



Abcourt Mines (TSXV: ABI) The Sleeping Giant mine awakens, producing its first gold

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Investment Highlights

- ◆ **Abcourt Mines** ("ABI" or the "Company") has restarted the Sleeping Giant mine and poured its first gold doré in September 2025. It produced 630 oz of gold in fiscal Q1-2025 (July to September) and will likely exceed 1,000 oz in fiscal Q2-2025. The Company endeavours to reach 30,000 oz of annual gold production within the next 12 months.
- ◆ **Strong support for the Sleeping Giant project:** With its clearly formulated strategy for bringing the mine back into production, the team at ABI was able to secure the funding support from private and government sources to restart the mine.
- ◆ **Positive tailwinds from high gold prices:** With gold trading at all-time highs, ABI stands to benefit from the gold price environment as a single asset producer that remains highly leveraged to the price of gold.
- ◆ **Mineralized corridor at Flordin-Cartwright project:** Exploration upside remains at the project, where surface and subsurface exploration methods are outlining the presence of a > 2 km long corridor of gold mineralization. 15 km of planned drilling in 2026 will provide a lot of exploration news.
- ◆ **We are maintaining a positive outlook for the company over the next 12-month period with an improved target price of \$0.21.**

Key financial data (FYE Jun. 30, C\$)	2025-03-31	2025-12-31
Cash	\$ 937,733	\$ 1,700,464
Working capital	\$ (2,172,892)	\$ 2,192,000
Mineral assets	\$ 9,397,373	\$ 9,432,028
Total assets	\$ 16,493,159	\$ 18,119,236
Net income (loss) for the 3M	\$ (5,466,608)	\$ (2,450,467)
EPS for the 3M	\$ (0.005)	\$ (0.002)

Current Price (C\$)*	0.07
Fair Value	0.21
Projected Upside	226%
Action Rating	BUY
Perceived Risk	VERY HIGH
Shares Outstanding	1,011,680,519
Market Cap. (C\$)	80,934,000

YoY Return	8.3%
YoY TSXV Return	60.5%

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

TSXV: ABI Price and Volume History



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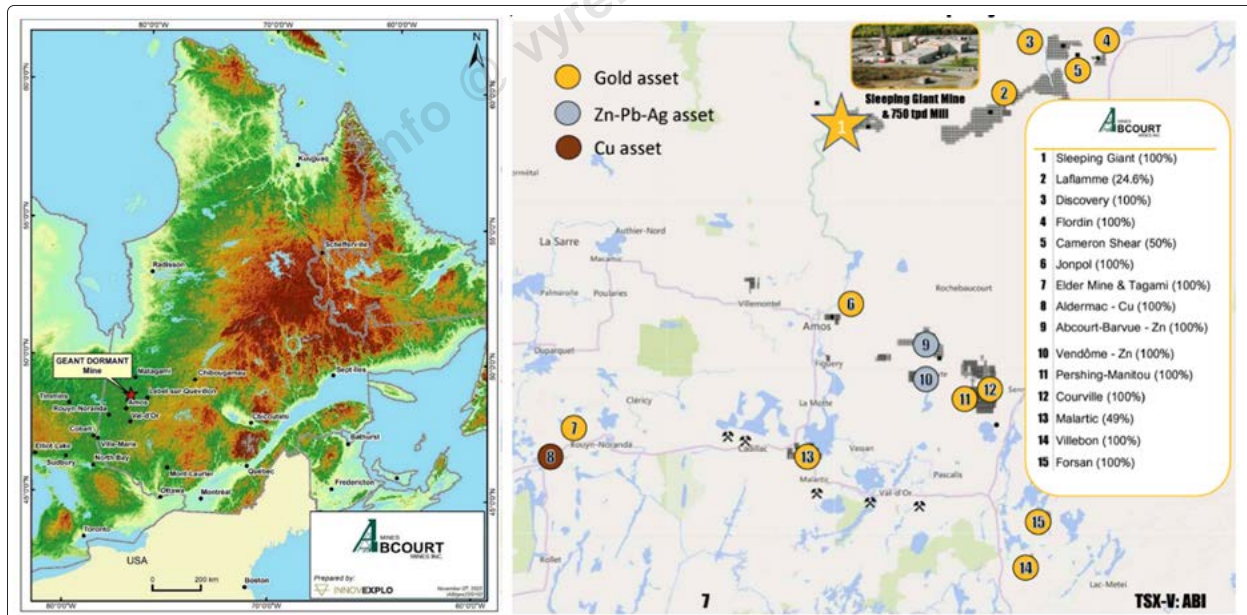
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OVERVIEW

Abcourt Mines is a gold exploration and development company operating in Québec, Canada. Its primary development asset is the Sleeping Giant (SG) mine and mill, complemented by its key exploration project, Flordin. In addition, Abcourt Mines holds several non-core assets and remains open to strategic options such as earn-in agreements, joint ventures, or asset sales to optimize its portfolio, advance priority projects through non-dilutive funding, or realize value through monetization. The company has been advancing its flagship Sleeping Giant project and announced its first gold pour in September 2025, as it begins to ramp up production at site.

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



Source: ABI website

Since our initial report in November 2023, the firm has steadily progressed towards the first production of gold from ore extracted from the Sleeping Giant mine. The team diligently conducted a trial run of processing ore from a bulk sampling campaign of the Pershing-Manitou project, pouring its first doré gold bar in April 2024. With all permits and most of the above-ground infrastructure already in place, a key event for the firm was the financing partnership with Nebari Capital. The funds secured from this partnership enabled the firm to complete the required above ground and underground infrastructure and start production.

Image 1: Key infrastructure at Sleeping Giant has been completed



Source: ABI website & Couloir Capital

The ramp-up at the Sleeping Giant mine is now fully underway as the team works tirelessly towards achieving the nameplate gold production of 30,000 ounces of gold annually. Investors can look forward to regular updates on the site's progress, and we anticipate that the number of ounces produced each quarter will increase steadily over the next 18 months.

LATEST DEVELOPMENTS

Since the last follow-up report in August 2025, Abcourt Mines has been in full ramp-up mode at the Sleeping Giant project and has released significant news. In September 2025, the firm poured its first gold from ore extracted from the Sleeping Giant mine, producing 650 oz of gold in its first quarter of operations. The company also secured government financing to manage certain tax-related liabilities, repurchased 0.5% of the 2% net smelter royalty on the asset for US\$2 million, and raised \$10 million in a private placement. As we enter the last quarter of the year, we can expect more gold to be produced from the mine as operations ramp up on site.

Table 1: Select news releases since August 2025

Month	Day	News release
OCT	31	\$10 million financing closed successfully
	28	Authorization for milling 3rd party material received for Sleeping Giant
	23	Results for 4th quarter and year ended June reported
	14	Private placement for \$8.5 million
	14	Quarterly operations update: 94.9% recoveries and 630 oz Au produced
SEP	25	9.5 g/t Au sampled over 7m at Cartwright area at the Flordin project
	19	ABI buys back 0.5% of NSR for US\$ 2 million, reducing the NSR to 1.5%
	12	First gold pour from Sleeping Giant production
	10	Nebari loan increased from US\$ 8 million to US\$ 10million
	9	Sleeping Giant project update: ramping up production
AUG	28	Chad Williams appointed to the board
	22	\$5.8 million loan accepted from Investissement Québec
	20	Mill started at the Sleeping Giant mine
	7	Sleeping Giant project update: restart picks up momentum

Source: ABI news releases

OPERATIONAL UPDATES FOR THE SLEEPING GIANT PROJECT

Following the closing of the US\$8 million financing with Nebari in July 2025, Abcourt Mines immediately commenced implementation of its start-up plans. Staff facilities were completed at the mine site to house personnel working on a roster. Rehabilitation of the underground working area and stope preparation began, and the mill was made ready to process ore being stockpiled at the surface. The tailings facility will be enlarged annually by a small team to provide available space for pulp storage, enabling between 100,000 and 125,000 tonnes to be mined each year. Additionally, a hiring drive was initiated to meet workforce requirements for the planned size of the operation. Operating in a region where mining is part of the social fabric, the firm will surely find the qualified personnel it is looking for.

In August, the mill at Sleeping Giant once again started turning, crushing ore from its own underground workings. The last ore from the mine itself was processed in 2014, marking the end of a 27-year production period that extracted and processed 3,370,000 t of ore grading 10.29 g/t to produce over 1,073,111 oz of gold.

That averages out to 40k oz of gold produced each year, or around US\$160 million in annual revenue at current prices. The team worked on commissioning the subsequent processing steps, including the grinding and leaching circuit. Filling of the leaching tanks began, and gold inventory was steadily increased in the mill circuit, and the first pulps from the mining operation were stored in the tailings facility.

During September, the gold inventory in the processing circuit continued to increase, culminating in the Company's first gold pour on September 12th, 2025, from ore extracted from the Sleeping Giant mine. The firm intends to increase the processing rate to 1,200 tonnes per week in the near future and, once that rate has been achieved, move forward to doubling it to 2,400 tonnes per week or 10,000 tonnes per month, as outlined in the 2023 PEA. The expansion of the operation will require additional housing and personnel, which the company is currently securing.

In October, the firm updated the market with a recap of its first producing quarter. Looking back to our initiating report in November 2023, the team at Abcourt Mines always had a clear strategy on how to move the project forward, implemented that strategy with the support of the right funding partners to reach the milestone of first production less than two years later. Ore processed during the period came from development areas, old workings and the first newly developed stope to produce 630 oz of gold (worth over US\$2.5 million) in the quarter. The firm plans to develop three new stopes over the coming 12 months as it endeavours to ramp up production. Often, when mining out a stope, a lot of metal accumulates in the fine material left behind during the extraction process. Abcourt Mines plans to remove these fines, which are often very high in metal content and can be equivalent to

Image 2: First gold pour at the Sleeping Giant mine



Source: ABI

Table 2: Summary production statistics Q1-25 (July – September)

Item	Q1-25	YTD
Diamond drilling [m]	6467	6467
Underground rehabilitation [m]	1703	1703
Underground development [m]	71.1	71.1
Tonnes milled [t]	3511	3511
Mill head grade [g/t]	5.88	5.88
Ounces milled [oz]	664	664
Recovery [%]	94.90%	0.949
Ounces produced [oz]	630	630
Ounces sold [oz]	26	26

Source: ABI news release 14th October

10% of the stope volume, after each stope is mined out. Each time this occurs, there will be some bumper production from the collected fine material, which will have a positive impact on monthly and quarterly production figures.

We can expect more news releases from Abcourt Mines in the months ahead regarding the progress it is making to achieve nameplate production rates at the Sleeping Giant mine and move toward becoming cash flow positive.

CONTINUED FINANCING SUCCESS

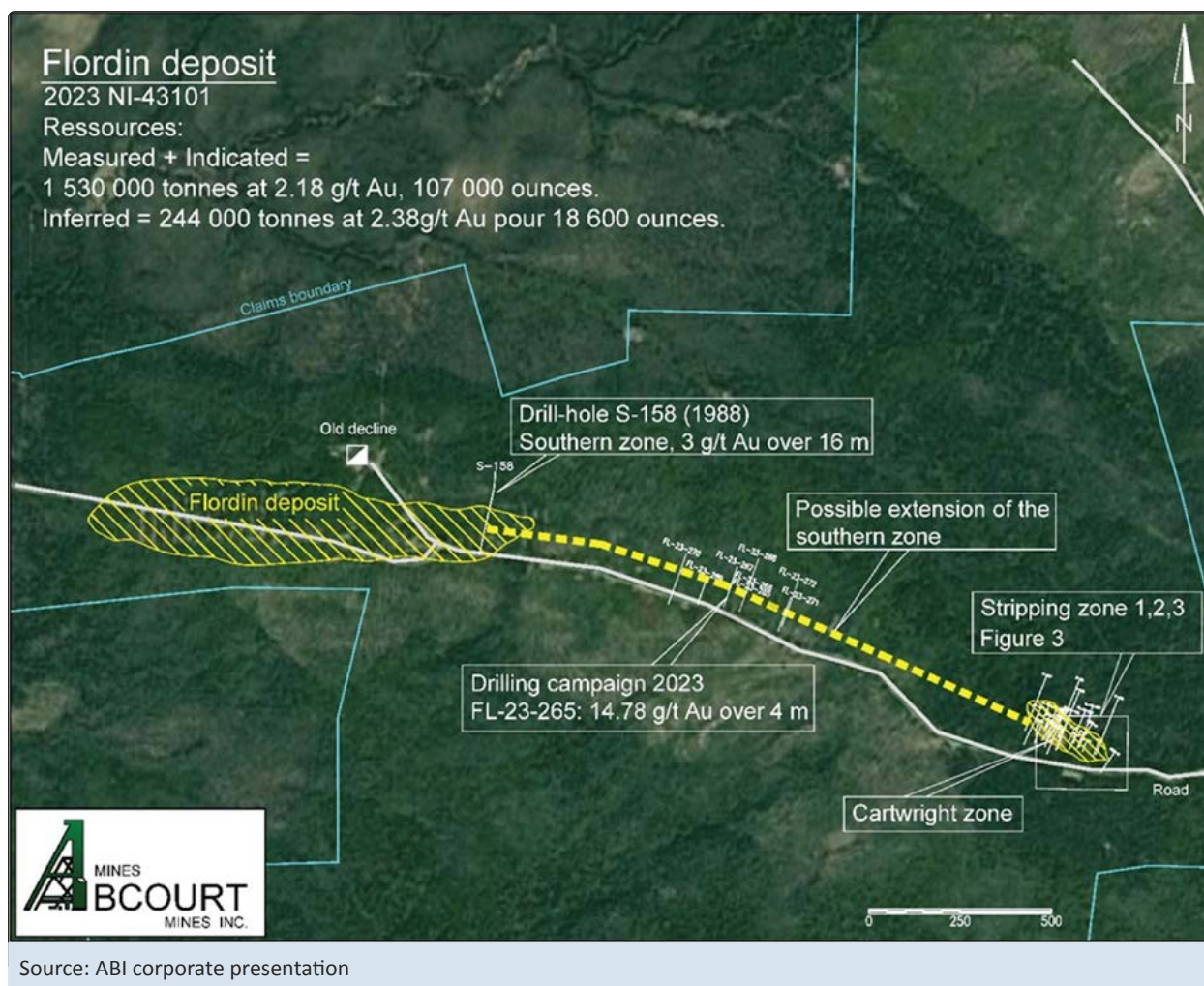
In August 2025, Abcourt Mines accepted a \$5.8 million loan from Investissement Québec (agent of the government of Québec), which is split into two bridge loans. Both loans were extended to finance tax credits owed to the local government in relation to resource extraction. The first loan covered \$1.3 million for 2025-related taxes, and the second loan covered \$4.5 million related to 2026 taxes. Both debts bear an annual interest rate of the prime rate plus 2.55% and are secured by refundable tax credits and an irrevocable letter of credit for 10% of the outstanding loans, which helps Abcourt Mines secure a very competitive interest rate on the loans.

The following month, the company secured an additional US\$2 million in funding by upsizing its existing US\$8 million loan with Nebari Natural Resources Credit Fund, at the same terms as the initial financing. The initial Nebari financing, which closed on July 3rd, 2025, provided US\$8 million to support the restart of the Sleeping Giant mine. The facility has a 36-month term and carries an interest rate of 12% plus the 3-month SOFR (reset monthly, with a minimum of 4%). The debt is repayable at any time after 12 months, subject to a minimum payment of US\$1 million and a minimum absolute return of 25% on any principal repaid early. In connection with the financing, the company issued 87,040,000 warrants exercisable at \$0.0625 per share, expiring on July 3, 2028. If the debt is repaid early, the number of outstanding warrants will be reduced on a pro rata basis, subject to certain conditions. In connection with the funding, Abcourt Mines issued 14.9 million warrants expiring 3rd July 2028 with an exercise price of \$0.093. The proceeds from the loan were intended to help accelerate the mine restart by adding an additional underground drill rig to aid resource expansion and to expand the above-ground sleep camp to accommodate a larger workforce.

A week later, Abcourt Mines then announced another US\$2 million increase in the Nebari financing. The proceeds of this funding were used to buy back 0.5% of a 2.0% net smelter royalty from Maverix Metals Inc., reducing it to 1.5%. The funds from Nebari came with the same conditions as the pre-existing ones. They were accompanied by the issuance of 14.4 million warrants expiring on July 3rd, 2028, with an exercise price of \$0.096.

At the end of October, Abcourt Mines closed a brokered private placement for \$10 million. The proceeds from the financing will be spent in equal parts on exploration drilling at Flordin and on supplying working capital for the Sleeping Giant mine as it ramps up operations.

Figure 2: Map of the Flordin project – emerging 2 km mineralized corridor



THE EXTENSION OF THE CARTWRIGHT MINERALIZED AREA AT FLORDIN

The Flordin property hosts an established measured and indicated gold resource exceeding 100,000 ounces, with an average grade of 2.18 g/t Au, as reported in a 2023 technical report.

Table 3: Flordin mineral resource estimate

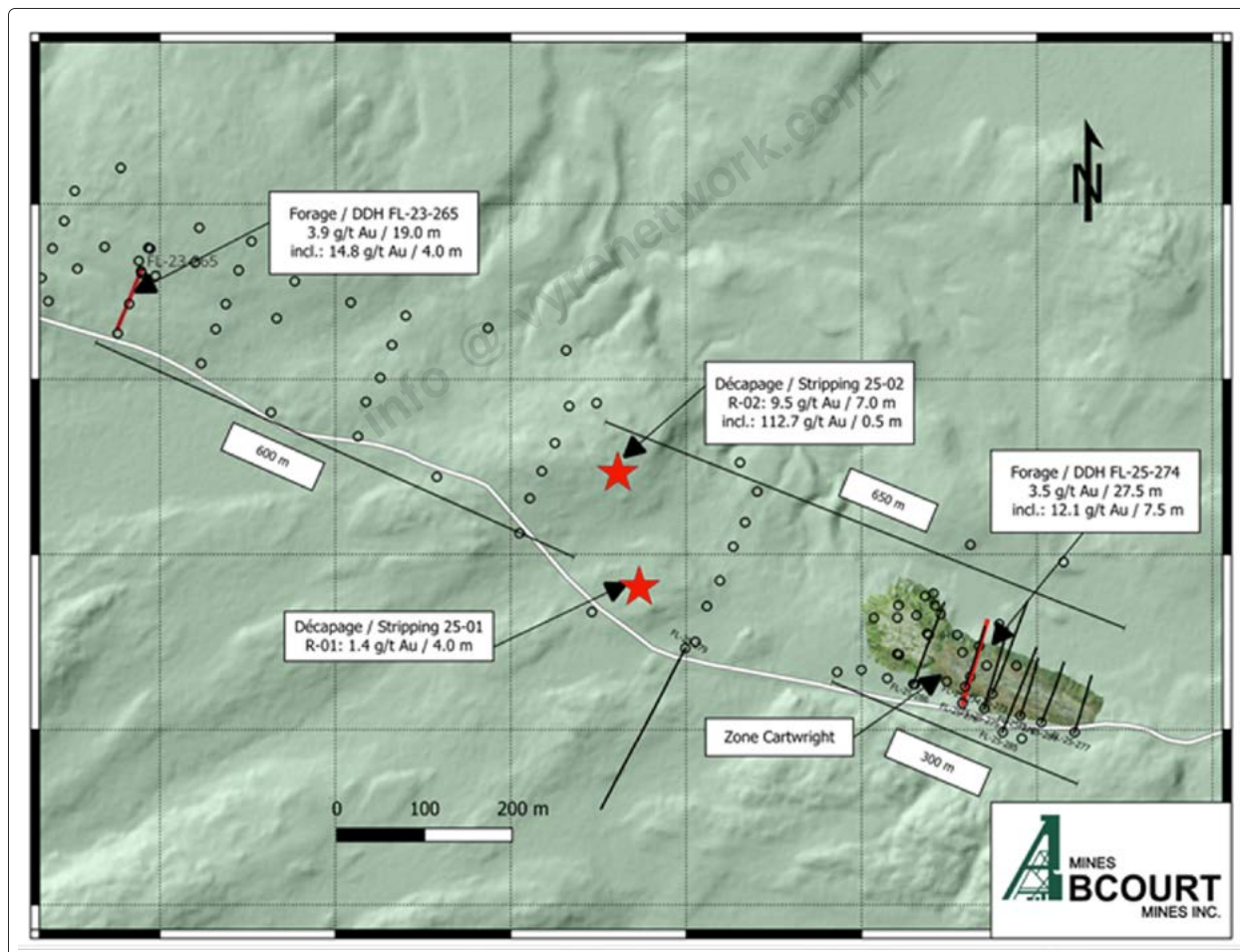
Category	Open Pit (cut-off 0.5 g/t Au)			Long Hole (cut-off 3.1 g/t Au)			Room and Pillar (cut-off 4.6 g/t Au)		
	Tonnes	Grade [g/t Au]	Au [oz]	Tonnes	Grade [g/t Au]	Au [oz]	Tonnes	Grade [g/t Au]	Au [oz]
Measured	86,000	2.58	7,100	0	0	0	0	0	0
Indicated	1,444,000	2.15	99,900	227,000	3.75	27,500	1,000	5.46	200
M & I	1,530,000	2.18	107,000	227,000	3.75	27,500	1,000	5.46	200
Inferred	244,000	2.38	18,600	323,000	3.83	39,800	8,000	5.16	1,300

Source: ABI Technical report 2023

The Cartwright zone was discovered during a channel sampling campaign to the East, where the results indicated the presence of gold. Follow-up drilling at Cartwright confirmed the presence of gold mineralization in the subsurface, in some cases starting at very shallow depths. Drilling was done in between the Cartwright zone and the Flordin resource, intersecting gold in multiple holes. The exploration thesis is that the gold mineralized trend continues along a structural trend over a 2 km strike connecting the Flordin resource area with the Cartwright zone.

Further channel sampling was conducted on the property this summer, between the Cartwright and Flordin deposits. The samples from this latest campaign again yielded encouraging gold values, further strengthening the thesis that gold mineralization does occur along a strike length of roughly 2 km. The firm may conduct further channel sampling campaigns and other surface-based exploration techniques to determine portions along the trend with higher gold mineralization.

Figure 3: Location of summer 2025 channel sampling sites



Source: ABI news release

The Flordin project continues to deliver promising exploration results, and the property definitely merits more drilling. \$5 million of the recent funding round will be used to drill around 15,000 m on the project starting from January 2026. The drill campaign will endeavour to demonstrate the continuation of mineralization along strike. Drilling along strike will likely be confined to the portion starting east of where the 2023 drilling campaign was carried out (see Figure 2), stretching all the way east past the Cartwright zone towards the property boundary. This drilling campaign aims to prove the occurrence of gold mineralization between the area drilled in 2023 and the Cartwright zone, as well as between the Cartwright zone and the property boundary. Proving that mineralization continues along the trend and that the trend extends into the neighbouring property owned by Agnico Eagle might spike the firm's interest in the Flordin project. With such a large drilling budget for 2026, investors can look forward to a significant amount of exploration-related news, including assay results, as Abcourt Mines demonstrates the continuation of mineralization along the trend.

Table 4: Results from the channel sampling campaign conducted in summer 2025

Channel	Stripping number	Results
25-01	25-01	1.4 g/t Au over 4.0m
25-02	25-01	0.5 g/t Au over 2.0m
25-04	25-01	0.8 g/t Au over 1.5m
25-01	25-02	0.3 g/t Au over 7.0m
25-02	25-02	9.5 g/t Au over 7.0m incl. 112.7 g/t Au over 0.5m

Source: ABI news release

It is worth reminding readers of the potential benefits of the Flordin property for Abcourt Mines. In December 2024, merger and acquisition activity in the region intensified when Agnico Eagle Mines acquired O3 Mining for approximately US\$204 million. O3 Mining's Marban deposit hosts an estimated 1.7 million ounces of gold in the Indicated category and an additional 32,000 ounces in the Inferred category. It remains to be seen how large Abcourt Mines can grow the Flordin–Cartwright deposit, but a significant resource in this area could attract potential buyers for the project. The deposit also represents a potential satellite source of feed for the Sleeping Giant Mill, located roughly 130 kilometres away by dirt road.



UPDATED COMPANY OWNERSHIP AND CAPITAL STRUCTURE

Figure 4: Company ownership by category

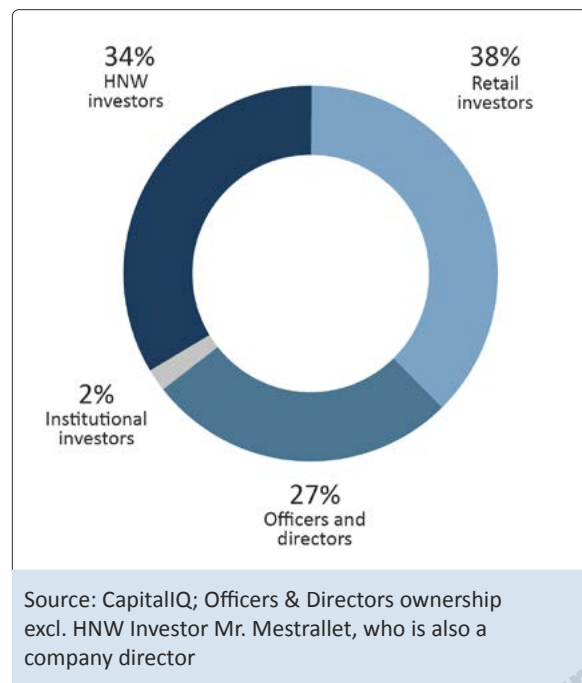


Table 5: Capital structure

Type	Number of shares
Shares outstanding	1,011,680,519
Warrants	600,379,379
Options	53,197,600
Total	1,665,257,498

Source: CapitalIQ & ABI corporate presentation and NRs

OWNERSHIP

Abcourt Mines maintains a strong 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 Abcourt Mines 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 currently has just over 1 billion shares outstanding, 600 million warrants and 53 million options. The average exercise price of the warrants is \$0.0686, with the earliest expiries in September 2026 and the longest-dated ones in July 2028. For warrants to be exercised, the share price would need to rise sufficiently above the exercise price

and remain at those elevated levels for warrant holders to exercise their warrants. If all warrants were to be exercised over the coming three years, that would lead to shareholder dilution but would also replenish Abcourt Mines' treasury with \$41.2 million in fresh capital. The exercise of all outstanding options would result in a modest dilution and \$3.0 million in additional estimated capital.

With the recent funding packages and the ongoing restart of the Sleeping Giant mine, Abcourt Mines may well have the means to turn its operations into a cash flow positive venture within the next 12 months. Once that milestone is reached, the firm will be in a position to fund investments for mining and exploration from its own cash flow. This will substantially reduce the reliance on equity capital markets and allow the firm to borrow at a lower cost of capital going forward. Once the mine is running profitably, the firm may elect to tighten its capital structure and/or start paying out dividends to shareholders.

Table 6: Option schedule

Number of options	Exercise price (\$)	Expiration date
5,140,800	0.09	Dec-25
856,800	0.09	Dec-26
2,000,000	0.1	Apr-27
1,000,000	0.05	Nov-27
13,200,000	0.05	Aug-28
1,500,000	0.05	Dec-28
2,966,667	0.05	Aug-29
1,500,000	0.05	Jan-30
1,500,000	0.05	
23,533,333	TBD	TBD
53,197,600		

Source: ABI financials, corporate presentation and NRs

Table 7: Warrant schedule

Number of warrants outstanding as at March 31, 2025	Exercise price (\$)	Expiration date
29,568,750	0.05	Sep-26
15,626,506	0.05	Oct-26
5,225,000	0.05	Nov-26
6,250,000	0.05	Dec-26
28,724,688	0.06	Mar-27
18,310,000	0.06	Apr-27
28,848,312	0.06	May-27
12,551,400	0.06	Jun-27
112,500,000	0.06	Jul-27
20,866,666	0.08	Oct-27
12,943,500	0.08	Dec-27
60,000,000	0.08	Mar-28
351,414,822		
25,884,000	0.08	2028-04-03
85,620,000	0.08	2028-05-05
21,120,000	0.08	2028-06-26
87,040,000	0.0625	2028-07-03
14,395,259	0.096	2028-07-03
14,905,298	0.093	2028-07-03
600,379,379		

Source: ABI financials, corporate presentation and NRs

WHAT'S NEXT FOR ABCOURT MINES

Fully funded to ramp up production at Sleeping Giant, the team at Abcourt Mines endeavours to reach nameplate production capacity of 30,000 oz of gold annually in the next 12 months. The firm is completing the necessary works below and above ground. In the underground mine, rigs are drilling for resource expansion to extend the mine life and optimize the near-term mine plan. Key infrastructure is being rehabilitated, and new stopes are being developed for ore extraction. Employee lodgings are being expanded, and processing and tailing facilities are ready to receive more material. Staff to run mining operations is being steadily increased, and the firm expects to run two production shifts a day starting in January. In the months ahead, we can expect news flow from Abcourt Mines regarding its ramp-up activities at the Sleeping Giant mine, as well as updates on the exploration progress at Flordin.

In line with our previous report, Abcourt Mines poured its first gold in late Q3-25, right on schedule. With enough cash in the bank to ramp up production at the Sleeping Giant mine, we expect the number of ounces produced each quarter to increase until nameplate production is achieved. Within one year, we expect the firm to generate in excess of US\$20 million in revenue every quarter.

Table 8: Projected production and revenue increase at the Sleeping Giant mine

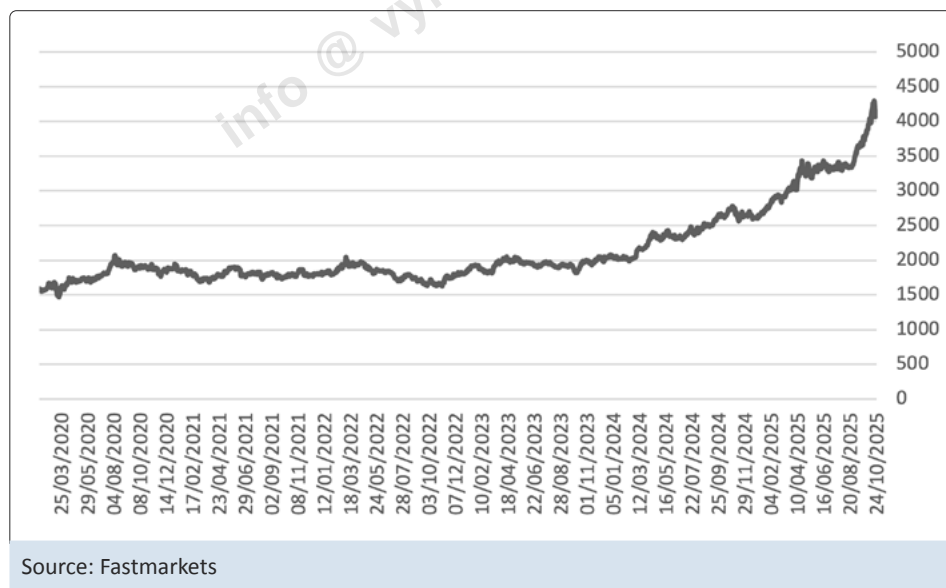
Item	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26	Q3-26	Q4-26
Tonnes milled [t]	3511	7500	12500	17500	22500	27500	30000	30000
Mill head grade [g/t]	5.88	5.88	5.88	6.5	7.0	7.5	8.1	8.1
Ounces milled [oz]	664	1418	2363	3657	5064	6631	7813	7813
Recovery [%]	94.90%	94.90%	94.90%	94.90%	94.90%	94.90%	94.90%	94.90%
Ounces produced [oz]	630	1346	2243	3471	4805	6293	7414	7414
Revenue potential [US\$ million]	2.52	5.38	8.97	13.88	19.22	25.17	29.66	29.66

Source: Couloir Capital; Q1.25 = quarter ended September 2025

VALUATION

When we published our initial report (November 16th, 2023), the price of gold was trading at US\$1980 and is currently being traded above US\$4,000. That is more than a 100% increase in the underlying commodity price, which is of course, a very positive tailwind for any gold project. The price outlook for gold remains intact, with central bank buying expected to continue, geopolitical turmoil remaining high, and the US dollar continuing to weaken. Gold companies with a single producing gold asset have high leverage to the gold price, which is reflected in the robust economics from our scenario analysis, as outlined below.

Figure 5: Gold price chart since January 2020



For the valuation of the Company, the same approach was used as in the previous reports, which was based on a cash flow model from the preliminary economic assessment to determine the net present value of the operation. In our scenario analysis, based on the PEA model, we simulate various scenarios by

adjusting key valuation metrics, including the discount rate, gold price, production rate, and operating costs. The valuations were adjusted for the new share count and the debt financing with Nebari Capital and Investissement Québec.

Table 9: Valuation scenarios

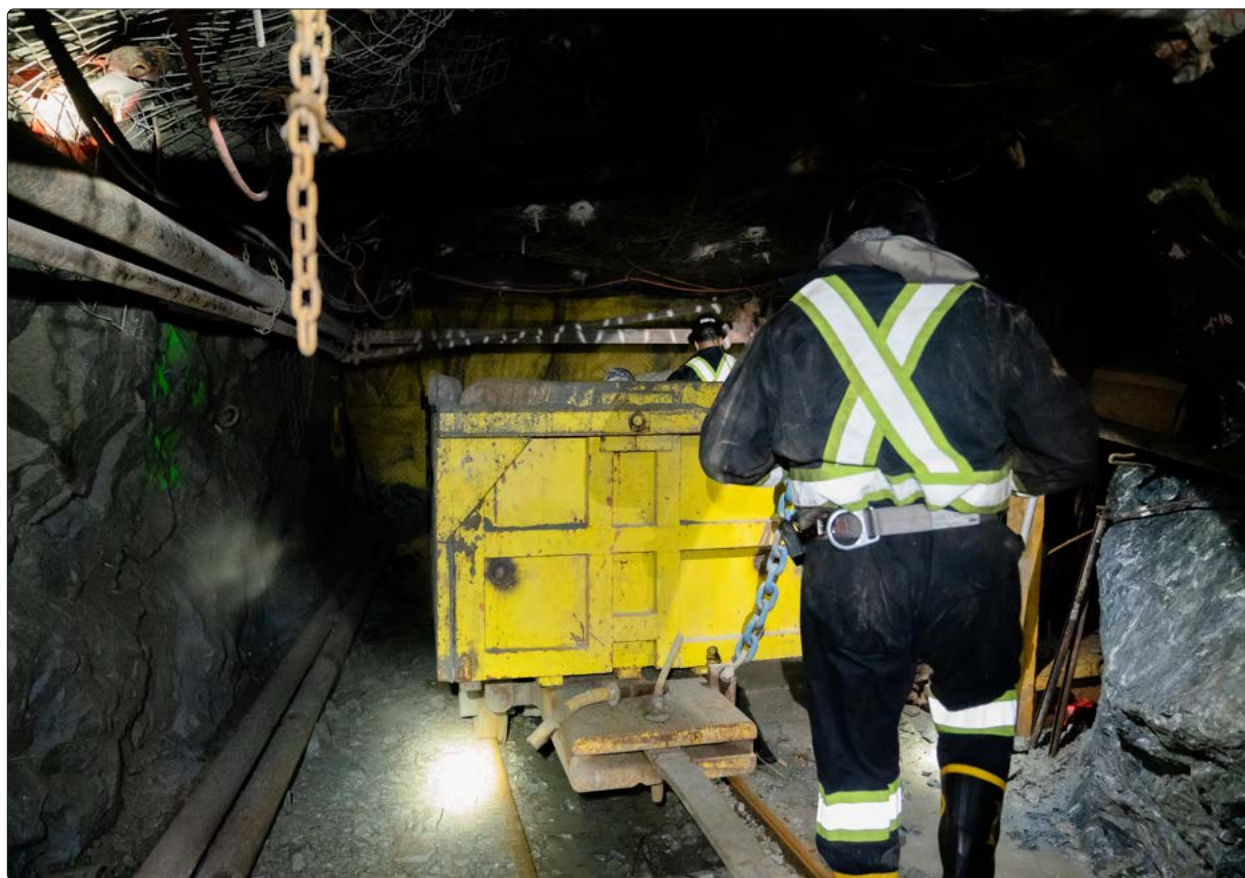
Au price [US\$/oz]	Discount rate [%]	Production rate [%]	Opearting costs [%]	Adj. NPV [\$M]	Imp. share price [\$]
3000	5	100	100	171.2	0.169
3500	5	100	100	214.9	0.212
4000	5	100	100	258.7	0.256
3000	7.5	100	100	158.2	0.156
3500	7.5	100	100	198.6	0.196
4000	7.5	100	100	239	0.236
3000	10	100	100	146.8	0.145
3500	10	100	100	184	0.182
4000	10	100	100	221.3	0.219
3000	5	0.8	100	118.6	0.117
3500	5	0.8	100	153.7	0.152
4000	5	0.8	100	188.7	0.187
3000	7.5	0.8	100	109.6	0.108
3500	7.5	0.8	100	142	0.140
4000	7.5	0.8	100	174.3	0.172
3000	10	0.8	100	101.5	0.100
3500	10	0.8	100	131.6	0.130
4000	10	0.8	100	161.5	0.160
3000	5	0.8	120	98.8	0.098
3500	5	0.8	120	133.6	0.132
4000	5	0.8	120	168.7	0.167
3000	7.5	0.8	120	91.1	0.090
3500	7.5	0.8	120	123.3	0.122
4000	7.5	0.8	120	155.7	0.154
3000	10	0.8	120	84.2	0.083
3500	10	0.8	120	114	0.113
4000	10	0.8	120	144.1	0.142

Source: Couloir Capital

The gold price scenarios used were US\$3,000/oz, US\$3,500/oz, and US\$4,000/oz. Discount rates varied between 5% and 10%. Production rates were adjusted downward to 80% and operating costs were adjusted upward to 120% of projections to test the robustness of Sleeping Giants' economics. Even in the most bearish scenario of a US\$3,000 gold price (representing more than a 25% price decline), a 10% discount

rate (high for a project that has already started producing gold), a 20% production shortfall, and a 20% operating cost overrun, a small upside remains for the stock. Using the same input factors as in the previous report for the discount rate (5%), operating costs, and production levels (according to the PEA), but adjusting the gold price upward to a conservative US\$3,500 (US\$2,900 in the previous report), the indicated value per share becomes \$0.212 implying an upside of 226% at a share price from \$0.065.

From the above table, it is evident that the Sleeping Giant project has robust economics, as the stock retains upside even when accounting for numerous potential adverse developments associated with the project, making it resilient. If the project progresses as planned and is further derisked, the upside compared to the selected scenario increases. Additionally, as the firm continues to drill underground to extend its resources, it will extend the mine's life, adding additional upside.



CONCLUSION

In September 2025, Abcourt Mines announced the first gold pour from ore mined and processed at the Sleeping Giant mine, marking a key milestone achievement. The firm produced the first 630 ounces of gold from its mine and, with the support of financing partners, has the means to increase gold production to a target of 30,000 ounces annually. Housing for additional staff is being installed, underground infrastructure is being refurbished, and stopes are being prepared for the extraction of ore. Furthermore, an additional drill rig was added underground (bringing the total to three) to drill for resource expansion, adding ounces to the existing mine plan and extending the planned life of mine. With gold trading at all-time highs, Abcourt Mines has timed the restart of the mine to perfection and stands to benefit from the supportive price environment. **We are maintaining a positive outlook for Abcourt Mines over the next 12 period with a BUY rating and an improved target price of \$0.21.** The company and its projects have several features that should be supportive of the share price:

- ◆ Major infrastructure items are all in place and operational. Additional stopes for ore extraction underground are being prepared, and additional housing is being installed to accommodate the growing workforce required on site to ramp up gold production. The firm is targeting an annual production of 30,000 ounces of gold within 12 months, which would generate in excess of US\$120 million in revenue at current prices.
- ◆ The outlook for gold, Abcourt Mines's core commodity, remains robust. Ongoing geopolitical tensions, central bank buying and economic uncertainty continue to drive prices to record highs, significantly exceeding the levels commonly applied in mineral resource estimates and feasibility studies.
- ◆ The team at Abcourt Mines secured the necessary funding to restart operations by partnering with Nebari Capital, received additional support from Investissement Québec, and raised \$10 million through a private placement. Having both a private capital provider and the local government with a vested interest in the firm's success benefits all shareholders.
- ◆ Exploration upside remains at Abcourt Mines's Flordin property. The project has an existing MRE in excess of 100koz of gold in the M&I, and exploration along a 2 km long corridor continues to demonstrate the presence of gold along strike. The property could become an M&A target in future and possibly become a satellite deposit to supply the Sleeping Giant mill. 15 km of planned drilling on the property in 2026 will provide plenty of news of exploration results, adding the potential for further upside in the stock.

RISKS

The following outlines some of the key risk considerations that investors should keep in mind when evaluating Abcourt Mines 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, grade of the produced material, production costs, and required capital expenditures to restart operations may differ from the PEA estimates and those used in this report. While these metrics may be lower or higher than expected, their impact on the economics of the project is considerable.
- ◆ **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 Abcourt Mines, 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, Abcourt Mines will be at the mercy of broader market fluctuations and will be affected by the Fed's tapering, changes to the outlook for rate hikes and inflation, and lingering concerns surrounding a potential downturn in economic activity.
- ◆ **Dilution of existing shareholders:** If non-dilutive funding options are not available, the company may need to issue additional shares to cover expenditures, which may result in some degree of dilution for existing shareholders. 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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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.

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