MINES
BCOURT
MINES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the 3rd quarter ended on March 31, 2016

ABCOURT MINES INC.

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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THIRD QUARTER ENDED ON MARCH 31, 2016

This management's discussion and analysis provides an analysis of our exploration, evaluation and exploitation results and of our financial situation which will enable the reader to evaluate important variations in exploration, evaluation and exploitation results and in our financial situation for the quarter ended March 31, 2016, in comparison with the previous third quarter. This report supplements our audited financial statements and should be read in conjunction with our financial statements and the accompanying notes of June 30, 2015. Our financial statements are prepared in accordance with the applicable international accounting system. 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, evaluation and exploitation 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 our web site at www.abcourt.com, where you will find a description of our mining properties.

INCORPORATION AND NATURE OF OPERATIONS

Abcourt Mines Inc. (the "Company" or "Abcourt") was incorporated by letters patent of amalgamation dated January 11, 1971 pursuant to Part 1 of the *Companies Act* (Quebec) and continued its existence under Part 1A of the same Act by certificate of continuation dated March 6, 1981. On February 14, 2011, the Company was continued automatically pursuant to the *Business Corporation Act* (Québec), following the coming into force of such Act. The Company is primarily engaged in the exploration and valuation of mining properties with a view to commercial production. On March 31, 2016, the Company was exploiting the Elder mine. The current Company's portfolio comprises only mining properties located in Abitibi, Province of Quebec, Canada.

FORWARD LOOKING STATEMENTS

Some statements contained in this MD&A constitute forward looking statements including, without limitation, anticipated developments in the Company's operations in future periods and other events or conditions that may occur in the future. These statements are about the future and are inherently uncertain and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur.

GLOBAL PERFORMANCE OF THE 3rd QUARTER ENDED ON MARCH 31, 2016

During the quarter ended on March 31, 2016, the mining operations at the Elder mine produced a net profit of $479,130. An amount of $141,267 was spent for 1,656-meter surface drilling program at the Abcourt-Barvue site.

PRINCIPAL ANNUAL INFORMATIONS (audited)

Periods ended on June 30

	2015	2014	2013
Statement of comprehensive income			
Other revenues	20,361	-	7,374
Interests	6,035	17,391	55,100
Net loss	1,013,091	331,967	354,316
Net loss per share diluted	(0.005)	(0.002)	(0.000)
Statement of financial position ($)			
Cash and term deposits	897,372	934,486	1,370,990
Total assets	23,577,441	22,648,536	21,086,078
Long-term debt	252,646	229,678	208,798
Mining exploration ($)			
Exploration and evaluation assets	17,035,740	15,951,740	14,361,612

QUARTERLY INFORMATION (non-audited)

	2016 March	2015 March	2015 Dcc.	2014 Dec.	2015 Sept.	2014 Sept.	2015 June	2014 June
Statement of comprehensive income ($)								
Sale of gold and silver	4,581,527							
Other revenues	6,296	-	20,957	-	15,113	9,000	11,361	-
Interests	3,141	933	2,831	964	1,093	908	3,230	9,748
Net profit (net loss)	479,130	(104,459)	(179,807)	(147,043)	(102,849)	(77,546)	(684,043)	34,101
Net profit (net loss) per share diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Statement of financial position ($)								
Cash and term deposit	2,241,900	472,702	3,534,274	1,047,389	2,111,615	415,445	897,372	934,486
Total assets	25,600,237	24,571,459	24,922,108	23,934,531	23,385,685	23,214,629	23,577,441	22,648,536
Long-term debt.	271,637	0.00	264,977	240,888	258,738	235,216	252,646	229,678
Mining exploration ($)								
Exploration and evaluation expenditures net of mining duties, tax credits and production value of gold and silver ingots	145,518	460,659	2,632,000	701,284	(1,304,333)	570,419	(648,362)	752,054

INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS

For the three-month and nine-month periods ended March 31, 2016:

	2016	2016	2015	2015
(unaudited)	**3 months**	**9 months**	**3 months**	**9 months**
	$	**$**	**$**	**$**
ELDER MINE IN PRODUCTION				
Sales of gold and silver ingots	4,581,527	4,581,527	-	-
Operating mining cost	3,729,124	3,729,124	-	-
Royalties	124,457	124,457	-	-
Amortization and depletion	146,011	146,011	-	-
Cost of sales	3,999,592	3,999,592	-	-
GROSS PROFIT	581,935	581,935		
OTHER EXPENSES				
Part XII.6 income taxes	1,359	1,359	(440)	-
Professional fees	34,749	181,754	25,033	91,802
Restoration of Abcourt-Barvue site	310	37,568	-	-
Restoration of Vendôme site	-	-	-	7,945
Salaries and fees	29,198	60,802	28,323	64,103
Share-based compensation	-	-	-	6,400
Various	7,949	27,096	8,903	22,764
Accretion expense	6,390	18,721	(552)	10,658
Electricity	2,058	9,496	-	-
Software and Internet	14,121	18,928	10,885	16,678
Insurances	3,088	9,333	3,055	9,300
Training	-	-	21,750	21,750
Taxes, licences and permits	85	85	84	84
Interest and penalties	-	11,539	-	-
Payroll burden	3,495	11,921	9,111	14,486
Bank expenses	6,057	17,218	9,537	14,803
Registration, listing fees and shareholders' information	24,237	37,646	20,191	60,438
Financing costs	282	282	12,727	28,479
Advertising	1,460	6,711	1,000	1,000
Supplies	405	1 ,215	405	1,215
Forest expenses	-	(2,182)	-	862
Consultant fees			-	21,375
Amortization of property, plant and equipment	1,659	5,081	2,203	6,034
	136,902	454,573	152,215	400,176

The accompanying notes are an integral part of the interim financial statements.

INTERIM STATEMENTS OF NET PROFIT (LOSS) AND COMPREHENSIVE EARNINGS (LOSS) (continued)

For the three-month period and the nine-month period ended March 31, 2016 and for the three-month period and the nine-month period ended March 31, 2015

	2016	2016	2015	2015
(unaudited)	**3 months**	**9 months**	**3months**	**9 months**
	$	**$**	**$**	**$**
OTHER REVENUE				
Other income	6,296	34,003	-	9,000
Sale of waste rock and scrap	-	-	-	3,000
Interest income	3,141	7,065	933	2,805
	9,437	41,068	933	14,805
PROFIT (LOSS) BEFORE INCOME TAXES	454,470	168,430	(151,282)	(385,371)
Income taxes	(8,605)	(41,815)	-	-
Deferred taxes	33,265	69,859	46,823	56,323
	24,660	28,044	46,823	56,323
NET PROFIT (LOSS) AND COMPREHENSIVE EARNINGS (LOSS)	**479,130**	**196,474**	**(104,459)**	**(329,048)**
BASIC AND DILUTED NET PROFIT (LOSS) PER SHARE	0.00	0.00	0.00	0.00

COMMENTS

Revenues

Our revenues come from the sale of gold and silver ingots. For the three-month period ended on March 31, 2016, our revenues from the sale of gold and silver were $4,581,527 and our other revenues and interests totaled $9,437.

Expenses

The cost of sales for the three-month period ended on March 31, 2016, was $3,729,124. The others expenses totaled $136,902 compared to $152,215 for the same period in 2015.

Profit (loss) before income tax

The profit before income tax for the quarter ending on March 31, 2016 and for the nin-month period ending on the same date was $479,130. In 2015, a loss of $104,459 was recorded for the quarter ending on March 31, 2015, and $329,048 for the nine-month period ending on the same date.

Net profit (loss) and comprehensive earning

For the 3-month period ended on March 31, 2016, the net profit and comprehensive earning were $479,130. The basic and diluted net profit per share was $0.00. For the nine-month period ended on March 31, 2015, the net loss and comprehensive loss was $329,048 and the net loss per share was $0.00.

INTERIM STATEMENTS OF CHANGES IN EQUITY

During the nine-month period terminated on March 31, 2016, shareholder equity increased by $1,141,726 with a net profit of $196,474 and the issue of capital stocks for an amount of $945,252.

In the previous year, for the same period, shareholder equity increased by an amount of $1,759,817 with the issue of shares and warrants for an amount of $2,152,059, less the net loss for the period and the cost of issuing shares for a total of $392,242.

CASH FLOWS

Cash and equivalents at the end of the nine-month period ending on March 31, 2016

Cash and equivalents increased substantially to $2,078,900 in 2016, compared to nothing in 2015. The available cash and cash equivalents ($2,078,900) plus the sale of gold and silver should be sufficient to cover our operational expenses in 2015-2016, and after.

Operating Activities

For the nine-month period ended on March 31, 2016, operating activities before the net change in non-cash working capital items, generated a cash flow of $377,971, compared to a negative cash flow of $362,279 in the previous year.

The net change in non-cash working capital items used $2,407,778 in 2016 and $432,378 in 2015.

Financing

During the nine-month period ended on March 31, 2016, an amount of $1,029,270 was raised with a private placement.

Net change in non-cash working capital items:
(Note 4 in financial statements)

9-month periods

	2016 March 31 $	2015 March 31 $
Deposit for future acquisition	(225,000)	-
Interests receivable	(3,343)	381
Taxes receivable	(543,334)	(413,032)
Other receivables	(8,835)	(1,327,067)
Mining duty and tax credit related to resources receivable	5,997	103,411
Inventories	(2,519,906)	964,295
Prepaid expenses	28,453	11,512
Accounts payable and accrued liabilities	858,190	508,122
Subscriptions received in advance	-	(280,000)
	(2,407,778)	(432,378)

Items not affecting cash and cash equivalents:
9-month periods

	$	$
Decommissioning provisions for mining sites computed to expenses	18,721	10,658
Transfer from Elder's project into Property, Plant and Equipment	7,553,390	-

Investment

Investing activities for the nine-month periods ending on March 31 in 2016 and 2015 are summarized as follows:

	March 31, 2016	March 31, 2015
INVESTING ACTIVITIES		
Deposit for restoration of Elder mining site	(120 168)	(240 336)
Acquisition of exploration and evaluation assets	(9 959 556)	(10 352 568)
Cash reserved for exploration and evaluation	(17 000)	(472 702)
Sales of gold and silver ingots	12 416 427	8 749 558
Sales of waste rock and scrap	16 633	-
Acquisition of property, plant and equipment	(144 271)	(127 231)
	2 192 065	(2 443 279)

Please note that in 2016, the credits from the sale of waste rock, gold and silver are higher than the investment and produced a surplus of $2,192,065 whereas in 2015, the investments needed an addition of funds totaling $2,443,279.

EXPLORATION AND VALUATION ASSETS
(see note 8 of Financial Statements)

Sommary	**2016 March 31**	**2015 June 30**
	$	**$**
Mining properties	1,892,755	2,093,639
Exploration and evaluation expenses	5,116,091	14,942,101
	7,008,846	17,035,740

On March 31, 2016, on the Elder mine site and at the Camflo site, the Company had 5,705 tonnes of gold mineralization on surface stock piles. This material will be treated at the Camflo mill in the near future.

Exploration and valuation expenses

	Balance at June 30, 2015	Addition 9 months to March 31 2016	Sales of gold and silver ingots	Sales of waste rock and scrap	Transfer	Balance at March 31, 2016
	$	$	$	$		$
Abcourt – Barvue, Qc	3,874,302	335,067	-	-	-	4,209,369
Vendôme, Qc	203,841	309	-	-	-	204,150
Elder, Qc (1)	10,187,243	9,581,436	(12,416,427) **(2)**	(16,633)	(7,335,619)	-
Aldermac ,Qc	676,715	25,857	-	-	-	702,572
	14,942,101	9,942,669	(12,416,427)	(16,633)	(7,335,619)	5,116,091

(1) Royalties of 1% and 2% are payable on Elder project and are recorded in exploration and evaluation expenses. The 2% royalty is paid to a related company (see Note 16).

(2) During the nine-month period ended on March 31, 2016, the sale of gold and silver ($12,416,427) was greater than the exploration and evaluation expenses.

COMMENTS ON THE ELDER EXPLORATION AND EVALUATION ASSETS

The two most important exploration and evaluation expenses, as indicated below, were salaries with fringe benefits and transportation of gold mineralization, milling and refining.

The exploration and valuation costs at the Elder project, for the nine-month period in 2016 and 2015 were as follows:

	2016 **9months at March 31,**	**2015** **9 months at March 31,**
	$	**$**
Salaries and fringe benefits	3,799,323	4,587,429
Transportation, milling and refining	2,583,860	2,398,099
Contractors fees(Engineer, technicians and others)	668,474	732,880
Drilling and support supplies	574,042	625,667
Mining goods and supplies	371,437	358,988
Energy and explosives	331,200	295,619
Phone and electricity	310,271	475,452
General exploration and evaluation expenses of Elder project	144,407	316,638
Maintenance and repairs	135,595	107,851
Tracks	102,330	70,317
Assays	88,636	127,386
Insurance, taxes and permits	40,605	46,152
Elder mine dewatering	-	16,441
	9,150,180	10,158,919

Costs for 2016 are only for a six-month period, July to December 2015. Costs for the January-March period in 2016 are found under the heading of Elder mine production (see page 4). The total of these costs for the July 1, 2015, to March 31, 2016, period would be $12,879,304 compared to $10,158,919 in 2015. This indicates an increase of activities between 2015 and 2016.

STATEMENT OF FINANCIAL POSITION

On March 31, 2016, the assets totalled $25,600,237 compared to $23,577,441 on June 30, 2015.

The cash increased considerably from $1,043,372 on June 30, 2015 to $2,241,900 including cash reserved for exploration on March 31, 2016.

The exploration and valuation assets, net from the sale of waste rock, gold and silver ingots decreased from $17,035,740 on June 30, 2015, to $7,008,846 on March 31, 2016.

Liabilities increased from $1,597,500 on June 30, 2015, to $2,478,570 on March 31, 2016.

NATURE OF ACTIVITIES AND GOING CONCERN

Abcourt Mines Inc. 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 Corporations Act (Quebec) following the entry into force of this law. The Company is engaged in the acquisition and exploration of mining properties in Canada. Its shares are trading on TSX Venture Exchange under the symbol ABI, on the Berlin Stock Exchange under the symbol AML-BE and on the Frankfurt Exchange under the symbol AML-FF. The address of the Company's head office is 506 des Falaises, Mont-St-Hilaire, (Quebec) J3H 5R7. The Company has economical ore reserves on the Abcourt-Barvue property and the Elder Mines has been producing gold for some years. The exploration and evaluation of mineral deposits involves nevertheless significant financial risks. The success of the Company depends on a number of factors, including exploration and extraction risks, regulatory issues, environmental regulations and other regulations.

In the past, at Elder Mine, the Company proceeded with an underground evaluation of the mineralization, which has subsequently achieved commercial production on January 1, 2016. Prior to this quarter the Company recorded losses year after year and the Company has accumulated a deficit of $22,092,032 as at March 31, 2016. During the quarter ended March 31, 2016, the Company recorded a net profit of near $480,000. Previously, the Company depended on its ability to obtain funds to meet its commitments and future liabilities. Therefore, the achievement of commercial production and profits similar to those obtained during the quarter ended March 31, 2016 would allow self-financing but there is no guarantee of success for the future.

Although management has engaged a qualified person to verify titles of the mining properties in which the Company has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's property title. Property title may be subject to unregistered prior agreements and non-compliant with regulatory requirements. There is no indication to date that these situations may exist.
The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations and do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses and statement of financial position classifications that would be necessary if the going concern assumption would not be appropriate. These adjustments could be material.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations and do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses and statement of financial position classifications that would be necessary if the going concern assumption would not be appropriate. These adjustments could be material.

These financial statements were approved by the Board of Directors on May 30, 2016.

Basis of presentation and compliance declaration
These unaudited interim condensed financial statements of Abcourt Mines Inc., were prepared by management in accordance with the International Financial Reporting Standards ("IFRS"), as issued by the IASB and in accordance with IAS 34, *Interim Financial Reporting.*

The condensed interim financial statements do not include all the information and notes required for the purpose of annual audited financial statements. The methods used are the same as those used for the purpose of auditing the annual financial statements for the year ended June 30, 2015, prepared in accordance with the ("IFRS") as published by the International Accounting Standards Board ("IASB"). Consequently, these unaudited condensed interim financial statements and the notes thereto should be read in conjunction with the audited annual financial statements for the period ended June 30, 2015.

Basis of Measurement

The financial statements have been prepared according to historical costs.

Main accounting estimates, assumptions and judgments

To prepare condensed interim financial statements, the management of the Corporation has to make estimates and make hypothesis pertaining to the application of the methods and the amount presented in the assets and liabilities as well as in the revenue and expenses. The estimates and the related hypothesis are based on empirical evidence and other different factors that are believed reasonable under the circumstances and for which results constitute the basis of judgments made on the accounting values of the assets and liabilities that are not easily obvious from other sources. The real results could differ from these estimates. The main accounting estimates, assumptions and judgments are the same as those in the most recent annual financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The Corporation provides information on its deferred exploration and evaluation assets in its interim financial statements for the nine-month period ending on March 31, 2016.

The Corporation has no deferred expenses other than mining properties and deferred exploration and evaluation assets.

The Corporation has no research and development expenses.

Decommissioning provisions for the ELDER mine site

	March 31, 2016	June 30, 2015
	$	$
Balance, beginning of year	252,646	229,678
Accretion expense	18,721	22,968
Balance, end of year	271,367	252,646

At the time of its recognition, during the year ended June 30, 2013, the amount of the obligation is amounting to $480 670 and represents the estimate of Elder mining site restoration costs. This amount has been capitalized for a period of ten years with an inflation rate of 1.2% and was subsequently updated at a 10% rate. Its current value is therefore $271,367 on March 31, 2016.

Royalties

Property	Royalty
Elder	2 to 3% NSR plus 1% on the value of the ore at the head of the shaft paid to Quebec Government
Barvue	$0.25 per short ton on former Barvue property and 1 to 1.5% NSR on some other claims
Vendome	2% on Xstrata claims
Abcourt	0
Tagami	1 to 2% NSR
Jonpol	2.5% NSR
Aldermac	$2.00/t for 1.5 M t
Aldermac West	2% NSR

Environment

A settling pond on the Abcourt-Barvue property was restored during the 2005-2010 years. We also installed a water treatment plant to treat a small leachate produced by the restored basin. Restoration expenses at the Abcourt-Barvue site for the nine-month period ended on March 31, 2016, were $37,568 in 2016 and nothing in 2015. However, in 2015, an amount of $7,945 was spent for the restoration of the Vendome site.

During the quarter ended on March 31, 2016, we received a non-compliance notice for a small zinc excess in the south canal at Abcourt-Barvue. A check assay indicated that the original assay was erroneous.

OFF BALANCE SHEET ARRANGEMENTS

The Company did not enter into any arrangements off balance sheet.

CAPITAL STOCK

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 are outstanding.

Unlimited number of subordinate class “A” shares, without par value, non-voting, none are outstanding.

Unlimited number of class “B” shares, without par value, voting.

AUTHORIZED AND ISSUED CAPITAL STOCK AS AT MARCH 31, 2016

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	240,053,719	$38,927,822
Preferred	To determine	Unlimited	None	0

As of the date of this report, the Company has 247,080,719 class B share (common) issued and outstanding.

Convertible securities

None

Escrowed shares

None

CONTRACTUAL OBLIGATIONS

Long-term Debt

The Company has no long-term debt, other than the provision for the restoration of the Elder mine site when operations will be terminated.

CONTINGENT LIABILITIES

Our contingent liabilities are concerning an environmental problem at the Abcourt-Barvue property, the qualification of expenses related to flow-through share financing and the results of an audit by Revenue Quebec, as follows:

a) During the three-month period ended on March 31, 2016, we received a notice of non-conformity for a zinc assay on November 15, 2015, from the south canal of the Abcourt-Barvue basin.

   A check assay of the sample indicated that the first assay was erroneous.

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 is committed to take all the necessary measures for this purpose.

   Refusal of certain expenses by tax authorities would have negative tax consequences for Abcourt Mines Inc. or for investors. In the past, the Company has respected all its obligations under the flow-through share agreements signed.

c) The Company is currently subject to a verification by Revenue Québec relating to the eligibility of certain expenses as exploration and evaluation expenses used to calculate tax credits related to resources for the years ended June 30, 2012 and 2013. If the admissibility of some expenses is denied, the Company may have to repay tax credits received. At this time, it is not possible to estimate the outcome of this verification. Any resulting payment will be accounted for in the year in which it will be possible to estimate the amount.

COMMITMENTS

a) **Purchase of Sleeping Giant mine**
   On March 4, 2016, the Company announced that it had made a conditional offer to purchase the Aurbec Mines Inc. assets, including a mill with a capacity of 700 to 750 tonnes per day, the Sleeping Giant Mine and several other properties with important historical gold resources.

   There is only one condition remaining to be satisfied shortly.

   A deposit of $225,000 was made and a certificate of deposit for an amount of $1,275,000 was given as collateral.

   If the transaction is completed as expected, we will be able to start milling the Elder ore at the Sleeping Giant mill in July next.

b) **Milling contract with Camflo**
On the first day of February, 2016, the Company signed with Camflo inc., a wholly owned subsidiary of Richmont Mines Inc., a contract for the milling of gold mineralized material from the Elder mine. This contract is for a period of six months, from January to June 2016, and is renewable. The Company is committed to deliver a minimum of 10,000 tonnes per month of gold mineralized material at the Camflo mill.

RELATED PARTY TRANSACTIONS

The tables below show related party transactions and balances payable for each of the Company's related party. The amounts payable are usually settled in cash.

	Nine month period closed March 31, 2016	Nine month period closed March 31, 2015
	$	$
Company controlled by the Chief Executive Officer and president of the Company (Décochib inc.) and transactions with the President of the Company		
Administration fees	6,953	-
Engineer fees included in exploration and evaluation	202,000	241,061
Invoiced expenses included in exploration and evaluation expenses	41,863	2,500
Fees, and financing costs	-	4,399
Consultants fees	-	1,000
Mining properties	-	3,151
Royalties	316,297	194,277
Salaries fees	-	2,186
Balance included in payable accounts and accrued liabilities as at March 31	166,043	214,287

Directors and key management personnel	Nine month period closed March 31, 2016	Nine month period closed March 31, 2015
Administrative fees	2,659	-
Salaries and administrative fees	18,100	20,589
Professional fees	24,813	14,350
Share-based compensation	-	6,400
Financing costs	-	13,627
Fees included in exploration and evaluation expenses	10,234	8,487
Balance included in accounts payable and accrued liabilities as at March 31	412	10,213

These transactions were measured at the amount of consideration established and agreed by the related parties.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company’s activities are exposed to the following financial risks: market risk, credit risk, etc.

a) Market risk

i) Fair value

Fair value estimates are made at the statement of financial position date, based on relevant market information and other information about the financial instruments. Fair value of cash, cash reserved for exploration and evaluation, other receivables and accounts payable and accrued liabilities approximate carrying value due to their short-term.

ii) Fair value hierarchy

Cash and cash reserved for exploration and evaluation are measured at fair value and they are categorized in level 2. This valuation is based on valuation techniques based on inputs other than quote prices in active markets that are either directly or indirectly observable.

iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The management of the Company considers minimal its interest rate risk. The other financial assets and liabilities of the Company do not represent interest rate risk because they are without interest. The Company does not use financial derivatives to decrease its exposure to interest risk.

iv) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Most of the Company's transactions are carried out in Canadian dollars. Exposure to currency risk arises from gold and silver ingots sales that are realized in U.S. dollars because the prices of gold and silver are established in U.S. dollars. For the nine-month period ended March 31, 2016, the sales amount to $15,064,658. The Company did not enter into arrangements to hedge its foreign exchange risk.

v) Commodity price risk

The commodity price risk is the risk of the fluctuation of gold price. The Company does not provide to use hedging contract to reduce its exposure to the fluctuation of gold and silver price.

b) Credit risk

Credit risk is the risk that a party to a financial instrument fails to discharge an obligation and causes the other party to incur a financial loss. Financial instruments which potentially expose the Company to credit risk mainly consist of cash, cash reserved for exploration and evaluation and other receivables. The credit risk on cash and cash reserved for exploration and evaluation is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Therefore, the Company does not expect any treasury counterparties to fail in respecting their obligations. Credit risk on other receivables is low. The carrying value of cash, cash reserved for exploration and evaluation and other receivables represents the Company's maximum exposure to credit risk and there has been no significant change in credit risk since prior year.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has sufficient financing sources. The Company establishes budgets to ensure it has the necessary funds to fulfill its obligations. As at March 31, 2016, Company's cash amounts to $2,078,900 plus $163,000 reserved for exploration and evaluation of mining projects. In addition, the Company's working capital amounts to approximately $4,740,000 as at March 31, 2016. Taking into account its available cash, management considers that the funds are sufficient to meet its financial liabilities and future financial liabilities for its commitments.

POLICIES AND PROCESSES FOR MANAGING CAPITAL

There were no significant changes in the Company's approach to capital management during the nine-month period ended March 31, 2016. The Company is subject to regulatory requirements related to the use of funds obtained by flow-through shares financing. These funds have to be spent for eligible exploration and evaluation expenses. In the past, the Company has respected all of its regulatory requirements. The Company has no dividend policy.

SUBSEQUENT EVENTS

On May 13, 2016, the Company announced that most warrant holders have exercised their rights and an amount of $491,890 was received.

MINING PROPERTIES

Abcourt Mines Inc. (the "Company") has a mine in production and a project at an advance stage of exploration and valuation in Abitibi, Quebec, Canada:

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

and two projects with historical resources, 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:

THE ELDER-TAGAMI PROJECT

The Elder mine is owned 100% by Abcourt. This project is conveniently located inside the mining community of Rouyn-Noranda, Quebec, just six miles (ten km) northwest from the town center. The property comprises 34 contiguous claims and a mining concession covering an area of 876 hectares. Royalties of 2% to 3% are payable 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. Almost all of the mining equipment is available and all the facilities are in place.

The ore is found in several quartz veins generally striking N-40^{o}–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^{o} to the south-east, with the exception of the no 4 vein which is striking north-south and dipping 22^{o} 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 metric 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 and almost all mining equipment was sold.

From 1995 to 2012, several surface drilling programs were completed and results obtained were used to revise the 43-101 resources. Also, all the old historic data were converted to the metric system. The revision of resources was completed by Mr. Jean-Pierre Bérubé, P. Eng. Mr. Bérubé is a qualified, independent person. This report is available on SEDAR.

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**	**288,945**

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	**638,300**	**5.70**	**1.85**	**116,826**

Based on the new resources estimate (NI 43-101), a preliminary economic assessment report (PEA) was prepared to determine if additional exploration work was needed to increase resources before considering mine development before production, or not. This report is available on SEDAR.

The NI 43-101 preliminary economic assessment report on the Elder gold mine project prepared by Roche Ltd., Consulting Group (Roche) and independent consultants, indicates a total cash flow of $138 M with gold at US$1,400/ounce over a 10.4-year initial period of mine life, before-tax. The Net Present Value (NPV) is $81.8 M at a discount rate of 8%, before-tax. The Internal Rate of Return (IRR) is 140.5% and the payback period is 1.1 years.

The P.E.A. includes approximately 130,000 tonnes of 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.

Highligths of the 3rd quarter ending on March 31, 2016

Description	Tonnes	Gold ounces	Cost ($)	Value ($)
Tonnes milled	21,573	2,923	3,729,124	4,581,527
Tonnes extracted and piled, mainly at the mill, at cost	5,700 ±	n/d	565,000 ±	565,000 ±
Available broken tonnes underground, at cost	10,000 ±	n/d	800,000 ±	800,000 ±
	37,273 ±		**$5,094,124**	**$5,946,527**

Gold recovery = 95%
Sale price of gold = CAN$1,567 (US$1,196)
Cash cost per ounce of gold = CAN$1,276 (US$974)
Mining costs including amortization
and administration per ounce of gold = CAN$1,368 (US$1,044)
Available cash at the end of quarter = CAN$2,078,900

Note: Custom milling of the ore gives rise to all kinds of restraints. In particular, this prevents us from milling all the ore that is produced. During the third quarter ended on March 31, 2016, if all the tonnes produced had been milled, cost would have totaled $5,951,000, but the value of production would have reached a total of $7,900,000. As indicated in the Financial Statements, the value of production for the third quarter was substantially higher than the cost.

We extended the custom milling contract with the Camflo mill to June 30, 2016. As indicated on page 14, our objective is to purchase a mill as soon as possible. A deposit of $225,000 was made with our offer and a certificate of deposit for an amount of $1,275,000 was given as collateral for the purchase of the Sleeping Giant mine and mill with a capacity of 700 to 750 tonnes per day.

During the next quarter, we expect to produce between 4,000 and 5,000 ounces of gold.

ABCOURT-BARVUE PROPERTY

The Abcourt-Barvue property is conveniently located at Barraute, 60 kilometers (35 miles) north 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.

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. Subsequently, various alternatives were considered to improve the profitability of this project.

Resource calculation and feasibility study 2006 - 2007

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 77% 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.

The amount needed for the opening of the Abcourt-Barvue mine, according to the scenario proposed in the 2006 feasibility study, is $71M, including working capital. However, we have assessed several other scenarios since that time (not 43-101) with costs between $46M and $70M. Before starting this project, we have to choose the best scenario as a function of metal prices and update the feasibility study. The start of this project depends on the availability of funds and we have no guarantee that we will get the necessary funds.

New resources calculations in 2014

A 43-101 report on the Abcourt-Barvue resources was prepared by Mr. Jean-Pierre Bérubé, engineer and independent consulting geologist with pertinent experience in this field. This report indicates an increase in indicated and inferred resources in comparison with those of 2006. This report was filed on SEDAR. Here is a comparative table of resources in all categories:

Table 1. Resources of all categories

		2014 Estimate				**2006 Estimate**		
CATEGORY		**TONNES**	**Ag (g/t)**	**Zn (%)**		**TONNES**	**Ag (g/t)**	**Zn (%)**
Measured		**6,284,000**	**43.98**	**3.09**		**6,516,000**	**58.32**	**3.33**
Indicated		**1,799,000**	**95.51**	**2.94**		**503,000**	**98.35**	**3.44**
M + I		**8,083,000**	**55.45**	**3.06**		**7,019,000**	**61.19**	**3.33**
Inferred		**2,037,000**	**114.16**	**2.89**		**1,506,000**	**120.53**	**2.98**

If the open pit outlines designed in 2007 by GENIVAR remain unchanged, it is estimated that 77% of the measured and indicated resources will be extracted from an open pit and 23% from underground operations.

The increase in tonnage between the 2006 estimate and the 2014 estimate was brought about by additional diamond drilling in 2010 and 2011 and by a substantial increase in the price of silver which enabled us to use a lower cut-off grade.

The measured resources are generally extending from surface to a maximum depth of 165 meters. The indicated resources are generally located in the immediate extensions of the measured blocks from elevation -125 to -300 meters.

2014 – 2015 diamond drilling program

During the 2014 – 2015 fiscal period, two holes for a total of 558 meters were drilled on surface in the eastern and western part of the property and at depth on mining concession 393. Low grade mineralization was found.

Expenses incurred totaled $165,275, principally for diamond drilling on surface and for site restoration.

<u>Diamond drilling 2015</u>

During the month of October and November 2015, nine holes were drilled on surface for a total of 2,148 meters. Five holes, AB15-03 to AB15-07 were drilled at depths of about 250 meters in the central part of the Abcourt zone, to upgrade inferred resources into indicated resources. Good values over interesting widths were cut by four out of five holes in this area. Besides, three holes were drilled at depths of about 150 meters at the eastern limit of the Barvue zone to upgrade inferred resources into indicated resources. Again, good values over substantial widths were cut.

The true widths represent about 60 % to 75 % of the core lengths. See table below:

Hole No.	**From m**	**To m**	**Length m**	**Ag g/ t**	**Zn %**
AB-15-03	240.0	249.0	9.0	92.01	5.81
AB-15-04	318.0	322.0	4.0	32.92	1.26
AB-15-05	270.0	286.0	16.0	63.18	2.24
AB-15-06	243.0	264.0	21.0	66.46	2.81
AB-15-07	266.0	274.2	8.2	118.19	5.00
AB-15-08	112.0	126.7	14.7	155.23	2.06
AB-15-09	167.0	182.3	15.2	42.45	2.92
AB-15-10	170.3	178.5	8.2	61.75	3.86

2016 drilling

Hole No.	**From m**	**To m**	**Length m**	**Ag g/t**	**Zn %**
AB 16-01	365.0	370.0	5.0	200.5 107.8 (c)	1.70
AB 16-02			No signifiant value		
AB 16-03	359.0	370.0	11.0	21.0	0.46
	370.0	373.0	3.0	36.8	2.06
AB 16-04	209.4	210.0	0.6	14.1	9.40
	254.3	257.3	3.0	123.0	1.12
	291.5	293.0	1.5	62.1	0.05
AB 16-05	214.0	222.2	8.2	25.9	2.24

The true width is about 70% of core length.

Holes AB 16-01 to AB 16-3 were drilled at depths of about 300 meters in the central part of the Abcourt body to improve the classification of inferred resources into indicated resources.

Hole AB 16-01 gave good results.

Holes AB 16-04 and AB 16-05 were drilled at the eastern end of the Barvue body, at depths of 175 to 200 meters and both holes gave good results. These holes were drilled in the same area as the 2015 holes.

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 153 meters (500 feet). A total of 2,134 meters (7,000 feet) of drifts and raises were excavated and 540 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 was completed by Mr. Jean-Pierre Bérubé, Consulting Engineer, and a report was published on February 12, 2013. Mr. Bérubé is a qualified independent person. This report was filed on SEDAR.

Here are the 43-101 Vendôme resources:

Category	**Tonnes**		**Grade**		
		Au g/t	**Ag g/t**	**Cu %**	**Zn %**
Mesured	347,890	1.46	73.97	0.52	9.78
Indicated	364,332	1.00	47.15	0.74	5.33
Total	712,222	1.23	60.11	0.63	7.50
Inferred	305,769	0.99	36.77	0.49	4.30
Total all categories	1,017,991	1.15	53.10	0.59	6.54

In February 2011, Abcourt purchased the interest of Xstrata Zinc Canada (now Glencore) in fifteen half claims in the Vendome property. The purchase of these claims will enable us to add Vendome to the Abcourt-Barvue project.

No significant expenditure was done on this property in the current period.

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.

Diamond drilling in October 2015

During the month of October 2015, we drilled a 360-meter hole to localize a mineralized zone, without success.

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.

Aur Resources, with whom we had negotiated the first agreement, was amalgamated with Teck-Cominco Limited.

Expenditures during the nine-month period ended on March 31, 2016

Consequently, no expense was incurred on this property in the nine-month period ending on March 31, 2016.

Impairment of exploration and evaluation expenses on June 30, 2015

As there was no expense incurred on this property during the 12-month fiscal period ended June 30, 2015, and as a priority was placed on the Elder and Abcourt-Barvue properties, it was decided to write off the value of this property and the related exploration and evaluation assets for an amount of $725,184.

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.

In the period ending on June 30, 2013, we drilled four holes (1,011 meters) on the sediment/volcanic contact, usually mineralized with pyrite and some gold. No significant value was intersected. These holes were drilled to renew the claims.

During the period ending on June 30, 2013, the Company decided to write-off the value of the exploration and valuation expenses. In the 2014 - 2015 period, several cells were abandoned.

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.

Risks concerning titles 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, development and exploitation involve 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 gold properties. To proceed with this strategy, over the past few years some private placements were completed and the funds received were used mostly to realize an important program of exploration and valuation at the Elder mine. In addition, we are always trying to figure a way or a formula which will allow us to start the development of the Abcourt-Barvue property with substantial silver and zinc resources. Following a substantial decrease of zinc inventory at the London Metal Exchange in 2015, an increase in zinc prices is expected in the coming years.

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 examined by the Audit Comitee and approved by the Board of directors of the Company.

(s) Renaud Hinse
Renaud Hinse
Chief Executive Officer
2016/06/02

(s) Marc Filion
Marc Filion
Chief Financial Officer
2016/06/02