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**ABCOURT MINES INC.
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED MARCH 31, 2024 (unaudited)**

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated Interim Statements of Financial Position

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ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(in Canadian dollars)

		March 31, 2024	June 30, 2023
		\$	\$
	Notes	(unaudited)	(audited)
ASSETS			
Current assets			
Cash		1,016,408	963,974
Receivables	5	355,282	1,065,924
Prepaid expenses		379,732	99,416
Inventory	6	1,413,028	462,312
Credit on mining rights refundable and refundable tax credit for resources		26,591	251,439
Total current assets		<u>3,191,041</u>	<u>2,843,065</u>
Non-current assets			
Deposit		211,682	-
Right-of-use assets		53,822	-
Deposits for restoration	11	2,024,708	5,892,494
Property, plant and equipment	7	<u>8,731,736</u>	<u>8,665,324</u>
Total non-current assets		<u>11,021,948</u>	<u>14,557,818</u>
Total assets		<u>14,212,989</u>	<u>17,400,883</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	5,725,679	5,570,250
Deferred revenue		962,387	-
Mining taxes payable		57,418	57,418
Current portion of lease obligations	9	17,590	-
Current portion of long-term debt	10	1,216,667	1,520,908
Other liabilities		-	170,712
Total current liabilities		<u>7,979,741</u>	<u>7,319,288</u>
Lease obligations (9	34,965	
Long-term debt	10	200,000	333,333
Provisions for restoration of mining sites	11	<u>12,034,566</u>	<u>11,616,198</u>
Total liabilities		<u>20,249,272</u>	<u>19,268,819</u>
EQUITY			
Share capital	12	55,749,983	52,464,386
Contributed surplus	13	7,606,340	7,374,384
Warrants		1,737,519	621,918
Deficit		<u>(71,130,125)</u>	<u>(62,328,624)</u>
Total equity		<u>(6,036,283)</u>	<u>(1,867,936)</u>
Total liabilities and equity		<u>14,212,989</u>	<u>17,400,883</u>

ON BEHALF OF THE BOARD

(s) Pascal Hamelin
President and director

(s) Loïc Bureau,
Chairman of the Board and director

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME THREE AND NINE MONTHS ENDED MARCH 31, (In Canadian dollars)

	Notes	2024		2023	
		3 months	9 months	3 months	9 months
		\$	\$	\$	\$
Revenues	14	8,303	263,303	498,742	7,014,583
Mining operation costs		-	-	(46,022)	4,252,365
Amortization and depletion		-	-	-	25,997
Cost of sales		-	-	(46,022)	4,278,362
GROSS MARGIN		<u>8,303</u>	<u>263,303</u>	<u>544,764</u>	<u>2,736,221</u>
EXPENSES					
Administrative	15	776,367	2,657,981	472,388	1,503,109
Care and maintenance		239,844	2,039,385	1,453,562	3,105,976
Exploration and evaluation		<u>1,765,615</u>	<u>4,043,679</u>	<u>(3,055,259)</u>	<u>(4,420,139)</u>
Total expenses		<u>2,781,826</u>	<u>8,741,045</u>	<u>(1,129,309)</u>	<u>188,946</u>
OPERATING EARNINGS		<u>(2,773,523)</u>	<u>(8,477,742)</u>	<u>1,674,073</u>	<u>2,547,275</u>
FINANCE COSTS AND REVENUES					
Finance income		(39,281)	(48,522)	(61,187)	(61,187)
Finance costs		<u>157,900</u>	<u>434,329</u>	<u>83,117</u>	<u>178,493</u>
		<u>118,619</u>	<u>385,807</u>	<u>21,930</u>	<u>117,306</u>
EARNINGS BEFORE INCOME AND MINING TAXES		<u>(2,892,142)</u>	<u>(8,863,549)</u>	<u>1,652,143</u>	<u>2,429,969</u>
Deferred income and mining taxes		-	(170,712)	180,286	214,286
NET EARNINGS AND TOTAL COMPREHENSIVE INCOME		<u>(2,892,142)</u>	<u>(8,692,837)</u>	<u>1,471,857</u>	<u>2,215,683</u>
NET EARNINGS PER SHARE					
Basic		(0.01)	(0.02)	0.00	0.01
Diluted		(0.01)	(0.02)	0.00	0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING					
Basic		496,357,040	473,084,886	348,814,131	339,163,584
Diluted		499,275,647	473,084,886	349,116,822	339,739,373

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(in Canadian dollars)

	Notes	Share Capital \$	Warrants \$	Contributed Surplus \$	Deficit \$	Total Equity \$
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		-	-	-	(8,692,837)	(8,692,837)
Units issued	12-13	3,285,597	1,115,601	-	-	4,401,198
Share purchase options issued	12-13	-	-	231,056	-	231,056
Share issuance costs		-	-	900	(108,664)	(107,764)
Balance as at March 31, 2024		55,749,983	1,737,519	7,606,340	(71,130,125)	(6,036,283)
Balance as at June 30, 2022		46,186,602	340,900	7,197,317	(56,851,166)	(3,126,347)
Net earnings and total comprehensive income		-	-	-	(5,337,044)	(5,337,044)
Units issued	12-13	331,053	62,197	-	-	393,250
Flow-through units issued	12-13	796,125	191,163	-	-	987,288
Share purchase options issued	12-13	-	-	11,758	-	11,758
Share issuance costs		-	-	13,800	(140,414)	(126,614)
Acquisition of Pershimex	12	5,150,606	27,658	151,509	-	5,329,773
Balance as at June 30, 2023		52,464,386	621,918	7,374,384	(62,328,624)	(1,867,936)

ABCOURT MINES INC.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS THREE AND NINE MONTHS ENDED MARCH 31, (in Canadian dollars)

	Notes	Marc 31,		Marc 31,	
		2024		2023	
		3 months	9 months	3 months	9 months
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Net earnings and total comprehensive income		(2,892,142)	(8,692,837)	1,471,857	2,215,683
Items not affecting cash					
Accretion expense		108,709	314,941	73,304	164,477
Share-based compensation		44,301	231,056	-	21,000
Amortization and depletion		40,554	120,247	24,878	69,326
Interests on lease obligations		226	226	-	-
Change to estimates for the impaired mining asset		103,427	103,427	-	-
Impairment of property, plant and equipment		-	-	-	2,111
Deferred taxes		-	(170,712)	-	-
		(2,594,925)	(8,093,652)	1,570,039	2,472,597
Changes in non-cash working capital items	4	(887,908)	(278,301)	921,282	(383,480)
		(3,482,833)	(8,371,953)	2,491,321	2,089,117
FINANCING ACTIVITIES					
Issuance of units		1,734,388	4,314,538	-	393,250
Issuance of flow-through units		-	-	-	1,158,000
Share issuance costs		(18,460)	(107,756)	-	(107,694)
Repayment of long-term debt		(149,999)	(437,574)	(172,818)	(468,122)
Payments on lease obligation		(1,501)	(1,501)	-	-
Deferred Revenue		962,387	962,387	-	-
		2,526,815	4,730,094	(172,818)	975,434
INVESTING ACTIVITIES					
Deposit for restoration		933,893	3,867,786	-	-
Supplier deposit		(211,683)	(211,683)	-	-
Refundable tax credit for resources		-	224,848	-	-
Acquisition of property, plant and equipment		(1,230)	(186,659)	(47,865)	(456,566)
		720,980	3,694,292	(47,865)	(456,566)
NET CHANGE IN CASH		(235,037)	52,434	2,270,638	2,607,985
CASH, BEGINNING OF YEAR		1,251,445	963,974	1,057,859	720,512
CASH, END OF YEAR		1,016,408	1,016,408	3,328,497	3,328,497

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2024 and 2023

(in Canadian dollars)

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 financial statements were approved for issuance by the Board of Directors on May 29, 2024.

2- GENERAL INFORMATION AND BASIS OF PRESENTATION

These interim financial statements have been prepared by the Company's management in accordance with International Financial Reporting Standards (« IFRS »), as established by the International Accounting Standards Board and in accordance with IAS 34 « Interim Financial Reporting ». These interim financial statements were prepared using the same basis of presentation and accounting policies outlined in the annual financial statements on June 30, 2023. They do not include all the information required in annual financial statements in accordance with IFRS and must be read in conjunction with the financial statements for the year ended June 30, 2023. These 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 March 31, 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.

JUDGMENTS, ESTIMATES AND ASSUMPTIONS

When preparing the consolidated interim financial statements, management makes a series of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements for the year ended June 30, 2023.

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 March 31, 2024, the Company has a deficit of \$71,130,125, cash of \$1,016,408 and negative working capital of \$4,788,700.

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 interim 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 OR INTERPRETATIONS

Standards, amendments and Interpretations to existing Standards that are not yet effective

At the date of authorization for publication of these 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 during the first open period after their effective date. New standards, amendments and interpretations which have not been adopted in advance and which are not listed below are not likely to have a material impact on the financial statements of the Company.

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2024 and 2023

(in Canadian dollars)

4- ADDITIONAL INFORMATION ON CASH FLOWS

Net change in non-cash working capital items:

	March 31, 2024		March 31, 2023	
	3 months	9 months	3 months	9 months
	\$	\$	\$	\$
Receivables	6,856	710,642	(325,815)	(425,660)
Prepaid expenses	(32,656)	(280,316)	(70,370)	(125,201)
Inventory	(950,716)	(950,716)	25,728	1,808,141
Accounts payable and accrued liabilities	88,608	242,089	1,111,453	(1,697,576)
Mining taxes payable	-	-	180,286	56,816
	<u>(887,908)</u>	<u>(278,301)</u>	<u>921,282</u>	<u>(383,480)</u>

As at March 31, 2024, the Company paid no income taxes (\$157,470 as at December 31, 2022).

Items not affecting cash:

	March 31, 2024	March 31, 2023
	\$	\$
Warrants granted to investors	1,115,601	253,360
Warrants granted to intermediaries	900	13,800
Settlement of a royalty payable by the issuance of units	86,660	-

5- RECEIVABLES

	March 31, 2024	June 30, 2023
	\$	\$
Commodity taxes	322,800	1,065,924
Other receivables	32,482	-
	<u>355,282</u>	<u>1,065,924</u>

6- INVENTORY

	March 31, 2024	June 30, 2023
	\$	\$
Gold and silver inventories	950,716	-
Mine, supplies	462,312	462,312
	<u>1,413,028</u>	<u>462,312</u>

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

(in Canadian dollars)

7- PROPERTY, PLANT AND EQUIPEMENT

	Cost			Accumulated Amortization			March 31, 2024 Net book value
	June 30, 2023	Addition	March 31, 2024	June 30, 2023	Amortization	March 31, 2024	
	\$	\$	\$	\$	\$	\$	\$
Corporate							
Office furniture	63,529	-	63,529	36,666	4,467	41,133	22,396
Computer equipment	39,048	2,725	41,773	18,592	8,283	26,875	14,898
	102,577	2,725	105,302	55,258	12,750	68,008	37,294
Elder Mine site							
Lands	37,263	-	37,263	-	-	-	37,263
	37,263	-	37,263	-	-	-	37,263
Sleeping Giant mine site							
Mill facility and production equipment	8,764,598	138,460	8,903,058	1,982,439	-	1,982,439	6,920,619
Lands	19,000	-	19,000	-	-	-	19,000
Mobile equipment	526,355	2,184	528,539	438,992	26,988	465,980	62,559
Computer equipment	163,646	3,955	167,601	69,404	35,730	105,134	62,467
	9,473,599	144,599	9,618,198	2,490,835	62,718	2,553,553	7,064,645
Exploration							
Lands	55,000	-	55,000	-	-	-	55,000
Buildings	1,486,198	9,655	1,495,853	237,360	3,586	240,946	1,254,907
Equipment and tools	412,774	29,680	442,454	118,634	41,193	159,827	282,627
	1,953,972	39,335	1,993,307	355,994	44,779	401,773	1,592,534
	11,567,411	186,659	11,754,070	2,902,087	120,247	3,023,334	8,731,736

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

(in Canadian dollars)

8- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31	June 30,
	2024	2023
	\$	\$
Accounts payable	3,555,342	3,396,451
Royalties payable	273,733	501,451
Salaries and vacation payable	326,847	226,336
Payable to governments	1,569,757	1,446,012
	<u>5,725,679</u>	<u>5,570,250</u>

9- LEASE OBLIGATION

	31 mars
	2024
	\$
Lease obligations included in the statement of financial position	
Balance at the beginning of the period	-
Addition	53,822
Interests	234
Payments	<u>(1,501)</u>
Balance at the end of the period	52,555
Current portion of lease obligation	<u>(17,590)</u>
Lease obligation	<u>34,965</u>
Maturity analysis – contractual undiscounted cash flows	
Less than one year	15,682
One to five years	<u>31,974</u>
Total undiscounted lease obligation	<u>47,656</u>

10- LONG-TERM DEBT

	March 31	June 30,
	2024	2023
	\$	\$
Loan authorized for a maximum amount of \$3,000,000 bearing interest at fixed rates of 5.66%, 7.16%, and 7.25% (5.66%, 7.25% and 7.26% as at June 30, 2023), maturing in June 2024, January 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.	1,416,667	1,850,000
Loan authorized for a maximum amount of \$47,631, bearing interest at a fixed rate of 7.33%, secured by mobile equipment, maturing in August 2023.	-	4,241
	<u>1,416,667</u>	<u>1,854,241</u>
Current Portion	<u>(1,216,667)</u>	<u>(1,520,908)</u>
	<u>200,000</u>	<u>333,333</u>

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023
(in Canadian dollars)

10- LONG-TERM DEBT (continued)

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

	March 31 2024	June 30, 2023
	\$	\$
Balance, beginning of year	1,854,241	2,478,628
Cash flows		
Repayment of long-term debt	(437,574)	(624,387)
Balance, end of the year	<u>1,416,667</u>	<u>1,854,241</u>

As at March 31, 2024 and June 30, 2023, principal payments required in the next years are as follows:

Within one year	1,216,667	1,520,908
More than one year and less than five years	200,000	333,333

11- PROVISIONS FOR RESTORATION OF MINING SITES

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

	March 31 2024	June 30, 2023
	\$	\$
Balance, beginning of the period	11,616,198	6,165,101
Change to estimates	103,427	5,205,824
Accretion expenses	314,941	245,273
Balance, end of period	<u>12,034,566</u>	<u>11,616,198</u>

The inflation rate used to determine the future value of the bonds is 2.8% (2.40% and 2.87% as at June 30, 2023), while the rate reflecting current market assessments (adjusted to take account of risks specific to this liability) used to determine the present value of the provisions is 3.57% et 4.23% (3.50% and 4.68% as at June 30, 2023). The payment schedules were determined taking into account the estimated measured and indicated resources, the expected annual production level and the estimated life of mine.

The schedules of the estimated cash flows of future retirement 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 year ended June 30, 2023, the Company revised upwards the future costs of restoring the Sleeping Giant site. Total future costs were estimated at \$12,027,338, an additional amount of \$6,657,124 prior to actualization was recorded as an increase in the provision. The revision of estimates has been accounted to property, plant and equipment. During the quarter, the Company revised upwards the costs for the restoration of the Elder mine site. Total future costs were estimated at \$601,019. An additional amount before discounting of \$103,427 was recorded as an increase of the provision and accounted in the consolidated interim statement of comprehensive income, as the mining asset was fully impaired in 2022.

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 March 31, 2024

	<u>Anticipated cash flows payment</u>	
	\$	
Elder Mine	622,987	2025 etss
Sleeping Giant Mine	15,797,759	2032 etss
	<u>16,420,746</u>	

ABCOURT MINES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023
(in Canadian dollars)

11- PROVISIONS FOR RESTORATION OF MINING SITES

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

	March 31	June 30,
	2024	2023
	\$	\$
Elder Mine	589,417	546,225
Sleeping Giant Mine	11,445,149	11,069,973
	<u>12 034 566</u>	<u>11,616,198</u>

During the six-month period ended March 31, 2024, the Company entered into an agreement with an insurance company to provide bonds for \$5,867,786 to the Government of Quebec in accordance with the requirements under the restoration plans approved by the Government of Quebec. Following the bond, the Company had to provide a letter of guarantee representing 50% of the financial guarantee, or an amount of \$2,933,893. The Company received from the Government of Quebec the total amount of security deposits, i.e. \$5,867,786, \$5,370,214 for the Sleeping Giant site and \$497,572 for the Elder mine site. During the quarter ended March 31, 2024, the insurance company increased its bond for the Elder mine site by \$103,427, representing the increase in the estimated future site restoration costs for a total of \$601,019. During the quarter, the Company's cash bond required by the insurance company for both sites was reduced to a total of \$2,000,000.

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:

	March 31		June 30,	
	2024		2023	
	Number	Amount	Number	Amount
		\$		\$
Balance, at beginning	428,108,504	52,464,386	328,289,131	46,186,602
Common share issued	93,228,438	2,923,948	6,050,000	331,053
Flow-through share issued	-	-	14,475,000	796,125
Shares issued for the settlement of a royalty	2,166,506	63,495	-	-
Acquisition of Pershimex	-	-	79,294,373	5,150,606
Subtotal	<u>523,503,448</u>	<u>55,451,829</u>	<u>428,108,504</u>	<u>52,464,386</u>
Common share to be issued	<u>5,963,072</u>	<u>298,154</u>	-	-
Balance, at the end	<u><u>529,466,520</u></u>	<u><u>55,749,983</u></u>	<u><u>428,108,504</u></u>	<u><u>52,464,386</u></u>

During the nine-month period ended March 31, 2024, the Company completed a first closing of a private placement representing 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 whole warrant entitles its holder to purchase one Class « B » common share at an exercise price of \$0.06 for a period of 3 years from the date of issuance of the warrant. The gross proceeds from this placement in the amount of \$1,436,234 was presented net of the fair value of the warrants, in the amount of \$403,213.

During the nine-month period ended March 31, 2024, the Company received a subscription of \$298,154 representing 5,963,072 units at a price of \$0.05 per unit, to be issued as at March 31, 2024.

During the nine-month period ended March 31, 2024, the Company completed a private placement consisting of 64,503,750 units at a price of \$0.04 per unit. Each unit consisted of one Class « B » common share and one warrant. Each whole warrant entitles its holder to purchase one Class « B » common share at an exercise price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The gross proceeds from this placement in the amount of \$2,580,150 was presented net of the fair value of the warrants, in the amount of \$689,223.

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

(in Canadian dollars)

12- SHARE CAPITAL (continued)

In connection with the private placement, the Company paid a cash commission of \$1,800 and issued 45,000 units to an intermediary. Each warrant entitles its holder to purchase one unit at an 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 entitling 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.

During the nine-month period ended March 31, 2024, the Company issued 2,166,506 units at a price of \$0.04 per unit in payment of a 2% royalty on the Sleeping Giant property. Each unit consisted of one Class « B » common share and one warrant. Each whole warrant entitles its holder to purchase one Class « B » common share at an exercise price of \$0.05 for a period of 3 years from the date of issuance of the warrant. The amount of the issuance \$86,660 was presented net of the fair value of the warrants of \$23,165.

Year ended June 30, 2023

On July 20, 2022, the Company completed a private placement consisting of 550,000 units at a price of \$0.065 per unit. Each unit consisted of one Class « B » common share and one warrant. Each whole warrant entitles its holder to purchase one Class « B » common share at a price of \$0.15 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$35,750 was presented net of the fair value of the warrants, in the amount of \$6,922.

On July 20, 2022, the Company completed a private placement consisting of 14,475,000 flow-through units at a price of \$0.08 per unit. Each unit consisted of one flow-through Class « B » common share and one warrant. Each whole warrant entitles its holder to purchase one Class « B » common share at a price of \$0.15 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$1,158,000 was presented net of the fair value of the warrants, in the amount of \$191,163 and the premium on flow-through shares in the amount of \$170,712 presented in other liabilities.

In connection with the private placement, the Company paid a cash commission of \$69,000 and issued 862,500 warrants to a broker. Each whole warrant entitles its holder to purchase one unit at an exercise price of \$0.15 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 entitling its holder to purchase one Class « B » common share at the exercise price of \$0.15 for a period of 3 years from the date of issuance of the warrant.

On September 27, 2022, the Company closed a private placement consisting of 5,000,000 units at a price of \$0.065 per unit. Each unit consisted of one Class « B » common share and one warrant. Each whole warrant entitles its holder to purchase one Class « B » common share at an exercise price of \$0.15 for a period of 3 years from the date of issuance of the warrant. The total gross proceeds of \$325,000 was presented net of the fair value of the warrants, in the amount of \$49,775.

As part of the private placement closed on September 27, 2022, the Company accepted on October 11, 2022 an additional subscription of 500,000 units at a price of \$0.065 per unit. The gross proceeds of the subscription in the amount of \$32,500 was presented net of the fair value of the warrants, in the amount of \$5,500.

In connection with the private placement, the Company paid a cash commission of \$19,500 and issued 300,000 warrants to a broker. Each warrant entitles its holder to purchase one unit at an exercise price of \$0.15 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 entitling its holder to purchase one Class « B » common share at the exercise price of \$0.15 for a period of 3 years from the date of issuance of the warrant.

On May 11, 2023, the Company acquired all of the shares of Pershimex by way of a three-way amalgamation under the *Canada Business Corporations Act*. As part of this transaction, the Company issued 79,294,373 Class « B » common shares to Pershimex shareholders. The fair value of the shares issued as consideration was determined based on the closing price of the shares on the date of the transaction, i.e. \$0.065.

ABCOURT MINES INC.

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13- SHARE PURCHASE OPTIONS AND WARRANTS

The shareholders of the Company approved a share purchase 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.

Share Purchase Options

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

	March 31		June 30,	
	2024		2023	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, at the beginning	9,797,600	0.09	2,800,000	0.09
Granted	17,500,000	0.05	1,000,000	0.05
Expired	(800,000)	0.07	-	-
Acquisition of Pershimex	-	-	5,997,600	0.09
Outstanding at the end	<u>26,497,600</u>	0.06	<u>9,797,600</u>	0.09
Outstanding and exercisable, at the end	<u>13,797,600</u>	0.07	<u>8,464,267</u>	0.08

During the nine-month period ended March 31, 2024, the Company granted share purchase options to directors, officers, and employees of the Company as well as to consultants engaged in investor relations activities. The weighted average relative fair value of \$0.02 (\$0.02 as of June 30, 2023) of the options was determined using the Black-Scholes valuation model and base on the following weighted average assumptions:

	March 31	June 30,
	2024	2023
Average share price at date of grant	\$0.04	\$0.04
Expected dividends yield	-	-
Expected average volatility	75%	74%
Average risk-free interest rate	3.72%	3.26%
Expected average life	5 years	5 years
Average exercise price	\$0.05	\$0.05

ABCOURT MINES INC.

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Stock options (continued)

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 six-month period ended March 31, 2024, a total amount of \$231,056 (\$11,758 as at June 30, 2023) of share-based compensation 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 March 31, 2024	Weighted average remaining contractual life	Exercise price
		\$
5,140,800	1.7 years	0.09
856,800	2.7 years	0.09
2,000,000	3.0 years	0.10
1,000,000	3.6 years	0.05
<u>17,500,000</u>	4.4 years	0.05
<u>26,497,600</u>		

Outstanding as at June 30, 2023	Weighted average remaining contractual life	Exercise price
		\$
800,000	0.5 year	0.07
5,140,800	2.5 years	0.09
856,800	3.5 years	0.09
2,000,000	3.8 years	0.10
<u>1,000,000</u>	4.4 years	0.05
<u>9,797,600</u>		

Warrants to investors

Changes in the Company's warrants were as follows:

	March 31 2024		June 30, 2023	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, at beginning	45,891,960	0.16	16,750,000	0.15
Granted	95,394,944	0.05	8,616,960	0.22
Acquisition of Pershimex	-	-	20,525,000	0.15
Expired	<u>(6,984,960)</u>	0.25	-	-
Outstanding and exercisable, at the end	<u>134,301,944</u>	0.08	<u>45,891,960</u>	0.16
To be issued (see note 12)	5,963,072	0.06	-	-

ABCOURT MINES INC.

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

During the quarter, the Company issued warrants to investors through private placements. The weighted average fair value of the warrants of \$0.01 (\$0.01 as at June 30, 2023) was determined using the Black-Scholes valuation model and base on the following weighted average assumptions:

	March 31 2024	June 30, 2023
Average share price at date of grant	\$0.04	\$0.05
Expected dividends yield	-	-
Expected average volatility	63%	71%
Average risk-free interest rate	4.26%	3.38%
Expected average life	3 years	3 years
Average exercise price	\$0.05	\$0.15

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

The following tables summarize the information related to the warrants.

Outstanding as at March 31, 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	December 2026
<u>28,724,688</u>	0.06	Mars 2027
<u>134,301,944</u>		

Outstanding as at June 30, 2023	Exercise price \$	Expiry Date
6,984,960	0.25	August 2023
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
<u>500,000</u>	0.15	October 2025
<u>45,891,960</u>		

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13- STOCK OPTIONS AND WARRANTS (continued)

Warrants to intermediaries

Changes in the Company intermediaries' warrants were as follows:

	March 31 2024		June 30, 2023	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, at the beginning	1,162,000	0.15	-	-
Granted	<u>55,000</u>	0.05	<u>1,162,500</u>	0.15
Outstanding and exercisable, at the end	<u>1,217,500</u>	0.15	<u>1,162,500</u>	0.15

During the quarter, the Company issued non-transferable warrants to intermediaries through private placements. The weighted average fair value of the warrants of \$0.016 (\$0.012 as at June 31, 2023) was determined using the Black-Scholes valuation model and base on the following weighted average assumptions:

	March 31 2024	June 30, 2023
Average share price at date of grant	\$0.04	\$0.052
Expected dividends yield	-	-
Expected average volatility	63%	71%
Average risk-free interest rate	4.34%	3.37%
Expected average life	3 years	3 years
Average exercise price	\$0.05	\$0.15

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

In total, an amount of \$900 (\$13,800 as at June 30, 2023) share issuance costs was recognized in deficit and credited to contributed surplus.

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

Outstanding as of March 31, 2024	Exercise Price	Expiry Date
	\$	
862,500	0.15	July 2025
300,000	0.15	September 2025
<u>55,000</u>	0.05	September 2026
<u>1,217,500</u>		

Outstanding as at June 30, 2023	Exercise Price	Expiry Date
	\$	
862,500	0.15	July 2025
<u>300,000</u>	0.15	September 2025
<u>1,162,500</u>		

ABCOURT MINES INC.

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14- REVENUE

	March 31		December 31,	
	2024		2022	
	3 months	9 months	3 months	9 months
			\$	\$
Gold and Silver sales	-	-	486,742	6,925,201
Other revenues	8,303	263,303	12,000	89,382
	<u>8,303</u>	<u>263,303</u>	<u>498,742</u>	<u>7,014,583</u>

15 - OTHER INFORMATION ON THE CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

ADMINISTRATION

	2023		2022	
	3 months	9 months	3 months	9 months
	\$	\$	\$	\$
Professional fees	41,085	550,833	52,754	337,993
Interest and penalties on taxes	33,999	112,132	19,822	77,843
Interest and Bank fees	5,523	19,102	5,934	34,625
Salaries and benefits	219,185	900,240	202,528	595,044
Insurances	57,796	104,621	12,263	29,893
Office expenses	42,530	119,539	39,113	89,139
Shareholders and investors relations	187,967	410,221	115,096	281,677
Share-based compensation	44,301	231,056	-	21,000
Amortization of property, plant and equipment	40,554	106,810	24,878	33,784
Change to estimates for the impaired mining asset	103,427	103,427	-	-
Impairment of property, plant and equipment	-	-	-	2,111
	<u>776,367</u>	<u>2,657,981</u>	<u>472,388</u>	<u>1,503,109</u>

EXPLORATION AND EVALUATION

Exploration and evaluation expenses	1,765,615	4,043,679	2,676,335	4,086,229
Proceeds from the sale of the royalty ⁽¹⁾	-	-	-	(2,479,742)
Proceeds from the sale of gold and silver	-	-	(5,731,594)	(6,026,626)
	<u>1,765,615</u>	<u>4,043,679</u>	<u>(3,055,259)</u>	<u>(4,420,139)</u>

(1) As as September 30, 2022, the Company sold a 2% net smelter return royalty on all metallic and non-metallic minerals mined or otherwise recovered on the Sleeping Giant and Dormex properties for \$2,651,875 (\$2,000 000 US) in cash. The proceeds from the sale of the royalty are presented net of fees in the amount of \$172,133.

ABCOURT MINES INC.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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16 - RELATED PARTY TRANSACTIONS

Key Management of the Company are the senior officers, namely the Chief Executive Officer as well as the Chief Financial Officer and the directors.

Key management remuneration is as follows:

	March 31 2024		March 31 2023	
	3 months	9 months	3 months	9 months
	\$	\$	\$	\$
Salaries and benefits	186,188	775,954	204,992	526,038
Share-based compensation	35,469	174,510	-	-
Total remuneration	221,657	950,464	204,992	526,038

Other related party transactions

In addition to the amounts listed above as compensation to senior officers, following are the other related party transactions for the periods:

	March 31 2024		March 31 2023	
	3 months	9 months	3 months	9 months
	\$	\$	\$	\$
Payments of a royalty (2% NSR on the Elder property) to a company controlled by a director of the Company (Chief Executive Officer and President of the Company as at April 15, 2022)	-	-	7,653	104,431
Professional fees with a firm in which one of the directors of the Company is a partner.	37,373	117,050	6,350	148,792

As at March 31, 2024, the balance due to related parties was \$107,723 (\$190,275 as at March 31, 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.

17- POLICIES AND PROCESSES FOR MANAGING CAPITAL

As at March 31, 2024, the capital of the Company consists of equity amounting to \$(6,036,283) ((\$1,867,936) as at June 30, 2023). 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 cash to finance its operations, the 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 period ended March 31, 2024. The Company is subject to regulatory requirements related to the use of funds obtained by flow-through shares financing. These funds have to be incurred for eligible exploration and evaluation expenses. During the year, the Company has respected all of these regulatory requirements. Other than the use of funds obtained by flow-through shares financing, the Company is not subject to any externally imposed capital requirements.

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18- COMMITMENTS

The Company is partly financed by issuing 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 taking all necessary measures to this effect. Refusal of certain expenses by the tax authorities would have negative tax consequences for the Company or for the investors. In the past, the Company has respected its commitments under the flow-through share agreements signed. During the reporting period ended June 30, 2023, the Company received an amount of \$1,158,000 following a flow-through offering for which it renounced tax deductions for the benefit of investors as at December 31, 2022. Management is required to fulfill its commitments within the stipulated period of one year from this date.

As at March 31, 2024, the balance of the unspent amount of flow-through financings is nil.

As at March 31, 2024, the following royalties are payable on production carried out on the Company's mining properties

<u>Properties</u>	<u>Royalties</u>
Elder	1% to 2% NSR
Vendôme	2% NSR on Xstrata's claims
Tagami	1% to 2% NSR
Jonpol	2.5% NSR
Aldermac	\$2.00/tonne on 1.5M tonnes
West Aldermac	2% NSR
Dormex	2% NSR
Sleeping Giant	\$5/ tonne, for a total of 350,000 tonnes 2% NSR

Although the Company has taken steps to identify the royalties on the mining properties, in accordance with industry practices, property titles may be subject to unregistered prior agreements and they can be lost or revoked if regulatory measures are not respected.

19- SUBSEQUENT EVENTS

On April 23, 2024, the Company completed the second closing of the private placement announced on March 12, 2024 for an additional gross proceeds of \$915,500, representing 18,310,000 units at a price of \$0.05 per unit. Each unit consists of one Class « B » common share and one warrant. Each whole warrant entitles the holder to purchase one Class « B » common share at an exercise price of \$0.06 for a period of 3 years from the date of issue of the warrant.

20- SEGMENT INFORMATION

The Company operates a gold mine in Quebec as well as several exploration and evaluation properties in the area. These operating sites are managed separately. The Company assesses the performance of each segment based on earnings before taxes. Accounting policies for each segment are the same as those used for the preparation of the financial statements.

There was no difference as at March 31, 2024, compared to annual financial statements of June 30, 2023 in the basis of segmentation or the basis of evaluation of segment result.

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20- SEGMENTED INFORMATION (continued)

Three and six months ended December 31, 2023

Segmented information concerning the statement of comprehensive income

	Operating mining site		Exploration		Corporate		Total	
	\$		\$		\$		\$	
	3 months	9 months	3 months	9 months	3 months	9 months	3 months	9 months
Revenues	-	-	-	-	8,303	263,303	8,303	263,303
Administration	103,427	103,427	-	-	632,386	2,434,307	735,813	2,537,734
Amortization	-	-	-	-	40,554	120,247	40,554	120,247
Care and maintenance	53,007	192,795	186,837	1,642,255	-	-	239,844	2,039,385
Exploration and evaluation	-	-	1,765,615	2,278,064	-	-	1,765,615	4,043,679
	156,434	313,720	1,952,452	3,920,319	672,940	2,554,554	2,781,826	8,741,045
OPERATING EARNINGS	(156,434)	(313,720)	(1,952,452)	(5,872,771)	(664,637)	(2,291,251)	(2,773,523)	(8,477,742)
FINANCE COSTS AND REVENUES	5,807	18,389	102,902	296,552	9,910	70,866	118,619	385,807
EARNINGS BEFORE INCOME AND MINING TAXES	(162,241)	(332,109)	(2,055,354)	(6,169,323)	(674,547)	(2,362,117)	(2,892,142)	(8,863,549)
Current assets	-	-	-	2,552,833	-	638,208,	-	3,191,041
Restoration deposit	-	-	-	2,024,708	-	-	-	2,024,708
Property, plant and equipment	-	-	-	1,592,534	-	7,139,202	-	8,731,736
Total assets	-	-	-	6,170,075	-	7,777,410	-	13,947,485