



FOR IMMEDIATE RELEASE

TSX Venture – ABI.V

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## ABCOURT REPORTS AN ADJUSTED NET PROFIT OF \$1M AND A NET PROFIT OF \$87K FOR THE SECOND QUARTER 2020

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Rouyn-Noranda, Québec, Canada, March 11, 2020

**Abcourt Mines Inc. (TSX-V: ABI, Berlin: AML-BE and Frankfurt Stock Exchanges: AML-FF)** (“**Abcourt**” or the “**Mines Abcourt inc.**”) reports its results today for the second quarter ended December 31, 2019. All amounts are in Canadian dollars unless otherwise indicated.

These amounts and production results for the December 31 period have not been audited and have not been reviewed by our auditors in accordance with the standards of the Chartered Professional Accountants of Canada.

### **Highlights :**

- Second quarter revenues of \$6.9 M from the sale of 3,524 ounces of gold. A drop of 4 % over the second quarter ended December 31, 2018.
- The average realized price of gold sold was C\$1,949 per ounce.
- Net profit in the second quarter of \$87K, compared to \$237K in 2018.
- Adjusted net profit of \$1M compared to \$746K in 2018.
- Cash of \$3.7M, an increase of 32 % over 2018.
- The Company has no long-term debt. It finances itself with its operating revenues.

### **Recent developments:**

- Work currently being done on levels 4, 9 and 10 at the Elder mine to open new stopes.
- \$ 728 000 recently raised by private placement for diamond drilling.
- Work started to reopen the Sleeping Giant mine.

## Comparative table of results for the second quarter ended on December 31, 2019 and 2018

Description		Dec. 31, 2019 3 months	Dec. 31, 2019 6 months	Dec. 31, 2018 3 months	Dec. 31, 2018 6 months
Tonnes treated		31,410	60,941	20,746	48,719
Grade of treated tonnes	(g/t AU)	3,68	3,75	4,54	4,85
Tonnes extracted		29 448	55 103	25 586	50 248
Grade of extracted tonnes	(g/t AU)	4,00	3,98	4,29	4,34
Gold ounces sold		3 524	7 147	3 673	6 863
Gold ounces produced		3 722	7 382	3 762	6 863
Gold recovery		95,1 %	95,1 %	96,53 %	96,90 %
Revenues from the sale of gold/silver		6 866 508 \$	13 996 496 \$	6 045 909 \$	11 365 342 \$
Price of gold sold	\$/ounce	1 949	1 964	1 646	1 656
	US\$/ounce	1 478	1 490	1 250	1 258
Cash cost per ounce of produced gold	\$/ounce	1 599	1 638	1 441	1 314
	US\$/ounce	1 213	1 243	1 094	998
All-in sustaining costs per ounce of produced gold	\$/ounce	1 934	1 951	1 727	1 565
	US\$/ounce	1 468	1 480	1 311	1 188
Gold and silver stock ready to be sold	\$	76 922	76 922	217 626 \$	217 626 \$
Gold and silver inventory in circuit	\$	1 016 187	1 016 187	1 189 155 \$	1 189 155 \$
Total gold and silver inventory	\$	1 093 109	1 093 109	1 406 781 \$	1 406 781 \$
Adjusted net profit	\$	993 105 \$	1 883 302 \$	746 358 \$	2 261 349 \$
Net profit (loss) after taxes	\$	86 630 \$	24 962 \$	236 614 \$	1 207 596 \$
Mining tax	\$	-	(14 850) \$	57 000 \$	207 000 \$
Deferred taxes	\$	(51 000) \$	(51 000) \$	(131 750) \$	(145 500) \$
Cash flow from operations	\$	2 436 630 \$	3 487 228 \$	1 626 583 \$	2 575 244 \$
Cash at the end	\$	3 660 844 \$	3 660 844 \$	3 085 311 \$	3 085 311 \$

### Comments:

#### Six-month variations from 2018 to 2019

• Tonnes treated	• + 25 %
• Gold ounces produced	• - 1 %
• Proceeds from sale of gold and silver	• + 13.6 %
• Total cash costs per ounce of gold produced	• + 11 %
• All-in sustaining costs per ounce of gold produced	• + 12 %
• Adjusted net profit	• + 33 %
• Cash at the end of the quarterly periods	• 2018 = \$ 3.1M • 2019 = \$ 3.7M

The Elder mine adjusted net profit continue to be significant at each quarter.

We take advantage of the favorable gold price and the exchange rate of the Canadian/US dollars to move forward in our various projects and to increase the value of the company for the benefit of shareholders. Despite a decrease of the grade, the Elder mine is still profitable.

## **Broken muck in stopes**

As at December 31, 2019, there were about 6,000 tonnes of gold mineralization broken in stopes. This represents an investment of about \$ 450,000. If this amount had been considered as an inventory, results would have been better by that amount.

## **Non-GAAP Financial Performance Measures**

This press release presents certain financial performance measures, total cash costs per ounce of gold produced, sustaining costs and all-in sustaining costs per ounce of gold produced which are non-International Financial Reporting Standards (IFRS) performances measures. This data may not be comparable to data presented by other gold producers. Non-GAAP financial performance measures should be considered together with other data prepared in accordance with IFRS.

The adjusted net profit is a measure of performance that members of the direction use to evaluate the performance of activities by the company. Without taking into account the accounting policies, taxation laws and the structure of capital as these elements may potentially give a wrong representation of the capacity of the company to generate cash with its operation. The adjusted net profit excludes interest expenses, taxes and amortization.

The cash costs and all-in sustaining costs are common performance measures in the gold mining industry. The Company reports cash cost per ounce based on ounces produced. Cash cost include operating mining costs, royalties but is exclusive of amortization and depletion and sustaining capital expenditures. The all-in sustaining costs include costs of sales and sustaining capital expenditures and administrative costs but excludes amortization and depletion and accretion expenses. The Company believes that the all-in sustaining costs present a complete picture of the Company's operating performance or its ability to generate free cash flows from its operation.

## **STRATEGY AND OUTLOOK**

Currently, the Company is focussing on stabilizing and increasing the Elder production. Our objective is to produce 12,500 tonnes per month of gold mineralization.

We wish to use the full capacity of the Sleeping Giant mill by opening the Sleeping Giant mine, to reduce the operating cost per tonne treated.

For the long-term, in the gold sector, the Company had a drilling program, in the Fall of 2019, on the Abcourt-Barvue silver and zinc project and the Sleeping Giant gold property where substantial gold mineralization is found.

## **ABOUT ABCOURT MINES INC.**

Abcourt Mines Inc. is a gold producer and a Canadian exploration company with strategically located properties in northwestern Quebec, Canada. The Elder property has gold resources (2018). Abcourt is focusing on the exploitation of the Elder mine.

The Abcourt-Barvue property has silver–zinc reserves (2019). A feasibility study was completed in 2007 by Roche / Genivar. An update was completed in January 2019.

In 2016, Abcourt acquired the Sleeping Giant mine and mill, located half-way between Amos and Matagami, in Abitibi, Quebec, in the territory covered by the Plan Nord of the Quebec government. The mill has a capacity of 700 to 750 tonnes per day. A NI 43-101 resource estimate and feasibility study was recently completed.

To know more about Abcourt Mines Inc. (TSXV: ABI), please visit our web site at [www.abcourt.com](http://www.abcourt.com) and consult our filings under Abcourt's profile on [www.sedar.com](http://www.sedar.com).

This press release was prepared by Mr. Renaud Hinse, Engineer and President of Abcourt Mines Inc. Mr. Hinse is a "Qualified Persons" under the terms of Regulation 43-101. Mr. Hinse has approved the scientific and technical disclosure.

## **FORWARD LOOKING STATEMENTS**

This news release contains forward-looking statements that include risks and uncertainties. When used in this news release, the words "estimate", "project", "anticipate", "expect", "intend", "believe", "hope", "may" and similar expressions, as well as "will", "shall" and other indications of future tense, are intended to identify forward-looking statements. The forward-looking statements are based on current expectations and apply only as of the date on which they are made. Except as may be required by law, the Corporation undertakes no obligation and disclaims any responsibility to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

The factors that could cause actual results to differ materially from those indicated in such forward-looking statements include changes in the prevailing price of gold, the Canadian-United States exchange rate, grade of ore mined and unforeseen difficulties in mining operations that could affect revenue and production costs. Other factors such as uncertainties regarding government regulations could also affect the results. Other risks may be set out in Abcourt' annual and periodic reports. The forward-looking information contained herein is made as of the date of this news release.

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