



Starcore International Mines Ltd.

Precious Metals Production in Mexico

TSX:SAM | FK: V4JA | OTC: SHVLF | October 2021

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The Value Proposition

MANAGEMENT
The right combination of technical, country, and capital markets experience



GOLD PRODUCING

Our San Martin mine is an efficient producer at approximately 12,000 AuEq a year with a 10-year mine life



EXPLORATION EXPOSURE
Low risk/high reward assets that provide accretive value to our shareholders



DEBT FREE

The company is debt free with a strong share structure.



Management

Robert Eadie

CEO, CHAIRMAN, PRESIDENT & DIRECTOR

In the past 20 years, Mr. Eadie has been actively involved in public resource companies raising over \$100 million dollars for various exploration and development projects around the world. Over the years, Mr. Eadie has built an impressive network of contacts in Europe, North America and Asia and has established a reputation as the catalyst behind various successful start-up resource companies. He brings extensive marketing and public relations expertise to the board and makes executive decisions based on long term sustainable growth.

Gary Arca

CHIEF FINANCIAL OFFICER & DIRECTOR

Mr. Arca is a Chartered Professional Accountant and has been a member of the Canadian Institute of Chartered Professional Accountants and British Columbia Institute of Chartered Professional Accountants since 1980. Mr. Arca was a partner with two separate public accounting firms from 1996 to December 2005. Mr. Arca has extensive experience dealing with public companies and, since 2005, has served as a director of many publicly traded resource companies. Mr. Arca is directly responsible for the corporate, regulatory and governance of Starcore along with the daily financial operations of the mine.

Salvador Garcia

CHIEF OPERATING OFFICER

With over 39 years of progressive experience in the mining industry in Mexico, Mr. Garcia joined Starcore International Mines in August 2017 as COO. His extensive experience development and production includes open pit and underground operations at majors such as Grupo Mexico, Goldcorp and First Majestic. Mr. García holds a B.Sc. degree in Mining Engineering from the Guanajuato University School of Mines in Mexico. In addition, Mr. García is the President of the Mining Cluster of Sonora State, member of the CAMIMEX (Mexican Mining Chamber) Advisor Board, Member of the Mining Cluster of Zacatecas State, Member of the Mining Advisor Board of San Luis Potosi State.

Directors

Tanya Lutzke Director

Ms. Lutzke has over 10 years experience in the financial services and banking industry. Ms. Lutzke attended the University of British Columbia and subsequently obtained her Financial Planning and Canadian Securities Institute designations.

Federico Villaseñor Director

40 years in the mining industry, including roles with Peñoles, Grupo Mexico, and Goldcorp. Holds B.S. in Mining Engineering and Metallurgy from University of Guanajuato in 1972.

Jordan Estra Director


Over 40 years experience in the fields of finance and strategic planning and holds Series 6, 7, 24 57 and 58 securities licenses.

Capital Structure





**49,646,851
Issued and
Outstanding**



**250,000
Warrants**


**49,896,851
Fully Diluted**


**13%
Strategic
Shareholder**


**\$.35/.06
52 Week
High/Low**


**7%
Management Ownership**


**\$4.8 million
Cash***

* As of April 30, 2021

Operational Transformation



Sold Altiplano operations in 2019 for proceeds of US\$1.6million used to repay debt. Sold Toiyabe Project in 2021 to focus on Mexico.



Updated 43-101 and increased development meters to maintain a 10 year mine life. Changed mining method to room and pillar further increasing savings per tonne.



Reduced workforce by 32% in August 2019 and milling lower tonnage of higher-grade ore. Realize monthly savings of approx. US\$350k with minor reduction in metal production.



Reduced management salary by 25% in May 2019 saving \$500k/year



Overall mine costs reduced to US\$60/tonne in 2020 YTD compared to \$74/tonne in 2019.



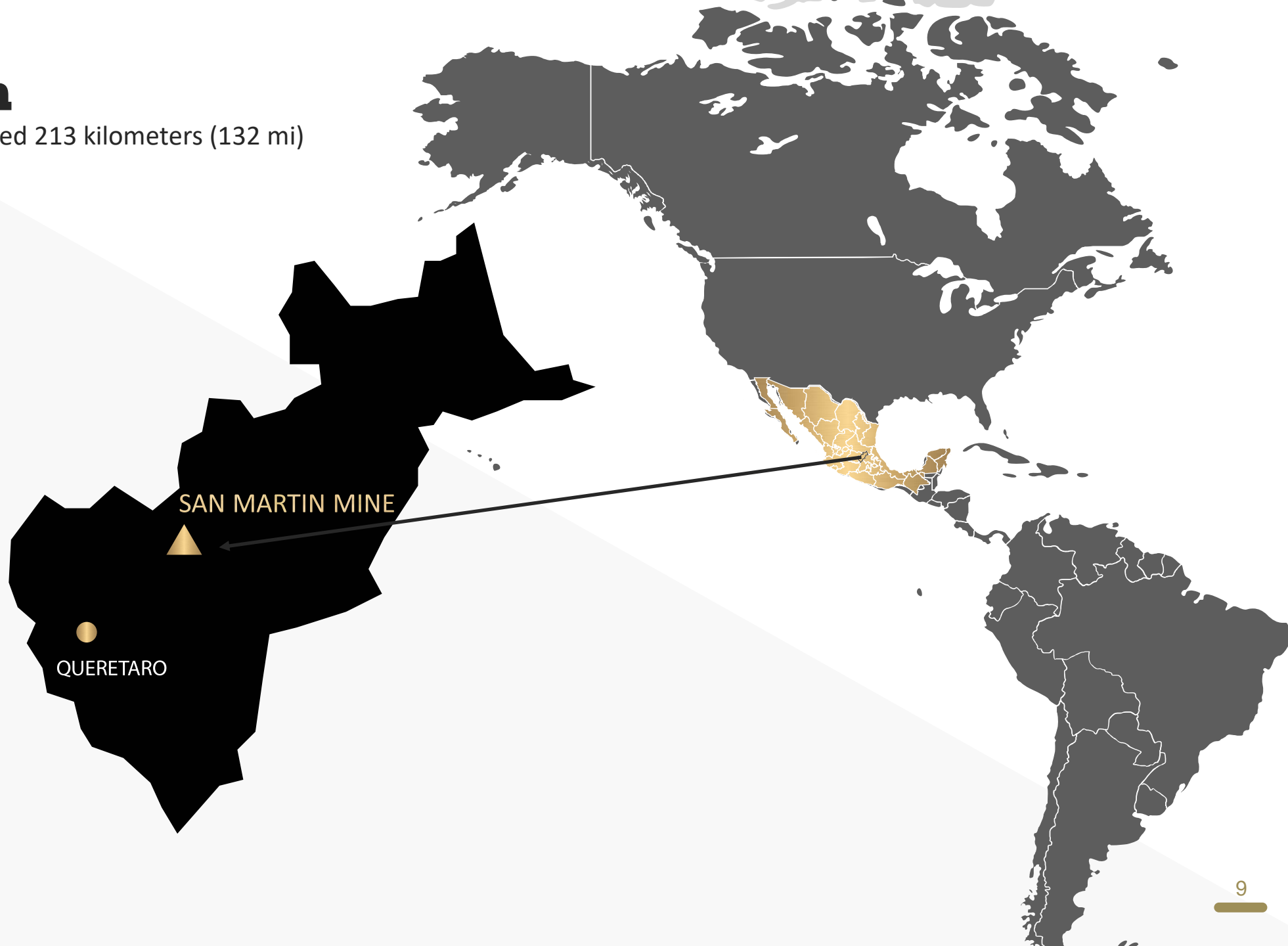
Bolstered structural engineering team and young professional talent

San Martin Mine



Location

Queretaro, Mexico - Located 213 kilometers (132 mi) northwest of Mexico City



San Martin Mine



- **Mining Method** - Cut and fill/room and pillar
- **Backfill** - Waste rock, shotcrete and rock bolting
- **Access** - Tunnels and ramps some 300m to mill
- **Products** - Gold, silver in a dore bar
- **Logistics** – Dore bar shipped to Europe for refining
- **Mine life**- 10 years+ after recent 43-101 (sept 2019)
- **Claims** – 13,000 Ha in Queretaro, Mexico
- **Mineralization** - Epithermal probably low sulphidation
- **Host rock** - Limestone which leads to cost efficient mining
- **Processing** - Conventional cyanide using Meryll Crowe
- **Power** - Connected to national grid
- **Mill Capacity**- 1100 tpd- Current- approx. 650 tpd

San Martin Mine 43-101

The San Martin Mine continues to produce ounces and generate cash flow. The updated 43-101 reflects our efforts to extend mine life while new operational management focuses on unlocking the geological mystery.

Category	Tonnes	Grade		Total Contained Oz
		Au g/t	Ag g/t	AuEq Oz
Total Proven and Probable	1,651,318	2.11	33	154,382
<u>Total Inferred + Indicated</u>	1,493,812	1.94	25	<u>112,924</u>
Total Ounces Contained				267,306

Author:

Erme Enriquez C.P.G., BSc, MSc., is an independent consultant to the Company. He is a qualified person on the project as required under NI 43-101 and has prepared the technical information contained in these estimates and has been reviewed by Salvador Garcia, P. Eng., and COO of the Company.

Assumptions made were:

1. Reserve cut-off grades are based on a 1.66 g/t gold equivalent
2. Metallurgical Recoveries were 88% gold and 55% silver
3. Minimum mining widths were 1.5 meters, Dilution factors are 20%
4. Gold equivalents are based on a 1:81 gold:silver ratio
5. Price assumptions are \$1300 per ounce for gold and \$16 per ounce for silver

Report published September 30, 2019

Q1 Earnings

*Please refer to press release dated September 14, 2021

(in thousands of Canadian dollars) (unaudited)

	<i>Quarter ended July 31,</i>	
	<i>2021</i>	<i>2020</i>
Revenues	\$ 6,161	\$ 8,090
Cost of Sales	(4,597)	(5,164)
Earnings from mining operations	1,564	2,926
Administrative Expenses, interest and foreign exchange	(510)	(1,316)
Loss on exploration property	(39)	-
Income tax (expense) recovery	(80)	53
Net income	\$ 935	\$ 1,663
(i) Income (loss) per share – basic	\$ 0.02	\$ 0.03
(ii) Income (loss) per share – diluted	\$ 0.02	\$ 0.03

“We have **steadily built our cash back to \$5 million** with a strong working capital position,” reported Robert Eadie, CEO and President of the Company. “We are now deploying this cash to further **acquire and explore new properties** as well as expand **exploration at the San Martin mine.**”

Production Results Q1 2022

Please refer to press release dated Aug 11, 2021

San Martin Production	<u>Q1 2022</u>	<u>Q4 2021</u>	<u>Q/Q Change</u>	<u>YTD 2022</u>	<u>YTD 2021</u>	<u>Y/Y Change</u>
	-	-	-	-	-	-
Ore Milled (Tonnes)	56,287	52,403	7%	56,287	59,099	-5%
Gold Equivalent Ounces	2,895	2,603	11%	2,895	3,259	-11%
Gold Grade (Grams/Ton)	1.64	1.52	7%	1.64	1.70	-4%
Silver Grade (Grams/Ton)	20.84	24.62	-15%	20.84	29.17	-29%
Gold Recovery (%)	88.34	87.33	1	88.34	88.74	0%
Silver Recovery (%)	52.11	57.52	-9%	52.11	56.53	-8%
Gold: Silver Ratio	68.07	67.07		68.07	97.22	

“The strategy to produce profitable ounces continues,” stated Salvador Garcia, Chief Operating Officer of the company. **“This is based on operating efficiency, cost control and efficient use of CAPEX in exploration to increase the reserves.”**

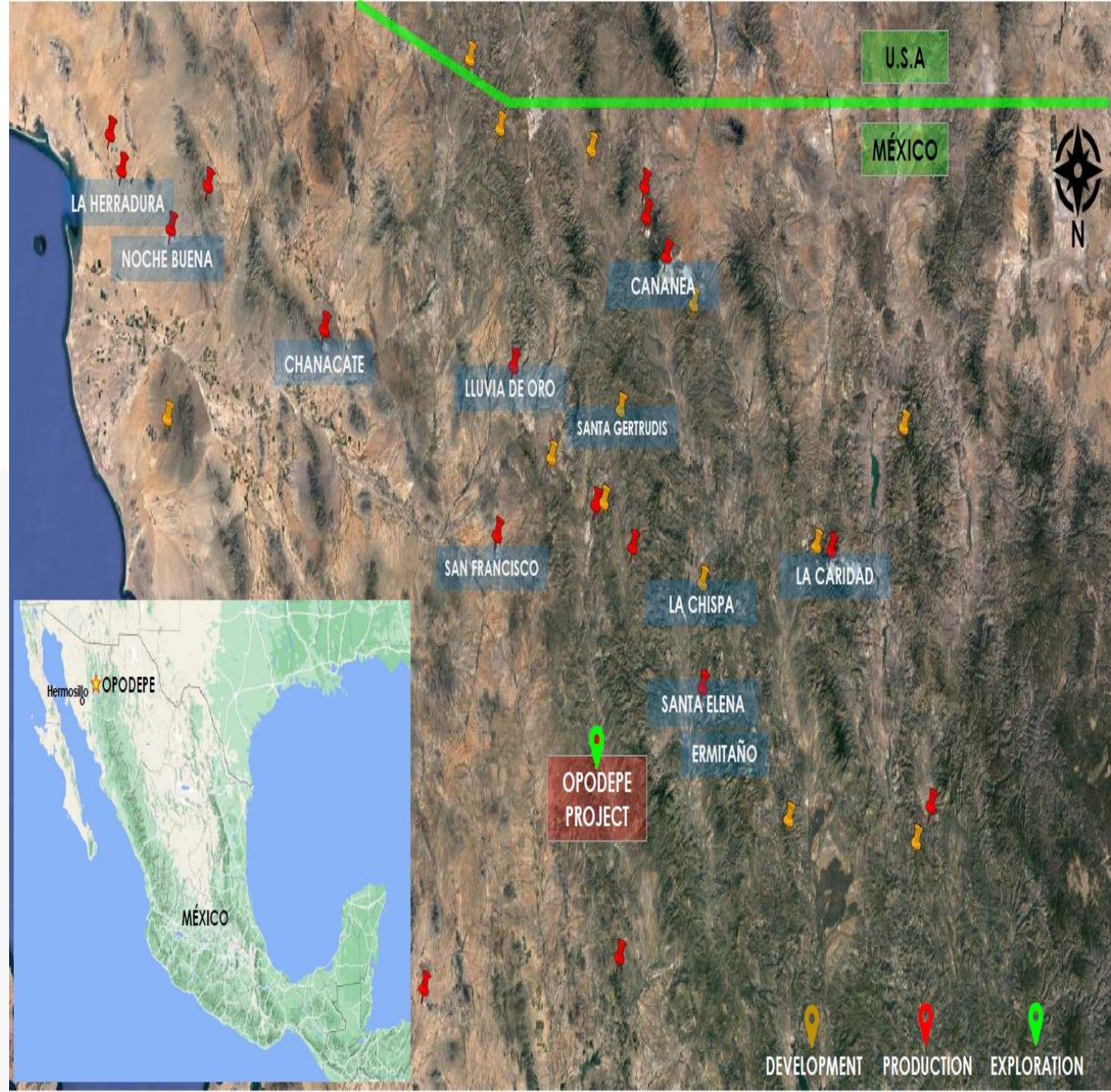
Corporate Social Responsibility

Our ability to build a social and economic platform for growth directly impacts our employees and local stakeholders. We implement environmental initiatives such as a dry stack tailings dam where we can carry out reforestation projects to building green houses where vegetable production is sold back to the community at cost. We also implement health and safety standards and routine checks that ensure a healthy workforce for current and present well being. Our corporate social responsibility programs are the cornerstone to growth and building value for all shareholders and stakeholders involved.



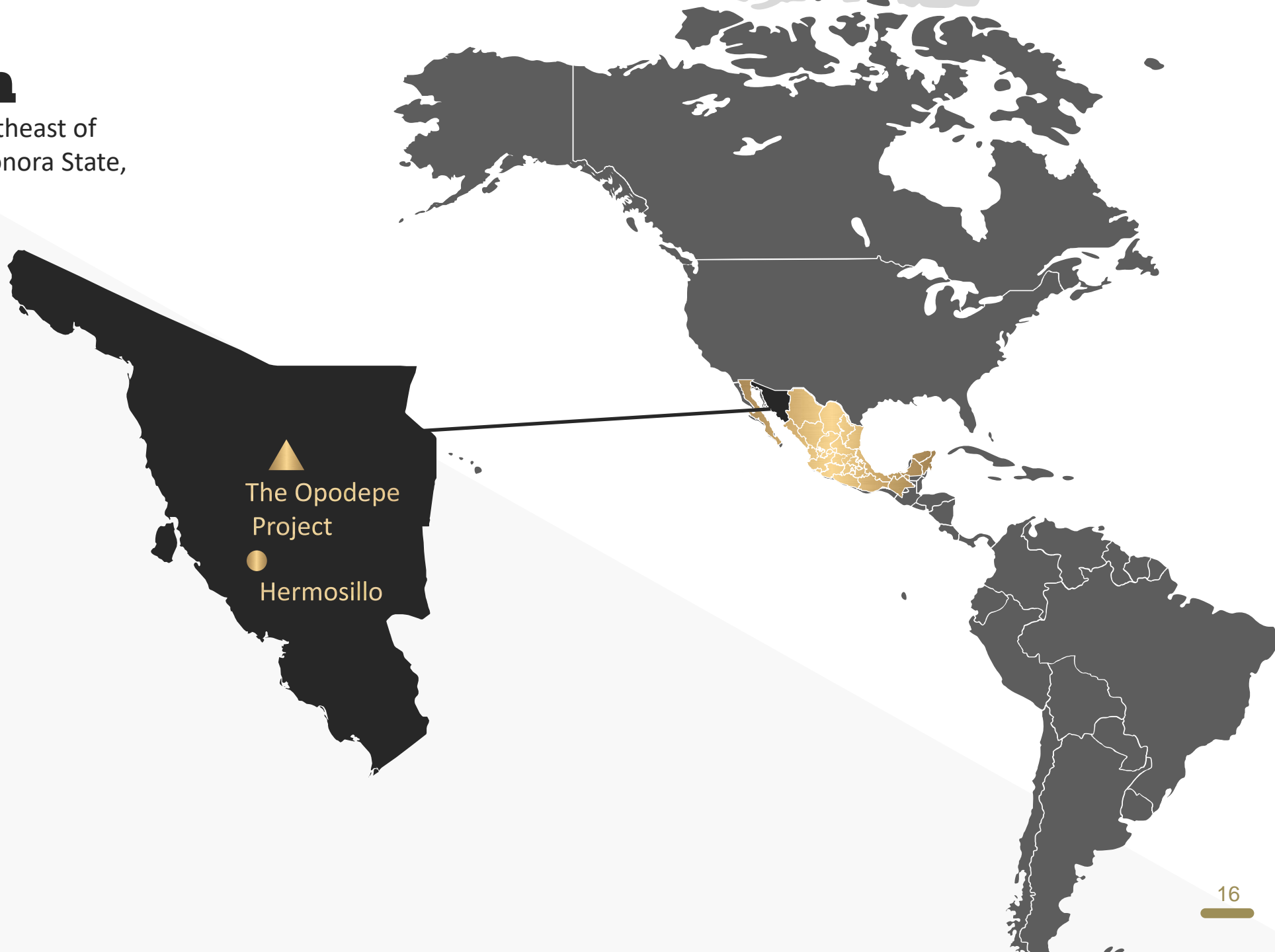
The Opodepe Project

The Opodepe Project consists of the El Creston Deposit and the Teocuitlan Gold/Silver project both located in Sonora, Mexico.

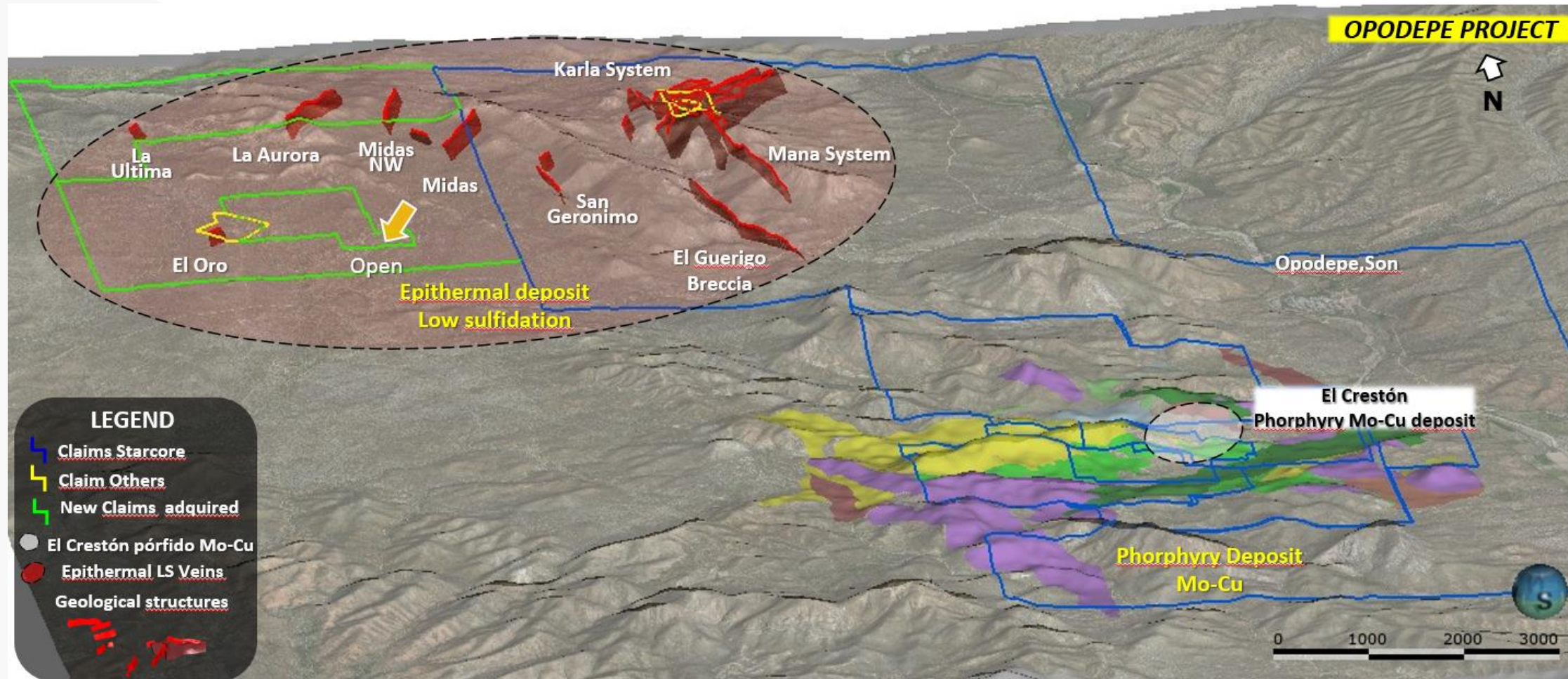


Location

Centered 95 kilometers northeast of
Hermosillo, north central Sonora State,
Mexico



Opodepe Project Overview



Highlights of the Opodepe Project and Adjoining claims of Teocuitla and Meztli 4

Teocuitlan Gold and Silver

# 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 Espinada Vein		Stockpile Samples			0.21	241
8	La Última		Old mining non visited				
9	El Oro	Other claim	500	70	0.53	10.30	5

Assay Results of the samples taken from MEZTLI4 and TEOCUITLA Claims

The Company conducted a **six-month exploration plan** which included **more than 1600 samples** taken in the **outcrops of nine new discovered veins** in the Teocuitla claims, with a focus on **gold and silver orebodies**.

El Creston Deposit

An advanced Cu-Mo deposit with upside exploration potential

NI 43-101 Resources Estimate*

Category	Tonnage (Million)	Mo (%)	Cu (%)	Mo (Mlbs)	Cu (Mlbs)
Measured	56.3	0.074	0.06	91.3	72
Indicated	159.1	0.07	0.06	244.2	209
Inferred	7.6	0.057	0.06	9.5	9

Molybdenum Prices for the Last 5 Years

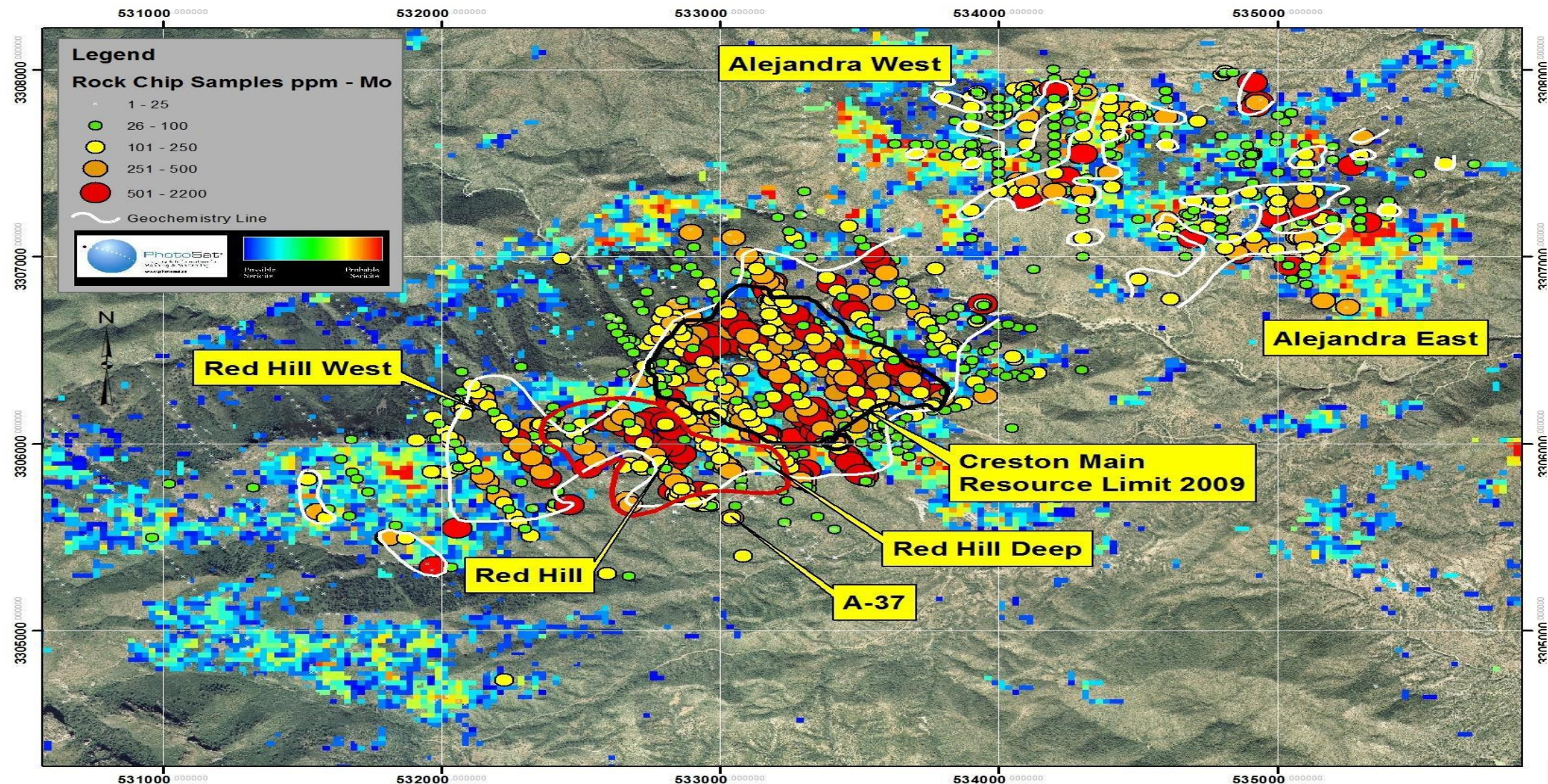


We own the El Creston Deposit, Mexico

- Located in Sonora, Mexico in a mining friendly state
- Road accessible via paved highway and 22km all weather gravel road
- 42km from 230kv power grid
- Arid climate allows for year-round exploration and development
- Advanced stage: PEA completed
- Large defined copper-moly deposit
- 215 drill holes totaling 48,007.39 meters
- Life of mine strip ratio of 0.96:1
- Substantial exploration upside: Four other zones (Alejandra, Red hill west, Red hill deep, and A-37)

*please find PEA on SEDAR/ Creston Moly Corp - December 16,2010

5km Trend of Exploration Potential



Exploring for a Copper Porphyry at Depth

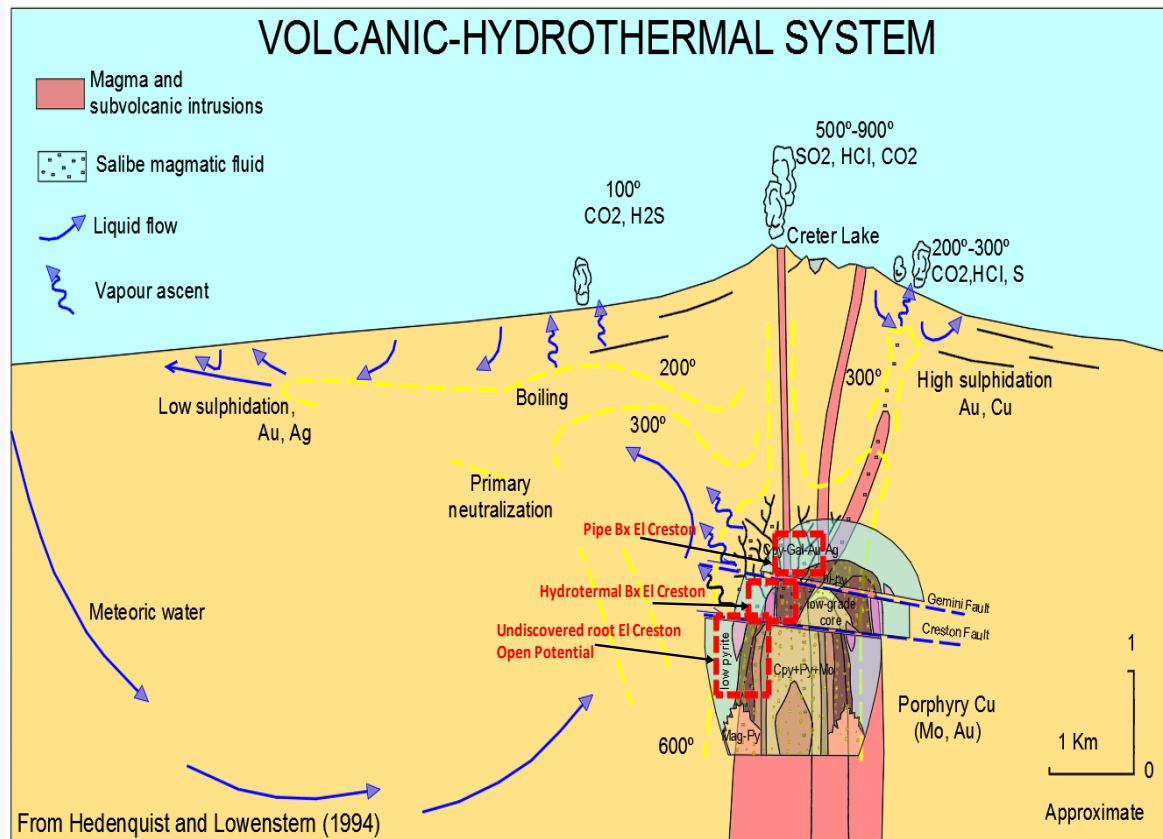


Figure 3- Conceptual Model Hedenquist & Lowenstem; Conceptual Model Lowell & Guilbert, 1970 for styles mineralization of El Creston Porphyry Mo-Cu and the undiscovered open potential at depth.

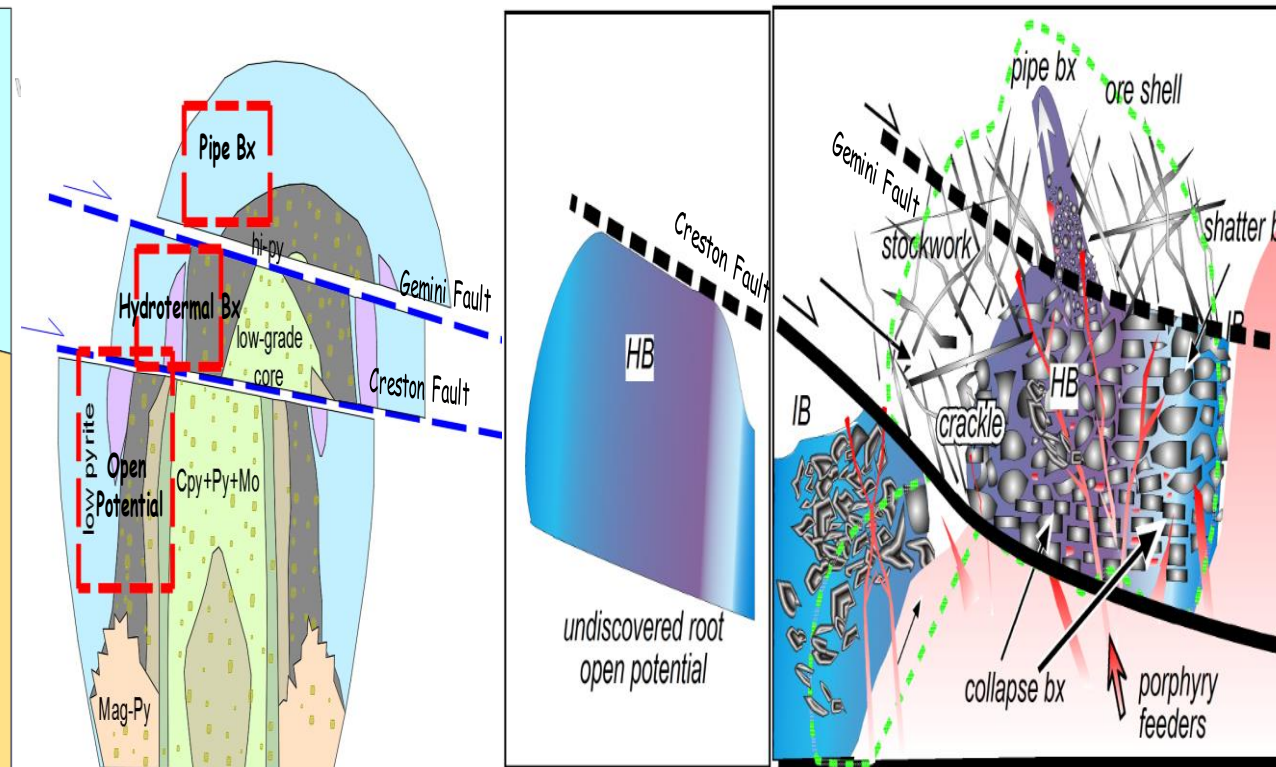


Figure 4- Zoom Model Lowell & Guilbert, 1970, representing geologic model of El Creston Porphyry Mo-Cu, and the open potential deep HB.
(HB: Hidrothermal Breccia; IB; intrusive Breccia).



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