MINES
ABCOURT
MINES INC.

Interim Management's Discussion And analysis

For the first quarter Ended on September 30, 2012

ABCOURT MINES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FIRST QUARTER ENDED ON SEPTEMBER 30, 2012

This management's discussion and analysis provides an analysis of our exploration and development results and our financial situation which will enable the reader to evaluate important variations in exploration and development results and in our financial situation for the period ended September 30, 2012, in comparison with the first quarter of the previous year. This report supplements our audited financial statements and should be read in conjunction with our financial statements and the accompanying notes dated June 30, 2012. Our financial statements are prepared in accordance with the applicable International Accounting Standards (IFRS). In the same way, the 2010 financial statements were re-done according to IFRS. All monetary values included in this report are in Canadian dollars, unless it is indicated otherwise. Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our exploration and development results and our financial situation.

You are invited to consult the SEDAR web site at www.sedar.com, where all the documents filed according to the applicable Canadian security Laws may be found and the Abcourt web site at www.abcourt.com, where you will find more information.

Our mining activities consist in various exploration and development work and studies to place our mining properties into production.

STATEMENT OF COMPREHENSIVE INCOME

Interest Revenue

Our revenue consists essentially in interest received on certificates of deposit. The amount received in the first quarter ended on September 30, 2012, was $15,231. This amount was lower than the in the previous year ($26,938) because of lower interest rates paid by the Bank.

Administrative Expenses

In the first quarter, administrative expenses totalled $95,068. They were slightly higher than in the previous year ($83,535). The difference is found in consultant fees ($24,438) and professional fees ($15,000) in 2012.

Loss before Deferred Income and Mining Taxes

The loss before deferred income and mining taxes ($73,463) was slightly higher than in 2011, as the revenues were lower (-$11,060) and the expenses were $11,533 higher.

Net Loss and Comprehensive Loss

The net losses and comprehensive losses were the same as the loss before deferred income and mining taxes above.

CASH FLOWS

Operating Activities

During the first quarter ended on September 30, 2012, operating activities, before the variations in the items not involving cash, generated a negative cash flow of $62,587 whereas in the previous year $46,555 was used. In 2011 and 2012, there were no sales. The non-cash items of the working capital generated $252,230 in 2011, but $173,106 was used in 2012.

Financing Activities

During the 1st quarters of 2011, there was no financing activity. In the first quarter of 2012, financing activities generated $476,965 net.

Investing Activities

During the 1st quarter, investments totalled $271,824. In 2011, an amount of $722,260 was used. The main investment in 2011 and 2012 was the acquisition of deferred evaluation and exploration assets and the acquisition of property, plant and equipment.

Cash and Cash Equivalent at the end of the first quarter

In the first quarter of 2011, the available cash decreased by an amount of $516,585 but in 2012, it increased by an amount of $513,096. The available cash, i.e. $4,988,894, is sufficient to cover our proposed operating activities over the next several months.

DEFERRED EVALUATION AND EXPLORATION EXPENDITURES

Deferred evaluation and exploration expenditures for the first quarter ended on September 30, 2012, totalled $665,466, compared to $678,617 in the previous year.

Most of our expenditures this year during the first quarter were for the acquisition of deferred evaluation and exploration assets and consisted in diamond drilling and related expenses and dewatering the Elder mine. In 2011, the expenses were also incurred on diamond drilling and dewatering the Elder mine.

Details on the two most important items in deferred evaluation and exploration expenditures for the first quarter ended on September 30, 2011 were:

1. Dewatering the Elder mine for an amount of $495,617
2. Diamond drilling on Jonpol property with related expenses for an amount of $82,259.

STATEMENT OF FINANCIAL POSITION

The assets on September 30, 2012 totalled $21,056,157 compared to $20,720,267 on June 30, 2012.

As indicated above, the financial position did not change much.

ACCOUNTING POLICIES

In the non-audited financial statement of September 30, 2012, we adopted the International Accounting Reporting Standards (*IFRS*).

These interim financial statements have been prepared by the company's management in accordance with International Financial Reporting Standards ("IFRS"), and in accordance with IAS 34 "Interim Financial Reporting". They do not include all the information required in annual financial statements in accordance with IFRS. These unaudited interim financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2012. The policies described below were consistently applied to all the periods presented unless otherwise noted below.

The preparation of interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment when applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note to financial statements. The financial statements do not take into account of draft standards that are still at the exposure draft stage with the International Accounting Standards Board (ASB) and also standards published and approved by the IASB, but with application date post September 30, 2012.

SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The financial statements have been prepared on the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value in accordance with IFRS.

Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the functional and presentation currency.

Financial Instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Company's designation of such instruments. Transaction date accounting is used.

Held for trading

Held for trading financial assets are financial assets typically acquired for resale prior to maturity or that are designated as held for trading. They are measured at fair value at the balance sheet date. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in earnings. Cash, term deposit reserved for exploration and term deposit are classified as held for trading assets.

Loans and receivables

Loans and receivables are accounted for at amortized cost using the effective interest method. Interest receivable, taxes receivable and other receivables are classified as loans and receivables.

Other liabilities

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments. Payable accruals and provisions are classified as other liabilities.

Property, plant and Equipment

Property, plant and Equipment are accounted for at cost. The mill, the water treatment plant and tailings pond are not amortized because they have not been utilized yet. Amortization of other Property, plant and Equipment is based on their useful life using the declining balance method at the following rates :

	Rate
Vehicle :	30%
Furniture :	20%
Buildings :	5%

Exploration and Evaluation Expenditures

Expenditures incurred before the entity has obtained the legal rights to explore a specific area are expensed.

Expenditures related to the development of mineral resources are not recognised as exploration and evaluation assets. Expenditures related to the development are accounted as an asset only when the technical feasibility and commercial viability of a specific area are demonstrable and when recognition criteria of IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets are satisfied.

All costs associated with property acquisition and exploration activities are capitalized as exploration and evaluation assets. Costs that are capitalized are limited to costs related to acquisition and exploration activities that can be associated with finding specific mineral resources, and do not include costs related to production (lifting costs), and administrative expenses and other general indirect costs. Exploration and evaluation expenditures are capitalised when the following criteria are satisfied:

- Are held for use in the production of mineral resources,
- Properties have been acquired and expenses have been incurred with the intention of being used on a continuing basis; and
- Are not intended for sale in the ordinary course of business.

Costs related to the acquisition of mining properties and to exploration and evaluation expenditures are capitalized by property until the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets are reclassified as mining assets under development. Exploration and evaluation assets are assessed for impairment before reclassification, and any impairment loss recognised

The Company reconsider periodically facts and circumstances in IFRS 6 that require testing exploration and evaluation assets for impairment. When facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the asset is test for impairment. The recoverable amount is the higher of fair value less costs to sell and value in use of the asset (present value of the future cash flows expected). When the recoverable amount of an exploration and evaluation asset is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount by recording an impairment loss.

The recoverable amount of exploration and evaluation assets depends on the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. The carrying amount of exploration and evaluation assets do not necessarily represents present-time or future values.

Impairment of Long-lived Assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The recoverable amount is the higher of its fair value less costs to sell and its value in use (present value of the future cash flows expected). An impairment loss is recognized when their carrying value exceeds the recoverable amount. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its recoverable amount.

Revenue Recognition

Investment transactions are accounted for on the transaction date and resulting revenues are recognized using the accrual basis. Interest income is accrued based on the number of days the investment is held during the year.

Flow-through Shares

IFRS do not specifically address the accounting for flow-through shares or the related tax consequences arising from such transactions. The Company has adopted the view expressed by the

Mining Industry Task Force on IFRS created by the Canadian Institute of Chartered Accountants (CICA) and the Prospectors and Developers Association of Canada (PDAC).

The Company consider that the issue of flow-through shares is in substance an issue of ordinary shares; and the sale of tax deductions. The sale of tax deductions is measured using the relative fair value method. At the time the flow-through shares are issued, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position. When eligible expenditures are incurred (as long as there is the intention to renounce), the sale of tax deductions is recognized in the income statement as a reduction of deferred tax expense and a deferred tax liability is recognized for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

The renouncement of expenditures related to flow-through shares may lead to the recognition of previously unrecognized deferred tax assets.

Equity
Capital Stock represents the amount received on the issu of shares, less issuance costs. Contributed surplus includes charges related to stock-based compensation until the exercise of options issued as remuneration. Deficit includes all current and prior period losses. Gains and losses on certain financial instruments are included in reserves for available-for-sale financial assets.

Fair Value of the Warrants
Proceeds from placements are allocated between shares and warrants issued using the relative fair value method. The Company uses the Black-Scholes pricing model to determine the fair value of warrants issued.

Share issuances Expenses
Share issuance expenses are recorded as an increase of the deficit in the year in which they are incurred.

Cash and Cash Equivalents
The Company's policy is to present cash and highly liquid short-term investments having a term of three months or less from the acquisition date in cash and in cash equivalents.

Share-based payment
The Company recognises the goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received. The Company recognises a corresponding increase in equity if the goods or services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

The Company account for stock-based compensation over the graded period vesting of the right to stock options. For awards that vest by instalments, each instalment is treated as a separate arrangement. The number of equity instruments expected to vest is initially estimated and revised afterward, if necessary.

Deferred Income and Mining Taxes
The company uses the assets and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured on the basis of tax rates have been enacted or substantively enacted by the end of the reporting period and which, expected to apply to taxable income in the years during which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income or loss in the year that includes the enactment date. The Company establishes a valuation allowance against deferred income tax assets if, based on available information, it is probable that some or all of the deferred tax assets will not be realized.

NSR Royalties

The NSR royalties are generally not be accounted for when acquiring the mining property since they are deemed to be a contingent liability. Royalties are only accounted for when probable and can be measured with sufficient reliability.

Significant Accounting Judgements, Estimates and Assumptions

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the degree to which the expenditure can be associated with finding specific mineral resources. The estimation process requires varying degrees of uncertainty and these estimates directly impact the deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available.

Impairment of Exploration and Evaluation Assets

Company assesses each cash generating unit annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, since the Company does not have sufficient information about its exploration properties to estimate future cash flows, it test its exploration properties for impairment by comparing the fair value to the carrying amount, without first performing a test of recoverability. Techniques to estimate fair value require the use of estimates and assumptions such as forecasted long-term commodity prices and future capital requirements to continue exploration and exploration potential. Fair value is the amount obtainable from the sale of asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Management has assessed its cash generating units as being an individual mine site, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Fair value is the amount obtainable from the sale of asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Management has assessed its cash generating units as being an individual mine site, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

PRINCIPAL ANNUAL INFORMATIONS (AUDITED)

Periods ended on September 30

	2012	2011	2010
Statement of comprehensive income			
Interests	91,999	38,479	4,464
Net profit (net loss)	(503,109)	(925,652)	(45,101)
Net profit (net loss) per share diluted	(0.00)	(0.01)	0.00
Statement of financial position ($)			
Cash and term deposits	4,475,512	7,400,000	(64,421)
Total assets	20,720,267	19,592,087	9,485,106
Long-term debt	--	--	--
Mining Exploration ($)			
Exploration and evaluation assets	9,300,047	8,294,432	5,210,112

QUARTERLY INFORMATION (non-audited)

	2012 Sept.	2011 Sept.	2012 June	2011 June	2012 March	2011 March	2011 Dec.	2010 Dec.
Statement of comprehensive income ($)								
Interests	15,231	26,938	20,036	25,467	20,217	10,960	24,808	1,219
Net profit (net loss)	(71,463)	(50,870)	(103,359)	(866,294)	(223,682)	200,820	(125,198)	(148,767)
Net profit (net loss) per share diluted	0.00	0.00	(0.00)	0.00	(0.00)	0.00	0.00	0.00
Statement of financial position ($)								
Cash and term deposit	4,988,893	6,751,715	4,475,798	7,268,300	5,405,867	2,672,962	5,809,879	2,264,768
Total assets	21,056,157	19,475,596	20,720,267	19,592,087	19,691,903	14,029,581	19,650,360	13,560,719
Long-term debt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mining Exploration ($)								
Exploration and evaluation expenditures net of mining duties and tax credits	666,687	678,617	(82,386)	478,461	951,854	827,938	947,172	933,871

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The Company provided information on its deferred exploration and evaluation assets in its interim financial statements for the period ended Sept. 30, 2012. The Company has no deferred expenses other than mining properties and deferred exploration and evaluation assets.

The Company has no research and development expenses and no development costs.

The following table provides details on the general and administrative expenses for the Sept. 30, 2012 and Sept. 30, 2011 interim periods:

ADMINISTRATIVE EXPENSES	1st Quarter 2012	1st Quarter 2011
General administrative expenses	$21,407	$66,592
Registration, listing fees and shareholders' information	3,117	-
Depreciation of Property, plant and Equipment	8,526	4,315
Consultant fees	24,438	-
Professional fees	15,000	-
Forest expenditures	6,374	2,483
Site restoration	13,856	10,145
Total	$92,718	$83,535

Environment

So far, the Company has spent $538,209 on the restoration of a former settling basin at Abcourt-Barvue. A small water treatment plant is on the site and a certificate of authorization has been received from "le Ministère du Développement durable, de l'Environnement et des Parcs" for this plant.

TRANSACTIONS WITH RELATED PARTIES

During the 1st quarter, the Company incurred exploration and development expenses amounting to $64,000, the cost of shares issued of $5,000, restoration of a mining site $3,000, allocation and rental of vehicles, equipment and house amounting to $9,737 with Decochib inc., a company whose president is also president of Abcourt Mines Inc.

These transactions are in the normal course of operations and are measured at the transaction value, which is the amount of consideration established and agreed by the related parties.

EQUITY AT SEPTMBER 31, 2012

Share Class	Par Value	Authorized Number	Number of shares Issued	Amount Received
Class A (not voting)	None	Unlimited	None	0
Class B (voting)	None	Unlimited	166,335,022	$34,928,930
Preferred	To determine	Unlimited	None	0

SHARES ISSUED DURING THE FIRST QUARTER ENDED SEPTEMBER 30, 2012:

There was no issue of shares during the first quarter, but 4,300,250 shares were reserved to be issued as part of a private placement which was closed on October 2, 2012.

OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES AT SEPT. 30, 2012

Changes in Company share purchase options are shown below:

Share purchase options	Quantity	Weighted average exercise price $
Outstanding as at June 30, 2012	10,200,000	0.12
Addition	150,000	0.10
Outstanding as at Sept. 30, 2012	10,350,000	0.12
Options exercisable as at September 30, 2012	10,225,000	0.12

The following table summarizes the information relating to share purchase options as at September 30, 2012.

Options

Number of options outstanding	Exercise price $	Weigthed average remaining contractual life (years)	Number of options exercisable
750,000	0.10	1.75	750,000
7,500,000	0.12	3.67	7,500,000
1,250,000	0.10	2.8	1,250,000
600,000	0.10	2.3	600,000
100,000	0.16	2.3	100,000
150,000	0.10	4.9	25,000
10,350,000			10,225,000

Warrants

As at September 30, 2012 and as at June 30, 2012, 68,011,496 warrants were outstanding and can be exercised as follows:

Expiry date	Number of warrants outstanding	Weighted average exercise price $
December 2012	265,000	0.15
December 2012	24,245,787	0.195
December 2012	3,986,821	0.30
April 2013	35,138,888	0.26
June 2013	4,375,000	0.20
Balance as June 2012 and September 30, 2012	68,011,496	

The following table presents the weighted average assumptions used to determine the fair value of warrants granted using the Black & Scholes option pricing model:

	Three month period closed September 30, 2012	Year ended June 30,2012
Warrants value	-	-
Expected volatility	-	67.8 %
Risk-free interest rate	-	1 %
Expected dividend rate	-	0 %
Estimated duration	-	1

Options granted to Brokers and Intermediaries

Company's options to brokers and intermediaries were as follows:

Expiry Date	Broker's and Intermediaries' Options Outstanding	Weighted average exercise price $
December 2012	1,749,750	0.135
December 2012	138,888	0.135
December 2012	517,241	0.145
April 2013	2,284,028	0.18
June 2013	568,750	0.12
Balance at June 30,2012 and September 30, 2012	5,258,657	

In the interim period ended on September 30, 2012, there was no change in the options granted to Brokers and Intermediaries.

EMPLOYEE REMUNERATION

	Three month period closed September 30, 2012 $	Year ended June 30, 2012 $
Salaries	270,598	570,254
Employee benefits	49,684	192,488
	320,282	762,742

CONTRACTUAL OBLIGATIONS

Long-term Debt

The Company has no long-term debt.

Royalties

Property	Royalty	Property	Royalty
Elder	2 to 3% NSR	Tagami	1 to 2% NSR
Barvue	$0.25 per short ton	Jonpol	2.5% NSR
Vendome	2% NSR on Xstrata claims	Aldermac	$2.00/t for 1.5 M t
Abcourt	0	Aldermac West	2% NSR

Convertible securities

None.

Escrowed shares

None.

CONTINGENCIES

a) The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are hardly identifiable, in term of level, impact or deadline. During the year, the Company received a notice of violation for its settling bassin and, to correct the problem, it installed a treatment plant required for the treatment of this small effluent. The Company has to report to the environmental authorities the assay results on a monthly basis in order to follow the treatment process. In relation with this notice of violation, the Company has not paid any penalty and if the Company respects its commitment, no amount will have to be paid in the future. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations in effect. Restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at the time.

b) The Company is partly financed by the issuance of flow-through shares. However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. Refusals of certain expenses by tax authorities would have negative tax consequences for investors.

MINING PROPERTIES

Abcourt Mines Inc. (the "Company") has two mining projects at an advance stage of development in Abitibi, Quebec, Canada:

- A silver/zinc project with the Abcourt-Barvue and Vendome properties north of Val-d'Or Quebec, Canada.
- A gold project with the Elder and Tagami properties near Rouyn-Noranda, Quebec, Canada.

and two advanced exploration projects, also in Abitibi, Quebec, Canada:

- The Aldermac property located near Rouyn-Noranda, Quebec, Canada with historical resources in copper, zinc, silver and gold.
- The Jonpol property located near Amos, Quebec, Canada with historical resources in copper, zinc, silver and gold.

Here is some information on each property:

ABCOURT-BARVUE PROPERTY

The Abcourt-Barvue property is conveniently located at Barraute, 60 kilometers (35 miles) north of the mining community of Val-d'Or, Quebec. It covers 5,865 hectares with 139 claims and two (2) mining concessions held 100% by Abcourt.

In 1950, zinc was discovered on surface on the Barvue claims. The mine was operated from 1952 to 1957 with an open pit by Barvue Mines Limited and from 1985 to 1990 with an underground operation by Abcourt Mines Inc.

Our objective is to place this property into production. From 2002 to 2007, several drilling programs, technical and environmental studies were completed or were done to provide data for a feasibility study and to support our applications for permits. The feasibility study is now completed but various alternatives are considered to improve the profitability of this project. In February 2011, Abcourt purchased the Xstrata Zinc Canada Division interest in fifteen half claims being part of the Vendome property. The purchase of these claims will allow us to add Vendome to the Abcourt-Barvue project.

In May 2006, a revision of the Abcourt-Barvue resources was completed by an independent qualified person, Mr. Jean-Pierre Bérubé, P.Eng., consultant for MRB & Associates of Val-d'Or, Québec, Canada. This revision was made according to NI 43-101 Standards. This report is available on SEDAR.

Genivar, Limited Partnership of Quebec City and Bumigeme of Montréal, completed a feasibility study, which was published in February 2007. With this feasibility study, almost all the resources were converted into proven and probable ore reserves. This report is available on SEDAR.

The mining plan involves the extraction of 85% of the ore from an open pit and the treatment of this ore in a mill built on the mine site with a capacity of 1,800 tonnes per day for a total of 650,000 tonnes per year. We are also evaluating the possibility of increasing the mill capacity to 2,740 tonnes per day, for a total of 1,000,000 tonnes per year. To reach this objective, it is necessary to upgrade some inferred resources at Abcourt-Barvue and to add to the project some historical resources at Vendome. A surface drilling program in the western part of Abcourt-Barvue mineralized zone was realized in 2011-2012 with the objective of upgrading into indicated resources a block of mineralization located at depths of 150 to 200 meters. During the fiscal period ended on June 30, 2012, eighteen (18) holes were drilled (AB11-53 to AB11-71) for a total of 5,857 meters at a total cost of $587,005, that is $100.26 per meter. In general, these holes gave excellent results (see Press Release dated February 15, March 7 and March 22, 2012). The next step will be to revise the resources and reserves in conformity with N.I. 43-101 and subsequently to update the feasibility study. The revision of the resources is being done now and it will take about six months.

THE VENDÔME PROPERTY

The Vendome property is located 11 kilometres (seven miles) south of the Abcourt-Barvue property. It comprises 59 full claims for a total of 2,546 hectares owned 100% by Abcourt.

In the 1950's, a small ore body was discovered and a three-compartment shaft was sunk to a depth of 160 meters (525 feet). Three levels were established at depths of 76 meters (250 feet), 114 meters (375 feet) and 152 meters (500 feet). A total of 2,134 meters (7,000 feet) of drifts and raises were excavated and 351 holes were drilled underground for a total of 66,700 meters (218,776 feet). At the same time, two deposits, the **Barvallee** and the **Belfort** were found on strike to the west by surface drilling. In addition, some holes drilled in the Magador batholith found some gold values.

In 1987, a surface plant was installed and a short (76 meters) ramp was excavated on the Barvallee part of the property.

In 1998, the Company drilled nine holes for a total of 1,505 meters (4,936 feet) in the Barvallee sector of the zone. Results were very encouraging.

In 2011, four holes were drilled to confirm historical resources and excellent results were obtained. See our Press Release dated August 9, 2011. An evaluation of resources according to NI 43-101 is currently being made.

THE ELDER-TAGAMI MINE

The Elder mine is owned 100% by Abcourt. The mine is conveniently located just six miles (ten km) northwest from the mining community of Rouyn-Noranda, Quebec. The property comprises 34 contiguous claims and a mining concession covering an area of 876 hectares. There are several small royalties to pay on different parts of the property.

The surface plant includes an office, a service building, a hoist room and a shaft building. The mine is serviced to a depth of 794 meters (2,606 feet) by two shafts and several drifts on 16 levels. Most of the mining equipment is available and all the facilities are in place. The mine could be re-opened.

The ore is found in several quartz veins generally striking N-40°–E on surface but east-west at a depth of 305 meters (1,000 feet) down the mine and dipping on the average at 22° to the south-east, with the exception of the no 4 vein which is striking north-south and dipping 22° to the east. The CDR vein is located 4,500 feet (1,377 m) south of vein no. 1.

Between 1984 and 1989, a total of $23 M was spent on this property by the Aunore Resources Inc – Nova Beaucage Mines Limited joint venture. The surface plant was installed and the necessary equipments were purchased. The mine was dewatered, 4,268 meters (14,000 feet) of old drifts were rehabilitated, the shaft was deepened 15 meters (50 feet), new stations were established on three upper levels, in no 2 shaft, that is the 4th, 5th and 6th levels, an ore pass and a waste pass system with loading pockets was established, 142 surface and 75 underground diamond drill holes were drilled, approximately 2,134 meters (7,000 feet) of new drifts were excavated, ventilation raises were driven and a few stopes were started. Approximately 13,200 m. tonnes of ore with a grade of 0.198 oz/mt of gold were extracted. Following a drop in the price of gold, the mine was closed.

From 1995 to 2011, several surface drilling programs were completed and results obtained were used to revise resources. We also converted all the old historic data to the metric system. The revision of resources was completed by Mr. Jean-Pierre Bérubé, P. Eng. Mr. Bérubé is a qualified person.

Here are the results of the 2012 calculations:

Table 1a – Measured and indicated resources at Elder and Tagami

ZONE	MEASURED			INDICATED			MEASURED + INDICATED			
	TONNES	GRADE	WIDTH	TONNES	GRADE	WIDTH	TONNES	GRADE	WIDTH	GOLD OUNCES
	(metric)	(g/t)	(m)	(metric)	(g/t)	(m)	(metric)	(g/t)	(m)	
ELDER	512,739	6.68	2.20	671,139	6.50	2.16	1,183,878	6.58	2.18	250,341
CDR				4,172	16.49	2.50	4,172	16.49	2.50	2,213
TAGAMI	-	-	-	173,162	6.54	2.10	173,162	6.54	2.10	36,391
TOTAL ALL	**512,739**	**6.68**	**2.20**	**848,473**	**6.55**	**2.10**	**1,361,212**	**6.60**	**2.14**	**288,944**

Table 1b – Inferred resources at Elder and Tagami

ZONE	TONNES	GRADE	WIDTH	GOLD OUNCES
	(metric)	(g/t)	(m)	
ELDER	412,668	5.76	1.92	76,392
CDR	50,248	5.15	1.83	8,328
TAGAMI	175,384	5.69	1.68	32,106
TOTAL ALL	**637,900**	**5.70**	**1.85**	**116,827**

Based on the new resources estimate, a preliminary economic assessment (PEA) report has been done to determine if additional exploration work is needed to increase resources before considering a start of production, or not. In the affirmative, the exploration program recommended by Jean-Pierre Bérubé in his 43-101 report (2009), will be realized. On the other hand, if the PEA study indicates that there are enough resources and if funds are available, a mine development program will be started with the objective of putting the mine in production as soon as possible.

The NI 43-101 preliminary economic assessment report (P.E.A.) on the Elder gold mine project prepared by Roche Ltd., Consulting Group (Roche) and independent consultants, indicates a total cash flow of $138 M over a 10.4-year initial period of mine life, a before-tax Net Present Value (NPV) of $81.8 M at a discount rate of 8%, a before-tax Internal Rate of Return (IRR) of 140.5% and a payback period of 1.1 years.

This study is based only on the 43-101 Elder resource calculations made by Mr. Jean-Pierre Bérubé, Eng., listed above and filed on SEDAR on May 9, 2012. It does not include any of the indicated and inferred gold resources located on the adjacent Tagami property, or any new resources that may be found by the proposed $3.5 M exploration budget at the Elder mine.

The preliminary economic assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The qualified persons responsible for this 43-101 report are Pierre Casgrain, Eng., Garand Gagnon, Eng., Alain Dorval, Eng., and Martin Magnan, Eng., of Roche Ltd., Consulting Group and Lise Chénard, Eng., Michel Bilodeau, Eng., and Jean-Pierre Bérubé, Eng., independent consultants.

Here is the economic analysis extracted from the Roche report:

GENERAL

A preliminary economic/financial analysis of the project has been carried out using a cash flow model. The model is constructed using annual cash flows in constant money terms (third quarter 2012). No provision is made for the effects of inflation. As required in the financial assessment of investment projects, the evaluation is carried out on a so-called "100% equity" basis, i.e., the debt and equity sources of capital funds are ignored.

Results are presented on a before-tax basis. The model reflects the base case macro-economic and technical assumptions given in this report.

MACRO-ECONOMIC ASSUMPTIONS

The main macro-economic assumptions used in the base case are given in Table 1 below.

The gold price forecast is based on the average London Fix over the past three-year period. The sensitivity analysis examines a range of gold prices 30% above and below the base case price.

Table 1 – Macro-Economic Assumptions

Item	*Unit*	*Value*
Gold Price	*$US/oz*	*1436*
Exchange Rate	*CAD/USD*	*1.00*
Discount Rate	*% per year*	*8*
Discount Rate Variants	*% per year*	*6 & 10*

Apart from the base case discount rate of 8 %, two variants of 6 and 10 % are used to determine the net present value of the project. These discounts rates represent possible weighted-average costs of capital to the investor.

MINERAL ROYALTIES

The present financial analysis incorporates royalty agreements resulting in three rates of payments that depend on the location of the resources extracted. A 3 % NSR royalty applies to resources extracted from levels 1 to 9, a 2.5 % NSR royalty applies to resources extracted from level 10, and a 2 % NSR royalty applies to resources extracted from levels 11 to 15.

Technical Assumptions

*The main technical assumptions used in the base case are given in **Table 2** below.*

Table 2 – Technical Assumptions

Item	*Unit*	*Value*
Total Resources Mined	*K tonnes*	*1488.9*
Design Extraction Rate	*tonnes milled / year*	*150,000*
Life of Mine	*Years*	*10.4*
Average Mill Feed Grade	*g/t Au*	*5.48*(1)
Toll Mill Process Recovery	*%*	*94*
Total Gold Production	*K ounces*	*246.5*
Average Mining Operating Cost	*(CA$ / tonne mined)*	*66.41*
Transport Cost to Toll Mill	*(CA$ / tonne milled)*	*12.50*
Average Process Operating Cost (Toll mill)	*(CA$ / tonne milled)*	*32.73*
General & Administration Cost	*(CA$ / tonne milled)*	*15.34*
Refining Cost	*(CA$ / oz Au)*	*3.00*

(1) 5.48 g/t = 0.176 ounce of gold per tonne

A reduced production of 80,000 tonnes milled in the first year of production provides for a ramp-up to the full capacity of 150,000 tonnes milled per year in the following years.

FINANCIAL MODEL AND RESULTS

*A summary of the base case results is given in **Table 3** below.*

*The cash flow statement for the base case is reproduced in **Table 4** of the report.*

*In **Table 3** and the cash flow statement, the following can be observed:*

A total at-mine revenue of $353.3 M is forecast. This amounts to an average of $237.27 per tonne milled.

The total pre-production capital expenditure is evaluated at $ 2.1 M, excluding working capital, and the total sustaining capital requirement, excluding closure costs, is evaluated at $2.2 M. An initial working capital, equivalent to 6 months of operating expenses in year 1, is provided at start-up, and is reduced to an equivalent of 3 months thereafter. The Spare Parts and Capital Spares entries listed under the indirect capital expenses are included in the initial working capital requirement. The initial working capital outlay is $5.3 M. Additional amounts are injected or withdrawn as total annual operating costs increase or decrease over the life of mine. A total of $0.6 M is provided for closure costs.

The total operating costs are estimated at $200.7 M for the life of the mine or on average $134.83/tonne milled. The total NSR royalty payments are evaluated at $9.8 M or on average $6.56 per tonne milled.

The financial results indicate a total before-tax cash flow of $137.9 M, a before-tax Net Present Value (NPV) of $81.8 M at a discount rate of 8 %, a before-tax Internal Rate of Return (IRR) of 140.5 % and a payback period of 1.1 years.

Table 3 – Project Evaluation Summary

Items	*Base Case (M CAD $)*
Total At-mine Revenue	*353.276*
Pre-production Capital Expenditures (excludes Spares)	*2.121*
Sustaining Capital Expenditures	*2.228*
Initial Working Capital Requirement	*5.317*
Mine Closure Costs	*0.562*
Total Operating Costs	*200.745*
Total NSR Royalty Payments	*9.766*
Total Before-tax Cash Flow	*137.854*
Before-tax NPV @ 8%	*81.823*
Before-tax NPV @ 6%	*92.562*
Before-tax NPV @ 10%	*72.636*
Before-tax IRR (%)	*140.5*
Before-tax Payback Period (years)	*1.1*

SENSITIVITY ANALYSIS

A sensitivity analysis indicates that, within the level of accuracy of the cost estimates, project viability does not appear to be affected by the under-estimation of capital costs and operating costs, taken individually. The net present value is more sensitive to variations in operating expenses and the price of gold. A gold price of approximately $875 per ounce results in break-even condition i.e. yields an NPV of zero at a discount rate of 8%.

The full report will be filed on Sedar shortly under the heading «technical report» and on our website.

This positive economic analysis justifies the continuation of our mine development program at the Elder mine with the objective of completing a preliminary feasibility study, or a feasibility study and putting the Elder gold mine in production as soon as possible (within the next 12 months).

Currently, the mine is being dewatered and rehabilitated with about 20 persons working at the mine.

During the first quarter ended on September 30, 2012, a total of $474,880 was spent.

THE ALDERMAC PROPERTY

In January 2007, Abcourt announced that a 4-year option was signed for 100% of the Aldermac property located in Beauchastel township near Rouyn-Noranda, Quebec, Canada. This 303-hectare property is the site of a former mine, serviced by a 495-meter 3-compartment shaft and nine levels. In the past, it produced two million tons of ore with a grade of 1.78% Cu, 0.2 oz/t Ag, 0.02 oz/t Au and 1.50% ± Zn.

Around the old mine and 300 meters further east, where a new ore body was discovered in 1987, historical resources are as follows:

Description	Short tons	Cu %	Zn %	Ag oz/t
Area around the old mine	620,000	1.60 ±	2.00 ±	0.2
New ore body to the east	1,150,000	1.50	4.13	0.9
Total	1,770,000	1.54	3.38	0.6

The historical resources reported above were prepared before the introduction of National Instrument 43-101 ("43-101"). The historical resources have not been verified and should not be relied upon. This being said, Abcourt believes that these estimates, particularly the ones prepared by Wright Engineers, were estimated by competent persons. This statement is made by Mr. Renaud Hinse, professional engineer, President of Abcourt Mines Inc. Mr. Hinse is a qualified person under 43-101.

A 22-hole drilling program totalling 5,514 meters at a cost of $601,399 was completed during the 2008 winter. Several excellent values over important widths were cut and reported in Press Releases and previous annual reports. See our Web site: www.abcourt.com.

Having placed a priority on Elder-Tagami and Abcourt-Barvue, there was no exploration work done on this property in 2011 and none is budgeted for 2012. However, this property is interesting and additional work will be done as soon as funds become available.

THE JONPOL PROPERTY

In March 2007, Abcourt announced the signature of a 7-year option to purchase 100% of the Jonpol property located in Dalquier township near Amos, Quebec, Canada. This 880-hectare property was subject to several exploration programs in the past and three shafts were sunk, the deepest reaching a depth of 152 meters.

This exploration work outlined the following historical resources:

Zone	Date	Author	Short tons	% Cu	% Zn	oz/t Ag
Upper Ag-Zn	1969	Waisberg [(1)]	20,000	- -	4.0	8.0
Jay Copper	1969	Waisberg	26,000	3.5	- -	1.0
Main West Cu	1974	Kilborn [(2)]	1,946,000	1.04	- -	0.02
Lower Ag-Zn-Cu	1983	Getty [(3)]	815,000	1.25	3.21	3.55

[(1)] S. Waisberg, 1969, Conigo Mines Ltd

[(2)] H.B. Hicks, 1974, Kilborn Engineering Ltd, preliminary feasibility study for 1,000 TPD mining and milling plant

[(3)] D. Titaro, 1983, Getty Canadian Mines Ltd, work summary

In addition, several significant gold intersections were obtained in the drilling.

This information comes from a report by C.M Cooke, senior project geologist for Aur Resources Inc., dated November 1992.

The historical resources reported above were prepared before the introduction of National Instrument 43-101 (“43-101”). The historical resources have not been verified and should not be relied upon. However Abcourt believes that these estimates, particularly the ones prepared by Kilborn and Getty, were estimated by competent persons. This statement is made by Mr. Renaud Hinse, professional engineer, President of Abcourt Mines Inc. Mr. Hinse is a qualified person under 43-101.

Recent Diamond drilling

During the first quarter of the fiscal period ended on June 30, 2012, we drilled nine holes. Eight of these holes were drilled on the western extension of a silver zone indicated by previous drilling. These holes only gave low values. The ninth hole was drilled to intersect a rhyolite-tuff contact. It cut a 1-meter mineralized section averaging 267.50 g/t silver and 0.24 % zinc at an approximate depth of 100 meters.

In September 2012, six additional holes, for a total of 1,466 meters, were drilled. A few significant assays were received. A total of $82,259 was spent.

THE VEZZA PROPERTY

In 2009 and 2010, Abcourt has acquired by staking 85 claims and 19 cells totalling 2,233 hectares in Vezza Township, Quebec. This property covers about 8 km along the Casa Berardi-Douay-Cameron deformation zone where several gold occurrences have been reported in the past. This new property is currently in the exploration stage and is without a known body of commercial ore or economic deposit.

PERSON RESPONSIBLE OF TECHNICAL INFORMATION

The qualified person under National Instrument 43-101 respecting standards of disclosure for mineral projects, who is responsible of the technical information relating to the mining properties of the Company, is Mr Renaud Hinse, mining engineer, President of Abcourt Mines Inc.

RISKS AND UNCERTAINTIES

RISK FACTORS

In the course of its business and affairs, the Company faces the following risks factors:

Fluctuations in the Market Price of gold and other metals

The profitability of mining operations, and thus the value of the mineral properties of the Company, is directly related to the market price of gold and other metals. The market price of gold and other metals fluctuates and is affected by numerous factors beyond the control of any mining company. If the market price of gold and metals should decline dramatically, the value of the Company's mineral properties could also decrease dramatically and the Company might not be able to recover its investment in those interests or properties. The selection of a property for exploration or development, the determination to construct a mine and place it into production and the dedication of funds necessary to achieve such purposes are decisions that must be made long before first revenues from production are received. Price fluctuations between the time that such decisions are made and the commencement of production can drastically affect the economics of a mine.

Financial Risk

Additional funds will be required in the future to finance the Company's exploration and development work. The Company may have access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Company. Furthermore, even if such a financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Company or provide the Company with sufficient funds to meet its objectives, which could adversely affect the Company's business and financial condition.

Exploration and Mining Risks

Mineral resources exploration and development is highly speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not be able to avoid. While the discovery of a deposit may prove extremely lucrative, most exploration efforts are not successful in that they do not result in the discovery of mineralization of sufficient quantity or quality to be profitably mined. Substantial sums may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. **There is no assurance that ores will be discovered by the Company in quantities sufficient to warrant mining operations. There is also no assurance that the mining properties of the Company will be brought into commercial**

production. The economic life of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size and grade. Other factors include the proximity of the deposit to infrastructure, the production capacity of mining facilities and processing equipment, market fluctuations, possible claims of native peoples and government regulations, including regulations relating to prices, royalties, allowable production, importation and exportation of minerals, environmental protection and the protection of agricultural territory. The effect of these factors cannot be accurately predicted and may prevent the Company from providing an adequate return on investment.

Regulatory Compliance, Permitting Risks and Environmental Liability

Exploration, development and mining activities are subject to extensive Canadian federal and provincial laws and regulations governing exploration, development, production, taxes, labour standards, waste disposal, protection and conservation of the environment, reclamation, historic and cultural preservation, mine safety and occupational health, toxic substances as well as other matters. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing a mine and other facilities in compliance with such laws and regulations is significant. The costs and delays associated with compliance with such laws and regulations could become such that the Company cannot proceed with the development or operation of a mine.

Mining in particular (and the ownership or operation of properties upon which historic mining activities have taken place) is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies within the industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

Title to Properties

Although the Company has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company’s interests.

Industry Conditions

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial sums may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Company will result in a profitable mining operation. The economic life of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metal prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed, but may prevent the Company from providing an adequate return on investment.

Outlook

Management will continue to manage its funds rigorously, its primary objective being to optimize return on investment for the Company's shareholders. The Company's development strategy is focused on the discovery of economically-viable deposits that will generate profits from mining and ensure the Company's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of gold and other metals.

Competition

The Company competes with major mining companies and other natural resource companies in the acquisition, exploration, financing and development of new properties and projects. Many of these companies are more experienced, larger and better capitalized than the Company. The competitive position of the Company depends upon its ability to obtain sufficient funding and to explore, acquire and develop new and existing mineral-resource properties or projects in a successful and economic manner. Some of the factors which allow producers to remain competitive in the market over the long term are the quality and size of an ore body, cost of production and operation generally, and proximity to market. The Company also competes with other mining companies for skilled geologists and other technical personnel.

Permits and Licenses

The operations of the Company require licences and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licences and permits that may be required to carry out further exploration, development and mining operations at its projects.

Volatility of Stock Price and Limited Liquidity

The common shares of the Company are listed on the TSX Venture Exchange and on the Frankfurt and Berlin Exchanges. The common shares have experienced volatility in price and limited trading volume over the last several years. There can be no assurance of adequate liquidity in the future for the common shares.

Dependence on Key Personnel

The Company is dependent on the services of certain key officers and employees. Competition in the mining exploration industry for qualified individuals is intense and the loss of any key officer or employee if not replaced could have a material adverse effect on the business and operations of the Company.

STRATEGY AND OUTLOOK

Our objective is to maximize the value of the Company for our shareholders and our strategy to obtain this result is to develop our properties. To proceed with this strategy, a placement was completed in October 2012. The funds received are being used to dewater the Elder mine, to complete a 43-101 resource report on Vendome and a PEA study on Elder mine.

For any additional information, please consult our web site www.Abcourt.com and the SEDAR site www.sedar.com.

CERTIFICATE

This management's discussion and analysis has been approved by the Board of directors. A copy of this report will be provided within 10 days to a shareholder who has requested it.

(s) Renaud Hinse
Renaud Hinse
Chief Executive Officer
2012/11/29

(s) Jean-Guy Courtois
Jean-Guy Courtois
Chief Financial Officer
2012/11/29