



## Abcourt Mines (TSXV: ABI) Gold Production in 2025

Analyst: Tim Wright, MSc, CFA August 5, 2025  
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### Investment Highlights

- ◆ **Abcourt Mines (“ABI” or the “Company”)** is restarting the Sleeping Giant mine with gold production expected in Q4.25. All major infrastructure is now installed and ready, with resource conversion drilling ongoing and project optimization efforts supporting the transition to full-scale gold production.
- ◆ **Solid backing for development:** Management has set out a clear and structured plan to restart operations at Sleeping Giant and advance exploration at Flordin. Their disciplined and cost-efficient approach continues to secure long-term support from key cornerstone investors.
- ◆ **Upside potential at the Flordin-Cartwright project:** ABI has reported encouraging near-surface results from drilling at Cartwright, expanded the mineralization footprint at both Flordin and Cartwright and might demonstrate a 2 km mineralized corridor between Flordin and Cartwright.
- ◆ **Strong gold price backdrop:** ABI’s projects offer significant exposure to the gold price, which remains near record highs. This favourable pricing environment substantially enhances the economic outlook for the Sleeping Giant mine.
- ◆ **We are maintaining a positive outlook for the company over the next 12-month period with an improved target price of \$0.18.**

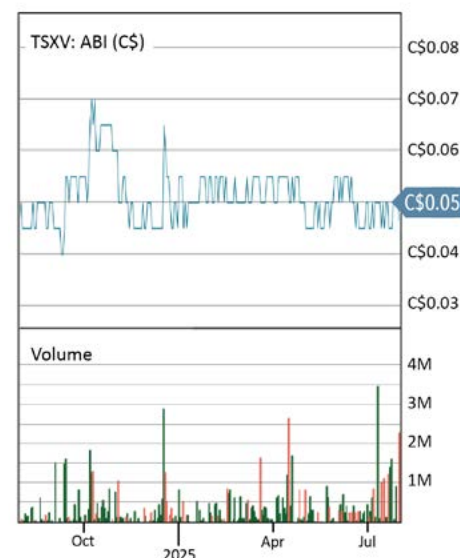
Key financial data (FYE June 30, C\$)	2025-03-31	2025-06-30
Cash	\$ 937,733	\$ 1,700,464
Working capital	\$ (2,172,892)	\$ (284,665)
Mineral assets	\$ 9,397,373	\$ 9,432,028
Total assets	\$ 16,493,159	\$ 18,119,236
Net income (loss) for the 3M	\$ (6,566,608)	\$ (2,623,467)
EPS for the 3M	\$ (0.006)	\$ (0.003)



Current Price (C\$)*	0.05
Fair Value	0.18
Projected Upside	258.0%
Action Rating	BUY
Perceived Risk	VERY HIGH
Shares Outstanding	1,011,680,519
Market Cap. (C\$)	45,526,000
YoY Return	-10.0%
YoY TSXV Return	0.11%

\* Note: all \$ amounts are C\$ unless otherwise stated

TSXV: ABI price and volume history



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## CONTENTS

1	Overview	11	Updated company ownership and capital structure
2	Latest developments	12	What's next for Abcourt Mines
3	Funding is in place to bring the Sleeping Giant Mine back into production	12	Valuation
4	What are the plans for the Sleeping Giant mine site?	13	Conclusion
5	The Flordin-Cartwright exploration project remains appealing.	14	Risks
		15	Disclaimer

## FIGURES

1	Figure 1: Maps showing the locations of ABI's projects	9	Figure 4: Location of sampling channels extending the known mineralization westwards
6	Figure 2: Map of the Flordin deposit and surrounding areas of focus for exploration	10	Figure 5: Property boundaries of other gold firms operating in the region
8	Figure 3: Location and details of drill holes extending the known mineralization eastwards	11	Figure 6: Company ownership by category
		12	Figure 7: Gold price since 2021

## TABLES

2	Table 1: Select news releases since February 2025	7	Table 4: Summary of 2025 drill results
3	Table 2: ABI's funds raised in 2025	11	Table 5: Capital structure
4	Table 3: Recent drilling highlights from the Sleeping Giant Mine		

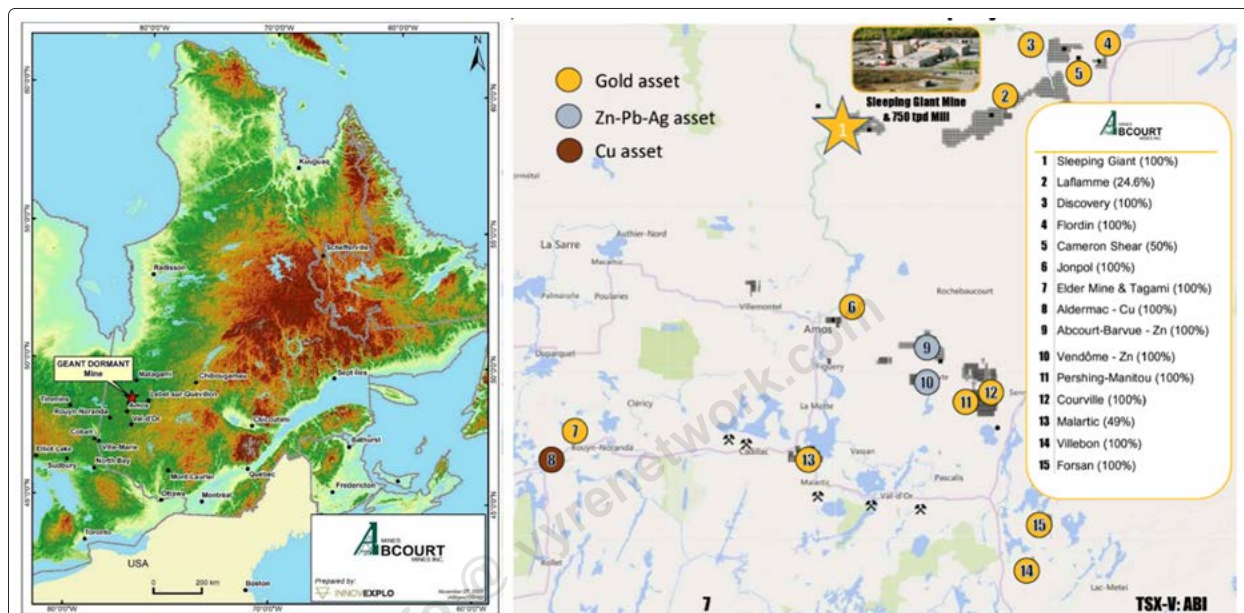
## IMAGES

2	Image 1: Sleeping Giant infrastructure (left) & exploration works at Flordin (right)
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## OVERVIEW

ABI is a gold development and exploration company active in Quebec, Canada. Its primary development asset is the Sleeping Giant (SG) mine and mill, while the key exploration project is Flordin. ABI also owns several non-core assets and is open to earn-in deals, JVs, or sales of these to optimize its portfolio and advance its other projects by non-dilutive means or monetize them.

Figure 1: Maps showing the locations of ABI's projects



Source: ABI website

The Sleeping Giant mine poured its first doré gold bar via ABI in April 2024, using ore from a bulk sample from the Pershing-Manitou project. The site has complete surface infrastructure in place, several underground faces are ready for mining, and all necessary permits are secured. ABI's team continues to drill for resource conversion and expansion at Sleeping Giant and conduct delineation drilling at Flordin, achieving success in securing vital funding to bring the flagship Sleeping Giant operation into production in the near future.

In our previous report, we focused on the exciting drill results from the Cartwright zone on the Flordin property, where strong gold mineralization was intercepted over 20- to 30-meter intervals, and the work the team at ABI was doing to prepare the mine for production. The focus of this report will be on how the firm will deploy the freshly secured capital to bring the Sleeping Giant mine into production soon and what investors can expect in the coming 12-month period.

Image 1: Sleeping Giant infrastructure (left) and exploration works at Flordin (right)



Source: ABI website and corporate presentation

## LATEST DEVELOPMENTS

Since our second follow-up report in February 2025, ABI has made significant progress towards restarting the Sleeping Giant mine and continues to expand the gold footprint at its Flordin project. The most relevant development since our last report is that the firm has secured the necessary funds to commence production at the Sleeping Giant mine and will start producing gold on a regular basis in due course.

Table 1: Select news releases since February 2025

Year	Month	Day	News release
2025	JUL	3	\$8 million debt financing closed with Nebari
	JUN	26	\$3 million debenture financing closed and \$1.06 million equity financing closed
		18	Debenture offering announced for \$3 million
		16	Flordin: 4.1 g/t Au drilled over 11m and exploration update
	MAY	22	Results for quarter ended 31 March announced
		12	Flordin drilling update and summary; ABI intersects 3.7 g/t Au
		8	Sleeping Giant: 24.3 g/t Au over 1.9m and operations update
		6	Closing of \$4.6 million financing (\$3.0 million Groupe Minier, \$1.67 million in PP)
	APR	28	New gold zone drilled at Flordin, 0.9 g/t Au over 19m, incl. 3.1 g/t Au over 3.1m
		14	\$8.00 million debt financing secured from Nebari
		7	First tranche closed \$1.67 million
	MAR	25	Non brokered private placement announced for \$ 3 million
		18	1.1 g/t Au intersected over 47.2m and East extension of South Zone at Flordin confirmed
		3	Strategic Partnership with Groupe Minier announced

Source: ABI news releases



## FUNDING IS IN PLACE TO BRING THE SLEEPING GIANT MINE BACK INTO PRODUCTION

The Nebari financing (closed on July 3, 2025) brings US\$8 million (approximately \$10.88 million with a USD-CAD exchange rate of 1.36) into the treasury for the restart of the Sleeping Giant mine. The financing facility is for 36 months at a rate of 12% plus the 3-month SOFR (as determined at the start of each month or a minimum of 4%). The debt may be repaid at any time after 12 months, subject to a minimum payment of US\$1 million and a minimum absolute return of 25% on the principal amount repaid early. Additionally, the firm issued 87,040,000 warrants with a strike price of \$0.0625 and an expiry date of July 3, 2028. In the event of early repayment, the outstanding warrants will be reduced on a pro rata basis, subject to certain conditions.

Nebari is a natural resource financing company with an accomplished team of mining and natural resource experts providing financing solutions for mining projects. The company tends to favour direct equity investments and has a sizable investment track record, both in terms of the size of investments and the number of projects. Having a firm with seasoned mining investment specialists complete their extensive due diligence on a firm like ABI and deciding to invest is a strong quality signal to retail investors.

A debenture financing closed on 26th June 2025. The instrument will bear interest at SOFR + 10% per annum, with a 4-year maturity and a conversion price of \$0.05 per share in the first year and \$0.10 per share thereafter. The option for conversion may be exercised at any time at the holder's discretion, and ABI can repay the debenture at any time without incurring a penalty. The Debenture was purchased by Mr. Mestralett, who is a director of ABI, the largest shareholder (19.10%) and a long-time supporter of the Sleeping Giant mine and the management team behind the project.

Table 2: ABI's funds raised in 2025

Date	Amount [\$]	Currency	Comment
2025-07-03	10,880,000	CAD	36 months; 12% + min. 4% or SOFR; 87.04 million non-transferable warrants @ \$ 0.0625 until 03/07/2028
2025-06-26	3,000,000	CAD	36 months; 10% + SOFR; Convertible at \$ 0.05 in the 1st year, \$ 0.10 thereafter
2025-06-26	1,056,000	CAD	Issued at \$ 0.05 with 21,120,000 warrants @ \$ 0.08 valid for 36 months
2025-05-06	4,613,004	CAD	Issued 85,620,000 @ \$ 0.05 and 5,533,400 @ \$ 0.06 (FT) with 36 month full warrant @ \$ 0.08
2025-04-03	1,668,040	CAD	Issued 2,300,000 @ \$ 0.05 and 25,884,00 @ \$ 0.06 (FT) with 36 month full warrant @ \$ 0.08
2025-03-03	3,000,000	CAD	Issued 60,000,000 @ \$ 0.05 with 36 month full warrant @ \$ 0.08

Source: ABI news releases

On March 3, 2025, ABI announced a strategic partnership with Groupe Minier Technica, a leading mining contracting firm headquartered in Sudbury, Canada. The mining contractor took a \$3.0 million equity stake in ABI and will provide certain mining contracting services to ABI. They will lend support to ABI on the ground, implement their rigorous HSE standards on site, and have expertise in all key areas of mine operation.

Groupe Minier Technica offers not only mining contracting services but also financing solutions to the mining industry. A part of their business model entails investing in projects where they can then provide their services in return. This partnership benefits ABI and all its shareholders, as it brings a reputable mining contractor on board with the required expertise to help run the project successfully and adds another shareholder with a sizable, vested interest that can be a source for future funding as well.

Additionally, the firm raised another \$7.34 million in non-brokered equity financings this year. Combined ABI has secured funding of over \$24 million this year, which covers the required capital expenditure to bring the Sleeping Giant mine back into production, as outlined in our previous reports. With the funding secured, we can look forward to ABI implementing the necessary steps to restart production and then ramp up production in the months ahead.

## WHAT ARE THE PLANS FOR THE SLEEPING GIANT MINE SITE?

As highlighted in our previous reports, the key infrastructure at the site is ready to start operating, there is accessible ore ready underground to extract (and a stockpile above ground), and all the relevant permits are in place.

With the current funds available, the firm intends to put in place the final elements of infrastructure, such as a building for a sleep camp and a kitchen at the mine site to accommodate the workers, which ABI is hiring as part of an ongoing recruitment drive. It will continue the work in the tailing facilities to store the pulps for the coming years (currently licensed until 2032, but application for updated permit planned in 2028), begin production in the upper level of the mine and develop lower levels of mine to open new mining fronts and have sufficient ore available to feed the mill in the years to come.

Table 3: Recent drilling highlights from the Sleeping Giant Mine

Hole #	From [m]	To [m]	Length [m]	Grade [g/t]	Zones
<b>78-888</b>	13.1	13.6	0.5	59.25	Intervals up the 785N vein.
and	87	87.8	0.8	10.17	
and	144.4	145	0.6	27.13	
and	285.4	286	0.6	9.24	
<b>78-890</b>	273.5	275.4	1.9	24.3	785N vein
Including	274.2	274.8	0.6	41.9	

Source: ABI news releases

The firm is now mobilizing underground crews, preparing the mills to process the ore, and mining/milling/processing are expected to start in August. Currently, one week's worth of ore inventory is at the surface, and the firm will fill the 800t ore silo at the surface to ensure a steady feedstock for the mill once it is operational. The mill is expected to process 30 tons per hour in the long run; however, the firm anticipates

it will gradually ease into that level of production as the on-site crews become more familiar with the operational setup.

ABI has continued to drill for more gold at the site. In 2025, the firm drilled 5,632m in 36 drill holes underground from existing excavations. Seven of the drill holes (3,316m) target the 785N zone, which is a new gold-bearing sector to the east and at depth relative to the current developed sectors. The 785N represents a likely source of ore for future operations, and recent drill highlights are presented below. There are two rigs constantly drilling underground at Sleeping Giant Mine to expand and convert existing resources, as well as to discover new ones.

Once ABI is producing gold on a regular basis, it will have more funds available to drive its exploration efforts at Sleeping Giant. As is typical for some precious metal deposits hosted in complex ore bodies, extensive drilling is required to outline the mineable ore. A resource with more than 10 years of mine life would be great to have right now, but it would likely require extensive drilling to prove its presence. Funding such extensive drilling upfront would be very challenging and not necessarily beneficial to shareholders, as the resulting dilution would be significant. Therefore, we welcome ABI's approach to start production with the resources they currently have and fund the addition of new ounces with cash flow from their operating mine, which is non-dilutive to shareholders.

## THE FLORDIN-CARTWRIGHT EXPLORATION PROJECT REMAINS APPEALING.

The Flordin property already has an established resource of over 100,000 ounces of gold, grading on average 2.18 g/t, as published in a technical report in 2023. Since then, the company has discovered the Cartwright zone in a channel sampling campaign, where an area over 200m x 20m was stripped, and 15 channels were cut. The assays from the channel sampling campaign were very promising, confirming three distinct mineralization zones (Adam, Horse, Little Joe), and warranted a drill campaign at Cartwright itself to test the extent of mineralization there. In our last report, we presented a summary of these initial drill results, which were very encouraging and demonstrated that mineralization started near the surface.

The theory for the Flordin deposit remains that mineralization may occur along a 2 km corridor spanning from the Flordin deposit in the West to the Cartwright zone in the east. Drilling between these two sectors has intersected gold in the past, and ABI was recently able to demonstrate the Eastward extension of the Southern zone by approximately 200m in four drill holes (2,340m), of which the results were announced on March 18, 2025. The firm defines three distinct mineralized zones in this area: the Altered Zone, the South Zone, and the New Zone. Additional drilling at the Cartwright zone added fresh mineralized intercepts to those previously reported.

Figure 2: Map of the Flordin deposit and surrounding areas of focus for exploration

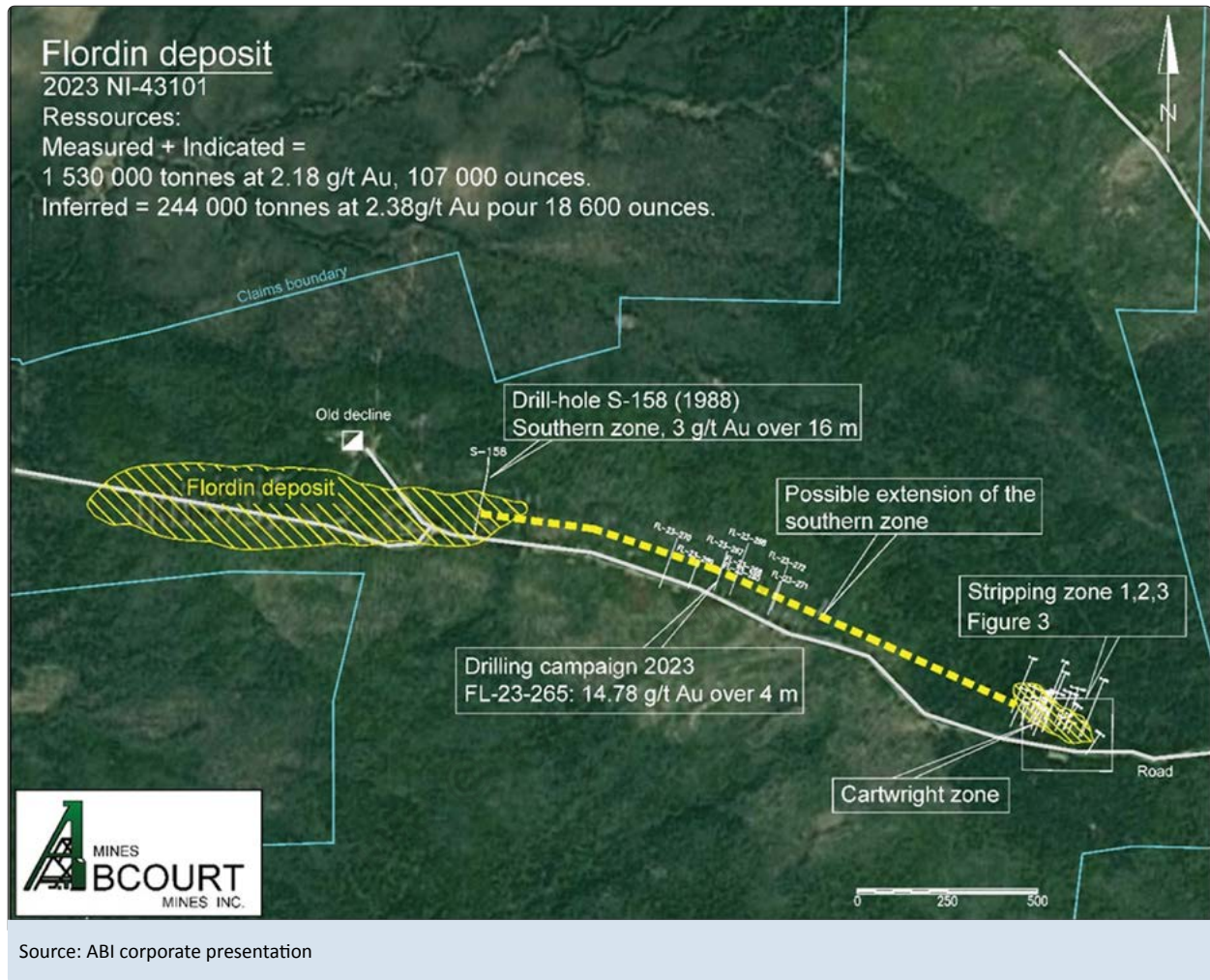




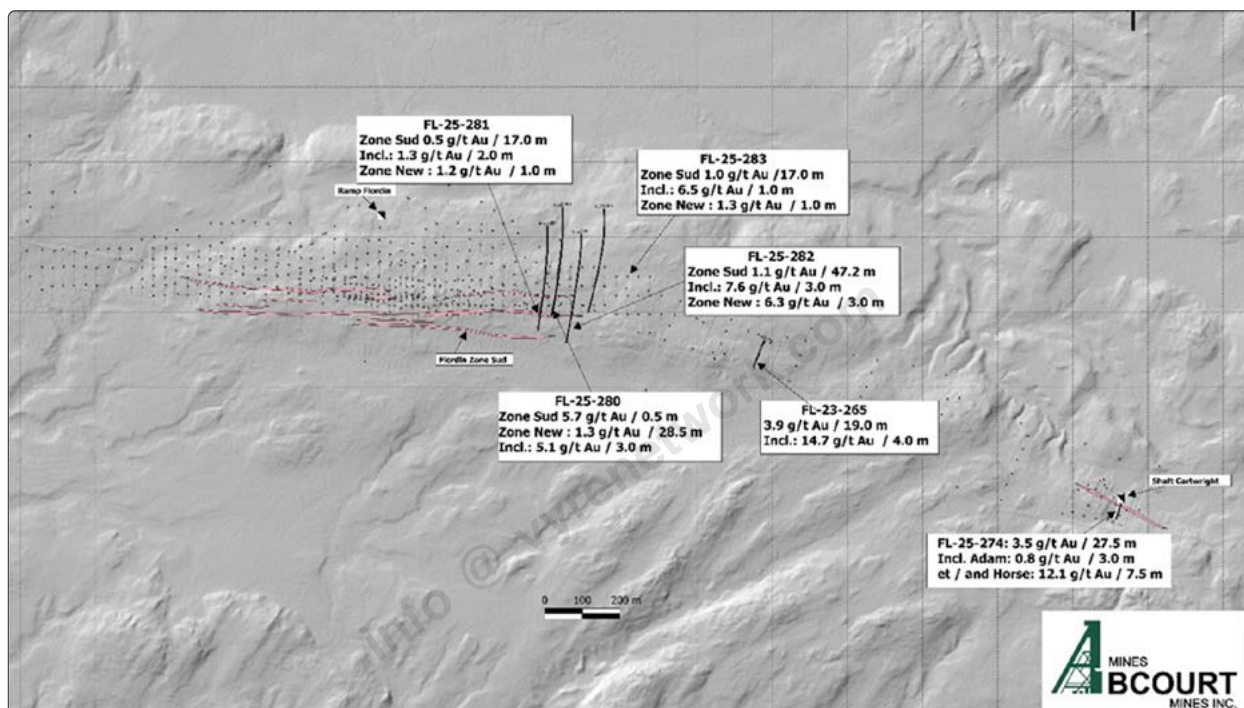
Table 4: Summary of 2025 drill results

Hole #	From [m]	To [m]	Length [m]	Grade [g/t]	Zones
<b>FL-25-273</b>	29.5	48	18.5	1.2	
including	29.5	38	8.5	0.6	Adam
including	46	48	2	6.6	Horse
<b>FL-23-274</b>	28	55.5	27.5	3.5	
including	28	31	3	0.8	Adam
including	48	55.5	7.5	12.1	Horse
<b>FL-25-275</b>	43	43.5	0.5	1.8	Adam
including	81.5	82	0.5	1.3	Horse
<b>FL-25-276</b>	45.5	46.5	1	1.5	
including	82	87	5	1.5	Adam
including	86.5	87	0.5	11.1	Horse
<b>FL-25-277</b>	27.5	29.5	2	0.9	
including	38	51	13	1.4	Adam
including	48.5	51	2.5	5.4	Horse
<b>FL-25-278</b>	19	19.5	0.5	0.5	
including	44	67.5	23.5	1.2	Adam
including	64	67.5	3.5	4.5	Horse
<b>FL-25-280</b>	483.5	484	0.5	5.7	South Zone
	540.5	569	28.5	1.3	New
Including	563	565	3	5.1	New
<b>FL-25-281</b>	394	413	17	0,5	South Zone
Including	398	400	2	1.3	South Zone
	451	452	1	1.2	New
<b>FL-25-282</b>	367	414,2	47.2	1.1	South Zone
Including	374	377	3	7.6	South Zone
	403.8	405.8	2	6.3	New
<b>FL-25-283</b>	130	149	19	0.9	Altered Zone
Including	140.9	144	3.1	3.1	Altered Zone
<b>FL-25-283</b>	557	574	17	1	South Zone
Including	560	561	1	6.5	South Zone
	596	597	1	1.3	New
<b>FL-25-284</b>	3	14	11	3.7	Adam
Including	6.6	9	2.4	11	Adam
	55	59	4	1.3	Horse
<b>FL-25-285</b>	64	66	2	1.2	Adam
	107	111	4	0.6	Horse
<b>FL-25-286</b>	58	74	16	0.4	Adam
	73	74	1	1.2	Horse

Source: ABI news releases

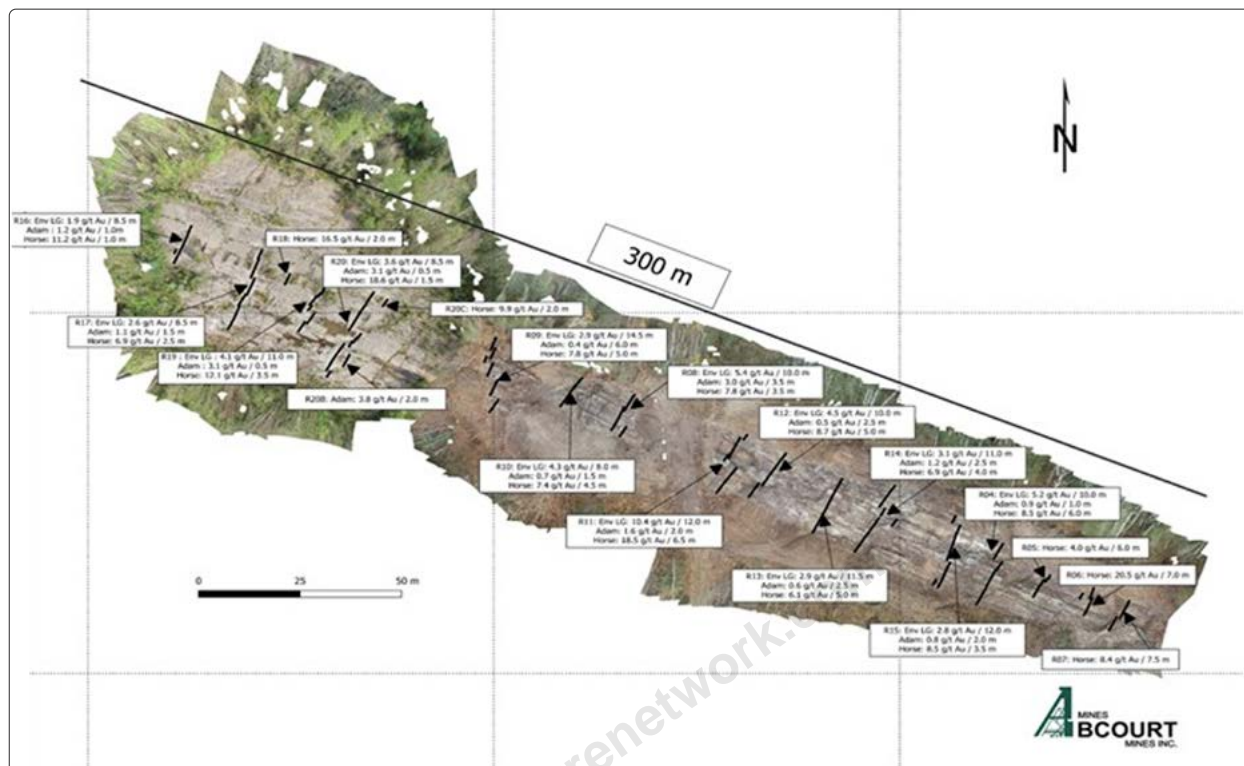
Furthermore, the Cambior stripping area was sampled in a 4 x 20m and 1 x 5m channel, returning good grades and extending the mineralized footprint at the Cartwright zone 100m to the West towards the Flordin area. ABI's efforts this year have expanded the mineralized zones by around 300m at surface, 200m Eastward from the South Zone (Flordin deposit) and 100m westward from the Cartwright zone. Thus, the firm continues its work to link the two zones by demonstrating that mineralization exists along the entire 2 km corridor between the Flordin Deposit and the Cartwright zone.

Figure 3: Location and details of drill holes extending the known mineralization eastwards



Source: ABI news release

Figure 4: Location of sampling channels extending the known mineralization westwards

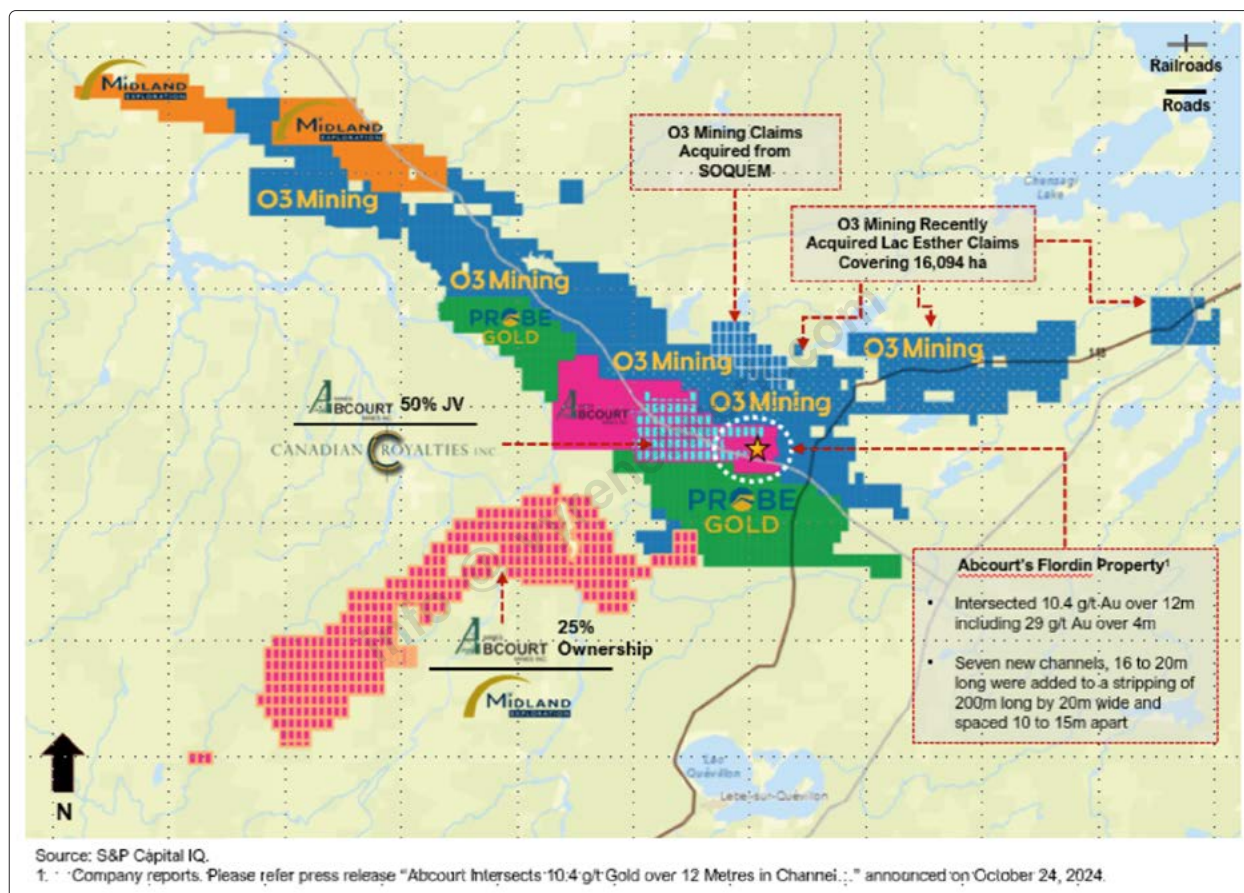


Source: ABI news release

While ABI has enjoyed continued success on the Flordin property due to its well-formulated exploration thesis and equally well-executed exploration program, the project may take a back seat in the coming months as the firm will focus on the restart of the Sleeping Giant mine. While exploration updates from Flordin certainly make for exciting reading, we welcome the fact that management intends to focus its efforts and resources on bringing the mine online and generating revenue. Once operations are up and running and cash flow positive, the firm will be in a position to fund further exploration at Flordin from its revenues.

M&A activity took place in the region in December 2024, as Agnico Eagle Mines acquired O3 Mining for approximately \$204 million. O3 Mining's Marban deposit has 1.7 million ounces of gold in the indicated category and 32,000 ounces in the inferred category. Time will tell what size ABI will be able to grow the Flordin-Cartwright deposit to. A sizable resource in this region might attract a buyer to acquire the project or even the entire firm. It would certainly be a potential satellite deposit for the Sleeping Giant Mill, which is approximately 130 km away by dirt road.

Figure 5: Property boundaries of other gold firms operating in the region





## UPDATED COMPANY OWNERSHIP AND CAPITAL STRUCTURE

**Ownership:** ABI maintains a substantial ownership stake (8%) through company insiders, which is desirable as it aligns management's interests with those of investors. Mr. Mestrallet is a long-time backer of the ABI management and the Sleeping Giant mine. He is the single largest shareholder and is considered a high-net-worth (HNW) investor in the pie chart below, even though he is also a director of the company. Adding his holdings to 'Officers & Directors' brings total insider ownership to around 27%. The firm also has institutional investors, such as Palette Investment Management and Middlefield Capital Corp, which own 4% of the company. Institutional investor interest tends to serve as a quality signal for retail investors and can be a significant source of long-term funding. Additionally, Group Minier Technica owns a stake in the company, the rationale for which was outlined in the Sleeping Giant mine section above.

**Capital Structure:** The company has approximately 1.1 billion shares outstanding, with approximately half of these shares held in warrants and a small number of options. The warrants generally have a strike price of \$0.1 or lower and may be exercised if the ABI's share price appreciates sufficiently beyond the strike levels within the validity period. If that happens, the investors in recent financing rounds will likely exercise their warrants. This would dilute the existing shareholders, especially those without warrants, but would also bring significant new funds into the ABI treasury.

With the funding package to restart Sleeping Giant in place, ABI should see a reduced need to go to market for fresh capital going forward and should be able to fund its growth plans by non-dilutive means (from its own cash flow or debt financing). If the Sleeping Giant mine yields the expected cash flows, the company may potentially elect to tighten its capital structure and/or start paying dividends.

Figure 6: Company ownership by category

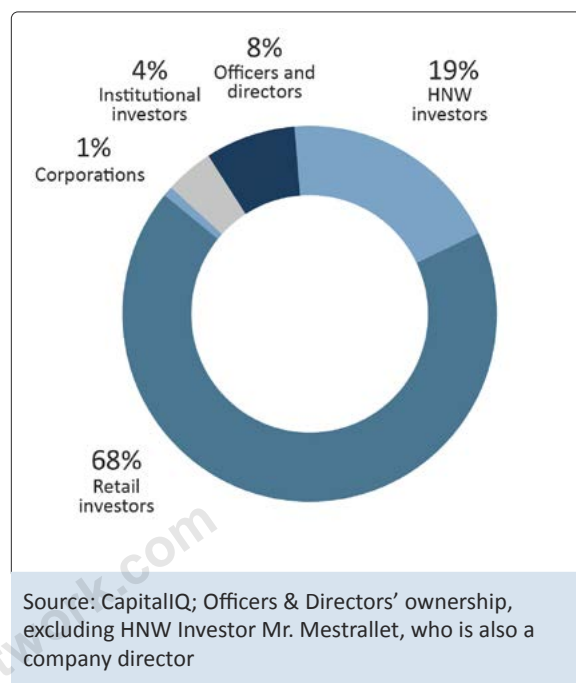


Table 5: Capital structure

Type	# of Shares
Shares Outstanding	1,011,680,519
Warrants	534,449,958
Options	32,197,600
	<b>1,578,328,077</b>

Source: CapitalIQ & ABI corporate presentation and NRs

## WHAT'S NEXT FOR ABCOURT MINES

The firm will utilize the funds available from recent financings to restart the Sleeping Giant mine and commence gold production. With the majority of the site infrastructure already in place, ABI will construct facilities to house staff on-site, continue work on the tailings facilities, develop lower levels of the mine to open new mining fronts, and begin production from the upper levels of the mine.

We expect the first ounces to be poured in late Q3.25 to mid Q4.25, with a first-year production of around 14,000 oz of gold following the restart (equivalent to US\$46.2 million in revenue at US\$3,300 per ounce of gold). As the company begins production, it may encounter some operational issues that need to be resolved during the first year. Following that, we anticipate output to increase to approximately 30,000 ounces of gold, in line with PEA estimates, over a 2-to 3-year period. As cash starts flowing into the ABI treasury, it will enable the firm to undertake resource expansion at the Sleeping Giant Mine and further explore the Flordin-Cartwright area.

## VALUATION

For the valuation of the company, the same approach was used as in the previous three reports. At the time of our initial report (16th November 2023), an ounce of gold was trading at US\$1,980 and is now trading above US\$3,300 at the time of writing this report. That represents a staggering 67% increase. The outlook for gold remains robust amid global geopolitical turmoil and a significantly weaker US dollar.

Figure 7: Gold price since 2021



Using the same valuation model as in prior reports but adjusting for the higher share count and stronger gold price, the target price rises to \$0.18 based on a gold price of US\$2,900/oz (a cautious figure that's over 10% below current market levels). At a gold price of US\$3,300/oz, the valuation would climb further to \$0.23 per share.

ABI remains highly sensitive to changes in the gold price, with rising prices significantly boosting projected mine profitability. The project had previously benefited from a weaker CAD versus USD, as most expenses are in CAD while gold revenue is in USD. With the USD now softening against several currencies, the support from the exchange rate has waned; however, the elevated gold price remains the key factor driving profitability.

## CONCLUSION

The firm's initial gold pour occurred in April 2024, as it had processed ore from a bulk sample of a nearby project, demonstrating its capability to produce gold. Since then, the focus has been on preparing the Sleeping Giant Mine for production, which has included revising geological models and mine plans, as well as drilling underground for resource conversion and expansion. With the recent funding, ABI is now in a position to directly start mining and producing gold, while utilizing cash from operations to fund further exploration work at Sleeping Giant as well as Flordin-Cartwright. The team at ABI has a well-formulated strategy for restarting operations and is set to deliver those plans this year. We expect the first gold from the restart of operations by mid-Q4 2025 and anticipate first-year production of around 14,000 gold ounces, bringing significant cash flow to the company. **We are maintaining a positive outlook for Abcourt Mines over the next 12 period with a BUY rating and an improved target price of \$0.18.** The company and its projects have several features that should be supportive of the share price:

- ◆ The mine site already has most of the key surface infrastructure in place and operational, with much of the underground mine rehabilitated and faces ready for ore extraction to supply the processing facilities. The recent funding will allow to start operations and also develop deeper portions of the mine to ensure an adequate ore supply.
- ◆ The outlook for gold, the core commodity, remains strong. Amid continued geopolitical instability and economic uncertainty, gold prices continue to reach record highs, now trading well above the levels typically used in mineral resource estimates and feasibility assessments.
- ◆ ABI's management is advancing work at the Sleeping Giant mine and the Flordin exploration project efficiently. A well-defined plan is in place to restart operations at Sleeping Giant, while exploration at Flordin is delivering promising outcomes. Near-term updates regarding production and drilling are likely to capture market attention and support the share price.
- ◆ Despite challenges in the junior mining sector, ABI has maintained its ability to raise capital to fund its growth plans. Ongoing backing from key cornerstone investors remains vital in enabling ABI to move forward with its strategy and deliver value to shareholders.

## RISKS

The following outlines some of the key risk considerations that investors should keep in mind when evaluating ABI as an investment opportunity:

- ◆ **Exploration risk:** The results from further exploration efforts, such as exploring for additional ounces of gold at Sleeping Giant or any of the other properties, may turn out to be less favourable than anticipated and could put downward pressure on the share price.
- ◆ **Production risk:** The production rates, the grade of the produced material, the cost of production and the required capital expenditures to restart operations may differ from their PEA estimates and the estimates used in this report. While these metrics may be lower or higher than expected, their impact on the economics of the project is considerable. The reader is advised to view the NPV sensitivities in Appendix 2 for reference.
- ◆ **Commodity price risk:** The rise and fall of natural resource stocks, including junior mining companies, is usually tied to some degree to the price of the underlying commodity. In the case of ABI, the principal underlying commodity is gold, for which we have outlined a long-term price floor in this report. The reader is cautioned, however, that prices may fall well below that level in the short and medium term and that the company is highly levered to the price of gold.
- ◆ **Wider market risk:** Like most other equities, ABI will be at the mercy of wider market fluctuations and will be affected by FED tapering, changes to the outlook for rate hikes and inflation and lingering concerns surrounding a downturn in economic activity.
- ◆ **Dilution of existing shareholders:** If non-dilutive funding options are not available, the company may have to issue further shares to cover expenditures, hence existing shareholders may face some degree of dilution. If market developments are favourable, the impact may be diminished; if the market developments are adverse, the impact may be accentuated.

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Each company within an analyst's universe, or group of companies covered, is assigned:

- 1 A recommendation or rating, usually BUY, HOLD, or SELL;
- 2 A 12-month target price, which represents an analyst's current assessment of a company's potential stock price over the next year; and
- 3 An overall risk rating which represents an analyst's assessment of the company's overall investment risk.

These ratings are more fully explained below. Before acting on a recommendation, we caution you to confer with your investment advisor to determine the suitability of our recommendation for your specific investment objectives, risk tolerance, and investment time horizon.

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#### Buy

The analyst believes that the security will outperform other companies in their sector on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) BUY rating.

#### Hold

The analyst believes that the security is expected to perform in line with other companies in their sector on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) HOLD rating.

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Investors are advised to sell the security or hold alternative securities within the sector. Stocks in this category are expected to under-perform other companies on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) SELL rating.

#### Tender

The analyst is recommending that investors tender to a specific offering for the company's stock.

#### Research Comment

An analyst comment about an issuer event that does not include a rating.

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## Under Review

Placing a stock Under Review does not revise the current rating or recommendation of the analyst. A stock will be placed Under Review when the relevant company has a significant material event with further information pending or to be announced. An analyst will place a stock Under Review while he/she awaits enough information to re-evaluate the company's financial situation.

The above ratings are determined by the analyst at the time of publication. On occasion, total returns may fall outside of the ranges due to market price movements and/or short-term volatility.

## OVERALL RISK RATINGS

**Very High Risk:** Venture-type companies or more established micro, small, mid or large-cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur a temporary or permanent loss of a very significant portion of their investment capital.

**High Risk:** Typically, micro or small-cap companies which have an above-average investment risk relative to more established or mid to large-cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large-cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

**Medium-High Risk:** Typically, mid to large-cap companies have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector-specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

**Moderate Risk:** Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

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