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**ABCOURT MINES INC.
INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 (unaudited)**

INTERIM FINANCIAL STATEMENTS

Interim statements of financial position

Interim statements of comprehensive income

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ABCOURT MINES INC.

INTERIM STATEMENTS OF FINANCIAL POSITION

(in canadiens dollars)

		September 30, 2022	June 30, 2022
		\$	\$
ASSETS	Notes	(unaudited)	(audited)
Current assets			
Cash		2,716,254	720,512
Receivables	5	191,890	337,403
Prepaid expenses		20,675	44,339
Inventory	6	644,146	2,296,719
Total current assets		3,572,965	3,398,973
Non current assets			
Deposits for restoration	11	5,867,786	5,867,786
Property, plant and equipment	7	10,963,336	13,125,490
Exploration and evaluation assets	8	1,120,476	1,060,476
Total non current assets		17,951,598	20,053,753
Total assets		21,524,563	23,452,725
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	4,513,126	6,613,532
Mining taxes payable		157,470	157,470
Current portion of long-term debt	10	1,789,364	1,874,387
Other liability		170,712	-
Total current liabilities		6,630,672	8,645,389
Long-term debt	10	550,000	604,241
Provisions for restoration of mining sites	11	6,207,146	6,165,101
Total liabilities		13,387,818	15,414,731
EQUITY			
Capital stock	12	47,286,780	46,186,602
Contributed surplus	13	7,211,117	7,197,317
Warrants		588,760	340,900
Deficit		(46,949,912)	(45,686,825)
Total Equity		8,136,745	8,037,994
Total liabilities and equity		21,524,563	23,452,725

FOR THE BOARD OF DIRECTORS

(s) Nicole Veilleux, Director

ABCOURT MINES INC.
STATEMENTS OF COMPREHENSIVE INCOME
THREE-MONTH PERIOD ENDED SEPTEMBER 30
(in Canadian dollars)

		2022	2021
	Notes	\$	\$
Revenues	14	2,691,935	7,100,809
Operating mining cost		2,772,716	6,114,299
Amortization and depletion		20,108	608,596
Costs of sales		2,792,824	6,722,895
GROSS MARGIN		(100,889)	377,914
ADMINISTRATIVE CHARGES			
Professional fees		83,981	74,259
Interest and penalties on taxes		19,984	33,438
Interest and bank charges		24,512	1,598
Salaries and payroll charges		164,744	77,998
Insurance costs		6,555	4,770
Office expenses and other charges		25,435	34,792
Shareholders and investor relations		31,649	24,740
Depreciation of property, plant and equipment		2,515	1,690
Care and maintenance		638,515	-
Impairment of property, plant and equipment		2,111	-
Impairment of exploration and evaluation assets		1,139	-
Total administrative charges		1,001,140	253,285
OPERATING EARNINGS (LOSS)		(1,102,029)	124,629
REVENUES AND FINANCE COSTS			
Interest income		-	(340)
Finance costs		42,534	16,830
		42,534	16,490
EARNINGS (LOSS) BEFORE TAXES		(1,144,563)	108,139
Income taxes and mining taxes		-	3,941
NET EARNINGS AND TOTAL COMPREHENSIVE INCOME		(1,144,563)	104,198
NET EARNINGS (LOSS) PER SHARE			
Basic		(0.00)	0.00
Diluted		(0.00)	0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING			
Basic		340,210,870	311,539,131
Diluted		340,210,870	311,882,589

ABCOURT MINES INC.
STATEMENTS OF CHANGES IN EQUITY
(in Canadian dollars)

		Capital Stock	Warrants	Contributed Surplus	Deficit	Total Equity
	Notes	\$	\$	\$	\$	\$
Balance as at June 30, 2022		46,186,602	340,900	7,197,317	(45,686,825)	8,037,994
Net earnings and total comprehensive income		-	-	-	(1,144,563)	(1,144,563)
Units issued	12 – 13	304,053	56,697	-	-	360,750
Flow-through units	12 – 13	796,125	191,163	-	-	987,288
Share issuance costs		-	-	13,800	(118,524)	(104,724)
Balance as at September 30, 2022		<u>47,286,780</u>	<u>588,760</u>	<u>7,211,117</u>	<u>(46,949,912)</u>	<u>8,136,745</u>
Balance as at June 30, 2021		44,852,502	-	7,094,317	(17,287,131)	34,659,688
Net earnings and total comprehensive income		-	-	-	(28,385,049)	(28,385,049)
Units issued	12 – 13	1,334,100	340,900	-	-	1,675,000
Share purchase options granted	12 – 13	-	-	103,000	-	103,000
Share issuance costs	13	-	-	-	(14,645)	(14,645)
Balance as at June 30, 2022		<u>46,186,602</u>	<u>340,900</u>	<u>7,197,317</u>	<u>(45,686,825)</u>	<u>8,037,994</u>

ABCOURT MINES INC.

STATEMENTS OF CASH FLOWS

THREE-MONTH PERIOD ENDED SEPTEMBER 30

(in Canadian dollars)

		2022	2021
		\$	\$
	Note		
OPERATING ACTIVITIES			
Net earnings and comprehensive income		(1,144,563)	104,198
Non-cash items:			
Accretion expense		42,045	13,554
Effective interest expense		-	3,276
Depreciation, amortization and depletion		22,623	610,286
Devaluation of property, plant and equipment		2,111	-
Devaluation of exploration and evaluation assets		1,139	-
		(1,076,645)	731,314
Net change in non-cash operating working capital items	4	(278,656)	(522,296)
		(1,355,301)	209,018
FINANCING ACTIVITIES			
Units issuance		360,750	-
Flow-through units issuance		1,158,000	-
Share issuance costs		(104,724)	-
Repayment of long-term debt		(139,264)	(83,333)
		1,274,762	(83,333)
INVESTING ACTIVITIES			
Proceed from sale of a royalty		2,651,875	-
Transaction costs related to the sale of royalties		(172,133)	-
Acquisition of property, plant and equipment		(342,322)	(1,104,352)
Acquisition of exploration and evaluation assets		(61,139)	(47,180)
		2,076,281	(1,151,532)
NET CHANGE IN CASH		1,995,742	(1,025,847)
CASH BEGINNING OF YEAR		720,512	2,454,645
CASH END OF YEAR		2,716,254	1,428,798

MINES ABCOURT INC.

NOTES TO INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

(in Canadian dollars)

1- STATUTE OF INCORPORATION AND NATURE OF ACTIVITIES

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

These financial statements were approved for publication by the Board of Directors on the November 28th, 2022.

2- GENERAL INFORMATION AND BASIS OF PREPARATION

These interim financial statements have been prepared by the Company's management in accordance with International Financial Reporting Standards (« IFRS »), as established by the International Accounting Standards Board and in accordance with IAS 34 « Interim Financial Reporting ». These interim financial statements were prepared using the same basis of presentation and accounting policies outlined in the annual financial statements on June 30, 2022. They do not include all the information required in annual financial statements in accordance with IFRS and must be read in conjunction with the financial statements for the year ended June 30, 2022.

The Company's independent auditor has not performed a review of these unaudited interim financial statements for the period ended September 30, 2022, in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the Company's auditor.

JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

The judgments, estimates and assumption applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements for the year ended June 30, 2022.

GOING CONCERN

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

The Company has determined that one of its mining properties, the Sleeping Giant mine, contains probable mineral reserves. The Company has not yet obtained the necessary financing for the development of the project to production. This project is still at the development stage and the other projects are at the prospecting and evaluation stage. On August 1, 2022, the Company ceased operations at the Elder mine which was placed in care and maintenance mode.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further develop his Sleeping Giant project and explore its mineral properties, to generate additional cash flow from its operations and continue to benefit from the continued support of its main suppliers and creditors and its secured lender. Even if the Company has been successful to obtain financing in the past, there is no assurance that it will manage to obtain additional financing in the future and there can be no assurance that such financing sources will be available on terms acceptable to the Company. As at September 30, 2022, the Company has a deficit of \$46,949,912 and cash of \$2,716,254 and has a negative working capital of \$3,057,707.

This material uncertainty therefore cast significant doubt upon the Company's ability to continue as a going concern.

The financial statements have been prepared on the going concern basis, where assets are realized and liabilities are settled in the normal course of business, and do not reflect the adjustments that would be necessary to the carrying amounts of assets and liabilities, the amounts reported for revenues and expenses, and the classification of items in the statement of financial position if the going concern assumption were not appropriate. These adjustments could be material.

3- NEW OR REVISED STANDARDS OR INTERPRETATIONS

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

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

MINES ABCOURT INC.

NOTES TO INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

(in Canadian dollars)

3- NEW OR REVISED STANDARDS OR INTERPRETATIONS (continued)

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

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

New standards

IAS 16, Property, Plant and Equipment - Revenue Prior to Intended Use

On May 14, 2020, the IASB published Property, Plant and Equipment - Proceeds before Intended Use.

The amendments apply to fiscal years beginning on or after January 1, 2022. The amendments provide guidance on the recognition of the proceeds from the sale of items that a company produces and sells so that an item of property, plant and equipment can be used as intended, as well as the related costs of production. In particular, proceeds from the sale of items that have been produced before the related property, plant and equipment is ready for use should be recognized in net earnings (loss), together with the related production costs. The application of this new standard for the quarter ended to September 30, 2022, and 2021, had the effect of increasing the deficit and decreasing property, plant and equipment by a net amount of \$488,734.

4- COMPLEMENTARY INFORMATIONS RELATED TO CASH FLOWS

Net change in non-cash operating working capital items:

	September 30, 2022	September 30, 2021
	\$	\$
Receivables	145,513	(507,554)
Prepaid expenses	23,664	(11,228)
Inventory	1,652,573	(353,976)
Accounts payable and accrued liabilities	(2,100,406)	512,940
Mining taxes payable	-	(162,478)
	<u>(278,656)</u>	<u>(522,296)</u>

As at September 30, 2021, the Company paid mining taxes of \$162,478, no amount paid as at September 30, 2022.

Items not affecting cash :

	September 30, 2022	September 30, 2021
	\$	\$
Warrants issued to investors	247,860	-
Warrants issued to intermediaries	13,800	-

5- RECEIVABLES

	September 30, 2022	June 30, 2022
	\$	\$
Taxes receivable	182,064	325,309
Account receivable	911	1,309
Others	8,915	10,785
	<u>191,890</u>	<u>337,403</u>

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

6- INVENTORY

	September 30,	June 30,
	2022	2022
	\$	\$
Gold and silver inventory	129,840	1,725,888
Ore stock piles	-	105,900
Mine supplies	514,306	464,931
	<u>644,146</u>	<u>2,296,719</u>

MINES ABCOURT INC.

NOTES TO INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2022 AND 2021

(in Canadian dollars)

7- PROPERTY, PLANT AND EQUIPMENT

	Cost					Accumulated Amortization					September,30 2022 Net book value
	June 30, 2022	Addition	Impairment	Royalties	Transfer	September 30, 2022	June 30, 2022	Amortization	Transfer	September 30, 2022	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Corporate											
Furniture	-	-	-	-	50,357	50,357	-	-	33,322	33,322	17,035
Computer equipment	-	-	-	-	29,534	29,534	-	-	11,803	11,803	17,731
	-	-	-	-	79,891	79,891	-	-	45,125	45,125	34,766
Elder Mine Site											
Lands	37,263	-	-	-	-	37,263	-	-	-	-	37,263
Furniture and equipment	50,357	-	-	-	(50,357)	-	32,283	1,039	(33,322)	-	-
Elder mine	-	2,111	(2,111)	-	-	-	-	-	-	-	-
Computer equipment	18,846	10,688	-	-	(29,534)	-	10,327	1,476	(11,803)	-	-
	106,466	12,799	(2,111)	-	(79,891)	37,263	42,610	2,515	(45,125)	-	37,263
Sleeping Giant Mine Site											
Sleeping Giant Mine ^{(1) (2)}	10,233,230	168,636	-	(2,479,742)	-	7,922,124	-	-	-	-	7,922,124
Mill facility and production equipment	4,374,600	149,342	-	-	-	4,523,942	1,978,357	4,081	-	1,982,438	2,541,504
Building	491,054	-	-	-	-	491,054	234,325	437	-	234,762	256,292
Lands	19,000	-	-	-	-	19,000	-	-	-	-	19,000
Mobile equipment	477,225	-	-	-	-	477,225	400,441	11,642	-	412,083	65,142
Computer equipment	58,399	11,545	-	-	-	69,944	33,751	3,948	-	37,699	32,245
	15,653,508	329,523	-	(2,479,742)	-	13,503,289	2,646,874	20,108	-	2,666,982	10,836,307
Exploration											
Lands	55,000	-	-	-	-	55,000	-	-	-	-	55,000
	55,000	-	-	-	-	55,000	-	-	-	-	55,000
	15,814,974	342,322	(2,111)	(2,479,742)	-	13,675,443	2,689,484	22,623	-	2,712,107	10,963,336

(1) See note 11.

(2) The Company sold a 2% NSR on all metallic and non-metallic minerals mined or otherwise recovered on the property for cash consideration of \$2,651,875. The royalty is presented net of fees of the amount of \$172,133.

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

8- EXPLORATION AND EVALUATION ASSETS

	September 30, 2022	June 30, 2022
	\$	\$
Mining properties	31,381	31,381
Exploration and evaluation expenses	1,089,095	1,029,095
	<u>1,120,476</u>	<u>1,060,476</u>

Mining properties

	Balance as at June 30, 2022	Addition	Impairment	Balance as at September 30, 2022
	\$	\$	\$	\$
Properties in Quebec				
Aldermac (100 %)	-	416	(416)	-
Discovery – Flordin (100%)	21,699	-		21 699
Dormex (100%)	9,682	-		9 682
Others (% variables)	-	723	(723)	-
	<u>31 381</u>	<u>1,139</u>	<u>(1,139)</u>	<u>31,381</u>

Exploration and evaluation expenses

	Balance as at June 30, 2022	Addition	Balance as at September 30, 2022
	\$	\$	\$
Discovery-Flordin	844,034	60,000	904,034
Dormex	185,061	-	185,061
	<u>1,029,095</u>	<u>60,000</u>	<u>1,089,095</u>

The following Royalties are payable on the production of the Company's properties:

<u>Property</u>	<u>Royalty</u>
Elder	2 à 3% NSR
Barvue	-
Vendôme	2% NSR on the Xstrata claims
Abcourt	-
Tagami	1 à 2% NSR
Jonpol	2.5% NSR
Aldermac	\$2 / tonne on 1,5 M tonnes
Aldermac ouest	2% NSR
Géant Dormant	\$5 / tonne, on the first 350,000 tonnes / 2% NSR

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

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

9- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30,	June 30,
	2022	2022
	\$	\$
Accounts payable	1,829,467	3,714,052
Royalties payable	679,487	684,828
Salaries and holidays payable	223,403	407,311
Payable to governments	1,780,769	1,807,341
	<u>4,513,126</u>	<u>6,613,532</u>

10- LONG-TERM DEBT

	September 30,	June 30,
	2022	2022
	\$	\$
Loan authorized for a maximum amount of \$3,000,000, bearing interest at a fixed rate of 2.99%, 3.51% and 5.66%, effective rate of 4.44 %, maturing in January and February 2023 and June 2024, secured by a first rank hypothec of \$3,000,000 on the equipment and the mobile equipment of the Sleeping Giant mine and mill facility and a first rank hypothec of \$250,000 on the receivables and the inventory.	2,316,666	2,450,000
Loan authorized for a maximum amount of \$47,631, bearing interest at a fixed rate of 7.33 %, secured by mobile equipment, maturing in August 2023.	<u>22,698</u>	<u>28,628</u>
Current portion	<u>(1,789,364)</u>	<u>(1,874,387)</u>
	<u>550,000</u>	<u>604,241</u>
Reconciliation of movements of long-term debt to cash flows arising from financing activities:	September 30,	June 30,
	2022	2022
	\$	\$
Balance, beginning of year	2,478,628	1,925,098
Cash flows		
Proceeds from long-term debt	-	1,047,631
Repayment of long-term debt	(139,264)	(502,336)
Non-cash flows		
Effective interest expense	-	8,235
Balance, end of year	<u>2,339,364</u>	<u>2,478,628</u>

As at September 30 and June 30, 2022, principal payments required in the next years are as follows:

Within one year	1,789,364	1,874,387
Later than one year and no later than five years	550,000	604,241

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

11- PROVISIONS FOR RESTORATION OF MINING SITES

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

	September 30,	June 30,
	2022	2022
	\$	\$
Balance, beginning of period	6,165,101	6,243,320
Changes to estimates	-	(169,789)
Accretion expense	42,045	91,570
Balance, end of year	<u>6,207,146</u>	<u>6,165,101</u>

The rate used to determine the future value is 2.22% (4.9% as at June 30, 2022), while the rate reflecting the current market assessments used to determine the present value of the provisions is 3.27% and 3.80% (3.12 % and 3.06 % as at June 30, 2022). The payments schedule was determined by taking into account the measured and indicated resources, the estimated annual production level and the estimated mine life. The changes to estimates were accounted for as property, plant and equipment

The schedules of the estimated cash flows of future retirement costs of the Elder and Sleeping Giant mines were revised to take into account their updated estimated resources, their estimated mine life and change in future retirement costs of the Sleeping Giant mine.

The following table sets forth the estimated undiscounted cash flows of future retirement costs used in the calculation of the asset retirement obligations as at September 30, 2022.

	<u>Anticipated cash flows payment schedule for 2024 and 2030</u>
	\$
Elder Mine	538,219
Sleeping Giant Mine	7,296,547
	<u>7,834,766</u>

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

	September 30,	June 30,
	2022	2022
	\$	\$
Elder Mine	506,577	502,554
Sleeping Giant Mine	5,700,569	5,662,547
	<u>6,207,146</u>	<u>6,165,101</u>

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

12- CAPITAL SOCIAL

Authorized

Unlimited number of preferred shares without par value which may be issued in one or more series; the privileges, rights, conditions and restrictions will be determined by the Board of Directors (none outstanding).

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

Unlimited number of class « B » shares, without par value, voting.

Changes in Company class « B » capital stock were as follows:

	September 30,		June 30,	
	2022		2022	
	Number	Amount \$	Number	Amount \$
Balance, beginning of period	328,289,131	46,186,602	311,539,131	44,852,502
Ordinary shares issued	5,550,000	304,053	16,750,000	1,334,100
Flow-through shares issued	14,475,000	796,125	-	-
Balance, end of period	348,314,131	47,286,780	328,289,131	46,186,602

As at September and June 30, 2022, shares issued were free of restrictions.

In July 20, 2022, the Company closed a private placement constituted of 550,000 units at a price of \$0.065 per unit. Each unit consisted of one class « B » share and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date. The total gross proceeds of \$35,750 was presented net of the fair value of warrants of \$6,922.

In July 20, 2022, the Company closed a private placement constituted of 14,475,000 flow-through units at a price of \$0.08 per unit. Each unit consisted of one class « B » share and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date. The total gross proceeds of \$1,158,000 was presented net of the fair value of warrants of \$191,163 and a premium on flow-through share of \$170,712.

In connection with the private placement, the Company paid a cash commission of \$69,000 and issued 862,500 warrants to an intermediary. Each warrant entitling its holder to purchase one unit at a price of \$0.15 over a 3-year period from the issuance date. Each unit consisted of one class « B » share and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date.

On September 27, 2022, The Company closed a private placement constituted of 5,000,000 units at a price of \$0.065 per unit. Each unit consisted of one class « B » share and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date. The total gross proceeds of \$325,000 was presented net of the fair value of warrants of \$49,775.

In connection with the private placement, the Company paid a cash commission of \$19,500 and issued 300,000 warrants to an intermediary. Each warrant entitling its holder to purchase one unit at a price of \$0.15 over a 3-year period from the issuance date. Each unit consisted of one class « B » share and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date.

Year ended June 30, 2022

On May 31, 2022, the Company closed a non-brokered private placement constituted of 16,750,000 of units at a price of \$0.10 per unit. Each unit consisted of one class « B » shares and one warrant, each warrant entitling its holder to purchase one share at a price of \$0.15 over a 3-year period from the issuance date. The total gross proceeds of \$1,675,000 was presented net of the fair value of warrants of \$340,900.

MINES ABCOURT INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021
(in Canadian dollars)

13- SHARE PURCHASE OPTIONS AND WARRANTS

The shareholders of the Company approved a stock option plan (the « plan ») whereby the Board of Directors may grant to employees, officers, directors and suppliers of the Company, share purchase options to acquire shares in such numbers, for such terms and at such exercise price as may be determined by the Board of Directors. It was originally adopted in October 1996 and approved by shareholders of the Company on December 1st, 1997 and has subsequently been modified several times with the approval of shareholders in December 2001 and December 2012. The exercise price cannot be lower than the market price of the shares at the time of grant.

The plan provides that the maximum number of shares in the capital of the Company that can be reserved for issuance under the plan shall be equal to 14,500,000 shares. The maximum number of shares that can be reserved for issuance of option to any one person may not exceed 5% of the outstanding shares at the time of grant and the maximum number of shares which may be reserved for issuance to an investor relations representative, a consultant or a supplier may not exceed 2% of the outstanding shares at the time of grant.

The acquisition conditions of share purchase options are without restriction. However, the options granted to investor relations representatives will be acquired at a rate of 25% per quarter. These options will expire no later than five years after being granted.

Share Purchase Options

Changes in Company share purchase options were as follows:

	September 30,		June 30,	
	2022		2022	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, beginning of period	2,800,000	0.09	6,900,000	0.12
Granted	-	-	2,000,000	0.10
Cancelled and expired	-	-	(6,100,000)	0.125
Outstanding and exercisable, end of period	<u>2,800,000</u>	0.09	<u>2,800,000</u>	0.09

During the year ended June 30, 2022, the Company issued share purchase options to an officer of the Company. The weighed average fair value of the granted share purchase options of \$0.0515 was determined using the Black-Scholes options pricing model and based on the following weighted average assumptions:

	June 30,
	2022
Average share price at date of grant	\$0.09
Expected dividends yield	-
Expected weighted volatility	71%
Average risk-free interest rate	2.52%
Expected average life	5 years
Average exercise price	\$0.10

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the share purchase options granted. No special features inherent to the share purchase options were incorporated into measurement of fair value.

A total amount of \$103,000 of share-based payments was accounted for in profit or loss and credited to contributed surplus.

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Share Purchase Options (continued)

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

Outstanding as at September 30, 2022	Weighted average remaining contractual life	Exercise price
		\$
800,000	1.2 years	0.07
<u>2,000,000</u>	4.5 years	0.10
<u>2,800,000</u>		

Outstanding as at June 30, 2022	Weighted average remaining contractual life	Exercise price
		\$
800,000	1.5 years	0.07
<u>2,000,000</u>	4.8 years	0.10
<u>2,800,000</u>		

Warrants

Changes in Company warrants were as follows:

	September 30,		June 30,	
	2022		2022	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, beginning of period	16,750,000	0.15	-	-
Granted	<u>20,025,000</u>	0.15	<u>16,750,000</u>	0.15
Outstanding and exercisable, end of period	<u>36,775,000</u>	0.15	<u>16,750,000</u>	0.15

During the quarter, the Company issued warrants to investors through private placements. The weighted average fair value of the warrants of \$0.0124 (\$0.0203 as at June 30, 2022) was determined using the Black-Scholes options pricing model and based on the following weighted average assumptions:

	September 30,	June 30,
	2022	2022
Average share price at date of grant	\$0.05	\$0.06
Expected dividends yield	-	-
Expected weighted volatility	71%	72%
Average risk-free interest rate	3.37%	2.67%
Expected average life	3 years	3 years
Average exercise price	\$0.15	\$0.15

The following tables summarize the information related to the warrants.

Outstanding as at September 30, 2022	Exercise price	Expiry Date
	\$	
16,750,000	0.15	July 2025
<u>20,025,000</u>	0.15	September 2025
<u>36,775,000</u>		

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13- SHARE PURCHASE OPTIONS AND WARRANTS (continued)

Warrants (continued)

Outstanding as at June 30, 2022	Exercise price	Expiry Date
	\$	
<u>16,750,000</u>	0.15	July 2025

Warrants/Units to intermediaries

Changes in Company intermediaries' warrants were as follows:

	September 30, 2022		June 30, 2022	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		\$		\$
Balance, beginning of period	-	-	-	-
Granted	<u>1,162,000</u>	0.15 \$	<u>-</u>	-
Outstanding and exercisable, end of period	<u>1,162,000</u>	0.15 \$	<u>-</u>	-

During the quarter, the Company issued warrants to intermediaries through private placements. The weighted average fair value of the warrants of \$0.0119 was determined using the Black-Scholes options pricing model and based on the following weighted average assumptions:

	September 30, 2022
Average share price at date of grant	\$0.052
Expected dividends yield	-
Expected weighted volatility	71%
Average risk-free interest rate	3.37%
Expected average life	3 years
Average exercise price	\$0.15

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the warrants granted. No special features inherent to the warrants were incorporated into measurement of fair value.

The total fair value of the units issued to intermediaries of \$13,800 was accounted for as share issued expenses in deficit and credited to contributed surplus.

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

Outstanding as at September 30, 2022	Exercise price	Expiry Date
	\$	
862,500	0.15	July 2025
<u>300,000</u>	0.15	September 2025
<u>1,162,000</u>		

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14- REVENUES

	September 30, 2022	September 30, 2021
	\$	\$
Sales of gold and silver	2,679,941	7,080,800
Other revenues	11,994	20,009
	<u>2,691,935</u>	<u>7,100,809</u>

15 - RELATED PARTY TRANSACTIONS

Key management personnel of the Company are members of the Board, as well as the President and the Chief Financial Officer. Key management remuneration is as follows:

	Septembre 30, 2022	Septembre 30, 2021
	\$	\$
Consulting fees ⁽¹⁾	-	98,844
Salaries and payroll charges	139,369	14,924
Total remuneration	<u>139,369</u>	<u>113,768</u>

(1) Fees paid to a company controlled by the Chief Executive Officer and President of the Company for the services of the later until April 15, 2022.

Other related party transactions

In addition to the amounts listed above in the remuneration to key management, following are the related party transactions for the quarter:

	Septembre 30, 2022	Septembre 30, 2021
	\$	\$
Payments of a royalty (2% NSR on the Elder property) to a company controlled by a director of the Company (Chief Executive Officer and President of the Company as at September 30, 2021)	39,972	131,665
Professional fees with a firm in which one of the directors of the Company is a partner.	72,289	-

As at June 30, 2022, the balance due to related parties amounted to \$311,161 (\$353,503 as at September 30, 2021). These transactions are measured at the value of the consideration paid or received, which was established and agreed by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled in cash.

MINES ABCOURT INC.
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16- POLICIES AND PROCESSES FOR MANAGING CAPITAL

As at September 30, 2022, the capital of the Company consists of equity amounting to \$8,136,745 (\$8,037,994 as at June 30, 2022). The Company's capital management objective is to have sufficient capital to be able to meet its obligation related to operation and its exploration and evaluation plan in order to ensure the growth of its activities. It has also the objective to have sufficient cash to finance its operations, the exploration and evaluation expenses, the investing activities and the working capital requirements.

There was no significant change in the Company's approach to capital management during the period ended September 30, 2022. The Company is subject to regulatory requirements related to the use of funds obtained by flow-through shares financing. These funds have to be incurred for eligible exploration and evaluation expenses. During the year, the Company has respected all of these regulatory requirements. Other than the use of funds obtained by flow-through shares financing, the Company is not subject to any externally imposed capital requirements.

17- SUBSEQUENT EVENT

On October 5, 2022, the Company announced the signing of an amended letter of intent with Pershimex Resources Corporation (« Pershimex ») which modifies the one dated June 9, 2022. The amended letter of intent aims to clarify the rights and obligations of the parties, in particular the abandonment of the exclusivity offered by Pershimex to Abcourt and the magnitude of the termination costs, all depending on the progress of the discussions between Abcourt and Pershimex to finalize the Transaction. In the amended agreement of October 5, 2022, the exchange ratio remains unchanged at 0.5714.

On November 18, 2022, Abcourt and Pershimex have entered into a definitive amalgamation agreement pursuant to which the Abcourt has agreed to acquire all of the issued and outstanding common shares of Pershimex (the « Pershimex Shares ») to create one of the largest property portfolios amongst gold explorers across major gold districts in Québec and massive diversified emerging gold producer and explorer in Québec (the « Transaction »). The Transaction is being carried out by way of a three-cornered amalgamation (the « Amalgamation ») under the Canada Business Corporations Act.

As part of the Transaction, Abcourt intends to complete a share consolidation on the basis of seven for one (7:1) common shares of Abcourt (« Abcourt Shares »). The proposed Consolidation will reduce the number of the outstanding Abcourt Shares from 348,814,130 to 49,830,590. In addition, Abcourt intends to change its name to « Infinitas Gold inc. / Infinitas Or inc. ») and its trading symbol to « IN ».

The consolidation and name change are subject to the TSX Venture Exchange's (« TSX-V ») approval and Abcourt shareholders' approval. Abcourt shareholders will be asked to vote on resolutions approving the consolidation and name change at the upcoming annual and special shareholders meeting to be held on December 20, 2022.

Under the terms of the merger agreement, Pershimex shareholders will receive 0.0816 of an Abcourt Share (post-Consolidation) for each Pershimex Share (the « Exchange Ratio »). The Exchange Ratio implies a consideration of C\$0.0289 per Pershimex Share, based on the 60-day volume weighted average price (« VWAP ») of the Abcourt Shares on the TSX-V on October 3, 2022. The Exchange Ratio represents a premium of 9.1% based on the 60-day VWAP of the Pershimex Shares ending on October 3, 2022. Outstanding Pershimex warrants and options will be exercisable in accordance with their terms into Abcourt Shares, subject to the Exchange Ratio and Consolidation, until their expiry date, the whole resulting in the issuance of up to approximately 11,327,777 Abcourt Shares (post-Consolidation).

18- SEGMENT INFORMATION

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

There was no difference as at September 30, 2022, compared to annual financial statements of 2022 in the basis of segmentation or the basis of evaluation of segment result.

MINES ABCOURT INC.

NOTES TO INTERIM FINANCIAL STATEMENTS

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(in Canadian dollars)

18- SEGMENT INFORMATION (continued)

September 30, 2022

Segmented information concerning the statement of comprehensive income

	Mining site	Exploration and development	Corporate	Total
	\$	\$	\$	\$
Revenues	2,691,935	-	-	2,691,935
Operating mining cost	2,772,716	-	-	2,772,716
Amortization and depletion	20,108	-	-	20,108
Costs of sales	2,792,824	-	-	2,792,824
GROSS MARGIN	(100,889)	-	-	(100,889)
Expenses	640,626	1,139	356,860	998,625
Depreciation of property, plant and equipment	-	-	2,515	2,515
	(640,626)	(1,139)	359,375	1,001,140
OPERATING EARNINGS (LOSS)	(741,515)	(1,139)	(359,375)	(1,102,129)
REVENUES AND FINANCE COSTS	4,023	38,022	-	42,045
EARNINGS (LOSS) BEFORE TAXES	(745,538)	(39,161)	(359,375)	(1,144,074)
Addition of property, plant and equipment	162,141	180,181	-	342,322
Addition of exploration and evaluation expenses	-	61,139	-	61,139
Current assets	3,494,360	-	78,605	3,572,965
Deposits for restoration	497,572	5,370,214	-	5,867,786
Property, plant and equipment	3,041,212	7,922,124	-	10,963,336
Exploration and evaluation assets	-	1,120,476	-	1,120,476
Total assets	7,033,144	14,412,814	78,605	21,524,563

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18- SEGMENT INFORMATION (continued)

September 30, 2021 et June 30, 2022

Segmented information concerning the statement of comprehensive income

	Mining site	Exploration and development	Corporate	Total
	\$	\$	\$	\$
Revenues	7,100,809	-	-	7,100,809
Operating mining cost	6,114,299	-	-	6,114,299
Amortization and depletion	608,596	-	-	608,596
Costs of sales	6,722,895	-	-	6,722,895
GROSS MARGIN	377,914	-	-	377,914
Expenses	-	-	251,595	251,595
Depreciation of property, plant and equipment	-	-	1,690	1,690
	-	-	253,285	253,285
OPERATING EARNINGS (LOSS)	377,914	-	(253,285)	124,629
REVENUES AND FINANCE COSTS	1,149	12,405	2,936	16,490
EARNINGS (LOSS) BEFORE TAXES	376,765	(12,405)	(256,221)	108,139
Addition d'immobilisations corporelles	1,850,069	2,496,458	-	4,346,527
Addition aux frais de prospection et d'évaluation	-	185,188	-	185,188
Current assets	3,326,764	-	72,209	3,398,973
Deposits for restoration	497,572	5,370,214	-	5,867,786
Property, plant and equipment	2,837,260	10,288,230	-	13,125,490
Exploration and evaluation assets	-	1,060,476	-	1,060,476
Total assets	6,661,596	16,718,920	72,209	23,452,725