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ANNUAL INFORMATION FORM

For the Year Ended April 30, 2023

DATED: July 25, 2023

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PRELIMINARY NOTES

All dollar amounts are expressed in Canadian dollars unless otherwise indicated. The Company's reporting currency is Canadian dollars. Gold and silver are sold in US dollars and the Company's costs are incurred principally in Canadian dollars and in Mexican Pesos. The Company's functional currency is CAD Dollars. The Exchange Rate table below details the average exchange rate (U.S.\$ to Canadian \$) for the periods specified as calculated by the Bank of Canada.

Monetary Unit	Period	Value in Canadian Currency
US Dollar	For the year 2023– Average of 250 days	1.3297
	May 2022	1.2850
	June 2022	1.2814
	July 2022	1.2942
	August 2022	1.2922
	September 2022	1.3319
	October 2022	1.3700
	November 2022	1.3614
	December 2022	1.3592
	January 2023	1.3427
	February 2023	1.3540
	March 2023	1.3682
	April 2023	1.349

Measurement

Conversion of metric units into imperial equivalents is as follows:

Metric Units	Multiply by	Imperial Units
Hectares	2.471	= acres
Metres	3.281	= feet
Kilometres	0.621	= miles (5,280 feet)
Grams	0.032	= ounces (troy)
Tonnes	1.102	= tons (short) (2,000 lbs)
grams/tonne	0.029	= ounces (troy)/ton

Definitions for Mineral Symbols

Au – Gold; Ag – Silver.

Cautionary Note Regarding Forward Looking Statements and Estimates

Certain statements made and information contained in this AIF and in the documents incorporated by reference herein may contain forward-looking statements within the meaning of Canadian securities legislation, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements in this AIF or in the documents incorporated by reference include statements regarding the expectations and beliefs of management, statements regarding timing and amounts of capital expenditures and other assumptions; estimates of reserves, resources, mineral production and sales; estimates of mine life; estimates of future mining costs, cash costs, minesite costs and other expenses; estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof; statements and information as to the projected development of certain ore deposits, including estimates of the costs and timing of exploration, development and production and other capital costs; the anticipated timing of events with respect to the Company's minesite; and statements and information regarding the sufficiency of the Company's cash resources.

Such forward-looking information is necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The assumptions made by the Company in preparing the forward looking information contained in this AIF, which may prove to be incorrect, include, but are not limited to: the specific assumptions set forth in this AIF; the expectations and beliefs of management; the assumption that there are no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to or loss of plant, facilities or equipment, whether as a result of natural occurrences such as flooding, earthquakes, as well as failure of significant infrastructure (including tailings facilities), political changes, title issues, intervention by local landowners, loss of permits, or environmental concerns or otherwise; that development and expansion at the San Martin Mine proceeds on a basis consistent with current expectations and the Company does not change its development and exploration plans; that the exchange rate between the Canadian dollar, Mexican peso and the United States dollar remains consistent with current levels or as set out in this AIF; that prices for gold and silver remain consistent with the Company's expectations; that prices for key mining supplies, including labour costs and consumables, remain consistent with the Company's current expectations; that production meets expectations and is consistent with estimates; that plant, equipment and processes will operate as anticipated; that the Company continues to replace its reserves on a year by year basis; that the Company's current estimates of Mineral Reserves, Mineral Resources, mineral grades and mineral recovery are accurate; that statements regarding timing, amounts of capital expenditures and estimates of mine life are accurate; that there are no material variations in the current tax and regulatory environment or the tax positions taken by the Company; that the Company will maintain access to surface rights; that the Company will be able to obtain and maintain government approvals or permits in connection with the continued operation and development of the San Martin Mine; and that the political environment within Mexico will continue to support the development of environmentally safe mining projects. No assurance can be given that these assumptions will prove to be correct. These assumptions should be considered carefully by readers. Readers are cautioned not to place undue reliance on the forward-looking information and statements or the assumptions on which the Company's forward-looking information and statements are based.

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including without limitation, the geology, grade and continuity of the mineral deposits may not conform to the Company's expectations, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, variations in mining dilution and metal recoveries, the risk that reserve and resource estimated may prove incorrect, accidents, competition, environmental risks, equipment and facilities breakdowns and failures, title matters, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities, political risks involving operations in Mexico, risks of criminal activity, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain required financing on a timely basis and other risks and uncertainties, including those described under "Risk Factors" in this AIF as well as in the Management's Discussion and Analysis of the Company for the financial year ended April 30, 2023.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking statements as a result of new information, future events or otherwise. Readers are advised not to place undue reliance on forward-looking statements.

GLOSSARY

The following definitions apply throughout this document, unless the context otherwise requires:

“Act” means the British Columbia *Business Corporations Act*;

“AIF” means this Annual Information Form dated July 25, 2023;

“Bernal” means Compañía Minera Peña de Bernal, S.A. de C.V., a subsidiary of the Company which holds the San Martin Mine in Queretaro, Mexico;

“Board” or “Directors” means the board of directors of the Company for the time being including a duly constituted committee of the Directors;

“CDN\$” or “\$” refers to Canadian dollars, the lawful currency of Canada;

“San Martin Mine” means mineral concessions, equipment and other assets comprising the San Martin Mine located near Queretaro, State of Queretaro, Mexico;

“Technical Report El Creston” means the technical report on the El Creston Property entitled “*Independent Technical Report for the El Creston Molybdenum Project, Sonora, Mexico*” dated September, 2022, prepared by SRK Consulting (Canada) Inc.

“Technical Report San Martin” means the technical report on the San Martin Mine entitled “*Updated Mineral Resource and Reserve Estimates for the San Martin Mine, Queretaro State, Mexico as of April 30, 2022*” dated July 18, 2022, prepared by Erme Enriques C.P.G., BSc, MSc.;

“TSX” means the Toronto Stock Exchange;

“We” or “our” or “Company” or “Starcore” means Starcore International Mines Ltd., a company existing under the *Business Corporations Act* (British Columbia);

“US\$” refers to United States dollars, the lawful currency of the US.

CORPORATE STRUCTURE

Name and Incorporation

Our governing corporate legislation is the British Columbia *Business Corporations Act* (the “Act”). We incorporated under the former *Company Act* (British Columbia) pursuant to the laws of British Columbia on October 17, 1980, under the name Omnibus Resources Inc. On September 10, 1981 Omnibus Resources Inc. changed its name to Berle Oil Corporation. On May 31, 1983 Berle Oil Corporation changed its name to Berle Resources Ltd. On August 6, 1987 Berle Resources Ltd. changed its name to Eagle Pass Resources Ltd. On September 17, 1992 Eagle Pass Resources Ltd. changed its name to Starcore Resources Ltd. On February 2, 2004 Starcore Resources Ltd. changed its name to Starcore International Ventures Ltd. On February 1, 2008 Starcore International Ventures Ltd. changed its name to Starcore International Mines Ltd.

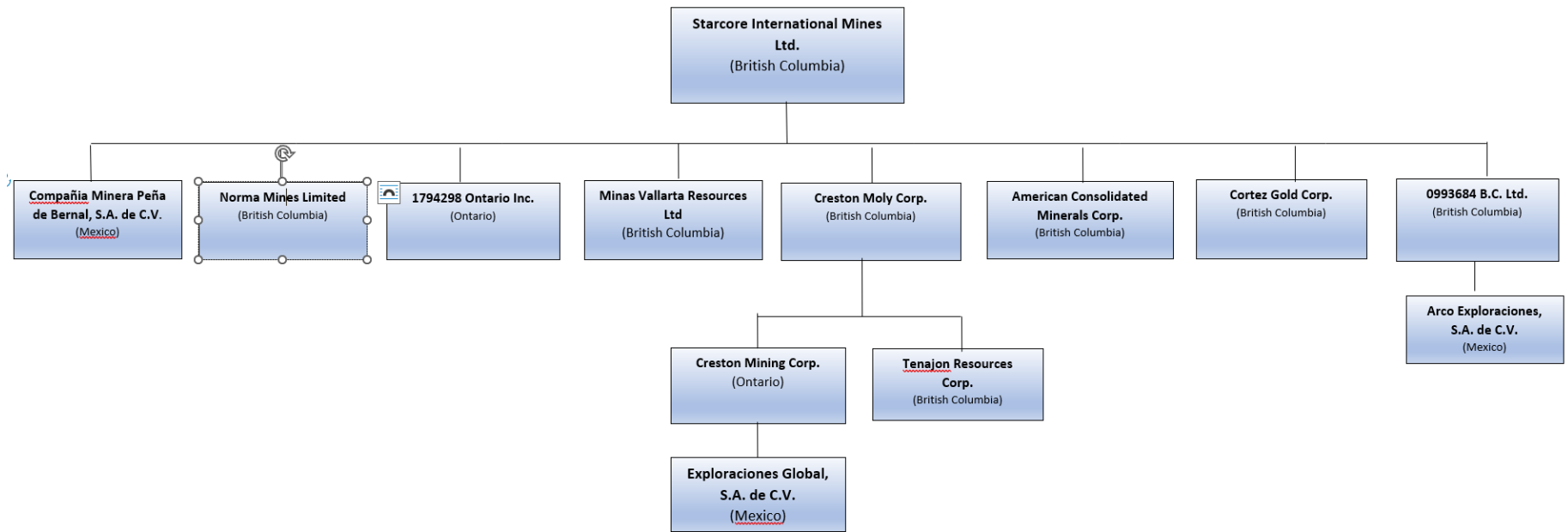
Our principal place of business is located at Suite 750 – 580 Hornby Street, Box 113, Vancouver, British Columbia, Canada V6C 3B6. Our telephone number at this address is: (604) 602-4935.

Our common shares are listed on the Toronto Stock Exchange under the symbol “SAM” and on the Frankfurt Stock Exchange under the symbol “V4JA”.

Intercorporate Relationships

Name of Subsidiary	Jurisdiction of Incorporation	Percentage Ownership
Compañía Minera Peña de Bernal, S.A. de C.V. ¹	Mexico	100% ²
Creston Moly Corp.	British Columbia	100%
American Consolidated Minerals Corp.	British Columbia	100%
Cortez Gold Corp.	British Columbia	100%
0993684 BC Ltd.	British Columbia	100%
Minas Vallarta Resources Ltd.	British Columbia	100%
Norma Mines Limited	British Columbia	100%
Tenajon Resources Corp.	British Columbia	100% ³
Creston Mining Corporation	Ontario	100% ³
1794298 Ontario Inc.	Ontario	100%
Exploraciones Global S.A. de C.V.	Mexico	100% ⁴
Arco Exploraciones S.A. de C.V.	Mexico	100% ⁵

1. Bernal, a wholly-owned subsidiary of Starcore, holds the title to the San Martin Mine in Queretaro, Mexico.
2. Starcore is the controlling shareholder of Bernal. To comply with Mexican corporate legislation, one share of Bernal is held of record by Mr. Robert Eadie, Starcore’s CEO, for the benefit of Starcore. All economic benefits of this share ownership accrue to Starcore.
3. Tenajon Resources Corp. and Creston Mining Corporation are wholly-owned by Creston Moly Corp., which is a wholly-owned subsidiary of Starcore.
4. Exploraciones Global S.A. de C.V. is a wholly-owned subsidiary of Creston Mining Corp. (Ontario). It holds the 100% interest in the El Creston molybdenum property located in the State of Sonora, Mexico. To comply with Mexican corporate legislation, four shares of Exploraciones are held of record by Mr. Robert Eadie, the CEO of Starcore, for the benefit of Starcore. All economic benefits of this share ownership accrue to Starcore.
5. Arco Exploraciones S.A. de C.V. is a wholly owned subsidiary of 0993684 BC Ltd. and is our leasing and projects company in Mexico. To comply with Mexican corporate legislation, one share of Arco is held of record by Mr. Robert Eadie, the CEO of Starcore, for the benefit of Starcore. All economic benefits of this share ownership accrue to Starcore.



GENERAL DEVELOPMENT OF THE BUSINESS

We are engaged in extracting and processing gold and silver in Mexico through the San Martin mine in Queretaro, Mexico which is our sole source of operating cash flows. We are also engaged in acquiring exploration assets in North America directly and through corporate acquisitions. The common shares of the Company are listed on the TSX under the symbol "SAM".

Three Year History

Our business focus for the past three years has been the operation of the San Martin Mine, located 50km east of the city of Queretaro, Mexico, which we acquired from Luismin in February of 2007. The San Martin Mine is an underground mine which has been in operation since 1993. For a more detailed description of the San Martin property, see "Narrative Description of the Business" below. We completed the acquisition of Bernal, the owner of the San Martin Mine in Queretaro, Mexico, from Luismin, a wholly-owned subsidiary of Goldcorp Inc. ("Goldcorp"), on February 2, 2007. See "San Martin Mine, Queretaro, Mexico" below. We paid US\$24 million in cash and issued 4,729,000 common shares to Luismin at a deemed value of CDN\$0.50 per share in consideration for the shares of Bernal. With the completion of this acquisition, we became the owner of producing gold and silver mining assets in Mexico.

The following provides highlights of the Company's progress in the past three years.

In January, 2020, as part of its ongoing exploration efforts to increase the mine's mineral resources, the Company staked additional claims near the San Martin mine that held exploration and development upside. The new surface area covered approximately 710 hectares located west of the mineral rights of the San Martin mine.

In May, 2020, the Company's shares were approved to commence trading on the OTCQB under the symbol SHVLF.

In June, 2020, the Company completed the sale of its subsidiary, Altiplano Goldsilver S.A. de C.V. which owned the processing facility in Matehuala, Mexico. The subsidiary was sold pursuant to a sale agreement dated July, 2019 for US\$1.6 million received over 10 months to May 31, 2020.

Also in June, 2020, the Company paid out Cdn\$3,000,000 of secured bonds plus interest that were maturing, as well as a US\$1 million outstanding loan that was repaid in April 2020. The payments were made from the Company's cash flow generated from mine operations and prior asset sales. The Company announced that it was debt free and would direct its positive cash flow to improving production at the San Martin mine.

In April, 2021, the Company announced that it had entered into an assignment and assumption agreement with Westward Gold Inc. ("WG") (formerly IM Exploration Inc.) whereby WG assumed Starcore's obligations and rights to acquire a 100% interest in the Toiyabe Gold Project in Lander County, Nevada. As consideration for the assignment of Starcore's right to acquire a 100% interest in the Toiyabe project, WG issued Starcore 4,100,000 common shares in its capital at a fair market value at the date of receipt of \$0.19 per common share and paid Starcore US\$150,000 for a total consideration of \$966,000.

In August, 2021, the Company announced the acquisition of 3087.7691 hectares of the Teocuitla claims from Minera Teocuitla SA de CV of Hermosillo, Sonora, Mexico. The Teocuitla claims are located in Opodepe, Sonora, Mexico beside the El Creston Meztli 4 claim in the northwest part of Starcore's 11,000 Ha property. The El Creston deposit is a well-known and defined Molybdenum deposit, never explored for precious metals. The Company referred its readers to the "*Preliminary Economic Assessment, El Creston Project, Opodepe, Sonora, Mexico*" dated December 16, 2010 ("PEA") prepared for Creston Moly Corp. and filed on SEDAR on December 20, 2010. The PEA provides information on El Creston that is historical and the Company cannot guarantee the accuracy of the data presented therein. The reader was cautioned not to place undue reliance on the historical data or its implications that have been derived from third-party sources. The Company referenced the PEA solely for historic context and background. In November, 2021, the Company started DDH drilling on gold targets at El Creston.

In January, 2022, the Company announced the appointment of Pierre Alarie as President and a director of the Company.

In May, 2022, the Company announced that Scottie Resources Corp. acquired the 3% net smelter royalty interest ("NSR") attached to the Summit Lake Property in the Skeena Mining Division of British Columbia. Tenajon

Resources Corp., Starcore's wholly-owned subsidiary, held the 3% NSR in and to certain located mineral claims and crown granted mineral claims comprising the Summit Lake Property, over which Scottie Resources has an option to purchase a 100% interest. Scottie acquired the NSR from Starcore's subsidiary in consideration of \$1.6 million.

In May, 2022, the Company announced that its Board of Directors had approved a US\$2 million exploration budget for its most prolific projects. Firstly, Starcore budgeted US\$500,000 for El Creston, an advanced moly project located in Opodepe, Sonora Mexico, where Starcore will inject US\$500,000 for studies to confirm the presence of a copper porphyry at depth. The program will include surveys, geophysical studies of magnetometry, and the development of new geological models from existing drillhole data. Secondly, a budget of US\$1 million was allocated for the San Martin Mine concession.

In July, 2022, the Company approved a non-brokered private placement for gross proceeds of up to \$1,200,000 (the "Financing"). The private placement will consist of up to 6,000,000 units (the "Units") at a price of \$0.20 per Unit. Each Unit is comprised of one common share of Starcore and one-half of one transferable common share purchase warrant (the "Warrants"), each whole Warrant exercisable for a period of four years from the date of issue to purchase one common share of Starcore at a price of \$0.30 per share. Proceeds of the Financing were intended for geophysical surveys at El Creston and the San Martin mine.

In August, 2022 the Company released its updated NI 43-101 reserve and resource estimates to April 30, 2022 for its San Martin Mine. The report entitled *Updated Mineral Resource and Reserve Estimates for the San Martin Mine, Queretaro State, Mexico as of April 30, 2022* prepared by Erme Enriquez C.P.G., BSc, MSc. was filed on SEDAR. (See "Technical Report San Martin.")

In December, 2022, the Company released its mineral resource estimate and NI 43-101 compliant Technical Report for its El Creston molybdenum project located near Opodepe, Mexico. The Technical Report El Creston was filed on SEDAR.

During the year 2022, the Company periodically released results from its drilling and exploration programs at El Creston, San Martin and its Ajax Property in British Columbia. These news releases which provided the updates are all available on SEDAR.

In March, 2023, the Company announced that as part of its ongoing efforts to reduce costs, it had voluntarily withdrawn its common shares from quotation on the OTCQB. The Company also announced that it would voluntarily file a Form 15F with the United States Securities and Exchange Commission (the "SEC") to terminate the registration of its common shares under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and its corresponding reporting obligations under Section 13(a) of the Exchange Act. The termination became effective 90 days after the date of filing of the Form 15F with the SEC, or June 29, 2023. Upon filing of the Form 15F, the Company's reporting obligations under the Exchange Act were immediately suspended.

NARRATIVE DESCRIPTION OF THE BUSINESS

We are in the mineral resource business. The mineral resource business generally consists of three stages: exploration, development and production. We are a mineral resource company with projects in various stages. Mineral resource companies that are engaged in the extraction of a known mineral resource are in the production stage. We fall into this category with our principal property, the San Martin Mine in Queretaro, Mexico, where we are engaged in extracting and processing gold and silver. The San Martin Mine is our primary source of operating cash flows.

In prior years, we were also engaged in acquiring exploration assets in North America directly and through corporate acquisitions. Some of our projects are in the exploration stage because our exploration activities on the project lands have not yet identified mineral resources in commercially exploitable quantities.

Product Summary

Our principal product is gold doré with the refined gold and silver sold to commodity dealers at prices based on the London spot market. We are not dependent on a particular purchaser with regard to the sale of either gold or silver.

Competitive Conditions

The mining industry is competitive in all of its phases. We face strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than we do. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently our revenues, operations and financial condition could be materially adversely affected. See “*Risk Factors – Competition*”.

Environmental Protection

Our mining, exploration and development activities are subject to various levels of Mexican federal and state laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties, all of which we are currently in material compliance with. The financial and operational effects of environmental protection requirements on capital expenditures, earnings, expenditures and the Company’s competitive position during the fiscal years ended April 30, 2023, April 30, 2022 and April 30, 2021 were not material.

Our asset retirement obligations consist of reclamation and closure costs for the mine. At April 30, 2023, the present value of obligations is estimated at \$2,920, based on expected undiscounted cash-flows at the end of the mine life of \$45,176,610 Mexican pesos or \$3,246, which is calculated annually over 5 to 10 years. Such liability was determined using a credit-adjusted risk free rate of 10% and an inflation rate of 6.90%. Significant reclamation and closure activities include land rehabilitation, demolition of buildings and mine facilities and other costs.

As of April 30, 2023, we had the following employees and contractors:

Location	Full-Time Salaried	Hourly (Union)	Contractors	Total
San Martin Mine	51	152	43	246
Vancouver Office	7			7
Total				253

Foreign Operations

Our primary mining and mineral exploration operations are currently conducted in Mexico, and as such our operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism; organized crime; hostage taking; military repression; theft; expropriation; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Any changes in regulations or shifts in political attitudes in Mexico are beyond our control and may adversely affect our business. Future development and operations may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people and mine safety. The effect of these factors cannot be accurately predicted.

Mineral Properties

San Martin Mine, Queretaro, Mexico

The following sections have been extracted from the NI 43-101 “*Technical Report San Martin*”.

Property Description and Ownership

The San Martin mine is located 47 kilometres, in straight line, northeast of the Queretaro City, Queretaro State, on local road No.100 and about 250 kilometres NW of Mexico City, near the towns of Bernal, Tequisquiapan and Ezequiel Montes. The San Martin mine underground mine has been in continuous operation since 1993.

The San Martin mine complex consists of 8 mining claims that cover 12,991.7805 hectares. The total annual land-holding costs are estimated to be US\$105,190 dollars. All mineral titles and permits are held by Compañía Minera Peña de Bernal, S. A. de C. V. (CMPB), a direct, wholly owned subsidiary of SIM. A 3.0% net smelter returns royalty (“NSR”) is payable to Servicio Geológico Mexicano (“SGM”- Mexican Geological Survey) on the claims San Martin Fracc. A, Title 215262, San Martin Fracc. B, Title 215263, and San Martin Fracc. C, Title 215264.

History

The deposit was discovered in the 18th century and high-grade mineralization reportedly was exploited by the Spaniards for approximately 40 years; however, no production records exist. The first records show the Ajuchitlán Mining and Milling Company produced an estimated 250,000 tonnes at a grade of 15 g Au/t and 100 g Ag/t from 1900 to 1924.

In 1982, the Mexican government, through the Council of Mineral Resources (CRM) staked a mining claim of 6,300 hectares which covered the area of the mine in its central part. In 1986 Minas Luismin negotiated with the CRM an option in the mining claims of his property for a payment of US \$ 250,000 dollars and a royalty of 5%, which latter was reduced to 3% in 1996. Luismin was purchased by Wheaton River in 2003 and operated the mine until 2008, when SMI acquired the 100% of the rights to the property.

Geology and Mineralization

The San Martín gold-silver district hosts classic, medium-grade gold-silver, epithermal vein deposits characterized by low sulphidation mineralization and adularia-sericite alteration. The San Martin veins are typical of most other epithermal silver-gold vein deposits in Mexico in that they are primarily hosted in the Upper Cretaceous black limestone and calcareous shales of the Soyatal-Mezcala Formation. Tertiary Lower Volcanic series of rhyolite flows, pyroclastics and epiclastics, overlain the sediments.

Mineralization at San Martín occurs in association with an epithermal low sulphidation, quartz-carbonate, fracture-filling vein hosted by a structure trending approximately N40°-60°E, dipping to the 50° to 90° to the southeast.

The San Martin structure has been known in distinct stages of exploration and has adopted several names, San José, San José II, San Martín, Cuerpo 28, Cuerpo 29, Cuerpo 30, Cuerpo 31, Cuerpo 32 and Cuerpo 33. The structure itself is offset by a series of faults of northeast trending that divides the oreshoots. The structure behaves vertical at the San José and San Martin areas (Tronco) and becomes flatter from Cuerpo 28 to 31 (Mantos), and mineralization follows the planes of the folded rocks.

The San Martin vein itself has been known underground traced for 2 km along trend, with widths between 1.5 to 30 metres and averages approximately 4.0 m. A secondary mineralized vein is located, both in the footwall and hangingwall, of the San Martin vein, on the western limb of the local fold that contains the mineralization. This structure is the Santa Elena and represents a good target for exploration to the NE and SE of San Martin.

Mineral Resource Estimate

The mineral resource estimation for the San Martin Mine was completed following the requirements of Subpart 1300 of Regulation S-K (“Subpart 1300”) and align with Canada’s National Instrument 43-101 (“NI 43-101”) for which original estimates were prepared. The modeling and estimation of the mineral resources were completed on June 10, 2022, under the supervision of Erme Enriquez, qualified person with respect to mineral resource estimations under S-K 1300. The effective date of the resource estimate is April 30, 2022.

The San Martin resources are classified in order of increasing geological and quantitative confidence in Proven and Probable, Inferred and Indicated categories in accordance with the “CIM Definition Standards for Mineral Resources and Mineral Reserves” (2014) and therefore NI 43-101, as is the Inferred Resources category.

In the years prior to mining by CMPB reserve and resource estimates were based on the assumptions and subject to rules defined by Luismin many years ago. In recent years, with the involvement of various professionals, it was recognized that mining methodology was changing due to factors such as:

- A greater percentage of production coming from narrow to wide steeply dipping vein structures.
- Sub-horizontal Mantos mineralized structures that were somewhat narrower than historical Mantos.
- Reopening and scavenging of the footwall mineralization in old stopes, where lower grade mineralization was not mined during times of lower gold prices.

Based on the above mining changes and incorporating mining experience over the last eight years some of the original Luismin assumptions have been modified to improve tonnage and grade estimation for reserves. The assumptions used in this estimate are:

- A gold price of \$1750 per ounce.
- A silver price of \$22.00 per ounce.
- First quarters of 2022 operating costs of US\$69.30 per metric dry tonne.
- Average metallurgical recoveries of 86% for gold and 55% for silver.
- Using the above price and cost assumptions the resultant calculated cutoff grade is approximately 1.41 g/t Au equivalent.
- Specific gravity of 2.6 g/cm³ has been applied to all calculated mineralized volumes.
- Mining dilution is applied to in situ mineralized zones, and recovery factors are applied to these diluted blocks using the following factors:
Mining dilution of 20% of zero grade in horizontal mineralized zones (Mantos) mined by room and pillar.
 - a) Mining dilution of 20% of zero grade in steeply dipping mineralized zones mined by cut and fill. This dilution factor is modified by first applying a minimum 2-meter mining width to narrow zones.
 - b) Remnant pillars left in room and pillar stopes are typically 20% of the total tonnage, i.e., 80% extraction. This recovery factor has been applied to sub horizontal mineralized zones.

In addition to these factors reserve grades are lowered to reflect mined grades in ore blocks that have sufficient historical production to establish that mined grades are similar than estimated from exploration data. The reserves and resources estimated in this report are based on data available up until April 30, 2022.

The mineral resources reported here are classified as Measured, Indicated and Inferred according to CIM Definition Standards.

Total Indicated and Inferred Mineral Resources at the San Martin mine, estimated by SIM, are about 1,481,770 tonnes at a grade of 1.78 g Au/t and 14 g Ag/t. Inferred and Indicated Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability. A summary of resources is in Table 1-1.

Table 1-1: Mineral Resources Inferred and Indicated, San Martín Mine

Compañía Minera Peña de Bernal, SA de CV
Mineral Reserve and Resources, San Martin Mine
(as of April 30, 2022)

Category	Tonnes	Grade		Total Contained oz		
		(g Au/t)	(g Ag/t)	(oz Au)	(oz Ag)	(oz Au Eq)
San Martin						
Indicated	134,871	1.51	9	6542	37,847	7,018
Total Indicated	134,871	1.51	9	6542	37,847	7,018
San Jose I and II						
Inferred	93,220	1.15	5	3,455	16,303	3,660
San Martin						
Inferred	1,131,706	1.81	12	65,831	426,610	71,194
Area 28 and 4700						
Inferred	121,974	2.34	42	9,171	162,985	11,220
Area 29						
Inferred						
Total Inferred	1,346,899	1.81	14	78,457	605,897	86,074
Totals I + I	1,481,770	1.78	14	84,999	643,744	93,092

- Mineral resources have been classified into inferred and indicated in accordance with the
- Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.
- Indicated and Inferred resource cut-off grades are based on a 1.41 g/t gold equivalent.
- Metallurgical Recoveries were 86% gold and 55% silver.
- Mining Recoveries of 90% were applied.
- Minimum mining widths were 2.0 meters.
- Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.
- Gold equivalents are based on a 1:79.5 gold:silver ratio. $Au Eq = gAu/t + (gAg/t \div 79.5)$
- Price assumptions are \$1750 per ounce for gold and \$22 per ounce for silver.
- Mineral resources are estimated exclusive of and in addition to mineral reserves.
- Resources were estimated by SIM and reviewed by Erme Enriquez CPG.

Mineral Reserve Estimate

Mineral reserve estimates in this Report are reported following the requirements of Subpart 1300. Accordingly mineral resources in the Measured and Indicated categories have been converted to Proven and Probable mineral reserves respectively, by applying applicable modifying factors and are planned to be mined out under the LOM plan within the period of our existing rights to mine, or within the time of assured renewal periods of rights to mine.

Total Proven and Probable Mineral Reserves at the San Martin mine as of April 30, 2022, estimated by Geology staff and reviewed by QP, are 1,348,433 tonnes at a grade of 1.74 g Au/t and 13 g Ag/t (Table 1-2). This total includes Proven reserves of 144,331 tonnes grading 1.79 g/t Au and 14 g/t Ag along with Probable reserves of 1,204,102 tonnes grading 1.73 g/t Au and 13 g/t Ag.

Table 1-2: Proven and Probable Mineral Reserves, Effective Date April 30, 2022

Compañía Minera Peña de Bernal, SA de CV
Mineral Reserve San Martin Mine
(as of April 30, 2022)

Category	Tonnes	Grade		Total Contained oz		
		(g Au/t)	(g Ag/t)	(oz Au)	(oz Ag)	(oz Au Eq)
Proven (P)	144,331	1.79	14	8,283	61,278	9,079
Probable (P)	1,204,102	1.73	13	67,070	493,306	73,480
Total Reserves P+P	1,348,433	1.74	13	75,353	554,584	82,559

- Reserve cut-off grades are based on a 1.41 g/t gold equivalent.
- Metallurgical Recoveries were 86% gold and 55% silver.
- Mining Recoveries of 90% were applied.
- Minimum mining widths were 2.0 meters.
- Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.
- Gold equivalents are based on a 1:79.5 gold - silver ratio. $Au Eq = gAu/t + (gAg/t \div 79.5)$
- Price assumptions are \$1750 per ounce for gold and \$22 per ounce for silver.
- Mineral resources are estimated exclusive of and in addition to mineral reserves.
- Resources were estimated by SIM staff and reviewed by Erme Enriquez C.P.G.
- Reserves are exclusive of the indicated and measured resources.
- Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.

Conclusions and Recommendations

The QP considers the San Martin resource and reserve estimates presented here to conform with the requirements and guidelines set forth in Companion Policy 43-101CP and Form 43-101F1 (June 2011), and the mineral resources and reserves presented herein are classified according to Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards - For Mineral Resources and Mineral Reserves, prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council on May 10, 2014. These resources and reserves form the basis for EDR’s ongoing mining operations at the San Martin Mine.

The QP is unaware of any significant technical, legal, environmental, or political considerations which would have an adverse effect on the extraction and processing of the resources and reserves located at the San Martin Mine. Mineral resources which have not been converted to mineral reserves, and do not demonstrate economic viability shall remain mineral resources. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.

The QP considers that the mineral concessions in the San Martin mining district controlled by SIM continue to be highly prospective both along strike and down dip of the existing mineralization.

SIM’s San Martin Mine has an extensive mining history with well-known gold and silver bearing breccia-vein systems. Ongoing exploration has continued to demonstrate the potential for the discovery of additional resources at the project and within the mine and the surrounding district. Since SIM took control of the San Martin mine, new mining areas have enabled SIM to increase production by providing additional sources of mill feed. SIM’s operation management teams continue to search for improvements in efficiency, lowering costs and researching and applying low-cost mining techniques.

Recommendations for further work:

- Continue the advance of the underground exploration at Body 32 and 33, the exploration of Body 28 with drifting at the centra zone and the exploration of San José FW and Santa Clara HW (both known as Sarah) at the south area.

- Continue to collect specific gravity measurements and refine current estimation of specific gravity to have a more reliable measure.
- Implement procedure of duplicate channel samples in stopes and drifts, to ensure the grade and thickness and to serve as duplicates of channel samples.
- Implement procedure for standard and duplicate samples, in channel samples and drill core as well. The certified standards will give greater certainty to the QA/QC procedure for the evaluation and greater reliability in reserves and resources.
- Perform detailed model reconciliation on stopes. A strict control in rebates will help to have a reliable number at the end of the year.
- Complete a geochemical and structural model for future work to support the estimation domains. The QP notes that there is a large amount of multi-element data that could support a geochemical model to better understand the impact of elements such as antimony, arsenic, mercury, etc., on the gold distribution and recoveries

PROPERTY DESCRIPTION AND LOCATION

Property Description

The San Martin mine is an underground gold-silver mining complex that has been in operation since 1993. It produces gold-silver by using the Merrill–Crowe Process technique for removing gold from the solution obtained by the cyanide leaching of gold and silver ores. The mine operates 365 days per year on a 24 hour per day schedule. Mining and ore processing operations are currently in production and the mine is considered a production stage property.

Property Location

The San Martin Mine is located 47 km in a straight line to the NE of the city of Queretaro, 10 km NW of Ezequiel Montes, 4 km SW of the Peña de Bernal and 25 km to the NW of Tequisquiapan, in the State of Querétaro. Territorially, it is located within the municipality of Colón, at the UTM coordinates of 398,350E and 2292,700N and an average elevation of 2,130 m.a.s.l.

SAMPLE PREPARATION AND ANALYSIS

Underground Channel Samples

Stope and development channel samples are collected by sampling support staff, controlled by the Geology Department, who are instructed to take the sample in the transect lines marked with red paint by the geologist. Sampling is regularly supervised by the geologist or the leader of the sampling crew that also belong to the geologic staff. Samples are broken in various size pieces (approx. ¼ inch to 1.0 inch), is mixed, and bagged in plastic bags. The sample is transported to the on-site laboratory for preparation and analysis. Channel samples are prepared and then analyzed by the PENBER Lab for Au and Ag. Gravimetric fire assay is used to determine Au and Ag grade. The results are reported in a clear mode and sent by email to all departments involved in the process (Geology, Mine, Mill and Planning).

Diamond Drill Core Samples

Drill core samples are taken at regular intervals, according to the physical aspect of the core. This includes all types and stages of breccia and host rock, occasionally. The sample is prepared by splitting the core a diamond saw. The process is supervised by the geological staff to ensure the integrity of the core splitting and sampling. Half of the core is used for the sample, with its identifying ticket, and the other half remains in the core box with its identifying ticket. Sample is crushed to ½ inch and bagged and tagged with the same ticket as the piece remaining in the core box. The samples are transported to the PEBER facilities for preparation and analysis. Au and Ag are analyzed by fire assay and gravimetric finish.

Security, Storage, and Transport

The channel sampling pulps and rejects are obtained from the assay laboratory and are stored in a secured area at the complex of the San Martin mine, in a closed and locked building.

The core is stored at the San Martin mine complex, in a closed building. Core is stacked in plastic boxes which are resistant to humidity and dust. The pulps and rejects are stored in closed areas and are individually packed in plastic bags to avoid contamination. The mine facility is guarded by security personnel 24/7.

Quality Control (QA/QC)

Quality assurance (QA) consists of evidence to prove that the assay data has precision and accuracy within generally accepted limits for the sampling and analytical method(s) used to have confidence in the resource estimation. Quality control (QC) consists of procedures used to ensure that an adequate level of quality is maintained in the process of sampling, preparing, and assaying the drill core samples. In general, QA/QC programs are designed to prevent or detect contamination and allow analytical precision and accuracy to be quantified. In addition, a QA/QC program can disclose the overall sampling – assaying variability of the sampling method itself.

A blank and standard is inserted every 20 samples, for channel samples and drill samples too.

CMPB's uses internal QA/QC that includes adding one duplicate, one reference and one blank to every 20 samples. A sample of sterile (white) material is crushed before starting the size reduction process.

QP Opinion

QP is not aware of any drilling, sampling or recovery factors affecting the reliability of the samples. It is QP's opinion that the sample preparation, security and analytical procedures followed by SIM are fit for the purpose of this Technical Report.

DATA VERIFICATION

The mineral resource estimate presented in report Section 14 is based on the following information provided to Mr. Enriquez by SIM with an effective date of April 30, 2022:

- ✓ Discussions with SIM personnel.
- ✓ Personal investigation of the San Martin Mine office.
- ✓ An underground database received as .xls files.
- ✓ Production channel sample database revised on June 10, 2022.
- ✓ Modeling blocks for veins San José, San José II, San Martin, Cuerpo 28, Cuerpo 29, Cuerpo 30 and Cuerpo 31, 4-700.
- ✓ Reserves and Resources in the San Martín Mine, Mexico, as of July 31, 2014, and authored by Gunning, D. R. and Campbell.
- ✓ Polygonal 2-dimensional long sections for veins San José, San Martin, Cuerpo 28, and Cuerpo 29 with resource and reserve calculations.
- ✓ Reserves and Resources in the San Martin Mine, Queretaro State, Mexico, as of April 30, 2018, and authored by Erme Enriquez.
- ✓ Reserves and Resources in the San Martin Mine, Queretaro State, Mexico, as of September 30, 2019, and authored by Erme Enriquez.

The on-site laboratory (PENBER Lab) has undergone numerous improvements since SMI took over management of the operation in February 2008. Comparison of the on-site laboratory to commercial laboratories is conducted on an ongoing basis. The results of this analysis are presented in the July 1, 2009, NI43-101 report and for both gold and silver the variability of results were acceptable for a producing mine, thus supporting confidence in the results of the on-site lab. No other verification has been done since then.

Historically (since 1993 to 2003), the San Martin mine has been using a specific gravity of 2.7 to convert volume in cubic metres to metric tons (the tonnage factor). Under suggestion of Mr. Gunning and M. Whiting, the geological staff started to implement, a specific gravity testing procedure on diamond drill core and mine material.

Following an examination of drill core and wall rock conditions in stopes, the “Method of Archimedes” (dry mass in grams divided by water displacement in milliliters method) was chosen as a reasonable and time effective procedure. There is not a significant amount of void space, so the costlier and time-consuming methods of pre-coating drill core are not recommended.

A selection of drill core from the San Martin and Guadalupe veins was tested and a new specific gravity was recommended. The new SG is 2.55 g/cm³ was used prior 2014 Resource and Reserves. Subsequent testing more recently has shown values between 2.6 and 2.8. These new data have resulted in the use of 2.6 g/cm³ for estimates in 2014 and later.

MINERAL PROCESSING AND METALLURGICAL TESTING

Mineral reserves and mineral resources are evaluated to be processed using cyanidation process by dynamic leaching. The process consisted essentially of leaching in cyanide solution followed by solid-liquid separation, with the solid residues being washed as efficiently as possible, and the leach liquor being treated by zinc cementation to recover the precious metals. While this process is generally extremely efficient and fairly cheap; it does have limitations in the treatment of low-grade ores and certain complex ore types. For example, ores with a high content of clay or carbon, are usually difficult to filter, and losses of soluble gold or silver in the residues can be unacceptably high.

Because of the historical production for Plant, the liberation characteristics of the material and subsequent response to cyanidation are within typical design criteria and known by the operations personnel. There are no geological, lithological, or mineralogical changes in the process plant feed anticipated for the envisaged future production as compared to previous operations. Historical operational results support the existing process flowsheet with some adjustments such as adding oxygen gas from the beginning of the process, this has increased the recovery of precious metals by up to 2%.

Mineral reserves and mineral resources are evaluated to be processed using cyanidation process by dynamic leaching. The mill is currently operating at 627 tons per day, it presents a series circuit that includes Crushing, Grinding, Leaching, a System of Countercurrent Washing by Decantation, Filtration, Tailings Deposit and Merrill Crowe for the recovery of silver and gold values, in addition to the smelter area.

Process of the Benefit Plant

Process plant is an agitated cyanide leach plant that produces Au-Ag doré by using Merrill-Crowe circuit. The facilities of the plant are designed to process gold and silver ore at a rate of 627 tpd, with the capacity of 1,100 tpd, in a series circuit that includes crushing, milling, leaching, a system of countercurrent washing by decantation and Merrill Crowe for the recovery of the silver and gold values.

The flow diagram of the plant consists of the following processes:

- Crushing and transport
- Storage and claim
- Primary and secondary milling
- Dynamic leaching with gaseous oxygen injection
- Counter-current washing circuit by decanting
- Precipitation of values (Merrill Crowe)
- Precipitate drying
- Refinery
- Filtering of tailings
- Storage of dry tailings
- Reagent preparation systems and their distribution

In the crushing area, the ore is reduced to ¼ in., To be fed to the primary ball mills and later to the secondary vertical mill to obtain a 70% product at 74 microns. This is fed to the dynamic leaching circuit where oxygen is injected. The

dissolved values are recovered by precipitating them with zinc powder in the Merrill Crowe process and melting to obtain doré bars with a purity of 99.3%.

The tailings are filtered before being deposited in the dam. The recovered solution is returned to the process.

The filtered tailings are transported to the deposit to be stored, a tailing banding system is used to be compacted and wind erosion is minimized. Later, when one side of the slope is formed, reforestation with flora of the region is conducted to avoid rain erosion.

In mid-2012, a decrease in mill recoveries was detected. The problem was that carbonaceous mineral was being fed in high quantities and the recovery of gold fell 75.2% and 60.5% in June and July respectively. The metallurgical investigations showed that the ore could be recovered with the following treatment:

- a) A low temperature roast of the carbonaceous ore
- b) A conversion to Carbon in Leach processing

The organic matter in the carbonaceous mineral affects the leaching process, however, this type of mineral has always existed in the San Martin body and in the body Cuerpo 29 and its exploitation never caused problems in the chemical treatment in the past. This mineral was fed to the mill between 10% and 15% of the total daily processed mineral, between the years 1998 and 2003.

Crushing Area

The first part of the beneficiation process consists of a reduction in the size of the ore coming from the mine. A hopper with a capacity of 80 tons is installed and a closed circuit of breakers that allows the reduction up to 1/4 ". The first reduction, which is from 12" to 4" is made by a jaw crusher, the second reduction, at 1/4" is done in a cone crusher, then all the ore is screened and sent to the pile stock of the grinding area.

Grinding Area

In this section there is a primary grinding conducted by a ball mill with dimensions of 9'x9', which aims to reduce the ore allowing the release of gold and silver particles, here begins the dissolution of values by adding sodium cyanide and lime to maintain the basic pH. Following this stage there is a secondary grinding carried out by a Vertimill VTM-200 mill which reduces the ore to a size of 74 microns.

Chemical Treatment Area

Here is carried out, as a first step, a solid-liquid separation to recover the solution rich in gold and silver values. The leaching of the values that are still present in the solids is conducted in the leaching tanks obtaining recoveries of 88% for gold and 54% for silver. It is worth mentioning that this area has had significant changes reducing residence times. This has been achieved by the development of metallurgical tests carried out in the SM complex. The process is based on the addition of gaseous oxygen to the process, allowing a temporary oxidation of the metals of value which leads to a rapid formation of the complex of gold-silver-cyanide.

Tailings Filtration Area

After the gold and silver values have been leached, the solids are sent to the tailings filtration area, where solution is recovered and sent back to the process and the solids are discharged with a humidity of 20% to be deposited in the tailings dam.

Merrill-Cowe Area

The value-rich solution from the chemical treatment area is clarified by a filtration system, the solids present are kept in the filter medium producing a clean solution. Subsequently, the oxygen present in the solution is removed by means of a vacuum column. Once you have an oxygen-free solution and a minimum of solids, zinc powder is added to it, generating an oxide-reduction reaction called cementation of gold and silver. This metallic sludge is retained in filter presses from which they are recovered to be dried and sent to the smelter.

Smelting Area

The process of obtaining doré bars is conducted in electric induction furnaces using a graphite smelting pot, to obtain gold and silver bars with a purity of 99.3%. What was achieved by changing the conventional refining method that consisted of oxidation by decomposition of sodium nitrate, which had a drawback, such an aggressive oxidation that damaged the smelting pot, making it impossible to reach purities above 98%. Now days, in the San Martin unit, doré

is refined by creating an atmosphere rich in oxygen gas, which causes the elimination of impurities to be more selective, reducing damage to the smelting pot by 80%.

Comment on Mineral Processing and Metallurgical Testing and Recoveries

In the opinion of the QP, the metallurgical process is proper to establish reasonable processing methods for the different mineralization styles encountered in the deposit. Geometallurgical samples are carefully selected to represent future ores and recovery factors have been confirmed from production data collected from ore processed in underground.

Data Adequacy

The data provided by SMI conforms to the industry standards and is within the accuracy of this study and verified for use in this study. Historic production from multiple oreshoots at the San Martin mine proves the capacity of the plant to process the mineralized material. As a result, the processing and associated recovery factors are considered appropriate to support mineral reserve and mineral resource estimation and mine planning.

Metallurgical Testing and Recovery

Metallurgical research is aimed at improving the recovery of gold and silver, reducing the process time, and reducing costs. In the San Martin ore, a reduction in the process time has been obtained without undermining the metallurgical recovery, currently working with a treatment time of 35 hours, which has helped reduce cyanide consumption, reducing costs.

To achieve this process time, the addition of oxygen in gaseous form was implemented in the grinding area. Currently, a mixture of reagents that increase the recovery of gold and silver values is being investigated, the objective is to reach 93% gold extraction. In the tests conducted, this result has been reached, so the process of validation and repeatability of results will begin with an external laboratory before carrying out tests directly at the Processing Plant. The smelter area is part of the process, which is why an investigation was started to reduce the impurities in the doré bars. The tests carried out have led us to produce bars with a purity of 99.3% industrially so far this year 2022 and consequently the consumption of fluxes and crucibles was reduced, which led the plant to lower the smelter costs. The San Martin ore, in some of its areas, has a characteristic of refractoriness caused by the presence of carbonaceous material. Tests have been conducted with different processes and reagents, achieving gold extractions of 82%. Research continues to search for alternatives that can improve these results at a low cost.

Data Adequacy

The data provided by SMI conforms to the industry standards and is within the accuracy of this study and verified for use in this study. Historic production from multiple oreshoots at the San Martin mine proves the capacity of the plant to process the mineralized material. As a result, the processing and associated recovery factors are considered appropriate to support mineral reserve and mineral resource estimation and mine planning.

For further details on any of the extracted topics disclosed in the foregoing, please see the NI 43-101 compliant “*Technical Report San Martin*” as filed on SEDAR on August 26, 2022.

UPDATES on Production, Mining Concessions and Exploration

The following sections have been prepared by Salvador Garcia B. Eng., a director of the Company and Chief Operating Officer, and is the Company’s Qualified Person on the project as required under NI 43-101.

Production

For the year ended April 30, 2023, the San Martin plant achieved 87 % recovery of gold and 49% of silver from the 227,811 tonnes milled during the fiscal year. Head grades averaged 1.63 g/t gold and 24.7 g/t silver resulting in 11,797 equivalent gold ounces of production during the fiscal year. Equivalent gold ounce calculation is based on the actual daily average gold: silver ratio of 1 to 89.6 during the fiscal year.

Compañía Minera Peña de Bernal, SA de CV
San Martín Mine Project
Historical Production 1993-April 30, 2023

Year	Tonnes	Grade		Production		
		Au (g/t)	Ag (g/t)	Oz Au	Oz Ag	Oz Au Eq.
1993	28,267	2.53	60	1,387	24,463	1,707
1994	134,118	3.19	35	13,179	81,605	14,298
1995	146,774	3.40	38	16,172	180,459	17,068
1996	187,691	3.40	44	19,553	155,160	21,620
1997	219,827	3.27	43	22,016	174,013	24,570
1998	224,279	3.45	50	23,680	210,680	27,539
1999	242,295	3.46	46	25,852	194,110	29,624
2000	284,490	3.61	54	31,209	245,310	35,571
2001	287,520	3.76	65	32,773	330,217	38,068
2002	268,451	4.26	71	35,634	370,406	41,124
2003	276,481	4.29	82	36,438	464,947	42,692
2004	272,734	4.47	83	36,935	458,681	44,377
2005	282,392	3.92	65	32,814	349,071	38,543
2006	278,914	2.82	52	22,004	235,806	26,529
2007	252,400	3.34	49	25,232	224,714	29,606
2008	266,600	2.50	33	18,733	159,877	21,367
2009	272,856	2.43	33	19,171	167,827	21,696
2010	275,290	2.03	30	15,492	163,489	18,156
2011	296,845	2.14	39	17,694	267,237	23,736
2012	309,796	2.09	25	16,197	160,678	19,213
2013	306,941	2.66	24	22,247	129,861	24,425
2014	311,210	2.35	22	20,062	112,010	21,755
2015	309,565	2.09	20	17,903	104,767	19,319
2016	286,278	1.94	16	14,606	68,463	15,547
2017	259,709	1.69	13	11,563	54,287	12,246
April 30 2018	99,067	1.59	36	4,410.96	64,459.38	5,218.98
April 30, 2019	314,347	1.62	39	13,651	224,544	16,393
April 30, 2020	229,830	1.85	30	11,752	121,825	13,112
April 30, 2021	225,504	1.63	24.7	10,475	103,424	11,797
April 30, 2022	224,438	1.58	23	10,028	85,360	11,165
April 30, 2023	227,811	1.47	14	9,402	48,066	9,968
TOTALS	7,288,373			608,264.96	5,735,816.38	698,049.98

The following table is a summary of mine production statistics for the San Martin mine for the years ended April 30, 2023 and 2022. Although the mine reduced operations to 627 tons per day, the continued strength of the US dollar has resulted in profitable operational results even with the recently declining mill head grade. Production for the year ended April 30, 2023 was 227,811 tonnes at an average head grade of 1.47 g/t gold and 13.49 g/t silver.

	Unit of measure	Actual results for period ended April 30, 2023	Actual results for period ended April 30, 2022
Mine production of gold in Doré	ounces	9,402	10,028
Mine production of silver in Doré	ounces	48,066	85,360
Total mine production – equivalent ounces	ounces	9,968	11,165
Silver to gold equivalency ratio		84.85	75.04
Mine gold grade	grams/tonne	1.47	1.58
Mine silver grade	grams/tonne	13.49	22.99
Mine gold recovery	percent	87	88
Mine silver recovery	percent	49	51
Milled	tonnes	227,811	224,438
Mine development, preparation and exploration	Meters	7,170	7,474
Mine operating cash cost per tonne milled	US dollars/tonne	67	62
Mine operating cash cost per equivalent ounce	US dollars/ounces	1,535	1,239
Number of employees and contractors at minesite		246	254

Mining Concessions

The following table as of December 31, 2022 summarizes the mining concessions comprising the San Martin Mine property.

No. on Map	Concession Name	Exp.	Title	Term of Concession		Hectares	2022 Annual Taxes (Pesos)	
				From	To		1st Sem	2nd Sem
1	San Martin 2	321.1/6-72	191134	29/04/1991	28/04/2041	190.7972	\$36,034	\$36,034
2	San Martin	321.1/6-71	191423	19/12/1991	18/12/2041	132.0818	\$24,945	\$24,945
3	La Trinidad	6/1.3/276	204824	13/05/1997	13/05/2047	2,610.7224	\$493,061	\$493,061
4	San Martin Fracc. A.	6/1.3/00409	215262	14/02/2002	13/02/2052	37.1099	\$7,009	\$7,009
5	San Martin Fracc. B.	6/1.3/00411	215263	14/02/2002	13/02/2052	22.8901	\$4,323	\$4,323
6	San Martin Fracc. C	6/1.3/00412	215264	14/02/2002	13/02/2052	3,182.5646	\$601,059	\$601,059
7	San Martin 3	6/1.3/00410	215301	14/02/2002	13/02/2052	60.0000	\$11,332	\$11,332
8	San Martin Cuatro	065/15357	221844	02/04/2004	01/04/2054	6,755.6145	\$1,275,903	\$1,275,903
	TOTAL					12,991.7805	\$2,453,666	\$2,453,666

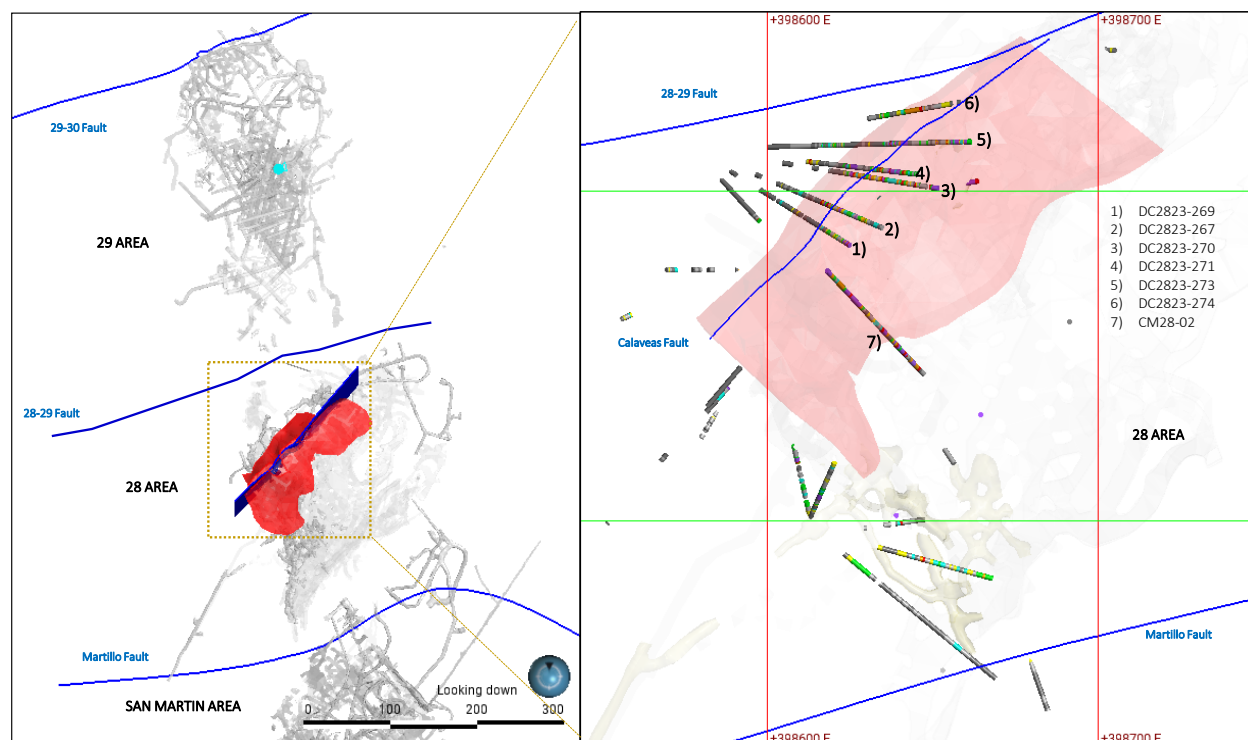
Exploration

For the period ended April 30, 2023 surface and underground exploration programs were conducted using both company and contractor drill rigs. Between May 1, 2022 until April 30, 2023, a total of 9,165.95 exploration meters were drilled using the company's drill rigs.

The exploration highlights during the year at the 28 Area near surface, a new 28 oreshoot (Calaveras Target) of high grade has been drilled. From this high-grade pocket, it is contemplated to continue with explorations on the W edge of area 28, where today there is little exploration to continue finding economic zones of interest. Highlights of the drill holes are shown in the following table:

Starcore International Mines LTD
Compania Minera Pena de Bernal, SA de CV
Area 28 Oreshoot
Highlight Drilling Results

Hole ID	True Width (m)	Assays	
		Au g/t	Ag g/t
DC2823-269	6.20	3.85	183
DC2823-267	17.75	2.17	32
DC2823-270	30.65	2.19	22
DC2823-271	24.60	3.76	29
DC2823-273	11.60	1.80	59
DC2823-274	15.05	1.23	18
CM28-02	15.65	2.37	142



The 28 Area, 28 oreshoot extension drilled from underground. Drilling has discovered new ore in the area.

Other Mineral Properties

In addition to our principal property, the San Martin Mine, we have several other mineral interests in exploration properties, as summarized below, which we do not consider to be material to our operations at this time or have been sold or discontinued. These include three molybdenum-copper exploration projects that we acquired through our

acquisition of Creston Moly Corp. (“**Creston Moly**”) from Deloitte Restructuring Inc., in its capacity as trustee in bankruptcy of Mercator Minerals Ltd., in February 2015 for a purchase price of Cdn\$2 million – namely, the El Creston Project in Mexico, the Ajax Project in British Columbia and the Moly Brook Project in Newfoundland (abandoned in 2019).

Creston Moly, a British Columbia company, was formerly a wholly-owned subsidiary of Mercator Minerals, who acquired Creston Moly in 2011 in a cash-and-shares deal valuing Creston Moly at approximately Cdn\$194 million.

- o ***El Creston Project, Sonora, Mexico***

The El Creston molybdenum property is located in the State of Sonora, Mexico, 175 kilometres south of the US Border and 145 kilometers northeast of the city of Hermosillo. Creston Moly’s indirect wholly-owned subsidiary, Exploraciones Global S.A. de C.V. (“Exploraciones Global”), is the registered holder of the El Creston property. Exploraciones Global purchased the claims comprising the El Creston property from the previous owners. The property is known to host several zones of porphyry-style molybdenum copper mineralization.

Except for production statistics updated to April 30, 2023, the following description of the El Creston Project has been extracted from the Technical Report El Creston’s Executive Summary.

Executive Summary

Introduction

In June of 2022, Starcore International Mines Ltd. commissioned SRK Consulting (Canada) Inc. to prepare a technical report for the El Creston Project. This technical report documents a mineral resource statement for the El Creston Project prepared by Dr. Gilles Arseneau, Qualified Person and associate consultant with SRK. It was prepared following the guidelines of the Canadian Securities Administrators’ National Instrument 43-101 and Form 43-101F1.

Property Description and Ownership

The El Creston Project is located in north-central Sonora State in north-western Mexico. The property is about 145 kilometres (“km”) by road north-northeast of Hermosillo, the capital of Sonora State, 5 km southwest of the village of Opodepe. Access from Hermosillo is via Highway 15 north from Hermosillo 70 km to Carbo junction. From the junction, a paved road is followed east for 52 km to Rayon, then north along a well-maintained gravel road for 21 km to the junction with a secondary unpaved road crossing the San Miguel River 5 km south of Opodepe that leads to the Creston Project. The approximate center of the mineral resources described in Section 14 is 29°53’N latitude and 110°39’W longitude.

Electric power and water are available at Opodepe, however a 45 km long power line coming from the west, will likely be required to provide power to any future development at the El Creston property, as Opodepe does not have the capacity for a large industrial site. Discussions with the owners of water rights in the vicinity of the project will be necessary to support any future mining operation.

The property is comprised of nine concessions covering approximately 11,363 hectares (“ha”) wholly owned by Exploraciones Global, S.A. de C.V., a Mexican subsidiary of Starcore. All concessions are subject to a 3% net smelter return (“NSR”). There are no known environmental liabilities to which the project is currently subjected.

Geology and Mineralization

Regionally, the area is part of the Basin and Range Province which is an extensional terrain of fault-bounded ranges and intervening valleys in the western United States that extends southward from Nevada and Utah southwards into the states of Sonora and Chihuahua, Mexico. In northern Mexico, this province is bifurcated by the Sierra Madre Occidental, a north-northwest-trending mountain range about 1,200 km long and 200 km to 300 km wide that forms the spine of northern Mexico. The Creston property lies in the western or Sonoran portion of the Basin and Range Province, close to the western flank of the Sierra Madre Occidental.

The predominant lithologies known at El Creston include metamorphic rocks of Precambrian and perhaps Paleozoic age, intrusions of various compositions, dikes, and breccias of Paleozoic and Tertiary age, and Recent conglomerate, talus, and landslide deposits.

Phyllites, quartzite, gneisses, and metavolcanic rocks were intruded by the Creston granite, which has a weakly developed gneissic texture. The Creston granite has been altered and mineralized, hosting most of the presently defined molybdenum (“Mo”) mineralization in the Main deposit, the older metamorphic rocks intruded by the Creston granite are only locally altered and mineralized.

There are two principal styles of mineralization at the Main deposit: predominantly subvertical quartz-molybdenite-pyrite veinlets hosted by the Creston granite and molybdenite-pyrite within the quartz matrix of magmatic-hydrothermal breccia of the East Breccia body, which cuts the Creston granite. While minor amounts of chalcopyrite accompany the molybdenite mineralization, more significant quantities of copper (“Cu”) occur as chalcocite replacements of pyrite within secondary enrichment blankets that parallel present-day topography. Some chalcocite also occurs below the enrichment blankets, primarily along permeable structural zones such as the Ordoñez fault zone.

The currently defined mineralized area occupies a zone about 1,600 metres (“m”) in an east-west direction, a maximum of 1,200 m in a north-south direction, and 550 m vertically. The Creston and Ordoñez faults terminate the bulk of the molybdenum mineralization at depth, although some mineralization has been intersected in drillholes below the Creston fault at the Red Hill zone to the south. Mineralization at El Creston includes both molybdenum and copper minerals.

Exploration Status

The property has been explored extensively in the past. Starcore has not carried out any recent exploration on the property but has announced a \$500,000 US Dollars (“US\$”) exploration program for the El Creston Project. The program is to include geological and magnetometry surveys.

Mineral Resource Estimate

The mineral resource model prepared by the QP considers 181 core holes and three reverse circulation holes, Creston Moly Corporation drilled 156 holes during the period of 2007 to 2011, 28 holes were drilled by AMAX between 1974-1975. The resource estimation work was completed by Dr. Gilles Arseneau, P. Geo. (APEGBC #23474) an appropriate “independent Qualified Person” as this term is defined in National Instrument 43-101.

The mineral resources have been estimated in conformity with generally accepted CIM “Estimation of Mineral Resource and Mineral Reserves Best Practices” guidelines and are reported in accordance with the Canadian Securities Administrators’ National Instrument 43-101.

GEOVIA GEMS™ Version 6.8.4 was used to construct the geological solids, prepare assay data for geostatistical analysis, construct the block model, estimate metal grades and tabulate mineral resources. Sage2001 was used to model the variography of copper and molybdenum.

The oxide surface was modelled from a hard boundary between the dominantly oxidized zone near surface and the sulphide mineralization below using a 30% molybdenum oxide limit. A wireframe was used to model the molybdenum mineralization with the Creston granite and the copper mineralization was modelled into high-grade and low-grade domains based on statistical analysis of the assay data.

Assay data were capped prior to modelling based on statistical analysis. Molybdenum values were capped at 0.70% Mo and copper values in the higher-grade zone were capped at 1.0% Cu and 0.45% Cu in the low-grade copper zone. All assays were composited to 3.0 m length within the modelled domains.

Grades were estimated by ordinary kriging inside 10 m by 10 m by 12 m blocks. To determine the quantities of material offering “reasonable prospects for eventual economic extraction” by an open pit, the QP used a pit optimizer and reasonable mining assumptions to evaluate the proportions of the block model (Measured, Indicated and Inferred blocks) that could be “reasonably expected” to be mined from an open pit.

The optimization parameters were based on experience and benchmarking against similar projects. Blocks within the resource shell were classified as Measured if they were populated using more than eleven samples at an average distance of less than 80 m and where the probability of the grade exceeding cut-off was more than 90%. Blocks were considered Indicated if they were populated by more than eight samples at an average distance of less than 100 m. All other estimated blocks were classed as Inferred. Based on the above parameters, the QP estimated that the El Creston deposit contained 56.3 million tonnes (“Mt”) grading 0.076% Mo and 0.04% Cu in the Measured category, and 142.2 Mt grading 0.067% Mo and 0.08% Cu classified as Indicated mineral resources. There are no blocks classified as Inferred mineral resource within the Whittle optimized pit shell (Table 1.1).

Table 1.1: Mineral Resource Statement at 0.045% Molybdenum Equivalent*, El Creston Molybdenum Project, Sonora Mexico, SRK Consulting, 30 September 2022

Category	Quantity	Grade		Metal	
		Mo	Cu	Mo	Cu
	(Mt)	(%)	(%)	(Mlb)	(Mlb)
Open Pit**					
Measured	56.3	0.076	0.04	94.3	49.7
Indicated	142.2	0.067	0.08	210.0	250.8
Measured Plus Indicated	198.5	0.069	0.07	304.4	300.5
Inferred					

Notes:

* Mineral resources are reported in relation to a conceptual pit shell. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.

** Open pit mineral resources are reported at a cut-off grade of 0.045% Mo EQ. Cut-off grades are based on a price of US\$9.93 per lb of molybdenum and US\$3.50 for copper, recoveries of 88% for molybdenum and 84% for copper were applied.

Conclusion and Recommendations

The El Creston Molybdenum Project is an advanced staged exploration property located in Sonora State, Mexico.

The molybdenite mineralization occurs as finely disseminated subhedral crystals 0.1 millimetres (“mm”) to 0.8 mm across, embedded in a pervasive, fine-grained quartz-sericite matrix, and as coarsely crystalline molybdenite along the margins of quartz veins.

The QP believes that the widely spaced drill sampling is suitably adequate to represent the disseminated and veinlet molybdenum mineralization.

While some molybdenum grades do occur below the Creston fault, the grade estimates were limited to the zone between the oxide boundary and the Creston fault.

The QP recommends that Starcore continue to explore the El Creston Project. Specifically, a US\$500,000 exploration surface exploration program is recommended.

This section has been prepared by Salvador Garcia B. Eng., a director of the Company and Chief Operating Officer, and is the Company’s qualified person on the project as required under NI 43-101.

El Creston Project, Sonora, Mexico									
Tenure Number	Claim Name	Owner/ Interest	Underlying Royalty	Tenure Type/ Tenure Sub Type	Area (ha)	Issue Date/ Present Expiry Date	Required Holding Expenses	Property Surface Rights	Ownership
219813	Meztli	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	89	16/04/2003 15/04/2053	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	4,529 hectares 100% Owned acquired through purchase from local landowners and Ejido. 573 hectares leased for 30 years with exclusive option to purchase	Ejido and local landowners
220332	Meztli 1	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	8	16/07/2003 15/07/2053	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
222321	Lorenia	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	138	25/06/2004 24/06/2054	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
222700	Alma	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	359	13/08/2004 12/08/2054	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
223111	Letty	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	391.5093	15/10/2004 14/10/2054	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
225638	Meztli 2	Exploraciones Global/ 100%	3% NSR	Concession/ Mining Exploration	1455.9816	30/09/2005 29/09/2055	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
229984	Meztli 6	Exploraciones Global/ 100%	3% NSR	Concession/ Mining	0.0032	04/07/2007 03/07/2057	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
243807	Meztli 4 Reduccion	Exploraciones Global/ 100%	3% NSR	Concession/ Mining	8465.044	05/12/2014 09/07/2057	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above

El Creston Project, Sonora, Mexico									
Tenure Number	Claim Name	Owner/ Interest	Underlying Royalty	Tenure Type/ Tenure Sub Type	Area (ha)	Issue Date/ Present Expiry Date	Required Holding Expenses	Property Surface Rights	Ownership
231151	Meztli 3	Exploraciones Global/ 100%	3% NSR	Concession/ Mining	457.0564	18/01/2008 <u>17/01/2058</u>	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
234415	Teocuitla	Exploraciones Global/ 100%	2% NSR	Concession/ Mining	1,476.1874	26/06/2009 <u>25/06/2059</u>	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
234546	Teocuitla 2	Exploraciones Global/ 100%	2% NSR	Concession/ Mining	925.9102	10/07/2009 <u>09/07/2059</u>	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
238172	Angel	Exploraciones Global/ 100%	2% NSR	Concession/ Mining	185.6715	09/08/2011 <u>08/09/2061</u>	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above
240226	Tlaloc 2	Exploraciones Global/ 100%	2% NSR	Concession/ Mining	500.00	27/04/2012 <u>26/04/2062</u>	Taxes to be paid semi-annually. Notice of Work form filed by May 30 th	Part of above	As above

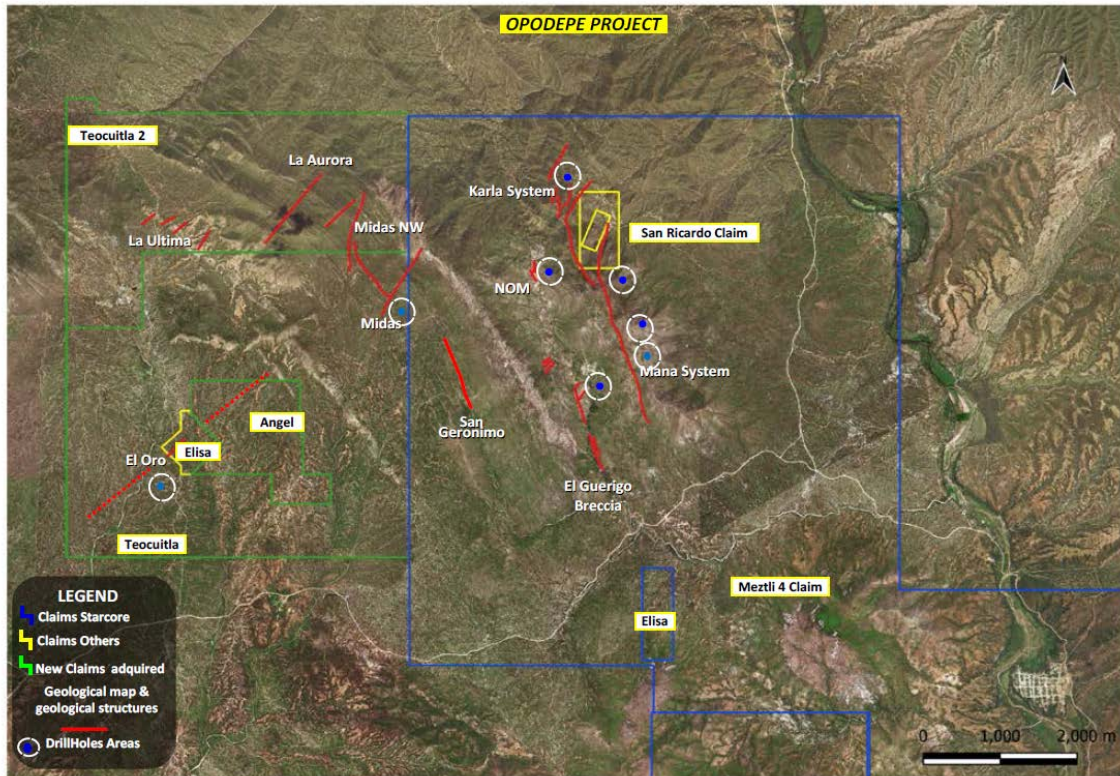
In August, 2021, after conducting a six-month exploration plan which included more than 1600 samples taken in the outcrops of nine new discovered veins in certain claims beside the El Creston Meztli 4 claims in the northwest part of Starcore's property, the Company announced it acquired 3087.7691 hectares, more commonly known as the Teocuitla claims in Opodepe, Sonora State, Mexico. The Company took an expanded view of El Creston, looking at the project in three different ways: one as a moly deposit; another as a property with gold showings; and thirdly, as a project with the potential for copper porphyry at depth. The initial results of the exploration program are outlined below:

Table 1: Assay Results of the samples taken from MEZTLI4 and TEOCUITLA Claims

# Targets	Target	Claim	Recognized surface length (mt)	Economic length (mt) Surface	Economic width (mt) Surface	Au g/t	Ag g/t	
1	Mana System	Meztli 4	2100	300	1.07	0.52	250	
2	Karla System NW		1815	280	0.53	3.52	13	
3	Karla System SW		480	190	0.61	1.53	64	
4	El Guerigo Breccia		1800	110	0.98	0.11	162	
5	San Gerónimo		Stockpile Samples				0.40	214
6	Midas Vein	New claims acquired	580	190	0.73	0.09	147	
7	La Aurora – La		Stockpile Samples				0.21	241
8	La Última		Old mining non visited					
9	El Oro	Other claim	500	70	0.53	10.30	5	

Opodepe Project in Sonora, Mexico

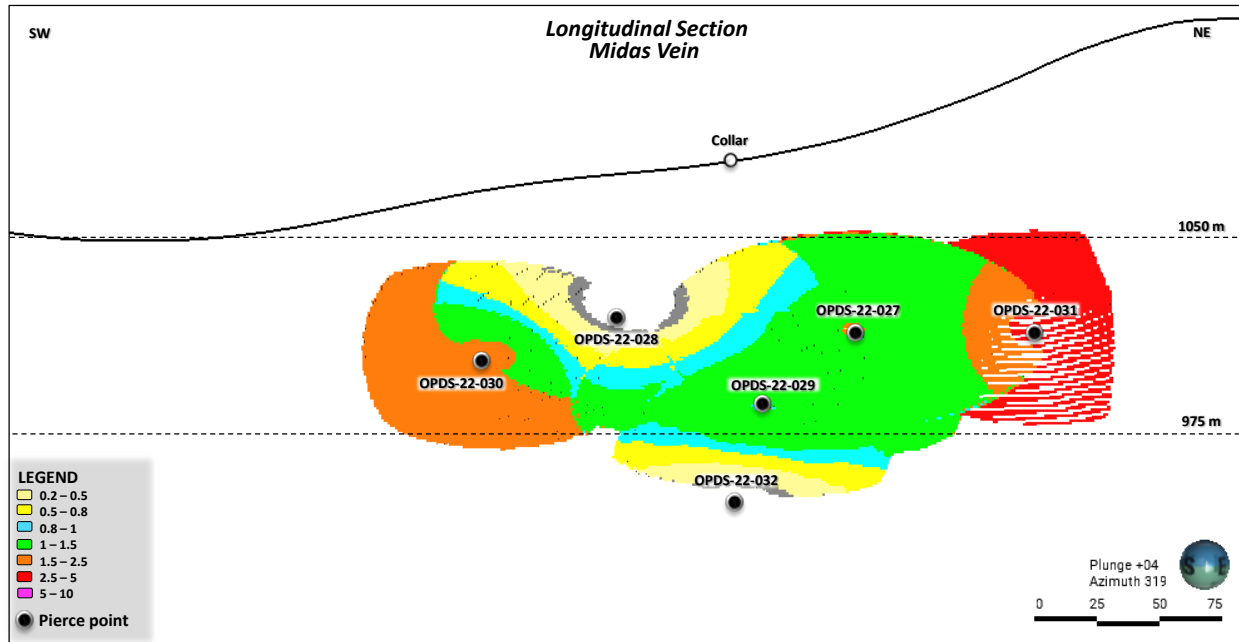
A total of 1,624m has been drilled in 8 short holes. The first stage of drilling focused on the upper part of the veins of the zone and has been considered as recognition drilling. However, in this year 2022, the drilling is focused on the zone of the veins which the geologists have considered as favorable zones to find economic reserves. These holes will be longer than the first stage including two new veins, MIDAS and El ORO, both in the Teocuitla concession recently acquired by Starcore. See **Figure 3 & 4**.



Drilling Highlights

#1- OPDS-22-027; 1.3 m @	3.03 g/t AuEq
#2- OPDS-22-029; 1.31 m @	2.52 g/t AuEq
#3- OPDS-22-030; 1.14 m @	1.99 g/t AuEq
#4- OPDS-22-031; 1.53 m @	5.29 g/t AuEq
#4- OPDS-22-031; 1.25 m @	1.29 g/t AuEq
#4- OPDS-22-032; 0.81 m @	2.17 g/t AuEq

Fig. 4 MAP SHOWING THE EXPLORED VEINS AND THE TWO NEW VEINS



o *Ajax Project, British Columbia.*

The Ajax molybdenum property is comprised of 1,718 hectares and is located 13 km north of Alice Arm, British Columbia. The Ajax property, one of North America's largest undeveloped molybdenum deposits occupying a surface area of approximately 600 by 650 metres, is in the advanced stage of exploration.

Creston Moly's wholly-owned subsidiary, Tenajon Resources Corp. ("Tenajon Resources"), is the registered holder of the Ajax property. Tenajon Resources acquired all but one of the claims comprising the Ajax property through on line staking; the final claim, identified by tenure number 511540, was acquired by way of a claim conversion (that is, a procedure for converting manually-staked claims to computerized-staked claims).

Ajax Molybdenum Property, British Columbia, Canada									
Tenure Number	Claim Name	Owner/ Interest	Underlying Royalty	Tenure Type/ Tenure Sub Type	Area (ha)	Issue Date/ Present Expiry Date	Required Holding Expenses	Property Surface Rights	Ownership
501393	mq2	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	402.28	12/01/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
504775	mq3	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	255.99	25/01/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
504776	mq3	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	292.70	25/01/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
504782	mq5	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	146.22	25/01/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
505618	mq5	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	256.00	02/02/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
511540		Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	365.67	22/04/2005 13/07/2024	No work required until 2024. No gov't fees	None	Government
				Total	1718.86				

o **Toiyabe Property, Nevada, USA**

On March 2021, the Company and Westward Gold Inc. (“WG”) (formerly IM Exploration Inc.) announced that they had entered into a binding agreement (the “**Term Sheet**”), which set forth the terms for the assignment of Starcore’s option to acquire a 100% interest (the “**Transaction**”) in the Toiyabe Gold Project in Lander County, Nevada (the “**Project**”) from Minquest Ltd. (“**Minquest**” or the “**Optionor**”). On April 22, 2021, Starcore announced it had formalized the Transaction, through an assignment and assumption agreement with WG.

Transaction Details

As consideration for the assignment of Starcore’s right to acquire a 100% interest in the Project, WG has issued Starcore 4,100,000 common shares in the capital of IM (the “**Consideration Shares**”) at a fair value at date of issuance price of \$0.19 per Consideration Shares. The Consideration Shares were subject to a contractual escrow period of twelve (12) months following the date of issuance, with 25% being released every three (3) months, with the first release occurring no later than 3 months after the closing of the Transaction and a cash payment paid to Starcore in the amount of US\$150,000.

As of April 30, 2023, all Consideration Shares have been released from escrow and the Company sold 228,000 and held 3,872,000 (April 30, 2022 – 4,100,000) common shares valued at \$0.165 for \$639 representing a \$197 unrealized gain for the period (April 30, 2022 - \$287 unrealized loss from the original cost, valued at \$492). The fair value of WG has been determined by reference to published price quotations in an active market.

Subsequent to the closing of the Transaction, in consideration of US\$100,000, WG also acquired Golden Oasis Exploration, the Company’s wholly-owned subsidiary in Nevada, which held the bond lodged with the Bureau of Land Management in respect of the Toiyabe property.

RISK FACTORS

An investment in our common stock involves a number of very significant risks. You should carefully consider the following risks and uncertainties in addition to other information in this Annual Report in evaluating our Company and our business before purchasing shares of our Company's common stock. Our business, operating results and financial condition could be seriously harmed due to any of the following risks. The risks described below are not the only ones facing our Company. Additional risks not presently known to us may also impair our business operations. You could lose all or part of your investment due to any of these risks.

Risks Associated with our Mining Operations

Our operations are subject to risk. Our Company's ability to generate sufficient cash flows to continue operations is dependent on many factors and cannot be assured.

During the year ended April 30, 2023, the cash flow generated from operating, investing and financing activities resulted in a net cash outflow of \$3,236,000 (2022 – inflow \$4,205,000) bringing the Company's cash balance to \$6,443,000 (2022 – 8,818,000) with a working capital of \$8,466,000 (2022- \$9,135,000) and an accumulated deficit of \$29,461,000 (2022 - \$24,205,000). The ability of the Company to generate sufficient cash flows to continue operations is dependent upon many factors including, but not limited to, sufficient ore grade, ore production at the San Martin mine, control of mine production costs, administrative costs and tax costs and upon the market price of metals. Cash flows may also be affected by the ability of the Company to reduce capital expenditures, including mine development.

Exploration, development and mining involve a high degree of risk.

Our operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of gold and other base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Mining risks.

The business of mining involves many risks and hazards, including environmental hazards, industrial accidents, labour force disruptions, the unavailability of materials and equipment, unusual or unexpected rock formations, pit slope failures, changes in the regulatory environment, weather conditions, cave-ins, rock bursts, water conditions and gold bullion losses. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. As a result, we may incur significant costs that could have a material adverse effect upon our financial performance, liquidity and results of operations.

Mine development is subject to a number of risks.

Our ability to sustain or increase our present levels of gold production is dependent upon the successful development of new producing mines and/or identification of additional reserves at existing mining operations. If we are unable to develop new ore bodies, we will not be able to sustain present production levels. Reduced production could have a material and adverse impact on future cash flows, results of operations and financial condition. Many factors are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future gold prices. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of the gold from the ore, and anticipated environmental and regulatory compliance costs. Each of these factors involves uncertainties and as a result, we cannot give any assurance that our exploration and development activities will result in economically viable deposits. If a deposit is developed, actual operating results may differ from those anticipated.

We may be adversely affected by fluctuations in gold prices.

The value and price of our securities, our financial results, and our exploration, development and mining activities may be significantly adversely affected by declines in the price of gold and other precious metals. Gold prices fluctuate widely and are affected by numerous factors beyond our control such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of gold producing countries throughout the world. The price for gold fluctuates in response to many factors beyond anyone's ability to predict. The prices used in making the resource estimates are disclosed and differ from daily prices quoted in the news media. The percentage change in the price of a metal cannot be directly related to the estimated resource quantities, which are affected by a number of additional factors. For example, a 10 percent change in price may have little impact on the estimated resource quantities and affect only the resultant positive cash flow, or it may result in a significant change in the amount of resources. Because mining occurs over a number of years, it may be prudent to continue mining for some periods during which cash flows are temporarily negative for a variety of reasons including a belief that the low price is temporary and/or the greater expense incurred is in closing a property permanently.

Mineralized material calculations and life-of-mine plans using significantly lower gold and precious metal prices could result in material write-downs of our investments in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting our mineralized material estimates and our financial condition, declining metal prices can impact operations by requiring a reassessment of the commercial feasibility of a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays in development or may interrupt operations, if any, until the reassessment can be completed.

Further, if revenue from gold sales declines, we may experience liquidity difficulties. This may reduce our ability to invest in exploration and development and making necessary capital expenditures, which would materially and adversely affect future production, earnings and our financial position.

Our estimates of future production may not be achieved.

We prepare internal estimates of future gold production for our operations. We cannot give any assurance that we will achieve our production estimates. Our failure to achieve our production estimates could have a material and adverse effect on any or all of our future cash flows, results of operations and financial condition. These production estimates are dependent on, among other things, the accuracy of mineral reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions and physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics, and the accuracy of estimated rates and costs of mining and processing.

Our actual production may vary from our estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades from those planned; mine failures, slope failures or equipment failures; reduced metallurgical recovery rates, industrial accidents; natural phenomena such as inclement weather conditions, floods, droughts, rock slides and earthquakes; encountering unusual or unexpected geological conditions; changes in power costs and potential power shortages; shortages of principal supplies needed for operation, including explosives, fuels, chemical reagents, water, equipment parts and lubricants; labour shortages or strikes; civil disobedience and protests; and restrictions or regulations imposed by government agencies or other changes in the regulatory environments. Such occurrences could result in damage to mineral properties, interruptions in production, injury or death to persons, damage to our property or others, monetary losses and legal liabilities. These factors may cause a mineral deposit that has been mined profitably in the past to become unprofitable, forcing us to cease production. Each of these factors also applies to our sites not yet in production and to operations that are to be expanded. In these cases, we do not have the benefit of actual experience in verifying its estimates, and there is a greater likelihood that actual production results will vary from the estimates.

Mineral reserves and resources estimates are subject to inherent uncertainty.

The figures presented for both mineral reserves and mineral resources herein are only estimates. The estimating of mineral reserves and mineral resources is a subjective process and the accuracy of reserve and resource estimates is a function of the quantity and quality of available data and the assumptions used and judgements made in interpreting

engineering and geological information. There is significant uncertainty in any reserve or resource estimate, and the actual deposits encountered and the economic viability of mining a deposit may differ materially from our estimates. Estimated mineral reserves or mineral resources may have to be recalculated based on changes in gold prices, further exploration or development activity, actual production experience, other changes in the assumptions made in the estimation process, or changes in the estimation methodology. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence reserve or resource estimates. Market price fluctuations for gold, increased production costs or reduced recovery rates, or other factors may render our present proven and probable mineral reserves uneconomical or unprofitable to develop at a particular site or sites. A reduction in estimated reserves could require material write-downs in our investment in the affected mining properties and increased amortization, reclamation and closure charges.

We compete with other companies for mining claims and mining assets.

We compete with other mining companies and individuals for mining claims and leases on exploration properties and the acquisition of gold mining assets. Some of the companies with which we compete have significantly greater financial, management and technical resources than we do, and may use these resources to their advantage when competing with us for such opportunities. We cannot give any assurance that we will continue to be able to compete successfully with our competitors in acquiring attractive mineral properties and assets.

Our San Martin Mine is our primary source of operational cash flow. Accordingly, our ability to continue our operations, and our financial position, will be materially and adversely affected if we are limited by insufficient quantities of mineral reserves and resources, which is dependent on the success of our continuing exploration efforts.

Specifically, continued operations at the Mine are dependent on our ability to discover new mineral resources and to convert them into reserves in sufficient quantities to replace current production. However, mineral exploration is highly speculative in nature. Our exploration efforts involve many risks, and success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological expertise and availability of exploration capital. We cannot give any assurance that our exploration efforts will result in the discovery of additional mineral resources and their conversion into reserves. We cannot give any assurance that our exploration programs will be able to extend the life of our San Martin Mine, or result in the discovery of new producing mines.

We may have future capital requirements.

As of April 30, 2023, we had cash of approximately \$6,443,000 (2022- \$8,818,000) and working capital of approximately \$8,466,000 (2022- \$9,135,000). We intend to use our future cash flows to fund exploration and development work and for general corporate purposes. Capital expenditures and funds for exploration in financial year 2024 are expected to total approximately \$2 million. The primary expenditures are planned to be mine development and equipment purchases and replacement which are anticipated to be funded out of the mine's cash flow. We may have further capital requirements to the extent we decide to develop other properties or to take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to us. In addition, we may incur major unanticipated liabilities or expenses. Failure to make required capital expenditures may impact our financial results.

We may be required to obtain additional financing in the future to fund future exploration and development activities or acquisitions of additional properties or other interests that may be appropriate to enhance our financial or operating interests. We have historically raised capital through equity financing and in the future we may raise capital through equity or additional debt financing, joint ventures, production sharing arrangements or other means. There can be no assurance that we will be able to obtain necessary financing in a timely manner or on acceptable terms, if at all.

We may require further loans in the future.

Although we repaid all outstanding debt in 2020 (US\$1,000,000 due on April 25, 2020 and Cdn\$3,000,000 due June 18, 2020 (see press release of June 10, 2020), we may need to arrange additional loans in the future which may require scheduled payments. Our mining operations may not be able to generate sufficient cash to service such future indebtedness should we incur such debt, and we may be forced to take other actions to satisfy our obligations, which actions may not be successful.

Our ability to meet the repayment obligations on future indebtedness depends on our financial condition and operating performance, which is subject to, among other factors, prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond our control. We may not be able to maintain a level of cash flow from our operating activities sufficient to permit us to pay the principal and the interest on our indebtedness.

Government regulation may adversely affect our business and planned operations.

We believe we currently comply with existing environmental and mining laws and regulations and that our proposed exploration programs will also meet those standards. Our mineral exploration and development activities, if any, are subject to various laws governing prospecting, mining, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. We can provide no assurance that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail our exploration, production or development activities. Amendments to current laws and regulations governing operations and activities of exploration, development mining and milling or more stringent implementation thereof could have a material adverse impact on our business and financial condition and cause increases in operating and exploration expenses, capital expenditures or production costs or reduction in levels of production or require abandonment or delays in development of new mining properties.

Government approvals and permits are currently, and may in the future be, required in connection with our operations. There can be no assurance that we will be able to obtain these permits in a timely manner.

Our Operations in Mexico are subject to Mexican Foreign Investment and Income Tax Laws

- (a) Under the Foreign Investment Law of Mexico, there is no limitation on foreign capital participation in mining operations; however, the applicable laws may change in a way which may adversely impact the Company and its ability to repatriate profits. Under Mexican Income Tax Law, dividends are subject to a withholding tax.
- (b) The VAT (IVA) is an indirect tax levied on the value added to goods and services, and it is imposed on carry out activities within Mexican territory.
- (c) In Mexico, the corporate tax rate is 30%, a special mining royalty of 7.5% on the profits derived from the sale of minerals, an extraordinary mining royalty of 0.5% on the gross income derived from the sale of gold, silver and platinum, and a 5% profit sharing tax. These may have a material impact on the Company's future earnings and cash flows, and possibly on future capital investment decisions.

Our operations are subject to environmental risks.

- (a) All phases of our operations, if any, will be subject to federal, state and local environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. We cannot be certain that future changes in environmental regulation, if any, will not adversely affect our operations, if any. Environmental hazards may exist on properties we hold that are unknown to us and that have been caused by previous or existing owners or operators of the properties.
- (b) Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

We do not insure against all risks.

Our insurance will not cover all the potential risks associated with a mining company's operations. We may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, we expect that insurance against risks such as environmental pollution or other hazards as a result of exploration and production may be prohibitively expensive to obtain for a company of our size and financial means. We might also become subject to liability for pollution or other hazards which we may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon our financial condition and results of operations.

Our directors and officers may have conflicts of interest.

Each of our directors and officers has served and continue to serve as officers and/or directors of other companies engaged in natural resource exploration and development and related industries. Consequently, there is a possibility that our directors and/or officers may be in a position of conflict now or in the future. For example, a conflict of interest might arise where one of our directors or officers becomes aware of a corporate opportunity that would be of interest not only to our Company, but also to another mining company of which he is also a director or officer; or it is foreseeable that our Company could become involved in a mineral property option or joint venture agreement in respect of a mineral exploration or mine development project in which such a company holds an interest. For a description of the directorships and/or offices held by our directors and officers in other companies engaged in natural resource exploration and development and related industries.

Title to our properties may be subject to challenge.

Acquisition of title to mineral properties in all jurisdictions is a very detailed and time-consuming process. We have acquired substantially all of our mineral properties through acquisitions. Although we have investigated title to all of our mineral properties, we cannot give any assurance that title to such properties will not be challenged or impugned. The properties may have been acquired in error from parties who did not possess transferable title, may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects or aboriginal, indigenous peoples or native land claims.

In Mexico, the site of the San Martin Mine, all mineral resources are owned by the state. Title to minerals can be held separately from title to the surface. Mining rights take precedence over surface rights. Rights to explore for and to extract minerals are granted by the state through issuance of mining concessions.

Mining operations are subject to reclamation costs, estimates of which may be uncertain.

In accordance with existing accounting standards, we have recognized a liability for future site closure and mine reclamation costs based on our estimate of the costs necessary to comply with existing reclamation standards. Site closure and mine reclamation costs for operating properties are reviewed annually. There can be no assurance that our reclamation and closure liabilities will be sufficient to cover all reclamation and closure costs. The costs of performing the decommissioning and reclamation must be funded by the Company's operations. These costs can be significant and are subject to change. We cannot predict what level of decommissioning and reclamation may be required in the future by regulators. If we are required to comply with significant additional regulations or if the actual cost of future decommissioning and reclamation is significantly higher than current estimates, this could have an adverse impact on our future cash flows, earnings, results of operations and financial condition.

We have an obligation to reclaim our properties after the minerals have been mined from the site, and have estimated the costs necessary to comply with existing reclamation standards. Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs, which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provision may be higher or lower than currently provided for.

The inflation rate applied to estimated future rehabilitation and closure costs is 3.0% and the discount rate currently applied in the calculation of the net present value of the provision is 8.0%.

We may be subject to unforeseen litigation.

All industries, including the mining industry, are subject to legal claims, with and without merit. Although we are not currently involved in any legal proceedings, and are not aware of any threatened or pending legal proceedings, there is no guarantee that we will not become subject to such proceedings in the future. There can be no guarantee of the outcome of any such claim. In addition, defense and settlement costs for any legal proceeding can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material effect on our financial position or results of operations.

Estimates and assumptions employed in the preparation of financial statements.

The preparation of our Company's consolidated financial statements requires us to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenues and expenses. Our accounting policies and our critical accounting estimates and judgements are described in notes 3 and 4 respectively in our April 30, 2022 audited annual financial statements.

Our accounting policies relating to mineral property and deferred exploration costs, asset retirement obligations, stock-based compensation, future amortization and depletion of mining interest, plant and equipment are critical accounting policies that are subject to estimates and assumptions. If these estimates or assumptions prove to be inaccurate, we could be required to change the recorded value of our assets and liabilities, which may reduce our earnings and working capital.

We record mineral property acquisition costs and mine development costs at cost. In accordance with IFRS, we capitalize preproduction expenditures net of revenues received, until the commencement of commercial production. A significant portion of our mining interest, plant and equipment will be depreciated and amortized on a unit-of-production basis. Under the unit-of-production method, the calculation of depreciation, depletion and amortization of mining interest, plant and equipment is based on the amount of proven and probable reserves and a portion of resources expected to be converted to reserves. If these estimates of reserves prove to be inaccurate, or if we revise our mining plan for a location, due to reductions in the price of gold or otherwise, to reduce the amount of reserves expected to be recovered, we could be required to write-down the recorded value of our mining interest, plant and equipment, or to increase the amount of future depreciation, depletion and amortization expense, both of which would reduce our earnings and net assets.

In addition, IFRS requires us to consider at the end of each accounting period whether or not there has been an impairment of the capitalized mining interest, plant and equipment. For producing properties, this assessment is based on expected future cash flows to be generated from the location. For non-producing properties, this assessment is based on whether factors that may indicate the need for a write-down are present. If we determine there has been an impairment because our prior estimates of future cash flows have proven to be inaccurate, due to reductions in the price of gold, increases in the costs of production, reductions in the amount of reserves expected to be recovered or otherwise, or because we have determined that the deferred costs of non-producing properties may not be recovered based on current economics or permitting considerations, we would be required to write-down the recorded value of our mining interest, plant and equipment, which would reduce our earnings and net assets.

Our operations are subject to risks associated with currency fluctuations.

Currency fluctuations may affect the costs that we incur at our operations. Gold is sold throughout the world based principally on a U.S. dollar price, but the majority of our operating expenses are incurred in non-U.S. dollar currencies. The appreciation of non-U.S. dollar currencies in those countries where we have mining operations against the U.S. dollar would increase the costs of gold production at such mining operations which could materially and adversely affect our earnings and financial condition.

Our foreign investments and operations may be subject to political and other risks.

We conduct mining, development or exploration activities primarily in Mexico and exploration activities in the United States. Our foreign mining investments are subject to the risks normally associated with the conduct of business in

foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on our earnings or the viability of its affected foreign operations, which could have a material and adverse effect on our future cash flows, results of operations and financial condition.

Such risks may include, among others, labour disputes, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, war, civil disturbances and terrorist actions, criminal and gang related activity, illegal mining and protests, arbitrary changes in laws or policies of particular countries, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports and increased financing costs. These risks may limit or disrupt our projects, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation.

Certain projects of ours are located in Mexico and are subject to country risks that may affect our ability to complete development work on or to operate our projects.

The Company's primary mineral activities are conducted in Mexico and will be exposed to various levels of political, economic and other risks and uncertainties. These risks include but are not limited to, hostage taking, illegal mining, fluctuations in currency exchange rates, high rates of inflation, excessive import duties and taxes on the importation of equipment, expropriation and nationalization, possible future restrictions on foreign exchange and repatriation, changes in taxation, labour and mining regulations and policies, and changing political conditions, currency controls, and government regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ local citizens.

Changes, if any, in mining or investment policies, or shifts in political attitude in Mexico, may adversely affect the Company's operations or profitability. Current activities and future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications, and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

Mexico continues to undergo violent internal struggles between the government and organized crime with drug-cartel relations and other unlawful activities. The violence has increased since 2011 with the number of kidnappings throughout Mexico rising and continuing to be of particular concern. Militarized crime has not diminished, with ongoing confrontations between Mexican security forces and drug cartels. Shootouts, attacks and illegal roadblock may occur without warning. The majority of crimes include homicides, kidnapping and extortion with the most dangerous regions centralized in specific regions of Mexico: Chihuahua, Colima, Coahuila, Durango, Guerrero, Guanajuato, Highway 45 between Leon and Irapuato, the area south of and including Highway 45D between Irapuato and Celaya, Michoacán, Morelos - the Lagunas de Zempoala National Park, Municipality of Xoxocotla, Nayarit - the area within 20 km of the border with Sinaloa and Durango, City of Tepic, Nuevo León, Sinaloa, Sonora, Tamaulipas and Zacatecas. Travel advisories continue to prohibit intercity travel at night in numerous areas due to kidnappings, car jackings and highway robberies. Queretaro for the most part remains largely unaffected and no travel advisory or restrictions are currently in effect. However small incidents still occur and although the Company is vigilant in taking additional measures to increase security and protect both personnel and property, there is no absolute guarantee that such measures will provide an adequate level of protection for the Company. The occurrence of these various factors and uncertainties cannot be accurately predicted, and could have an adverse effect on the Company's operations or future profitability.

COVID-19 Uncertainties

Although COVID-19 restrictions and protocols have eased recently, the precise impacts of the global emergence of Coronavirus disease (COVID-19) on the Company are currently unknown. The Company intends to conduct business as normal with modifications to personnel travel and work locations. In Mexico, there is uncertainty as to the continuing designation of mining operations as an essential service. The Company is also evaluating whether exploration work can continue at San Martin. Rules in all jurisdictions are changing rapidly and the Company will need to evaluate and evolve with measures as they are announced. Government restrictions on the movement of people

and goods may cause operations, exploration work and analysis being done by the Company and its contractors to slow or cease temporarily or even permanently. Ceasing operations will have disastrous effects in all Company sectors, and may cause the Company to enact force majeure under one or more of its agreements. Such disruptions in work may cause severe negative impacts on the Company's cash flow, on staffing and personnel, on actual or self-imposed deadlines and other adverse consequences and fiscal losses. In addition, the outbreak of COVID-19 has caused considerable disruption to the world economy and financial markets which could have a materially adverse impact on the ability of the Company to raise additional funding in the future and could negatively impact, among other factors, the Company's share price.

There are risks associated with our acquisition strategy.

As part of our business strategy, the Company has made acquisitions in the past. The properties we acquired are primarily in the exploration stage. There is no assurance that a commercially viable mineral deposit exists on any of our other exploration properties and further exploration is required before we can evaluate whether any exist and, if so, whether it would be economically and legally feasible to develop or exploit those resources. Even if we complete our current exploration program and we are successful in identifying a mineral deposit, we would be required to spend substantial funds on further drilling and engineering studies before we know whether that mineral deposit will constitute a reserve (a reserve is a commercially viable mineral deposit).

On March 26, 2018, the Company announced that it was narrowing its focus to production oriented assets in Mexico and was seeking the sale or joint venture of its non-core assets, comprised primarily of our exploration properties.

Although the Company has completed the sale of a number of its non-core assets up to the year ended April 30, 2023, the Company cannot assure that it can complete any further sale or joint venture that it pursues, or is pursuing, on favourable terms, or that any of these business arrangements will ultimately benefit the Company. If not successful or if forced into "fire-sales" in disposing of its properties, these non-core assets acquired by the Company in prior years could have a material adverse effect on the Company's results of operations and financial condition.

We are reliant on our current management team.

The success of our operations and activities is dependent to a significant extent on the efforts and abilities of our management including Robert Eadie, Chief Executive Officer, Pierre Alarie, President, Gary Arca, Chief Financial Officer and Salvador Garcia, Chief Operating Officer. Investors must be willing to rely to a significant extent on management's discretion and judgment. We do not have in place formal programs for succession of management and training of management. We do not maintain key employee insurance on any of our employees. The loss of one or more of these key employees, if not replaced, could adversely affect our operations.

We compete for access to qualified employees and contractors.

As of April 30, 2023, we employed or contracted the services of 253 people (261 in 2022), including staff at the minesite. We compete with other mining companies in connection with the recruitment and retention of qualified employees. At the present time, a sufficient supply of qualified workers is available for our operations. The continuation of such supply depends upon a number of factors, including, principally, the demand occasioned by other projects. There can be no assurance that we will continue to be able to retain or attract qualified employees. There is a risk that increased labour costs could have a material adverse effect on our operating costs.

Dilution of Shareholders' Interests as a Result of Issuances of Additional Shares

Depending on the outcome of the Company's exploration programs and mining operations, the Company may issue additional shares to finance additional programs and mining operations or to acquire additional properties. In the event that the Company is required to issue additional shares or decides to enter into joint ventures with other parties in order to raise financing through the sale of equity securities, investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per share depending on the price at which such securities are sold.

Risks Related to Our Company

Our Articles of Incorporation indemnify our officers and directors against all costs, charges and expenses incurred by them.

Our Articles of Incorporation contain provisions limiting the liability of our officers and directors for their acts, receipts, negligence or defaults and for any other loss, damage or expense incurred by them which occurs during the execution of their duties as officers or directors of our Company, unless they failed to act honestly and in good faith with a view to the best interests of our Company. Such limitations on liability may reduce the likelihood of derivative litigation against our officers and directors and may discourage or deter our shareholders from suing our officers and directors based upon breaches of their duties to our Company, though such an action, if successful, might otherwise have been of benefit to our Company and our shareholders.

Risks Relating to our Securities

Our common shares are currently listed on the Toronto Stock Exchange under the symbol “SAM”. The trading price of our common shares has been and may continue to be subject to wide fluctuations. Trading prices of our common shares may fluctuate in response to a number of factors, many of which are beyond our control. In addition, the stock market in general, and the market for base metal companies has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. These broad market and industry factors may adversely affect the market price of our shares, regardless of our operating performance. If you invest in our common shares, you could lose some or all of your investment.

In the past, following periods of volatility in the market price of a company’s securities, securities class-action litigation has often been instituted. Such litigation, if instituted, could result in substantial costs and a diversion of management’s attention and resources.

We do not expect to declare or pay any dividends in the immediate future.

We do not anticipate paying any such dividends for the foreseeable future.

DIVIDENDS

Future declaration of dividends will be dependent on the Company’s ability to continue to generate excess cash flow from operations and maintain its required operating capital, and there are no guarantees that dividends will be paid in the future.

DESCRIPTION OF CAPITAL STRUCTURE

We are authorized to issue an unlimited number of common shares without par value, of which 55,146,851 are issued and outstanding as at April 30, 2023. Each common share is entitled to one vote. All of our common shares, both issued and unissued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provision for redemption, purchase for cancellation, surrender or sinking or purchase funds. Provisions as to the modification, amendment or variation of such rights or such provisions are contained in our Articles, which are available on SEDAR at www.sedar.com, and in the Act.

MARKET FOR SECURITIES

Trading Price and Volume

Our common shares are listed and posted for trading on TSX under the symbol “SAM”.

The following chart sets out the high and low trading prices, closing prices, volume of shares traded and the number of shares traded on the TSX for the period May 1, 2022 to April 30th, 2023.

Month	High	Low	Close	Volume
April 2023	0.21	0.18	0.18	291,700
March 2023	0.23	0.18	0.19	280,600
February 2023	0.25	0.18	0.20	505,100
January 2023	0.23	0.16	0.22	405,400
December 2022	0.18	0.14	0.15	542,000
November 2022	0.16	0.14	0.14	96,300
October 2022	0.18	0.14	0.16	129,500
September 2022	0.26	0.14	0.17	629,100
August 2022	0.24	0.21	0.21	150,000
July 2022	0.26	0.20	0.24	801,800
June 2022	0.30	0.25	0.28	216,200
May 2022	0.30	0.21	0.28	986,600

The price of our common shares as reported by the TSX at the close of business on April 30, 2023 was \$0.18 per share (April 30th is the fiscal year end of the Company).

Prior Sales

During the year April 30, 2023, the Company issued the following securities that were not listed on an exchange or marketplace:

Type of Security	Date of Issue	Expiry Date	Issue/Exercise/ Conversion Price	# of Securities Granted/Value of Securities
Common Shares	July 15, 2022	N/A	\$0.20	1,200,000
Warrants	July 15, 2022	July 15, 2026	\$0.30	N/A

DIRECTORS AND OFFICERS

Directors and Officers

As of July 25, 2023, the names, municipalities of residence, positions with or offices held with the Company, and principal occupation of our directors and officers are as follows:

Name and Residence of Directors and/or Officers	Position	Period Served as a Director	Principal Occupation
Robert Eadie Mexico City, Mexico	<i>Executive Chairman, Chief Executive Officer, and Director</i>	Since October 24, 2003	Executive Chairman and CEO of the Company; director and officer of several publicly traded companies listed on the on the CSE.

Name and Residence of Directors and/or Officers	Position	Period Served as a Director	Principal Occupation
Pierre Alarie Mexico City, Mexico	<i>President and Director</i>	Since January 1, 2022	President and director of the Company. Prior thereto, Managing Director of ATCO, Latin America from September 2019 to December 2021. Prior thereto, Mr. Alarie served as the Ambassador of Canada to Mexico from 2015 to 2019.
Gary Arca Delta, B.C., Canada	<i>Chief Financial Officer and Director</i>	Since January 25, 2006	CFO of the Company; director or officer of two publicly traded companies listed on the CSE; member of the Canadian Institute of Chartered Professional Accountants and the British Columbia Institute of Chartered Professional Accountants.
Salvador Garcia Cuernavaca, Mexico	<i>Chief Operating Officer & Director</i>	Since October 24, 2017	COO of the Company, with over 40 years of experience in the mining industry in Mexico. Prior thereto, he was the Country Manager in Mexico for First Majestic Silver Corp. since 2013.
Jordan Estra ⁽¹⁾ Delray Beach, Florida, United States	<i>Director</i>	Since March 26, 2010	Head of Mining Investment Banking and Managing Director of Boustead Securities LLC., an investment banking firm based in Irvine, California, since 2019.
Tanya Lutzke ⁽¹⁾ Surrey, BC, Canada <i>Director</i>	<i>Director</i>	Since October 28, 2016	Police Constable with the City of Vancouver from 2005 to the present.
Federico Villaseñor ⁽¹⁾ Coyoacan, Mexico	<i>Director</i>	Since February 1, 2007	Consultant with various mining companies; prior thereto Director of Business Development for Goldcorp Mexico, a subsidiary of Goldcorp Inc., from February 2007 to February 2014.
Cory Kent West Vancouver, B.C., Canada	<i>Corporate Secretary</i>	Since January 25, 2006	Office Management Partner at McMillan LLP.

Name and Residence of Directors and/or Officers	Position	Period Served as a Director	Principal Occupation
Krista Tau-Martinez Vancouver, B.C., Canada	<i>Vice-President, Corporate Affairs</i>	Since February 22, 2023.	Vice President, Corporate Affairs of the Company. Prior thereto, Manager, Office Administration of First Majestic Silver Corp. from 2019 to 2023, and C-Suite Executive Assistant and HR Coordinator of First Majestic from 2018 – 2019.

(1) Member of the Audit Committee.

As at the date hereof, The Board of Directors of the Company has appointed an Audit Committee, a Compensation Committee and a Corporate Governance Committee.

Audit Committee: Jordan Estra
Tanya Lutzke
Federico Villaseñor (Chair)

Compensation Committee: Jordan Estra
Robert Eadie
Federico Villasenor (Chair)

Corporate Governance: Tanya Lutzke (Chair)
Jordan Estra
Gary Arca

The term of office for our directors expires at the next annual general meeting. After the annual general meeting, the board of directors will appoint the audit committee members, the compensation committee members and any other committees for the ensuing year.

As of July 25, 2023, our directors and senior officers, as a group, hold a total of 7,874,806 common shares or 14.15% of the then total issued and outstanding common shares of the Company.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set out below, none of our directors or officers has been, as at the date of this AIF or during the ten years preceding the date of this AIF, a director or officer of any company (including Starcore) that:

- (i) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the director or officer was acting in the capacity as director, chief executive officer or chief financial officer;
- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (iii) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In February 2016, Starcore was the subject of an administrative enforcement action by the Securities & Exchange Commission in the United States (the "SEC"), due to its failure to meet its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") which resulted in revocation of its Exchange Act registration by order of the SEC pursuant to section 12(j) of the Exchange Act. At the time of the enforcement action by the SEC, Robert Eadie, Gary Arca, Jordan Estra, and Federico Villaseñor were directors or officers of the Company.

On August 12, 2016, Starcore filed a new registration statement under Form 20-F with the SEC for the purpose of registering its common shares under section 12(g) of the Exchange Act. The registration statement became effective on October 11, 2016, on which date Starcore once again became subject to the reporting requirements under Section 13(a) of the Exchange Act. On March 31, 2023 Starcore voluntarily filed a Form 15F with the United States Securities and Exchange Commission (the "SEC") to terminate the registration of its common shares under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and its corresponding reporting obligations under Section 13(a) of the Exchange Act. The termination was to become effective 90 days after the date of filing of the Form 15F with the SEC, or within such shorter period as the SEC may determine. Upon filing of the Form 15F, the Company's reporting obligations under the Exchange Act was immediately suspended. As at June 29, 2023, Starcore's registration under Section 12(g) of the Exchange Act is deemed terminated.

Personal Bankruptcies

During the ten years preceding the date of this AIF, no director or officer has been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

CONFLICTS OF INTEREST

Our directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which we may participate, our directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of our Board of Directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of the Province of British Columbia, our directors are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not we will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

Our directors and officers are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and we will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of our directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the Act and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Except as herein disclosed, the directors and officers of the Company are not aware of any such conflicts of interests.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein and elsewhere in this AIF, no informed person, director, officer or insider, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries.

An "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both, carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

MANAGEMENT CONTRACTS

During the Company's most recently completed financial year ended April 30, 2023, there were no management functions of the Company, which were to any substantial degree performed by a person other than a director or senior officer of the Company.

Management Compensation

Pursuant to an executive employment agreement amended with effect as of August 1, 2015, and further amendments of May 1, 2019 and April 22, 2022, Robert Eadie is paid a base salary of Cdn\$360,000 per annum, for acting as Chief Executive Officer of the Company. The agreement expires on April 22, 2024 and may be terminated upon notice in writing and payment of 24 months salary. In addition, the agreement provides that, for a period of 30 days after a "change of control", Mr. Eadie may, by notice in writing to the Company, deem the agreement to be terminated, in which case Mr. Eadie will receive a lump sum payment of \$720,000. A change of control (a "Change of Control") is deemed to occur when;

- (i) there is a sale of all or substantially all of the assets of the Company,
- (ii) there is a merger of the Company whereby shareholders of the Company hold less than 50% of the shares in the surviving entity,
- (iii) there is a change in ownership of voting securities of the Company sufficient to permit any person to elect or appoint a majority of the Board of Directors,
- (iv) any person or persons acting jointly or in concert acquire greater than 50% of the outstanding voting securities of the Company, or
- (v) there is a change in the composition of the Board of Directors of the Company as a result of a proposal by a shareholder group not supported by management resulting in current members of the Board of Directors representing less than 51% of the members of the Board of Directors.

In addition to his base salary, Mr. Eadie received fees for his services as a director in the amount of \$12,000 for the year ended April 30, 2023.

Pursuant to an executive consulting agreement dated January 1, 2022, Pierre Alarie is paid a base fee of US\$400,000 for acting as President of the Company. The agreement expires on December 31st, 2023 and may be terminated upon 90 days written notice and payment of 3 months of the base fee. The agreement may be renewed for a further period of up to three years if agreed to by both parties. Upon the occurrence of a Change of Control, Mr. Alarie may provide notice of termination in which case he will receive a lump sum payment of US\$200,000. In addition to his base fees, Mr. Alarie received fees for his services as a director in the amount of \$12,000 for the year ended April 30, 2023.

Pursuant to his employment agreement, Salvador Garcia is paid a base fee of US\$315,000 for acting as Chief Operating Officer of the Company. The Agreement expires on April 22, 2024, with similar Change of Control provisions, whereby Mr. Garcia will receive, upon his providing a notice of termination, a lump sum of 6 months;

salary plus two months' salary for every year of employment. In addition to his base fees, Mr. Garcia received fees for his services as a director in the amount of \$12,000 for the year ended April 30, 2023.

Pursuant to an executive employment agreement amended with effect as of August 1, 2015, and further amendments of May 1, 2019 and April 22, 2022, Gary Arca is paid a base salary of \$240,000 per annum, for acting as Chief Financial Officer of the Company. The agreement expires on April 22, 2024 and may be terminated upon notice in writing and payment of 24 months salary. In addition, the agreement provides that, for a period of 30 days after a Change of Control, Mr. Arca may, by notice in writing to the Company, deem the agreement to be terminated, in which case Mr. Arca will receive a lump sum payment of \$480,000. In addition to his base salary, Mr. Arca received fees for his services as a director in the amount of \$12,000 for the year ended April 30, 2023.

Effective February 1, 2023, management agreed to defer 25% of the amounts payable on these contracts indefinitely.

Director Agreements

During the year, all of our directors were paid directors' fees in the aggregate amount of \$53,450 for their services as directors of the Company or as members of the board committees.

The Company currently has no outstanding stock options. The Company does not currently have an active plan as shareholders rejected the Company's share option plan dated for reference January 17, 2011 (the "Plan") at its annual general meeting which was held on January 28, 2014.

During the most recently completed financial year ended April 30, 2023 and subsequent thereto, no stock options were granted.

There were no outstanding stock options as at April 30, 2023. Any unexercised options expired on January 15, 2019 and no values can be attributed as there were no unexercised in the money options as at that date.

Deferred Share Units ("DSU") & Restricted Share Units ("RSU")

Effective August 1, 2016, The Board of Directors approved the adoption of a Restricted Share Unit and Deferred Share Unit Plan (the "RSU/DSU Plan") as part of the Company's compensation arrangements for directors, officers, employees or consultants of the Company or a related entity of the Company. Although the RSU/DSU Plan is share-based, all vested RSUs and DSUs will be settled in cash. No common shares will be issued.

RSU

The RSU plan was for eligible members of the Board of Directors, eligible employees and eligible contractors. The Company granted an aggregate of 1,350,000 RSUs under the Plan allocated to certain employees and certain consultants. The liability portion for the year ended April 30, 2023 is \$61 (April 30, 2022 - \$53).

DSU

The Company introduced a DSU plan for eligible directors. The DSUs are paid in full in the form of a lump sum payment no later than August 1st of the calendar year immediately following the calendar year of termination of service. DSU Awards going forward will vest on each anniversary date of the grant over a period of 3 years. The DSU share plan transactions during the period were as follows:

Units

Outstanding at April 30, 2020	1,010,000
Paid out in 2020	(210,000)
Allocated on November 1, 2021	1,725,000
Total at April 30, 2023	2,525,000

Based on the fair value of \$0.18 per share, the Company has recorded a liability in its financial statements of \$429 (April 30, 2022 - \$279) under Trades and Other Payable on the Statement of Financial Position.

During the year ended April 30, 2023, we paid legal fees of \$72,508 to McMillan LLP, a law firm of which one of our officers, Cory Kent, is a partner.

TRANSFER AGENTS AND REGISTRAR

The transfer agent and registrar for the Company is Computershare Investor Services Inc., Vancouver, British Columbia, and Toronto, Ontario, Canada.

MATERIAL CONTRACTS

With the exception of the contracts listed below and the executive employment agreements described under the heading “*Management Compensation*” above, we have not entered into any material contracts during the last financial year that were outside those entered into in the ordinary course of business.

INTERESTS OF EXPERTS

Mr. Erme Enriques C.P.G., BSc, MSc. and Dr. Gilles Arseneau, Associated Consultant with SRK Consulting (Canada) Inc. are the authors of the two NI 43-101 compliant technical reports included in this AIF (See *Technical Report San Martin* and *Technical Report El Creston*.) Both authors are independent and have no interest in the Company.

Based on information provided by the relevant persons, none of the aforementioned persons is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

The Company’s auditors, Davidson & Company, Chartered Professional Accountants LLP, are independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

AUDIT COMMITTEE

The Audit Committee Charter

The Board has adopted a charter for the Audit Committee in accordance with National Instrument 52-110 *Audit Committees*, the Canadian regulatory policy respecting audit committees, in carrying out its audit and financial review functions. The text of the audit committee charter is set out in the Information Circular prepared for the Company’s January 22, 2007 annual and special meeting and filed on SEDAR at www.sedar.com on December 29, 2006.

The Audit Committee reviews all financial statements of the Company prior to their publication, reviews audits or communications, recommends the appointment of independent auditors, reviews and approves the professional services to be rendered by them and reviews fees for audit services. The Audit Committee meets both separately with auditors (without management present) as well as with management present. The meetings with the auditors discuss the various aspects of the Company’s financial presentation in the areas of audit risk and Canadian generally accepted accounting principles.

Composition of the Audit Committee

The Company's Audit Committee is currently comprised of: Jordan Estra, Tanya Lutzke and Federico Villaseñor, who are independent as defined in NI 52-110. All members of the Audit Committee are "financially literate" as defined in NI 52-110. The audit committee typically meets quarterly.

Relevant Education and Experience

The Company's board of directors has determined that all of its members of the audit committee are financial experts serving on its audit committee. The members have been determined to be such audit committee financial experts and are independent, as that term is defined by the Toronto Stock Exchange's listing standards applicable to the Company.

Audit Committee Oversight

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company, Chartered Professional Accountants LLP.

Reliance on Certain Exemptions

The Company's auditors, Davidson & Company, Chartered Professional Accountants LLP, have not provided any material non-audit services.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company, Chartered Professional Accountants LLP to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Paid to Auditor (Davidson & Company) in Year Ended April 30, 2023	Fees Paid to Auditor (Davidson & Company) in Year Ended April 30, 2022	Fees Paid to Auditor (Davidson & Company) in Year Ended April 30, 2021
Audit Fees ⁽¹⁾	\$135,000	\$134,117	\$96,159
Audit-Related Fees ⁽²⁾	Nil	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil	Nil
Total	\$135,000	\$134,117	\$96,159

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities, securities authorized for issuance under equity compensation plans and interests of insiders in material transactions, where applicable, is contained in the Management Information Circular for Starcore's annual general meeting of shareholders held on October 15, 2022, which is available on SEDAR at www.sedar.com.

Additional financial information is also provided in Starcore's comparative Audited Consolidated Financial Statements together with the auditor's report thereon for the year ended April 30, 2023 and our Management's Discussion and Analysis in relation thereto which can also be found on SEDAR at www.sedar.com.