

Starcore International Mines Ltd.
Condensed Interim Consolidated Financial Statements
For the six months ended October 31, 2023
(Unaudited)

**NOTICE TO READER OF THE UNAUDITED CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

The unaudited condensed interim consolidated financial statements for the six months ended October 31, 2023 have been prepared by and are the responsibility of the Company's management. These financial statements have not been reviewed or audited by the Company's auditors.

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

Starcore International Mines Ltd.
Condensed Interim Consolidated Statements of Financial Position
(in thousands of Canadian dollars) – (Unaudited)

As at	October 31, 2023	April 30, 2023
Assets		
Current		
Cash and cash equivalents (note 3)	\$ 4,711	\$ 6,443
Amounts receivable (note 4)	2,007	1,970
Inventory (note 5)	1,419	2,389
Prepaid expenses and advances	321	366
Investment (note 6)	368	639
Total Current Assets	8,826	11,807
Non-Current		
Mining interest, plant and equipment (note 7)	29,659	30,230
Right-of-use assets (note 9)	648	376
Exploration and evaluation assets (note 8)	6,116	5,681
Deferred tax assets	2,812	2,812
Total Non-Current Assets	39,235	39,099
Total Assets	\$ 48,061	\$ 50,906
Liabilities		
Current		
Trade and other payables	\$ 2,691	\$ 3,125
Current portion of lease liability (note 9)	354	216
Total Current Liabilities	3,045	3,341
Non-Current		
Rehabilitation and closure cost provision (note 11)	3,088	2,920
Lease liability (note 9)	266	168
Deferred tax liabilities	6,052	5,701
Total Non-Current Liabilities	9,406	8,789
Total Liabilities	\$ 12,451	\$ 12,130

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Starcore International Mines Ltd.
Condensed Interim Consolidated Statements of Financial Position
(in thousands of Canadian dollars) – (Unaudited)

As at	October 31, 2023	April 30, 2023
Equity		
Share capital (note 12)	\$ 51,878	\$ 51,878
Equity reserve	11,349	11,349
Foreign currency translation reserve	4,580	5,010
Accumulated deficit	(32,197)	(29,461)
Total Equity	35,610	38,776
Total Liabilities and Equity	\$ 48,061	\$ 50,906

Commitments (note 14)

Approved by the Directors:

“Robert Eadie” Director

“Gary Arca” Director

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Starcore International Mines Ltd.
Condensed Interim Consolidated Statements of Operations and Comprehensive Income
(in thousands of Canadian dollars except per share amounts) – (Unaudited)

	For the three months ended		For the six months ended	
	October 31,		October 31,	
	2023	2022	2023	2022
Revenues				
Mined ore (note 17)	\$ 5,975	\$ 4,812	\$ 12,208	\$ 11,562
Cost of Sales				
Mined ore	(5,288)	(3,998)	(11,521)	(8,714)
Depreciation and depletion (notes 7 and 9)	(488)	(946)	(1,239)	(1,933)
Total Cost of Sales	(5,776)	(4,944)	(12,760)	(10,647)
Earnings (loss) from mining operations	199	(132)	(552)	915
Financing costs (note 10)	(1)	(40)	(10)	(89)
Foreign exchange gain (loss)	30	68	146	97
Management fees and salaries (note 14)	(270)	(347)	(558)	(971)
Office and administration	(358)	(468)	(708)	(716)
Professional and consulting fees	(266)	(316)	(447)	(603)
Pre exploration costs	-	(50)	-	(51)
Shareholder relations	(79)	(141)	(174)	(365)
Transfer agent and regulatory fees	(22)	(40)	(50)	(72)
Loss before taxes and other losses	(767)	(1,466)	(2,353)	(1,855)
Other Losses				
Unrealized gain (loss) on investment (note 6)	(58)	(20)	(271)	(123)
Loss before taxes	(825)	(1,486)	(2,624)	(1,978)
Income taxes				
Current expense	(6)	(440)	(6)	(440)
Deferred (expense)/recovery	(197)	152	(106)	(14)
Loss for the period	(1,028)	(1,774)	(2,736)	(2,432)
Other comprehensive income (loss)				
Foreign currency translation differences	959	2,324	(430)	2,434
Comprehensive income (loss) for the period	\$ (69)	\$ 550	(3,166)	\$ 2
Basic (loss) per share (Note 16)	\$ (0.02)	\$ (0.03)	\$ (0.05)	\$ (0.04)
Diluted (loss) per share (Note 16)	\$ (0.02)	\$ (0.03)	\$ (0.05)	\$ (0.04)

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

Starcore International Mines Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(in thousands of Canadian dollars except per share amounts) – (Unaudited)

For the six months ended October 31,	2023	2022
Cash provided by		
Operating activities		
Profit (loss) for the period	\$ (2,736)	\$ (2,432)
Unrealized loss on investment	271	123
Items not involving cash:		
Depreciation and depletion (note 7 and 9)	1,261	2,127
Income tax expenses	106	14
Lease accretion (note 9)	24	32
Rehabilitation and closure cost accretion (note 11)	119	100
Deferred and restricted share payments (note 12)	(3)	(2)
Cash used by operating activities before working capital changes	(958)	(38)
Change in non-cash working capital items		
Amounts receivable	(152)	(214)
Inventory	831	(980)
Prepaid expenses and advances	24	152
Trade and other payables	(106)	86
Cash outflow from operating activities	(361)	(994)
Financing activities		
Lease payments (note 9)	(163)	(351)
Share issuance (net)	-	1,153
Cash inflow (outflow) from financing activities	(163)	802
Investing activities		
Investment in exploration and evaluation assets (note 8)	(381)	(399)
Purchase of mining interest, plant and equipment (note 7)	(613)	(163)
Cash outflow from investing activities	(994)	(562)
Total decrease in cash and cash equivalents	(1,518)	(754)
Effect of foreign exchange rate changes on cash and cash equivalents	(214)	774
Cash and cash equivalents, beginning of period	6,443	8,818
Cash and cash equivalents, end of period	\$ 4,711	\$ 8,838

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Starcore International Mines Ltd.**Condensed Interim Consolidated Statements of Changes in Equity for the periods ended October 31, 2023, 2022 and April 30, 2023
(In thousands of Canadian dollars except for number of shares) – (Unaudited)**

	Number of Shares Outstanding	Share Capital	Equity Reserve	Foreign Currency Translation Reserve	Accumulated Deficit	Total
Balance, April 30, 2022	49,646,851	\$ 50,725	\$ 11,349	\$ 2,185	\$ (24,205)	\$ 40,054
Private Placement at \$0.20 per Unit (warrants at \$0.30)	6,000,000	1,200	-	-	-	1,200
Share issue costs		(47)	-	-	-	(47)
Foreign currency translation differences	-	-	-	2,434	-	2,434
Loss for the period	-	-	-	-	(2,432)	(2,432)
Balance, October 31, 2022	55,646,851	\$ 51,878	\$ 11,349	\$ 4,619	\$ (26,637)	\$ 41,209
Foreign currency translation differences	-	-	-	391	-	391
Loss for the period	-	-	-	-	(2,824)	(2,824)
Balance, April 30, 2023	55,646,851	51,878	\$ 11,349	\$ 5,010	\$ (29,461)	\$ 38,776
Foreign currency translation differences	-	-	-	(430)	-	(430)
Loss for the period	-	-	-	-	(2,736)	(2,736)
Balance, October 31, 2023	55,646,851	\$ 51,878	\$ 11,349	\$ 4,580	\$ (32,197)	\$ 35,610

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

Starcore International Mines Ltd.
Notes to the Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated)

October 31, 2023

1. Corporate information

Starcore International Mines Ltd. is the parent company of its consolidated group (the “Company” or “Starcore”) and was incorporated in Canada with its head office located at Suite 750 – 580 Hornby Street, Vancouver, British Columbia, V6C 3B6.

Starcore is engaged in exploring, extracting and processing gold and silver through its wholly-owned subsidiary, Compañía Minera Peña de Bernal, S.A. de C.V. (“Bernal”), which owns the San Martin mine in Queretaro, Mexico.

The Company is also engaged in acquiring mining related operating assets and exploration assets in North America and West Africa directly and through corporate acquisitions. In management’s judgment, the Company has adequate working capital and cash for the upcoming twelve months.

2. Basis of preparation

a) Statement of compliance

These unaudited condensed interim consolidated financial statements for the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements, for the six month period ended October 31, 2023, have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting, and do not include all the information required for full annual financial statement.

These condensed interim financial statements should be read in conjunction with the Company’s April 30, 2023 audited annual financial statements. The financial statements were authorized for issue by the Board of Directors on December 12, 2023.

b) Basis of measurement

The unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except certain financial instruments, which are measured at fair value, as explained in the Company’s accounting policies discussed in note 3 of the Company’s April 30, 2023 audited annual financial statements. These financial statements have been prepared using the accrual basis of accounting except for cash flow information. The unaudited condensed interim consolidated financial statements are presented in Canadian dollars, which is also the parent company’s functional currency, and all values are rounded to the nearest thousand dollars, unless otherwise indicated.

The preparation of unaudited condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4 of the Company’s April 30, 2023 audited annual financial statements.

c) Basis of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and all of its subsidiaries, which are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from the entity’s activities. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposal or loss of control. The

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

2. Basis of preparation – (cont'd)c) Basis of consolidation – (cont'd)

Company's wholly-owned subsidiary Bernal, along with various other subsidiaries, carry out their operations in Mexico, Canada and Côte D'Ivoire.

All intra-group transactions, balances, income and expenses are eliminated, in full, on consolidation.

3. Cash and cash equivalents

	October 31, 2023	April 30, 2023
Cash	\$ 4,711	\$ 2,684
GIC's	\$ -	\$ 3,759
	\$ 4,711	\$ 6,443

4. Amounts receivable

	October 31, 2023	April 30, 2023
Taxes receivable	\$ 1,476	\$ 1,165
Trades receivable	128	480
Other	403	325
	\$ 2,007	\$ 1,970

5. Inventory

	October 31, 2023	April 30, 2023
Carrying value of inventory:		
Doré	\$ 517	\$ 1,318
Work-in-process	47	81
Stockpile	17	40
Supplies	838	950
	\$ 1,419	\$ 2,389

6. Investment

Marketable securities at October 31, 2023 consists of a FVTPL investment in Westward Gold Inc. ("WG"). At October 31, 2023, the Company held 3,872,000 (April 30, 2023 – 3,872,000) common shares valued at \$0.095 for \$368 representing a \$271 unrealized loss for the period (April 30, 2023 - \$197 unrealized gain and \$10 realized loss). The fair value of WG has been determined by reference to published price quotations in an active market. The Company acquired these shares pursuant to the assignment of the Company's option to acquire a 100% interest in the Toiyabe property, located in Lander County Nevada, USA, to WG for consideration of cash of US\$150,000 and 4,100,000 common shares of WG. These shares were originally valued at fair market value at date of issue of \$0.19 per share.

While the Company will seek to maximize the proceeds it receives from the sale of its WG Shares, there is no assurance as to the timing of disposition or the amount that will be realized.

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements**
(in thousands of Canadian dollars unless otherwise stated) - Unaudited

October 31, 2023

7. Mining interest, plant and equipment

	Mining Interest	Plant and Equipment Mining	Corporate Office Equipment	Total
Cost				
Balance, April 30, 2022	\$ 69,434	\$ 26,418	\$ 740	\$ 96,592
Increase in ARO provision (note 13)	218	-	-	218
Additions	628	292	127	1,047
Disposals	-	-	(78)	(78)
Effect of foreign exchange	4,104	1,503	-	5,607
Balance, April 30, 2023	74,384	28,213	789	103,386
Additions	372	239	2	613
Leases	-	(656)	-	(656)
Effect of foreign exchange	1,266	470	-	1,736
Balance, October 31, 2023	\$ 76,022	\$ 28,266	\$ 791	\$ 105,079
Depreciation				
Balance, April 30, 2022	\$ (46,025)	\$ (20,029)	\$ (718)	\$ (66,772)
Depreciation for the period	(1,225)	(1,519)	(26)	(2,770)
Disposals	-	-	78	78
Effect of foreign exchange	(2,577)	(1,115)	-	(3,692)
Balance, April 30, 2023	(49,827)	(22,663)	(666)	(73,156)
Depreciation for the period	(536)	(483)	(22)	(1,041)
Effect of foreign exchange	(841)	(382)	-	(1,223)
Balance, October 31, 2023	\$ (51,204)	\$ (23,528)	\$ (688)	\$ (75,420)
Carrying amounts:				
Balance, April 30, 2023	\$ 24,557	\$ 5,550	\$ 123	\$ 30,230
Balance, October 31, 2023	\$ 24,818	\$ 4,738	\$ 103	\$ 29,659

San Martin

The Company's mining interest, plant and equipment pertain to gold and silver extraction and processing through its San Martin mine in Mexico.

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

8. Exploration and evaluation assetsCreston Moly (“Creston”) properties

The Company has acquired the rights to the following exploration properties:

a) *El Creston Project, Mexico*

The Company acquired a 100% interest in mineral claims known as the El Creston molybdenum property located northeast of Hermosillo, State of Sonora, Mexico, which has completed a Preliminary Economic Assessment on the property based on zones of porphyry-style molybdenum (“Mo”)/copper (“Cu”) mineralization. The mineral concessions are subject to a 3% net profits interest.

During the year ended April 30, 2022, the Company acquired additional claims from Minera Teocuitla SA de CV of Hermosillo, Sonora, Mexico. The Teocuitla claims are located in Opodepe, Sonora, Mexico beside the El Creston claim in the northwest part of the El Creston property.

b) *Ajax Project, Canada*

The Company acquired a 100% interest in mineral claims known as the Ajax molybdenum property located in B.C.

	Creston Properties	AJAX Properties	Total
Acquisition costs:			
Balance, April 30, 2022, April 30 2023 and October 31, 2023	\$ 2,001	-	\$ 2,001
Exploration costs:			
Balance, April 30, 2022	\$ 3,020	\$ 61	\$ 3,081
Maintenance	176	-	176
Drilling costs	274	34	308
Foreign Exchange	134	-	134
BC Mining Exploration Tax Credit	-	(19)	(19)
Balance, April 30, 2023	\$ 3,604	\$ 76	\$ 3,680
Maintenance	290	113	403
BC Mining Exploration Tax Credit	-	(23)	(23)
Foreign Exchange	55	-	55
Balance, October 31, 2023	\$ 3,949	166	\$ 4,115
Total Exploration and evaluation assets			
Balance, April 30, 2023	\$ 5,605	\$ 76	\$ 5,681
Balance, October 31, 2023	\$ 5,950	\$ 166	\$ 6,116

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

Acquisition of EU Gold Mining Inc. (“EU Gold”)

The Company announced in August, 2023 that it has entered into a Share Exchange Agreement with EU Gold, a private company holding mineral property interests in Côte d’Ivoire, whereby the Company will acquire all of the issued and outstanding shares of EU Gold in exchange for 7,883,333 shares of the Company. This will represent approximately 12.4% of the post-acquisition issued and outstanding shares of the Company. Included in the shares issued to EU Gold shareholders will be 3,000,000 shares of Starcore issued to current management and directors of Starcore who hold an interest in EU Gold.

The acquisition of EU Gold gives the Company access to the Kimoukro Gold Project located in the West African country of Côte d’Ivoire (the “Kimoukro Project”). By acquiring EU Gold, Starcore assumes all of the rights and obligations contained in a Mineral Property Option Agreement that EU Gold entered into with K Mining SARL (“K Mining”), an Ivorian gold exploration company in Abidjan, Côte d’Ivoire. K Mining owns four gold exploration permit applications covering 830 km², which includes the Kimoukro Project which covers 14.48 km².

With the Share Exchange, EU Gold will become a wholly-owned subsidiary of the Company, giving the Company the option (the “Option”) to acquire from K Mining all of its right, title and interest in and to the Kimoukro Project. The Option calls for the following consideration: (i) payment to K Mining of an aggregate of \$400,000; (ii) issue to K Mining of 8,666,667 shares of Starcore; and (iii) incur an aggregate of US\$3,750,000 of expenditures on the Kimoukro Project (collectively the “Option Price”), in accordance with the following schedule:

- (i) pay \$400,000 to the K Mining as to:
 - (a) \$100,000 on or before 12 months from February 17, 2023 (the “Effective Date”);
 - (b) an additional \$150,000 on or before 24 months following the Effective Date; and
 - (c) an additional \$150,000 on or before 36 months following the Effective Date;

- (ii) issue 8,666,667 shares of Starcore to be held in escrow and released as to:
 - (a) one-third within 12 months following the Effective Date;
 - (b) one-third within 24 months following the Effective Date; and
 - (c) the balance of one-third within 36 months following the Effective Date; and

- (iii) incur at least US\$3,750,000 of expenditures on the Kimoukro Project as to:
 - (a) at least US\$750,000 on or before 12 months following the Effective Date;
 - (b) an additional US\$1,500,000 on or before 24 months following the Effective Date; and
 - (c) an additional US\$1,500,000 on or before 36 months following the Effective Date;

The Kimoukro Project is burdened with a 2% Net Smelter Royalty, which the Company has the right to purchase on the basis of \$1 million for each 1% of royalty.

The Acquisition will represent an asset acquisition and was approved by the shareholders on October 12, 2023, however, the transaction is subject to regulatory approval.

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

9. Leases

Lease liabilities have been measured by discounting future lease payments at the incremental borrowing rate of 8% per annum and represents the Company's best estimate of the rate of interest that it would expect to pay to borrow, on a collateralized basis, over a similar term, an amount equal to the lease payments in the current economic environment. The Company recognized lease liabilities in relation its head office in Canada and machinery in Mexico. The following is a reconciliation of the changes in the lease liabilities and assets:

	Starcore	Bernal	Total
Opening balance, April 30, 2022	\$ 173	\$ 725	\$ 898
Lease accretion	12	41	53
Payments	(63)	(537)	(600)
Foreign exchange	-	33	33
Long term lease liabilities, April 30, 2023	122	262	384
Additions	-	367	367
Lease accretion	4	20	24
Payments	(32)	(131)	(163)
Foreign exchange	-	8	8
Lease liability, October 31, 2023	\$ 94	\$ 526	\$ 620

	Office	Mining Equipment	Total
Lease asset, April 30, 2022	\$ 156	\$ 738	\$ 894
Amortization	(52)	(500)	(552)
Foreign exchange	-	34	34
Lease asset, April 30, 2023	104	272	376
Additions	-	432	432
Amortization	(26)	(142)	(168)
Foreign exchange	-	8	8
Lease asset, October 31, 2023	\$ 78	\$ 570	\$ 648

10. Financing costs

The Company's financing costs for the period as reported on its Consolidated Statement of Operations and Comprehensive Income (Loss) can be summarized as follows:

For the period ending October 31, 2023	2023	2022
Unwinding of discount on rehabilitation and closure accretion (note 11)	\$ 119	\$ 100
Lease accretion Starcore (note 9)	4	7
Bank fees	5	6
Interest revenue	(118)	(23)
	\$ 10	\$ 90

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

11. Rehabilitation and closure cost provision

The Company's asset retirement obligations consist of reclamation and closure costs for the mine. At October 31, 2023, the present value of obligations is estimated at \$3,088 (April 30, 2023 - \$2,920) based on expected undiscounted cash-flows at the end of the mine life of \$3,426 (April 30, 2023 - \$3,246), which is calculated annually over 5 to 10 years. Such liability was determined using a discount rate of 10% (April 30, 2023 - 10%) and an inflation rate of 6.90% (April 30, 2023 - 6.90%).

Significant reclamation and closure activities include land rehabilitation, demolition of buildings and mine facilities, closing portals to underground mining areas and other costs. Changes to the reclamation and closure cost balance during the period are as follows:

	October 31, 2023	April 30, 2023
Balance, beginning of period	\$ 2,920	\$ 2,353
Accretion expense	119	200
Increase in provision	-	218
Foreign exchange fluctuation	49	149
Balance, end of period	\$ 3,088	\$ 2,920

12. Share capitala) Common shares

The Company is authorized to issue an unlimited number of common shares, issuable in series.

The holders of common shares are entitled to one vote per share at meetings of the Company and to receive dividends, which may be declared from time-to-time. All shares are ranked equally with regard to the Company's residual assets.

During the year ending April 30, 2023, the Company completed a non-brokered private placement for \$1,200 upon the issuance of 6,000,000 units (the "Units") at a price of \$0.20 per Unit. Each Unit is comprised of one common share of the Company and one-half of one transferable common share purchase warrant (the "Warrants"), with each whole Warrant exercisable for a period of four years from the date of issue at a price of \$0.30 per share. If after the expiry of all resale restrictions, the closing price of the Company's shares is equal to or greater than \$0.40 per share for 20 consecutive trading days, the Company may, by notice to the Warrant holders reduce the remaining exercise period of the Warrants to not less than 30 days following the date of such notice.

b) Warrants

A summary of the Company's outstanding share purchase warrants at October 31, 2023 and April 30, 2023 and the changes during the period ended is presented below:

	Number of warrants	Weighted average exercise price
Outstanding at April 30, 2022	-	-
Granted	3,000,000	0.30
Outstanding at April 30, 2023 and October 31, 2023	3,000,000	\$ 0.30

During the year ending April 30, 2023, 3,000,000 warrants were issued that are exercisable at \$0.30 per share expiring July 15, 2026.

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

12. Share capital – (cont'd)c) Share-based payments

The Company, in accordance with the policies of the Toronto Stock Exchange (“TSX”), was previously authorized to grant options to directors, officers, and employees to acquire up to 20% of the amount of stock outstanding. In January 2014, the Company’s shareholders voted to cancel the Company’s option plan and, as a result, the Company’s Board of Directors have not granted further options and there were no options outstanding, for the periods ending October 31 2023, April 30, 2023 and April 30, 2022.

d) 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”). Although the RSU/DSU Plan is share-based, all vested RSUs and DSUs will be settled in cash. No common shares will be issued. The Company may issue no more than the equivalent of 20% of its issued and outstanding common shares as RSU/DSU share incentives.

RSU

The RSU plan is for eligible members of the Board of Directors, eligible employees and eligible contractors. The RSUs vest over a period of three years from the date of grant, vesting as to one-third each year from date of grant. In addition to the vesting period, the Company has also set Performance Conditions that will accompany vested RSUs. The Performance Conditions to be met are established by the Board at the time of grant of the RSU. RSUs that are permitted to be carried over to the succeeding years shall expire no later than the third calendar year after the year in which the RSUs have been granted and will be terminated to the extent the performance objectives or other vesting criteria have not been met. The RSU share plan transactions during the year were as follows:

	Units
Outstanding at April 30, 2022	-
Granted	1,655,000
Cancelled	(127,500)
Granted	180,000
Exercised	(397,500)
Outstanding at April 30, 2023 and October 31, 2023	1,310,000

180,000 RSU’s were granted in the year ended April 30, 2023 (April 30, 2022 – 1,655,000). The RSU’s have been valued at fair value of \$0.12 per share as at October 31, 2023 (April 30, 2023 - \$0.18), and the total fair value of this liability is recorded at \$55 (April 30, 2023 - \$61) under Trade and Other Payables on the Statements of Financial Position.

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 December 31st 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, 2022	2,525,000
Granted	-
Outstanding at April 30, 2023 and October 31, 2023	2,525,000

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
(in thousands of Canadian dollars unless otherwise stated) - Unaudited**

October 31, 2023

12. Share capital – (cont'd)d) Deferred Share Units (“DSU”) & Restricted Share Units (“RSU”)– (cont'd)DSU – (cont'd)

Based on the fair value at October 31, 2023 of \$0.12 (April 30, 2023 - \$0.18) per share, the Company has recorded a liability of \$280 (April 30, 2023 - \$429) under Trades and Other Payable on the Statement of Financial Position. No DSU's were granted in the current period ended October 31, 2023 (April 30, 2023 – nil).

During the period ending October 31, 2023 a total of \$nil (April 30, 2023 - \$157) was recorded in the statement of profit and loss as share-based payments, included in management fees, wages and consulting.

13. Financial instruments

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the consolidated financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Cash and investments are carried at fair value. There are no material differences between the carrying values and the fair values of any other financial assets or liabilities due to their short term nature. In the normal course of business, the Company's assets, liabilities and future transactions are impacted by various market risks, including currency risks associated with inventory, revenues, cost of sales, capital expenditures, interest earned on cash and the interest rate risk associated with floating rate debt.

a) Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

A 10% increase or decrease in the US dollar exchange may increase or decrease comprehensive income (loss) by approximately \$204. A 10% increase or decrease in the MXN\$ exchange rate will decrease or increase comprehensive income (loss) by approximately \$271.

b) Interest rate risk

The Company's cash earns interest at variable interest rates. While fluctuations in market rates do not have a material impact on the fair value of the Company's cash flows, future cash flows may be affected by interest rate fluctuations. The Company is not significantly exposed to interest rate fluctuations and interest rate risk consists of two components:

- i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest price risk.

c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's maximum exposure to credit risk is with respect to its cash and account receivable, the balance of which at October 31, 2023 is \$6,718 (April 30, 2023 - \$8,413).

Starcore International Mines Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
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13. Financial instruments – (cont'd)c) Credit risk – (cont'd)

Cash and cash equivalents of \$676 (April 30, 2023 - \$359) are held at a Mexican financial institution, cash and cash equivalents of \$3,641 (April 30, 2023 - \$5,742) are held in US dollars at Canadian financial institutions and the remainder of \$394 (April 30, 2023 - \$162) are held at chartered Canadian financial institutions; the Company is exposed to the risks of those financial institutions. The taxes receivable are comprised of Mexican VAT taxes receivable of \$1,396 (April 30, 2023 - \$1,125) and GST receivable of \$80 (April 30, 2023 - \$40), which are subject to review by the respective tax authority. Trade receivables include \$128 (April 30, 2023 - \$480) due from one customer.

d) Liquidity risk

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company accomplishes this by achieving profitable operations and maintaining sufficient cash reserves. As at October 31, 2023, the Company was holding cash of \$4,711 (April 30, 2023- \$6,443).

Obligations due within twelve months of October 31,	2023	2024	2025	2026 and beyond
Trade and other payables	\$ 2,691	\$ -	\$ -	\$ -
Reclamation and closure obligations	\$ -	\$ -	\$ -	\$ 3,426
Leases liability (undiscounted)	\$ 394	\$ 174	\$ 112	\$ -

The Company's trade and other payables are due in the short term. Long-term obligations include the Company's reclamation and closure cost obligations, other long-term liabilities and deferred income taxes. Management believes that profits generated from the mine and periodic financing will be sufficient to meet its financial obligations.

e) Commodity risk

Mineral prices and marketability fluctuate and any decline in mineral prices may have a negative effect on the Company. Mineral prices, particularly gold and silver prices, have fluctuated widely in recent years. The marketability and price of minerals which may be produced and sold by the Company will be affected by numerous factors beyond the control of the Company. These other factors include delivery uncertainties related to the proximity of its resources to processing facilities and extensive government regulations related to price, taxes, royalties, allowable production land tenure, the import and export of minerals and many other aspects of the mining business. Declines in mineral prices may have a negative effect on the Company. A 10% decrease or increase in metal prices may result in a decrease or increase of \$1,221 in revenue.

14. Commitments and related party transactions

Except as disclosed elsewhere in these consolidated financial statements, the Company has the following commitments outstanding at October 31, 2023:

- a. The Company has a land rental commitment with respect to the land at the mine site, for MX\$280 per month. The Company also has ongoing concession commitments on the mine site and on exploration and evaluation assets of approximately \$800 per year.

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14. Commitments and related party transactions – (cont'd)

- b. The Company has management contracts to officers and directors totaling \$600 and US\$315 per year, payable monthly, expiring in April 2024 and US\$400 per year until December 2023. Effective February 1, 2023, management agreed to defer 25% of the amounts payable on these contracts indefinitely.

The Company paid the following amounts to key management personnel, consisting of the chief executive officer, president, chief financial officer, the chief operating officer and directors in the years:

For the period October 31, 2023,	2023	2022
Management fees	\$ 532	\$ 765
Directors fees -Salaries	26	15
Total	\$ 558	\$ 780

During the year ended April 30, 2023, the Company issued an advance to a key management personnel for the amount of \$134 (US\$100). As at October 31, 2023, the balance of the advance was \$145 (US\$104) and included interest at the prescribed rates indicated by the Canada Revenue Agency.

15. Capital disclosures

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in the consolidated statements of changes in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements and there were no changes to the capital management in the period ended October 31, 2023.

16. Earnings per share

The Company calculates the basic and diluted income per common share using the weighted average number of common shares outstanding during each period and the diluted income per share assumes that the outstanding vested stock options and share purchase warrants had been exercised at the beginning of the period. As at October 31, 2023 and 2022, all warrants outstanding were excluded in the dilutive weighted average shares outstanding as they were anti-dilutive. The denominator for the calculation of income per share, being the weighted average number of common shares, is calculated as follows:

For the period ended October 31,	2023	2022
Issued common share, beginning of period	55,646,851	49,646,851
Weighted average issuances	-	4,750,685
Diluted weighted average common shares	55,646,851	54,397,536

17. Segmented information

During the period ended October 31, 2023, the Company earned all of its revenues from one customer. As at October 31, 2023, the Company does not consider itself to be economically dependent on this customer as transactions with this party can be easily replaced by transactions with other parties on similar terms and conditions. The balance owing from this customer on October 31, 2023 was \$128 (April 30, 2023 - \$480). The Company operates in one segment, the revenue is from gold and silver mining generated in Mexico.