INITIATION OF COVERAGE

ABCOURT MINES INC. (TSXV: ABI)

Dave Storms, CFA
dave@stonegateinc.com
214-987-4121

Market Statistics in CAD	
Price	$ 0.08
52 week Range	$0.06 - $0.13
Daily Vol (3-mo. average)	443,078
Market Cap (M)	$ 89.5
Enterprise Value (M)	$ 111.5
Shares Outstanding: (M)	1,193.3
Float (M)	787.7
Public Ownership	61.1%
Institutional Ownership	4.9%

Financial Summary in CAD	
Cash (M)	$ 14.8
Cash/Share	$ 0.01
Debt (M)	$ 36.8
Equity (M)	$ (2.3)
Equity/Share	$ (0.00)

Valuation in CAD	
Valuation Range	$0.09 - $0.12
2027E Price Target	$ 0.11

FYE: Jun	2025	2026E	2027E
(all figures in M, expect per share information)			
Revenue	$ -	$ 19.4	$ 70.3
Net Income	$ (14.4)	$ (29.2)	$ (7.4)
EPS	$ (0.02)	$ (0.02)	$ (0.01)

Company Description

Abcourt Mines Inc. is a Quebec-based ramp-stage gold producer focused on restarting and expanding high-grade mining assets in one of Canada's most prolific districts. Abcourt is advancing a portfolio of past-producing and development-stage gold, silver, and zinc deposits centered on the Sleeping Giant mine and mill in the Abitibi region. Abcourt's lead assets include the Sleeping Giant mine and mill for the restart and ramp-up of high-grade gold production, the Discovery and Flordin deposits in development as future satellite sources of mill feed, and the Abcourt-Barvue project holding a silver-zinc resource. Each of these assets is positioned to leverage existing permitted processing infrastructure, where building new capacity would otherwise require significant capital and time.

Company Updates

Abcourt's Q4 operating update strengthens the Sleeping Giant ramp-up setup despite lower gold output, as higher underground development, rehabilitation, drilling, and mill throughput point to progress. The production decline was driven by lower-grade development ore, partially offset by higher throughput. We believe Q4 improved mine flexibility, increased development and rehabilitation are expanding available working faces as long-hole stoping begins, which should support feed-selection flexibility and a more consistent grade and production profile. Abcourt processed 11,891 tonnes versus 7,445 tonnes in Q3, while underground development increased to 554 m from 307 m and gallery rehabilitation reached 1,052 m versus 455 m. Separately, the proposed Glencore debenture upsize would improve liquidity while refinancing higher-cost Nebari debt if completed.

Q4 Operating Update: Gold production declined to 720 oz from 1,197 oz in Q3 despite higher throughput, reflecting average processed grade of 2.1 g/t versus 5.2 g/t and recovery of 90.6% versus 95.8%. Management characterized the lower grade as temporary, reflecting lower-grade development zones; we therefore view the production weakness as primarily transitional despite lower q/q recovery. June throughput reached 5,229 tonnes, the highest monthly level of FY26, while diamond drilling increased to 11,059 m from 7,153 m in Q3. FY26 production was 3,628 oz from 28,499 tonnes at 4.18 g/t and 94.6% recovery.

Funding and Liquidity: On August 6, Abcourt entered into a non-binding term sheet with Glencore to increase its senior secured debenture from US$30M to US$40M. The proposed second tranche rises to US$21.875M from US$11.875M and would be accelerated to approximately August 12 from December 2026 or January 2027. Proceeds are intended to repay the US$12M Nebari facility, fund Sleeping Giant and Flordin exploration and CapEx, and provide working capital. Replacing Nebari's SOFR +12% facility with Glencore financing at SOFR +2.5% should reduce the cash interest burden and extend the amortization profile. The additional capital should provide flexibility to advance the production ramp and resource-development programs concurrently rather than relying on mine cash flow to fund exploration. The transaction remains subject to completion and TSXV approval and includes 46.9M warrants exercisable at C$0.12.

Outlook: Q4 financial results are not included in the supplied materials; the latest reported March 31 balance sheet showed C$14.8M of cash and C$22.4M of working capital. Key operating markers are grade progression as long-hole stoping expands, growth in available working faces, and conversion of higher mill throughput into sustained ounce growth. We believe the current development cadence supports management's March 2026 objective to ramp toward 30,000 oz/year over the following 12 months. The Q4 operating release did not update the timing of commercial production, previously targeted for Q2 2026. Completion of the Glencore financing would provide additional runway to advance Sleeping Giant and Flordin exploration activity.

Valuation: When valuing ABI we apply a EV/NAV range of 0.70x to 0.85x which results in a valuation of CAD$0.10 to CAD$0.13 with a midpoint of CAD$0.11. When using an EV/In-Situ valuation method we apply a multiple range of 8.0x to 10.0x which results in a valuation of CAD$0.08 to CAD$0.11 with a midpoint of CAD$0.10. When we combine these valuation ranges using a simple average it results in a valuation range of CAD$0.09 to CAD$0.12 with a price target of CAD$0.11. For more information, please see the valuation page.

Business Overview

Abcourt Mines Inc. ("Abcourt" or the "Company") is a Quebec ramp-stage gold producer restarting its flagship the Sleeping Giant mine and mill, with a secondary portfolio of gold, silver, zinc, and copper assets across the Abitibi region. The Company is headquartered in Rouyn-Noranda and listed on the TSX Venture Exchange (TSXV: ABI). Its holdings include the Sleeping Giant mine and mill, the Discovery and Flordin gold deposits, the past-producing Elder mine, and a base-metals group of Abcourt-Barvue, Vendôme, and Aldermac plus earlier-stage ground at Pershing-Manitou, Cameron Shear, and Jonpol.

The Company operates in Quebec, one of the world's most attractive mining jurisdictions due to its established regulatory framework, supportive infrastructure, and comparatively fast timeline to permitting. These advantages allowed the Sleeping Giant to yield roughly 1.1Moz of gold between 1987 and 2014, leaving behind a permitted mill, an existing shaft, tailings capacity, accommodations, and road access. This infrastructure materially reduced the capital required to restart the operation following the exhaustion of the Elder mine in 2021. The mine poured first gold in September 2025 and generated its first quarterly profit in 2Q26 from mining operations. Management expects output to continue increasing as throughput rises, with the existing mill providing a pathway to higher production levels with limited incremental capital requirements.

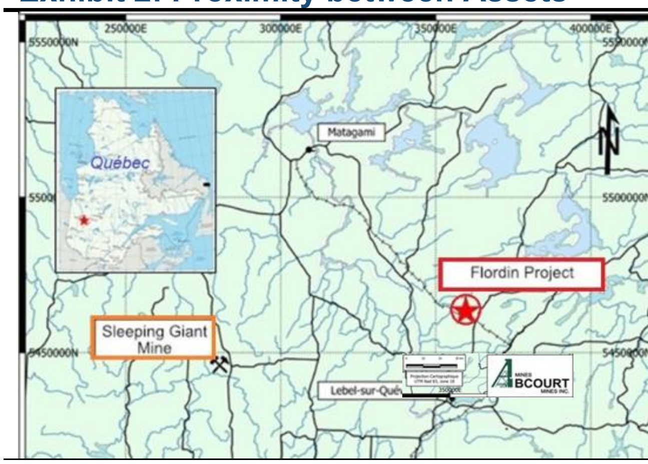
Exhibit 1: The Sleeping Giant Mill

Source: Mining.com

The mill carries strategic value beyond Sleeping Giant itself. Owning a permitted processing facility that operates below capacity creates two distinct opportunities. Internally, the most credible candidates for mill feedstock are the Discovery and Flordin deposits, both within trucking distance (~25-30km) of Lebel-sur-Quévillon and supported by defined NI 43-101 resources. Should either prove economic, the existing mill provides a low-capital pathway to production that a standalone project could not match. Externally, ore from deposits outside the Company's own claims could be processed through the mill on a toll basis. A permitted processing plant is among the most expensive and time-consuming pieces of mining infrastructure to develop, often requiring years of permitting and tens of millions of dollars in capital, making access to existing capacity far more attractive than constructing a new facility.

Beyond gold, Abcourt holds base-metals assets that add further optionality, led by Abcourt-Barvue, a past-producing silver and zinc deposit. Its last resource estimate, completed in 2014, was based on a silver price of around $16.50/oz, far below today's levels. With drilling now underway with, below discussed, support from Glencore's, these assets have become more relevant to the investment case, though they remain earlier-stage and unproven relative to the producing gold business. Two smaller properties, Vendôme and Aldermac, round out the group.

Exhibit 2: Proximity between Assets



Source: Company Reports

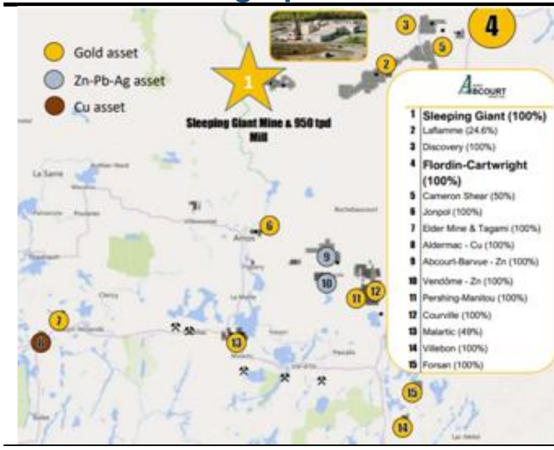
The closure of Elder resulted in Abcourt relying on external financing to fund the Sleeping Giant restart. The Company first drew on higher-cost debt, including a US$12M facility from Nebari, alongside a series of equity raises. It then secured a US$30M senior secured debenture from Glencore in early 2026, and on August 6, 2026 entered into a non-binding term sheet to increase the facility to US$40M. Under the proposed transaction, the second tranche would increase from US$11.875M to US$21.875M and be accelerated from December 2026 or January 2027 to approximately August 12, 2026. The proceeds are intended to retire the US$12M Nebari facility and provide additional capital for exploration, CapEx, and working capital. If completed, the transaction would further consolidate the Company's borrowings into a longer-term, lower-cost instrument and improve funding visibility through 2031.

Asset Overview

Abcourt's properties cluster in one of the richest corridors, a district that has produced gold for more than a century and remains among the most prospective in Canada. What distinguishes the portfolio is its diversity. The properties differ in geology, grade, and stage of development, spreading risk across multiple mineralized systems rather than concentrating it in a single project.

Two characteristics tie the portfolio together. The first is metallurgy, with each property demonstrating strong recoveries through conventional processing methods, reducing much of the technical uncertainty that can hinder development. The second is geography. The deposits sit within trucking distance of a single permitted mill, allowing future production to be centralized through existing infrastructure rather than requiring separate processing facilities. Together, these characteristics create a portfolio that is diversified at the asset level but unified by a common path to development.

Exhibit 3: Geographic Distribution



Source: Company Reports

VMS Exposure and Exploration Optionality

Abcourt owns a volcanogenic massive sulphide (VMS) deposit in Abcourt-Barvue, a different type than gold in quartz mine of orebody from its gold assets. A VMS deposit forms when metal-rich volcanic fluids vent onto the ancient seafloor and settle into broad layers of base-metal mineralization, valued chiefly for zinc and silver. As a past producer with a 2014 resource of 8.08 Mt Measured and Indicated and 2.04 Mt Inferred, Barvue gives Abcourt diversification into silver and zinc alongside its gold assets, and its relevance today turns largely on commodity prices.

The VMS angle extends beyond Barvue itself because the same volcanic setting runs across parts of Abcourt's broader land package, and the Company intends to test for VMS-style mineralization at Sleeping Giant and Flordin. Positive results would mean these properties host not only their known gold systems but also a second base-metal system, materially expanding their long-term potential. That possibility is reflected in the name of the flagship asset, with "the Sleeping Giant" referring to the view that the mineralized system extends beyond what has been defined to date.

Sleeping Giant Mine Complex

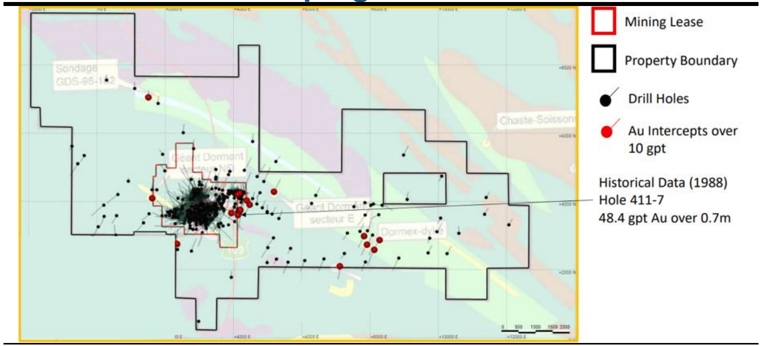
While the broader portfolio provides long-term optionality, virtually all of Abcourt's near-term value creation depends on the successful ramp-up of Sleeping Giant. The mine is the Company's only producing asset and the principal driver of the investment case. Located 80 km north of Amos, it produced more than 1.07 Moz of gold between 1987 and 2014 before being placed on care and maintenance. The December 2022 resource contains 173,300 oz Indicated at 7.14 g/t and 248,300 oz Inferred at 8.74 g/t, reflecting a deposit that remains high grade. Mineralization occurs in narrow vein systems that have historically supported selective underground mining, while drilling continues to return high-grade intercepts outside the current resource, suggesting potential for further expansion.

A key advantage is that Abcourt acquired the mine and mill after the previous operator entered receivership, purchasing the property in June 2016 for roughly $2.5 M. The transaction secured a fully built mill, two shafts, and extensive surface and underground infrastructure for a fraction of replacement cost, providing a low-cost foundation for the restart. As a result, the project benefits from extensive existing infrastructure and limited metallurgical risk, with historical processing of more than 2.87 Mt achieving gold recoveries above 96.7%.

Exhibit 4: The Main Priority

Source: Company Reports

Exhibit 5: The Sleeping Giant Potential



Source: Company Reports

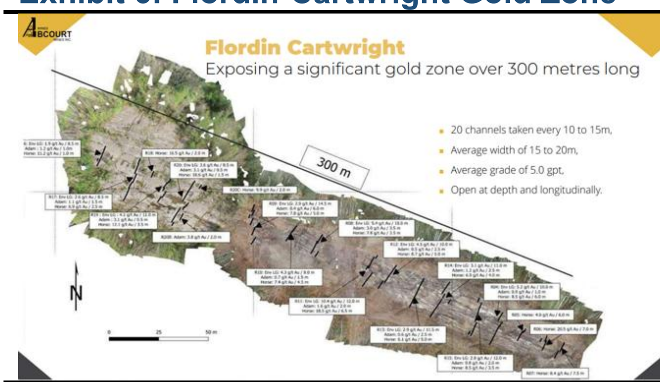
These advantages formed the basis of the 2023 PEA, which outlined a 5.8-year operation producing 181,300 oz of gold at an average rate of 30,100 oz per year and an all-in sustaining cost of $1,120/oz. Using a gold price of $1,800/oz, the study estimated an after-tax NPV5% of US$40.3 M and an IRR of 33.3%, figures that are materially below the assumptions implied by today's gold market.

Production resumed in 2025, and quarterly output has increased as the mine progresses through its ramp-up phase. Reaching the targeted production rate is important not only for increasing output but also for lowering unit costs and demonstrating that the operation can generate sustainable cash flow. At the same time, the current mine plan leaves considerable room for resource growth. Much of the inventory remains in the Inferred category, and ongoing drilling is aimed at both resource conversion and expansion, with management targeting a mine life closer to ten years.

Flordin-Cartwright Deposit

Flordin, located ~40 km north of Lebel-sur-Quévillon, is the most advanced of Abcourt's satellite deposits and the first meaningful test of its central-mill strategy. Acquired as part of the Aurbec asset package, the property hosts a May 2023 resource estimate of 134,700 oz Measured and Indicated and 59,700 oz Inferred, providing a defined resource base within trucking distance of the Sleeping Giant mill. While historical exploration was concentrated primarily on the northern portion of the property, the discovery of older workings and infrastructure in the south suggests that mineralization may extend beyond the areas that have been the focus of previous development. This perceived expansion potential is the rationale behind the ongoing 20,000 m drill program, with drill core samples analyzed using the Photon Assay™ method at the MSALABS facility in Val-d'Or, where crushed samples are subjected to gamma-ray analysis to determine gold content. Management hopes the program will further expand the resource base.

Exhibit 6: Flordin-Cartwright Gold Zone



Source: Company Reports

The strategic significance of Flordin lies less in its standalone scale and more in its potential to provide future mill feed. If economic resources can be expanded, ore could be processed through existing infrastructure at Sleeping Giant, increasing mill utilization without requiring a new processing facility. Glencore's financing and offtake rights over the Flordin-Cartwright area further increase the project's strategic importance and could help accelerate development if exploration results are favorable. The proposed US$10M increase to the Glencore debenture would also provide additional funding for exploration and capital expenditures at both Flordin and Sleeping Giant, further supporting development activity if the transaction is completed. Metallurgical test work has also been encouraging, with historical bulk-sample recoveries of 91.7%.

Discovery Deposit

Discovery, located ~30km north of Lebel-sur-Quévillon and within trucking distance of the Sleeping Giant mill, is the largest of Abcourt's satellite deposits by contained gold. The 2023 resource estimate contains 177,700oz Measured and Indicated and 303,700oz Inferred, with most ounces hosted in a higher-grade underground system at roughly 5g/t. The large Inferred component provides a clear view for resource conversion and growth through future drilling, while the estimate's use of a $1,650/oz gold price suggests economics that may be conservative relative to current market conditions.

Abcourt owns Discovery outright and benefits from favorable metallurgy, with historical testwork demonstrating strong recoveries through conventional processing. The deposit also enjoys several infrastructure advantages, including road access, nearby power, and proximity to the Sleeping Giant mill, reducing future development requirements.

Discovery remains a medium-term opportunity rather than an immediate catalyst. While the technical path forward is well defined, including additional drilling and a prefeasibility study, little work has been completed in recent years. Its size, grade, ownership structure, and location make it one of the most logical future feed sources for the mill.

Other Assets

Beyond its core gold assets and Barvue, Abcourt holds a portfolio of earlier-stage and historical projects that provide long-term optionality rather than near-term catalysts. These include the past-producing Elder mine, the Pershing-Manitou/Courville claims acquired through the Pershimex amalgamation, and a collection of gold and base-metals assets including Vendôme, Aldermac, Cameron Shear, Laflamme, and Dormex. While none is currently central to the investment case, they preserve exploration upside and expand the Company's footprint around the Sleeping Giant complex and the broader Abitibi district.

Funding and Liquidity

Abcourt's financial statements carry a going-concern qualification, reflecting material uncertainty over its ability to continue as a going concern. The note rests on the fact that the Company has not yet demonstrated sustained operating profitability, has not confirmed economically exploitable reserves, and remains dependent on future financing as the Sleeping Giant ramp-up continues. This is a substantive qualification, though a common one for a single-asset operation that has not yet reached commercial production. Recent financings have improved the balance sheet, and the proposed US$10M increase to the Glencore debenture would further strengthen near-term liquidity if completed, but the operation remains cash-consuming and has yet to generate sustained positive cash flow.

Two factors help bridge the gap between today's cash burn and a self-funding operation. The first is the proposed increase in the second tranche of the Glencore facility from US$11.875M to US$21.875M, with the expected disbursement accelerated from December 2026 or January 2027 to approximately August 12, 2026. Abcourt intends to use the proceeds to repay the US$12M Nebari facility, fund exploration and capital expenditures at Sleeping Giant and Flordin, and provide additional working capital. If completed, the transaction would convert the shorter-term Nebari obligation into longer-term Glencore financing while providing additional capital to carry the ramp toward steady-state production. No other material changes are proposed to the original senior secured debenture.

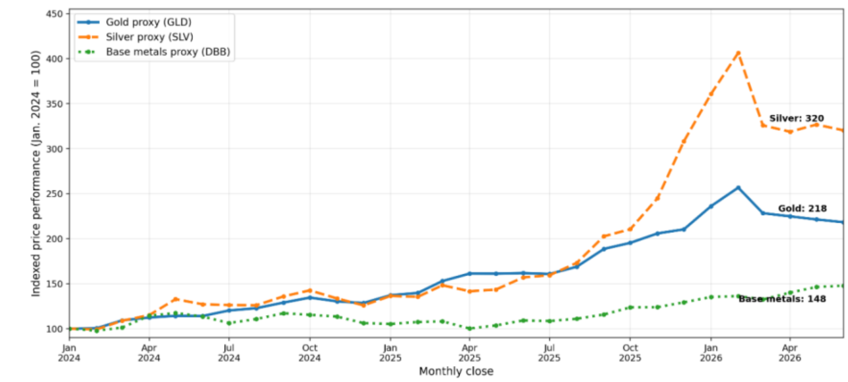
The importance of that timing is that the economics change materially once the mine reaches steady state. The restart was originally justified at gold prices far below those prevailing today, so the margin available at target throughput is substantially larger than the one on which the project was sanctioned.

If production reaches planned levels and unit costs normalize, we expect that the operation should be capable of funding both its debt obligations and ongoing capital requirements from internal cash generation. The investment case therefore rests on a simple sequence of events with both mine restarting and/or stable gold prices providing a significant catalyst.

Market Overview

Abcourt's prospects are inseparable from the metals it produces, and the backdrop in mid-2026 is unusually favorable. Gold trades near USD$4,500/oz as of June 4, 2026, having set a record of USD$5,602/oz on January 28, 2026. This frames a key aspect of the investment case, as the mine is entering production in a different gold-price environment than the one assumed when the restart was first contemplated.

Exhibit 7: Mineral Prices



Source: CapIQ

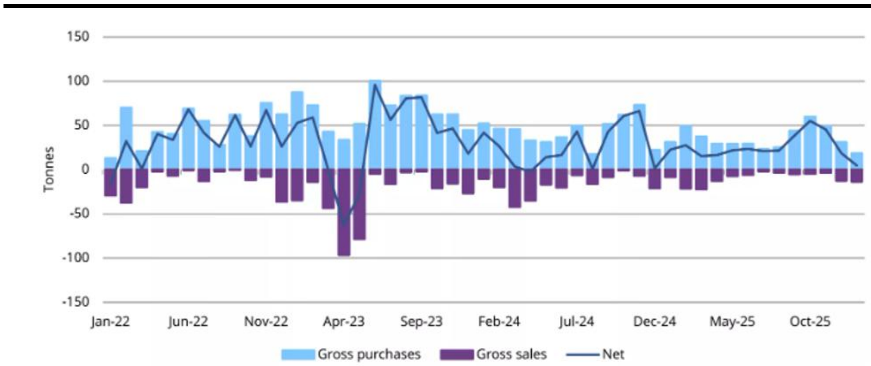
The forces behind the move are structural rather than speculative. The near-term direction of gold depends on which of two opposing forces dominates. A stronger US dollar and higher real interest rates would weigh on prices by increasing the opportunity cost of holding a non-yielding asset, while geopolitical tensions and persistent inflationary pressures would support gold by eroding real returns elsewhere. The balance between the two depends largely on the path of inflation, monetary policy, and risk sentiment.

Beneath these cyclical forces sits a more structural source of demand. Central banks purchased 863 tonnes of gold in 2025 and have continued to add to reserves despite higher prices, suggesting demand remains driven by diversification objectives rather than short-term price movements. While this does not eliminate downside risk, it provides an important support beneath the more volatile investor flows that tend to drive shorter-term price swings. For a single-asset producer with high leverage to the gold price, that balance is the dominant external variable.

Silver carries the same macro tailwind with an industrial dimension layered on top. The metal trades near $68/oz, up ~85% year-on-year, a move that bears directly on the Abcourt-Barvue asset, whose last formal resource was costed at silver prices a fraction of today's. Where gold is almost purely a monetary metal, silver's price also reflects fabrication and industrial demand, which has compressed the gold-silver ratio from 95 a year ago towards 63 and given the metal a firmer floor than its volatility history would imply. The price changes make a dormant silver-zinc deposit worth drilling.

Zinc, the other half of the Barvue equation, sits in a more pedestrian market. The LME cash price held near $1.30 per pound through 2025, and global refined production modestly exceeds consumption, leaving a small surplus of roughly 85,000 tonnes on forecasts from the International Lead and Zinc Study Group. Zinc lacks the monetary bid that has driven gold and silver, so it offers neither the same upside nor the same urgency. Its role in the investment case is as a co-product that improves Barvue's blended economics rather than as a price story in its own right.

Exhibit 8: Monthly Reported Central Bank Gold Transactions



*Data to 30 January 2026, where available

Source: IMF, Respective Central Banks, World Gold Council

Risk

As with any company transitioning back into production, Abcourt faces a range of operational, financial, commodity-price, and regulatory risks. While the restart of Sleeping Giant offers significant leverage to higher gold prices and operational execution, several factors could affect the timing, economics, and ultimate value of the investment case. The most important risks are outlined below:

- **Going Concern and Liquidity Risk:** Abcourt remains in a transitional phase between restart and steady-state production. The Company has accumulated deficits, limited equity, and has relied on debt and equity financing rather than operating cash flow to fund the Sleeping Giant restart. Although production has resumed, the operation has not yet demonstrated sustained cash generation at target throughput. As a result, liquidity remains dependent on successful ramp-up execution, favorable gold prices, and continued access to capital. Any combination of operational underperformance, lower gold prices, or constrained financing markets could place additional pressure on the Company's financial position.

- **Commodity Price Risk:** Abcourt's valuation is highly sensitive to the gold price, as Sleeping Giant is both the Company's primary asset and its sole source of production. While current market conditions remain supportive, a sustained decline in gold prices would reduce margins, cash flow, and the economic attractiveness of future growth opportunities. As a single-asset producer with a largely fixed cost base, Abcourt has limited ability to offset weaker commodity prices, making the investment case closely tied to the strength of the gold market.

- **Execution and Ramp-Up Risk:** The investment case is heavily dependent on the successful ramp-up of Sleeping Giant, which remains below its targeted production rate and has not yet demonstrated sustained commercial-scale performance. While production has resumed and initial results have been encouraging, actual grades, recoveries, costs, and throughput may differ from expectations. Any operational, technical, workforce, or permitting challenges could delay the path to consistent profitability and weaken the economics underpinning the restart.

- **Financing and Dilution Risk:** Abcourt has historically relied on external financing to fund its operations and growth, resulting in significant shareholder dilution over time. While the Glencore debenture has improved funding visibility and reduced near-term financing pressure, it introduces obligations in the form of senior debt, long-term offtake commitments, and exposure to USD-denominated liabilities. If the production ramp falls short of expectations or additional capital is required, the Company may need to raise further equity, which could result in additional dilution for existing shareholders.

- **Exploration and Resource Risk:** A meaningful portion of the Company's longer-term value depends on converting resources, extending mine life, and advancing satellite deposits toward production. While Discovery and Flordin provide identifiable growth opportunities, there is no certainty that additional drilling will expand resources, convert Inferred ounces into higher-confidence categories, or demonstrate economic mineability. If exploration results fail to meet expectations, the Company's ability to extend production beyond the current mine plan or fully utilize existing infrastructure could be materially reduced.

Valuation

We use a EV/NAV and EV/In-Situ comp analysis to guide our valuation of ABI. While the Company is currently pouring gold we would like to have a few more quarters of revenue generation before layering in a DCF analysis. When we combine our current valuation methods using a simple average it results in a valuation range of CAD$0.09 to CAD$0.12 with a price target of CAD$0.11.

Currently comps are trading at a EV/NAV of 0.32x at the average compared to 0.55x for ABI. The Company is also trading at an EV/In-Situ multiple of 7.2x, compared to comps at an average of 7.0x. Given the macro tailwinds, potential scale of Sleeping Giant and Flordin, attractive location of the Company's mill, and potential for further growth following the exploration of ABI's numerous additional locations we believe this premium to comps is well earned and could be slightly expanded.

Comparative Analysis
(all figures in $USD M, except per share information)

Name	Ticker	Price (1)	S/O	Mrkt Cap	EV	NAV (2)	In-Situ Value (2)	EV/NAV	EV/In-Situ
Cartier Resources Inc.	TSXV:ECR	$ 0.20	446.2	$ 91.3	$ 87.0	$ 290.3	$ 27.1	0.30x	3.2x
Sirios Resources Inc.	TSXV:SOI	$ 0.13	671.8	$ 84.5	$ 64.5	$ -	$ 13.1	N/A	4.9x
Bonterra Resources Inc.	TSXV:BTR	$ 0.10	212.7	$ 20.6	$ 19.9	$ 103.8	$ 7.9	0.19x	2.5x
Granada Gold Mine Inc.	TSXV:GGM	$ 0.03	227.3	$ 6.5	$ 7.6	$ 17.9	$ 7.7	0.42x	1.0x
Radisson Mining Resources Inc.	TSXV:RDS	$ 0.68	434.0	$ 308.9	$ 288.9	$ 388.5	$ 9.9	0.74x	29.3x
Wallbridge Mining Company Limited	TSX:WM	$ 0.06	1,222.6	$ 118.4	$ 100.1	$ 493.3	$ 23.4	0.20x	4.3x
Falco Resources Ltd.	TSXV:FPC	$ 0.37	349.9	$ 129.7	$ 151.0	$ 2,386.5	$ 38.6	0.06x	3.9x
							Average	**0.32x**	**7.0x**
							Median	**0.25x**	**3.9x**
Abcourt Mines Inc.	**TSXV: ABI**	**$ 0.05**	**1,193.3**	**$ 64.3**	**$ 80.1**	**$ 145.3**	**11.07**	**0.55x**	**7.2x**

(1) Previous day's closing price
(2) Estimates are from Capital IQ
All Values in USD at an exchange rate of $1.39 CAD/USD
Source: Company reports, CapitalIQ, Stonegate Capital Partners

When valuing ABI we apply a EV/NAV range of 0.70x to 0.85x which results in a valuation of USD$0.07 to USD$0.09 with a midpoint of USD$0.08. When using an EV/In-Situ valuation method we apply a multiple range of 8.0x to 10.0x which results in a valuation of USD$0.06 to USD$0.08 with a midpoint of USD$0.07. When we combine these valuation ranges using a simple average it results in a valuation range of USD$0.07 to USD$0.08 with a price target of USD$0.08. This is equal to a valuation range of CAD$0.09 to CAD$0.12 with a price target of CAD$0.11. We view this current price target as near term, noting that the Company has numerous catalysts on the horizon which would require a significant upward rerating if/when they come to bear.

We note that when we use the assumptions from the Sleeping Giant PEA with the current gold price it returns a valuation range of USD$0.08 to USD$0.12, even when using a conservative 10% to 15% discount rate range and a $0 terminal value. This is equal to a valuation range of CAD$0.11 to CAD$0.17. We illustrate this to show that ABI is undervalued at current price even through the very narrow lens of one of its properties using conservative estimates.

EV/NAV			
	0.70x	**0.78x**	**0.85x**
NAV	145.3	145.3	145.3
TEV	101.7	112.6	123.5
Cash	10.6	10.6	10.6
Debt	26.4	26.4	26.4
Mrkt Cap	85.9	96.8	107.7
S/O	1,193.3	1,193.3	1,193.3
Price ($USD)	**$ 0.07**	**$ 0.08**	**$ 0.09**
Price ($CAD)	**$ 0.10**	**$ 0.11**	**$ 0.13**

EV/In-Situ			
	8.00x	**9.00x**	**10.00x**
In-Situ	11.1	11.1	11.1
TEV	88.5	99.6	110.7
Cash	10.6	10.6	10.6
Debt	26.4	26.4	26.4
Mrkt Cap	72.8	83.8	94.9
S/O	1,193.3	1,193.3	1,193.3
Price ($USD)	**$ 0.06**	**$ 0.07**	**$ 0.08**
Price ($CAD)	**$ 0.08**	**$ 0.10**	**$ 0.11**

BALANCE SHEET

Abcourt Mines Inc.
Consolidated Balance Sheets (CAD$ M)
Fiscal Year End: June

ASSETS	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Sep-24	Q2 Dec-24	Q3 Mar-25	Q4 Jun-25	FY 2025	Q1 Sep-25	Q2 Dec-25	Q3 Mar-26
Cash	2.5	0.7	1.0	0.8	0.8	1.7	0.9	2.6	2.6	0.6	2.0	14.8
Investments	-	-	-	-	-	1.3	-	-	-	-	-	-
Receivables	0.7	0.3	1.1	0.3	0.4	0.4	0.5	0.4	0.4	1.2	1.3	2.5
Inventory	3.7	2.3	0.5	1.2	1.0	1.0	1.1	0.7	0.7	1.6	6.1	6.3
Refundable tax credit resources and refundabl	-	-	0.3	0.5	0.5	1.8	1.8	2.9	2.9	4.0	4.3	5.4
Prepaid expenses	0.1	0.0	0.1	0.4	0.1	0.3	0.5	4.2	4.2	3.2	2.6	4.2
Other assets	-	-	-	-	1.9	-	-	-	-	-	-	-
Total Current Assets	**6.9**	**3.4**	**2.8**	**3.1**	**4.8**	**6.5**	**4.9**	**10.8**	**10.8**	**10.6**	**16.3**	**33.2**
Deposits	-	-	-	0.2	0.2	0.2	0.2	0.2	0.2	0.7	0.4	0.2
Deposits for restoration	5.9	5.9	5.9	2.0	2.0	2.0	2.0	2.0	2.0	5.6	5.6	6.5
Property, plant, and equipment	25.3	13.6	8.7	8.7	9.4	9.4	9.4	8.4	8.4	14.9	16.7	18.0
Other assets	11.6	1.1	-	-	-	-	-	-	-	-	-	-
Total Assets	**49.7**	**23.9**	**17.4**	**14.1**	**16.4**	**18.1**	**16.5**	**21.4**	**21.4**	**31.8**	**38.9**	**57.8**
LIABILITIES AND SHAREHOLDERS' EQUITY												
Accounts payable and accrued liabilities	5.2	6.6	5.6	6.4	5.6	4.3	6.4	7.5	7.5	8.9	5.7	8.0
Current portion of lease obligation	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
Current portion of long-term debt	1.9	1.9	1.5	1.1	1.0	0.9	0.4	-	-	-	1.0	1.7
Other liabilities	0.2	0.2	0.2	0.6	0.5	1.5	0.2	0.3	0.3	0.3	0.9	0.8
Total Current Liabilities	**7.3**	**8.6**	**7.3**	**8.1**	**7.1**	**6.7**	**7.0**	**7.8**	**7.8**	**9.3**	**7.9**	**10.8**
Lease obligation	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1
Long-term debt	-	0.6	0.3	0.2	0.1	0.0	-	-	-	16.0	16.1	34.0
Warrants	-	-	-	-	-	-	-	2.3	2.3	12.0	-	3.1
Provisions for restoration of mining sites	6.2	6.2	11.6	12.1	12.7	12.8	12.9	11.9	11.9	-	12.1	12.2
Other Liabilities	1.5	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	**15.1**	**15.4**	**19.3**	**20.3**	**20.0**	**19.6**	**19.9**	**22.0**	**22.0**	**37.3**	**36.3**	**60.2**
Share capital	44.9	46.2	52.5	57.6	60.8	65.3	68.2	73.8	73.8	74.0	81.8	85.1
Warrants	-	0.3	0.6	2.6	3.9	4.4	5.1	6.2	6.2	8.1	10.2	10.2
Equity component of convertible debenture	-	-	-	-	-	-	-	0.6	0.6	0.6	0.6	-
Contributed surplus	7.1	7.2	7.4	7.7	7.7	7.8	7.9	8.3	8.3	8.9	9.0	9.0
Deficit	(17.3)	(45.2)	(62.3)	(74.1)	(76.0)	(79.1)	(84.6)	(89.5)	(89.5)	(97.0)	(98.9)	(106.6)
Total Consolidated Equity	**34.7**	**8.5**	**(1.9)**	**(6.3)**	**(3.6)**	**(1.5)**	**(3.4)**	**(0.6)**	**(0.6)**	**(5.5)**	**2.6**	**(2.3)**
Total Liabilities and Shareholders' Equity	**49.7**	**23.9**	**17.4**	**14.1**	**16.4**	**18.1**	**16.5**	**21.4**	**21.4**	**31.8**	**38.9**	**57.8**

Liquidity												
Current Ratio	0.9x	0.4x	0.4x	0.4x	0.7x	1.0x	0.7x	1.4x	1.4x	1.1x	2.1x	3.1x
Quick Ratio	0.4x	0.1x	0.3x	0.2x	0.5x	0.8x	0.5x	1.3x	1.3x	1.0x	1.3x	2.5x
Working Capital	(0.4)	(5.2)	(4.5)	(4.9)	(2.4)	(0.3)	(2.2)	3.0	3.0	1.3	8.3	22.4

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Abcourt Mines Inc.
Consolidated Statements of Income (in CAD$ M, except per share amounts)
Fiscal Year End: June

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Q1 Sep-25	Q2 Dec-25	Q3 Mar-26	Q4 E Jun-26	FY 2026	Q1 E Sep-26	Q2 E Dec-26	Q3 E Mar-27	Q4 E Jun-27	FY 2027E
Revenue	$ 27.6	$ 20.4	$ 7.0	$ 0.3	$ -	$ -	$ 4.9	$ 7.9	$ 3.7	$ 16.4	$ 8.7	$ 15.6	$ 20.0	$ 22.1	$ 66.4
Tax credit resources	-	-	-	-	-	-	0.9	1.0	1.0	2.9	1.0	0.9	1.0	1.0	3.9
Total Revenues	**27.6**	**20.4**	**7.0**	**0.3**	**-**	**-**	**5.8**	**8.9**	**4.7**	**19.4**	**9.7**	**16.5**	**21.1**	**23.1**	**70.3**
Operating Expenses:															
Cost of sales	24.2	22.8	4.2	-	-	5.0	5.3	12.8	14.9	38.0	14.4	15.3	17.9	18.9	66.5
Gross Profit	**3.4**	**(2.4)**	**2.8**	**0.3**	**-**	**(5.0)**	**0.5**	**(3.9)**	**(10.2)**	**(18.6)**	**(4.7)**	**1.1**	**3.1**	**4.2**	**3.8**
Administration expenses	1.2	16.0	2.1	3.8	3.7	1.4	0.8	1.5	1.5	5.1	1.5	1.5	1.5	1.5	6.0
Care and maintenance	-	-	4.0	2.7	3.4	0.0	0.2	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.3
Exploration and evaluation	-	3.1	1.6	4.7	8.3	0.3	0.1	1.2	0.5	2.0	0.3	0.1	0.1	0.1	0.6
Gain on disposal of property and assets	-	-	-	-	-	(0.4)	-	-	-	(0.4)	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	1.2	19.1	7.8	11.1	15.3	1.3	1.1	2.7	2.1	7.2	1.8	1.7	1.7	1.7	6.9
Operating Income	**2.3**	**(21.5)**	**(5.0)**	**(10.9)**	**(15.3)**	**(6.3)**	**(0.6)**	**(6.6)**	**(12.3)**	**(26)**	**(6.5)**	**(0.5)**	**1.5**	**2.6**	**(3.0)**
Finance income	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
Change in fair value of warrants	-	-	-	-	-	-	-	(0.6)	-	(0.6)	-	-	-	-	-
Exchange loss	-	-	-	-	-	0.3	(0.2)	0.6	-	0.6	-	-	-	-	-
Profit Before Taxes	**2.2**	**(21.6)**	**(5.3)**	**(11.4)**	**(16.0)**	**(7.5)**	**(1.6)**	**(7.9)**	**(13.5)**	**(30.5)**	**(7.7)**	**(1.7)**	**0.3**	**1.4**	**(7.8)**
Deferred income and mining taxes	(0.2)	0.1	0.1	0.2	(1.6)	-	(0.5)	(0.2)	(0.7)	(1.3)	(0.4)	(0.1)	0.0	0.1	(0.4)
Net Income	**2.4**	**(21.6)**	**(5.3)**	**(11.6)**	**(14.4)**	**(7.5)**	**(1.1)**	**(7.7)**	**(12.8)**	**(29.2)**	**(7.3)**	**(1.7)**	**0.2**	**1.3**	**(7.4)**
Basic EPS	**$ 0.01**	**$ (0.07)**	**$ (0.01)**	**$ (0.02)**	**$ (0.02)**	**$ (0.01)**	**$ (0.00)**	**$ (0.01)**	**$ (0.01)**	**$ (0.02)**	**$ (0.01)**	**$ (0.00)**	**$ 0.00**	**$ 0.00**	**$ (0.01)**
Diluted EPS	**$ 0.01**	**$ (0.07)**	**$ (0.01)**	**$ (0.02)**	**$ (0.02)**	**$ (0.01)**	**$ (0.00)**	**$ (0.01)**	**$ (0.01)**	**$ (0.02)**	**$ (0.01)**	**$ (0.00)**	**$ 0.00**	**$ 0.00**	**$ (0.01)**
WTD Shares Out - Basic	310.1	312.9	357.5	492.3	793.9	1,012.0	1,083.9	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6
WTD Shares Out - Diluted	311.6	312.9	357.5	492.3	793.9	1,012.0	1,083.9	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6	1,173.6

Source: Company Reports, Stonegate Capital Partners estimates

IMPORTANT DISCLOSURES AND DISCLAIMER

(a) The research analyst and/or a member of the analyst's household do not have a financial interest in the debt or equity securities of the subject company.
(b) The research analyst responsible for the preparation of this report has not received compensation that is based upon Stonegate Capital Partners' ("SCP") equity affiliate Stonegate Capital Markets ("SCM"), a FINRA member, investment banking revenues.
(c) SCP or any affiliate has not managed or co-managed a public offering of securities for the subject company in the last twelve months, received investment banking compensation from the subject company in the last 12 months, nor expects to receive or intends to seek compensation for investment banking services from the subject company in the next 12 months.
(d) SCP has a contractual agreement with the subject company to provide research services, investor relations support, and investor outreach. SCP receives a monthly retainer for these non-investment banking services.
(e) SCP or its affiliates do not beneficially own 1% or more of any class of common equity securities of the subject company.
(f) Neither SCP nor its equity affiliate SCM, a FINRA member, make a market in the subject company.
(g) The research analyst has not received any compensation from the subject company in the previous 12 months.
(h) SCP, the research analyst, or associated person of SCP with the ability to influence the content of the research report does not know or have reason to know of any material conflicts of interest at the time of publication or distribution of the research report.
(i) No employee of SCP has a position as an officer or director of the subject company.

Ratings - SCP does not provide ratings for the covered companies.
Distribution of Ratings - SCP does not provide ratings for covered companies.
Price Chart - SCP does not have, nor has previously had, a rating for its covered companies, however, SCP does provide a price target on the covered company. Please see the following page for the historical price chart. This chart shows the covered company's stock price since SCP has been covering the covered company as well as the corresponding SCP price target.
Price Targets - SCP may provide price targets for its covered companies. For a complete understanding of valuation methodologies and risks associated please read this report in its entirety. In instances where SCP does not provide a price target SCP will still provide a valuation analysis.

Regulation Analyst Certification:
I, Dave Storms, CFA, hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report.

For Additional Information Contact:
Stonegate Capital Partners, Inc.
Dave Storms, CFA
Dave@stonegateinc.com
214-987-4121


$0.14
$0.12
$0.10
$0.08
$0.06
$0.04
$0.02
$0.00
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
Jun-26
Jul-26
Aug-26
TSXV: ABI Price
Stonegate Price Target