unités au prix de 0,04 \$ l'unité. Chaque unité était composée d'une action ordinaire de catégorie « B » et d'un bon de souscription. Chaque bon de souscription entier permet de souscrire à une action ordinaire de catégorie « B » au prix d'exercice de 0,06 \$ pour une période de 3 ans de la date d'émission du bon de souscription. Le produit brut de ce placement au montant de 4 500 000 \$ a été présenté déduction faite de la juste valeur des bons de souscription, au montant de 1 242 483 \$.

Year ended June 30, 2024

On June 27, 2024, the Company completed the fifth and final tranche of a private placement consisting of 12,551,400 units at a price of \$0.05 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$627,570 was presented net of the fair value of the warrants, in the amount of \$186,058.

On May 31, 2024, the Company completed the fourth tranche of a private placement consisting of 21,200,000 units at a price of \$0.05 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$1,060,000 was presented net of the fair value of the warrants, in the amount of \$309,799.

On April 30, 2024, the Company completed the third tranche of a private placement consisting of 7,648,312 units at a price of \$0.05 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$382,416 was presented net of the fair value of the warrants, in the amount of \$105,363.

On April 23, 2024, the Company completed the second tranche of a private placement consisting of 18,310,000 units at a price of \$0.05 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$915,500 was presented net of the fair value of the warrants, in the amount of \$271,738.

On March 26, 2024, the Company completed the first tranche of a private placement consisting of 28,724,688 units at a price of \$0.05 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$1,436,234 was presented net of the fair value of the warrants, in the amount of \$403,213.

In connection with the private placement, the Company paid a cash commission of \$500 and issued 10,000 warrants to a broker. Each warrant entitles its holder to purchase one Class « B » common share at the exercise price of \$0.05 for a period of 3 years from the date of issuance of the warrant.

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(en dollars canadiens)

12- SHARE CAPITAL (continued)

On December 15, 2023, the Company completed the fourth and final tranche of a private placement consisting of 6,250,000 units at a price of \$0.04 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$250,000 was presented net of the fair value of the warrants, in the amount of \$67,454.

On November 16, 2023, the Company completed the third tranche of a private placement consisting of 5,225,000 units at a price of \$0.04 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$209,000 was presented net of the fair value of the warrants, in the amount of \$60,289.

On October 20, 2023, the Company issued 2,166,506 units at a price of \$0.04 per unit in payment of a 2% NSR on the sleeping Giant property. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The gross amount of \$86,660 was presented net of the fair value of the warrants, in the amount of \$23,165.

On October 12, 2023, the Company completed the second tranche of a private placement consisting of 13,460,000 units at a price of \$0.04 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$538,400 was presented net of the fair value of the warrants, in the amount of \$136,578.

On September 6, 2023, the Company completed the first tranche of a private placement consisting of 39,568,750 units at a price of \$0.04 per unit. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$1,582,750 was presented net of the fair value of the warrants, in the amount of \$437,674.

In connection with the private placement, the Company paid a cash commission of \$1,800 and issued 45,000 warrants to a broker. Each warrant entitles its holder to purchase one unit at the exercise price of \$0.05 for a period of 3 years from the date of issuance of the warrant. Each unit consisted of one Class « B » common share and one warrant. Each warrant entitles its holder to purchase one Class « B » common share at a price of \$0.05 for a period of 3 years from the date of issuance of the warrant.

13- SHARE PURCHASE OPTIONS AND WARRANTS

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 of the Company, for such terms and at such exercise price as may be determined by the Board of Directors. It was originally adopted in October 1996 and approved by shareholders of the Company on December 1st, 1997, and has subsequently been modified several times with the approval of shareholders in December 2001, December 2012 as well as in August 2023. The conditions and exercise price of each share purchase options are determined by the board of directors. The exercise price of the options cannot be lower than the closing price of the common shares on the TSXV, the day preceding the grant, subject to the minimum exercise price permitted by the rules of this exchange on time of each grant. The expiration date of the options cannot exceed 5 years from the date of their grant and the options cannot may be assigned or transferred.

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 42,810,000 shares. The maximum number of shares that may be reserved for issuance of option to any one person during a period of 12 months under the plan is 5% of the number of shares issued and outstanding at the time of the grant (on an undiluted basis). The maximum of the total number of shares of the Company that may be issued under the aggregate equity compensation awarded or issued to insiders (as a group) must not exceed 10% of the issued shares of the Company at any time (unless the Company has obtained the required disinterested shareholders approval in accordance with the requirements of the TSX Venture Exchange).

The maximum number of shares which may be reserved for issuance of share purchase option to a consultant may not exceed 2% of the outstanding shares at the time of grant on a period of twelve months. The maximum number of shares which may be reserved for issuance of share purchase option to an investor relations representative may not exceed 2% of the outstanding shares at the time of grant on a period of twelve months. The options granted to investor relations representative can only be acquired on a period of twelve months, at the rate of 25% per quarter.

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Share purchase Options

Changes in the Company' share purchase options were as follows:

	September 30, 2024		June 30, 2024	
	Number	Weighted Average Exercise price	Number	Weighted Average Exercise price
		\$		\$
Balance, at the beginning	26,464,267	0.06	9,797,600	0.09
Granted	3,500,000	0.05	19,000,000	0.05
Expired	-	-	(800,000)	0.07
Cancelled	<u>(1,400,000)</u>	0.05	<u>(1,533,333)</u>	0.05
Outstanding at the end	<u>28,564,267</u>	0.06	<u>26,464,267</u>	0.06
Outstanding and exercisable, at the end	<u>21,130,933</u>	0.06	<u>15,247,600</u>	0.07

During the quarter, the Company granted share purchase options to a director and employees of the Company. The weighted average fair value of the share purchase options of \$0.03 (\$0.02 as at June 30, 2024) was established using the Black-Scholes valuation model and base on the following weighted average assumptions:

	September 30, 2024	June 30, 2024
Average share price at date of grant	\$0.045	\$0.04
Expected dividends yield	-	-
Expected average volatility	73%	75%
Average risk-free interest rate	3.03%	3.72%
Expected average life	5 years	5 years
Average exercise price	\$0.05	\$0.05

The underlying expected volatility was determined by reference to historical data of the Company 's shares over the expected average life of the share purchase options granted.

During the quarter, an amount of \$81,012 (\$275,357 as at June 30, 2024) of share-based payments (all of which related to equity-settled share-based payment transactions) was recognized in profit or loss and credited to contributed surplus.

The following tables summarize the information related to the share purchase options granted under the plan:

Outstanding as at September 30, 2024	Weighted average remaining contractual life	Exercise Price
		\$
5,140,800	1.2 years	0.09
856,800	2.2 years	0.09
2,000,000	2.5 years	0.10
1,000,000	3.1 years	0.05
14,566,667	3.9 years	0.05
1,500,000	4.2 years	0.05
<u>3,500,000</u>	4.8 years	0.05
<u>28,564,267</u>		

ABCOURT MINES INC.
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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Share purchase Options (continued)

Outstanding as at June 30, 2024	Weighted average remaining contractual life	Exercise Price
		\$
5,140,800	1.5 years	0.09
856,800	2.5 years	0.09
2,000,000	2.8 years	0.10
1,000,000	3.4 years	0.05
15,966,667	4.2 years	0.05
<u>1,500,000</u>	4.4 years	0.05
<u>26,464,267</u>		

Warrants to investors

Changes in the Company's warrants were as follows:

	September 30, 2024		June 30, 2024	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, at beginning	194,011,656	0.07	45,891,960	0.16
Issued	112,500,000	0.06	155,104,656	0.06
Expired	-	-	<u>(6,984,960)</u>	0.25
Outstanding and exercisable, at the end	<u>306,511,656</u>	0.07	<u>194,011,656</u>	0.07

During the quarter, the Company issued warrants to investors in connection with private placements and the amalgamation. The weighted average fair value of \$0.011 (\$0.01 as at June 30, 2024) was determined using the Black-Scholes valuation model and based on the following weighted average assumptions:

	September 30, 2024	June 30, 2024
Average share price at date of grant	\$0.045	\$0.04
Expected dividends yield	-	-
Expected average volatility	66%	65%
Average risk-free interest rate	3.56%	4.15 %
Expected average life	3 years	3 years
Average exercise price	\$0.06	\$0.06

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the share purchase options granted.

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Warrants to investors (continued)

The following tables summarize the information related to the warrants:

Outstanding as at September 30, 2024	Exercise Price \$	Expiry Date
1,632,000	0.11	November 2024
16,750,000	0.15	May 2025
15,025,000	0.15	July 2025
5,000,000	0.15	September 2025
500,000	0.15	October 2025
39,568,750	0.05	September 2026
15,626,506	0.05	October 2026
5,225,000	0.05	November 2026
6,250,000	0.05	Décembr 2026
28,724,688	0.06	March 2027
18,310,000	0.06	April 2027
28,848,312	0.06	May 2027
12,551,400	0.06	June 2027
<u>112,500,000</u>	0.06	July 2027
<u>306,511,656</u>		

Outstanding as at June 30, 2024	Exercise Price \$	Expiry Date
1,632,000	0.11	November 2024
16,750,000	0.15	May 2025
15,025,000	0.15	July 2025
5,000,000	0.15	September 2025
500,000	0.15	October 2025
39,568,750	0.05	September 2026
15,626,506	0.05	October 2026
5,225,000	0.05	November 2026
6,250,000	0.05	Décembr 2026
28,724,688	0.06	March 2027
18,310,000	0.06	April 2027
28,848,312	0.06	May 2027
<u>12,551,400</u>	0.06	June 2027
<u>194,011,656</u>		

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Warrants to intermediaries

Changes in the Company' warrants to intermediaries were as follows:

	September 30,		June 30,	
	2024		2024	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, at beginning	1,217,500	0.15	1,162,000	0.15
Issued	-	-	55,000	0.05
Outstanding and exercisable, at the end	<u>1,217,500</u>	0.15	<u>1,217,500</u>	0.15

During the year ended June 30, 2024, the Company issued warrants to intermediaries in connection with private placements. The weighted average fair value of \$0.016 was determined using the Black-Scholes valuation model and based on the following weighted average assumptions:

	June 30,
	2024
Average share price at date of grant	\$0.04
Expected dividends yield	-
Expected average volatility	63%
Average risk-free interest rate	4.34%
Expected average life	3 years
Average exercise price	\$0.05

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the share purchase options granted.

During the year ended June 30, 2024, an amount of \$900 of share issuances costs was recognized in deficit and credited to contributed surplus.

The following table summarizes the information related to intermediaries' warrants:

Outstanding as at September 30, and June 30, 2024	Exercise Price	Expiry Date
	\$	
862,500	0.15	July 2025
300,000	0.15	September 2025
45,000	0.05	September 2026
10,000	0.06	March 2027
<u>1,217,500</u>		

ABCOURT MINES INC.
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14 - OTHER INFORMATION ON THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ADMINISTRATION	September 30, 2024	September 30, 2023
	\$	\$
Professional fees	144,323	232,907
Interest and penalties on taxes	41,995	16,427
Bank fees	14,652	9,800
Salaries and benefits	261,186	429,133
Insurances	10,808	14,463
Office and other expenses	40,385	38,627
Shareholders and investors relations	127,765	59,610
Share-based compensation	81,012	168,944
Amortization of property, plant and equipment	53,631	29,830
	<u>775,757</u>	<u>999,741</u>
EXPLORATION AND EVALUATION		
Exploration and evaluation expenses	2,603,486	706,771
Sale of a property ⁽¹⁾	(1,500,000)	-
Proceeds from the sale of gold and silver	(602,326)	-
	<u>501,160</u>	<u>706,771</u>

(1) Entente d'option

On June 17, 2024, the Company entered into an option agreement with Québec Lafleur Minerals Inc. (formerly Québec Pegmatite Holdings Corp. Holdings Corp.) (« LaFleur »), under which Abcourt granted LaFleur the right to acquire a 100% interest in 141 mining claims owned by the Company and covering approximately 5,579 hectares. The optioned property includes portions of the Courville and Abcourt Barvue projects, namely the Jolin (Courville) and Bartec (Abcourt-Barvue) areas, and contiguous to the Swanson Swanson property.

Under the terms of the agreement, LaFleur was to pay \$500,000 in cash within 10 days of signing the agreement to acquire 25% of the property, and three additional payments of \$500,000 to acquire 50%, 75% and 100% within 6, 18 and 24 months from signing the agreement. The agreement provided for the possibility of making the three payments under certain conditions through the issuance of LaFleur shares.

On July 8, 2024, LaFleur elected to accelerate the exercise of the remaining conditions of the agreement by proceeding with the payment through the issuance of shares from its share capital for a total of \$1,500,000 to acquire the remaining 75% interest in the property. LaFleur issued 4,299,211 shares to Abcourt at a deemed price of \$0.3489 per share.

15 - RELATED PARTY TRANSACTIONS

Key Management personnel of the Company are the senior officers, namely the Chief Executive Officer and the Chief Financial Officer and the members of the Board

Key management remuneration is as follows:

	September 30, 2024	September 30, 2023
	\$	\$
Salaries and benefits	304,487	405,877
Share-based compensation	32,363	113,920
Total remuneration	<u>336,850</u>	<u>519,797</u>

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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15 - OPÉRATIONS ENTRE PARTIES LIÉES (suite)

Other related party transactions

In addition to the amounts presented in the note on key management remuneration, here are the related party transactions for the quarter ended September 30, 2024 and 2023:

	September 30,	September 30,
	2024	2023
	\$	\$
Professional fees with a firm in which one of the directors of the Company is a partner.	43,874	68,685

As at September 30, 2024, balance due to related parties amounted \$583 272 (\$81,995 \$ au September 30, 2023). These transactions are measured at the value of the consideration paid or received, which was established and agreed by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled in cash.

16- FINANCIAL INSTRUMENTS RISKS

Risk management objectives and policies

The Company is exposed to various risks with respect to financial instruments. The financial assets and liabilities of the Company are summarized, by category, in note 5, **Financial Instruments**, of the consolidated financial statements for the year ended June 30, 2024. The main types of risk are credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The most significant financial risks to which the Company is exposed are described below.

16.1 Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to credit risk due to its financial assets, particularly its cash.

The credit risk of cash is considered negligible, since the counterparties are reputable banks whose external credit rating is excellent.

16.2 Liquidity risk

Liquidity risk is the risk that an entity will have difficulty honoring commitments linked to financial liabilities. Liquidity risk management aims to maintain a sufficient amount of cash and ensure that the Company has sufficient sources of financing. The Company establishes budget forecasts to ensure that it has the necessary funds to meet its obligations. Accounts payable and accrued liabilities and the short-term portion of long-term debt are due during the next financial year.

16.3 Fair value of financial instruments

Financial assets and financial liabilities measured at fair value in the consolidated statements of financial position are grouped according to three levels of the fair value hierarchy. The estimated fair value of long-term debt is comparable at its carrying amount and is classified at level 2 of the fair value hierarchy.

17- POLICIES AND PROCESSES FOR MANAGING CAPITAL

As at September 30, 2024, the capital of the Company consists of negative equity amounting to \$3,606,680 (negative equity of \$6,284,136 as at June 30, 2024). The Company's capital management objective is to have sufficient capital to be able to meet its obligation related to operation and its exploration and evaluation plan in order to ensure the growth of its activities. It has also the objective to have sufficient liquidity to finance its operations, its exploration and evaluation expenses, the investing activities and the working capital requirements.

There was no significant change in the Company's approach to capital management during the quarter ended September 30, 2024. The Company is subject to regulatory requirements related to the use of funds raised by flow-through financing. These funds must be incurred for eligible exploration and evaluation expenditures. During the year, the Company complied with these regulatory requirements. Other than flow-through financing, the Company is not subject to any externally imposed capital requirements.

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18- SUBSEQUENT EVENTS TO THE DATE OF CLOSING

Private Placement

On October 10, 2024, the Company closed a private placement consisting of 20,866,666 units at a price of \$0.06 per unit for gross proceeds of \$1,252,000. Each unit consisting of one Class « B » common share and one warrant. Each whole warrant entitles its holder to subscribe to one common share at an exercise price of \$0.08 for a period of 3 years from the date of issuance of the warrant.

Litigation with Quebec Revenu

19- ENGAGEMENTS

Financement par l'émission d'actions accréditives

La Société se finance en partie par l'émission d'actions accréditives. Cependant, il n'y a pas de garantie que les fonds dépensés par la Société seront admissibles comme frais d'exploration canadiens, même si la Société s'est engagée à prendre toutes les mesures nécessaires à cet effet. Le refus de certaines dépenses par les autorités fiscales entraînerait des conséquences fiscales négatives pour la Société ou pour les investisseurs. Par le passé, la Société a respecté ses engagements en vertu des conventions d'actions accréditives signées. Au cours de 2023, la Société a reçu un montant de 1 158 000 \$ à la suite d'un placement accréditif pour lequel elle a renoncé aux déductions fiscales au profit des investisseurs au 31 décembre 2023. La direction est tenue de remplir ses engagements dans le délai prévu d'un an à compter de la date de renonciation soit le 31 décembre 2023.

Au 30 juin 2024, le montant au titre de financement accréditif reçu par la Société au cours de l'exercice 2023 a été entièrement dépensé au 31 décembre 2023.

Redevances

Au 30 septembre 2024, les redevances suivantes sont payables sur la production effectuée sur les propriétés minières de la Société

<u>Propriétés</u>	<u>Redevances</u>
Elder	2 à 3 % NSR
Vendôme	2 % NSR sur les claims Xstrata
Tagami	1 à 2 % NSR
Jonpol	2,5 % NSR
Aldermac	2,00 \$/tonne sur 1,5 M tonnes
Aldermac ouest	2% NSR
Géant Dormant	5 \$ / tonne, pour un total de 350 000 tonnes 2 % NSR

Bien que la Société ait pris des mesures conformes aux pratiques de l'industrie afin d'identifier les redevances qui sont payables sur ses propriétés minières, certaines d'entre elles peuvent être assujettis à des ententes préalables non enregistrées et au non-respect de dispositions réglementaires.

Litigation with Quebec Revenu

In 2016, the Company received notices of reassessments following the audit by the tax authorities of the tax credits relating to resources as well as mining rights for the years 2011, 2012, 2013 and 2014. The Company filed notices of objection with respect to these new notices of assessment. The amounts claimed and accrued interest since 2016 have been recognized in accounts payable and accrued liabilities and amount to \$1,476,196.

On August 30, 2024, the Company reached an out-of-court settlement with Quebec Revenu. An agreement signed by the parties was filed with the court on that date. At the time of publication of these consolidated interim financial statements, the Company is awaiting adjustments for purposes of calculating duties, penalties and interest in accordance with the laws and applicable regulations.