

**Starcore International Mines Ltd.**

**Condensed Interim Consolidated Financial Statements**

**For the three months ended July 31, 2018**

**(Unaudited)**

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

The unaudited condensed interim consolidated financial statements for the three months ended July 31, 2018 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.

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

| <b>As at</b>                                       | <b>July 31,<br/>2018</b> | <b>April 30,<br/>2018</b> |
|--|--------------------------|---------------------------|
| <b>Assets</b>                                      |                          |                           |
| <b>Current</b>                                     |                          |                           |
| Cash   | \$ 1,187                 | \$ 2,321                  |
| Short-term Investments (note 3)                    | 2,004                    | -                         |
| Amounts Receivable (note 4)                        | 5,923                    | 3,348                     |
| Inventory (note 5)                                 | 3,052                    | 3,499                     |
| Prepaid Expenses and Advances                      | 561                      | 355                       |
| <b>Total Current Assets</b>                        | <b>12,727</b>            | <b>9,523</b>              |
| <b>Non-Current</b>                                 |                          |                           |
| Mining Interest, Plant and Equipment (note 6)      | 41,974                   | 41,476                    |
| Exploration and Evaluation Assets (note 7)         | 5,312                    | 5,177                     |
| Reclamation Deposits                               | 165                      | 165                       |
| Deferred Tax Assets                                | 8,124                    | 8,110                     |
| <b>Total Non-Current Assets</b>                    | <b>55,575</b>            | <b>54,928</b>             |
| <b>Total Assets</b>                                | <b>\$ 68,302</b>         | <b>\$ 64,451</b>          |
| <b>Liabilities</b>                                 |                          |                           |
| <b>Current</b>                                     |                          |                           |
| Trade and Other Payables                           | \$ 5,293                 | \$ 4,774                  |
| <b>Non-Current</b>                                 |                          |                           |
| Loans Payable (note 8)                             | 4,347                    | 1,334                     |
| Rehabilitation and Closure Cost Provision (note 9) | 1,188                    | 1,162                     |
| Deferred Tax Liabilities                           | 8,225                    | 8,113                     |
| <b>Total Non-Current Liabilities</b>               | <b>13,760</b>            | <b>10,609</b>             |
| <b>Total Liabilities</b>                           | <b>\$ 19,053</b>         | <b>\$ 15,383</b>          |

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                                | July 31,<br>2018 | April 30,<br>2018 |
|--------------------------------------|------------------|-------------------|
| <b>Equity</b>                        |                  |                   |
| Share Capital (note 10)              | \$ 50,725        | \$ 50,725         |
| Equity Reserve                       | 11,178           | 11,178            |
| Foreign Currency Translation Reserve | 1,796            | 1,234             |
| Accumulated Deficit                  | (14,450)         | (14,069)          |
| <b>Total Equity</b>                  | <b>49,249</b>    | <b>49,068</b>     |
| <b>Total Liabilities and Equity</b>  | <b>\$ 68,302</b> | <b>\$ 64,451</b>  |

**Commitments (note 12)**

**Approved by the Directors:**

"Robert Eadie" Director

"Gary Arca" Director

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

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

| <b>For the three months ended July 31,</b>                         | <b>2018</b>      | <b>2017</b>       |
|--|------------------|-------------------|
| <b>Revenues</b>  |                  |                   |
| Mined ore  | \$ 7,350         | \$ 6,435          |
| Purchased concentrate  | 3,273            | 1,660             |
| <b>Total Revenues</b>  | <b>10,623</b>    | <b>8,095</b>      |
| <b>Cost of Sales</b>   |                  |                   |
| Mined ore  | (5,751)          | (5,129)           |
| Purchased concentrate  | (3,169)          | (1,949)           |
| Depreciation and depletion   | (1,030)          | (1,396)           |
| <b>Total Cost of Sales</b>   | <b>(9,950)</b>   | <b>(8,474)</b>    |
| <b>Earnings (Loss) from mining operations</b>                      | <b>673</b>       | <b>(379)</b>      |
| Financing costs (note 8)   | (88)             | (26)              |
| Foreign exchange gain  | (66)             | 456               |
| Management fees and salaries                                       | (256)            | (345)             |
| Office and administration  | (327)            | (403)             |
| Professional and consulting fees                                   | (184)            | (194)             |
| Property Investigation costs                                       | (53)             | -                 |
| Shareholder relations  | (65)             | (37)              |
| Transfer agent and regulatory fees                                 | (26)             | (51)              |
| <b>Loss before taxes</b>   | <b>(392)</b>     | <b>(979)</b>      |
| <b>Income tax recovery</b>   |                  |                   |
| Deferred   | 11               | 685               |
| <b>Loss for the period</b>   | <b>(381)</b>     | <b>(294)</b>      |
| <b>Other comprehensive income</b>                                  |                  |                   |
| <b>Item that may subsequently be reclassified to income (loss)</b> |                  |                   |
| Foreign currency translation differences                           | 562              | (4,379)           |
| <b>Comprehensive (loss) income for the period</b>                  | <b>\$ 181</b>    | <b>\$ (4,673)</b> |
| <b>Basic earnings (loss) per share (note 14)</b>                   | <b>\$ (0.00)</b> | <b>\$ (0.01)</b>  |
| <b>Diluted earnings (loss) per share (note 14)</b>                 | <b>\$ (0.00)</b> | <b>\$ (0.01)</b>  |

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) – (Unaudited)

| <b>For the three months ended July 31,</b>                                   | <b>2018</b>     | <b>2017</b>     |
|--|-----------------|-----------------|
| <b>Cash provided by</b>  |                 |                 |
| <b>Operating activities</b>  |                 |                 |
| Loss for the period  | \$ (381)        | \$ (294)        |
| Items not involving cash:  |                 |                 |
| Depreciation and depletion (note 6)  | 1,053           | 1,382           |
| Discount on debt (note 8)  | (56)            | -               |
| Interest on debt (note 8)  | 50              | 44              |
| Income recovery expense  | (11)            | (686)           |
| Interest revenue   | (4)             | -               |
| Rehabilitation and closure cost accretion (note 8)                           | 21              | 22              |
| Share-based payments (note 9)  | 50              | 38              |
| <b>Cash generated by operating activities before working capital changes</b> | <b>722</b>      | <b>506</b>      |
| Change in non-cash working capital items                                     |                 |                 |
| Amounts receivable   | (2,613)         | (1,325)         |
| Inventory  | 407             | (575)           |
| Prepaid expenses and advances  | (210)           | (670)           |
| Trade and other payables   | 548             | 829             |
| <b>Cash outflow for operating activities</b>                                 | <b>(1,146)</b>  | <b>(1,235)</b>  |
| <b>Financing activity</b>  |                 |                 |
| Loan payable   | 3,000           | -               |
| <b>Investing activities</b>  |                 |                 |
| Interest received  | -               | -               |
| Investment in exploration and evaluation assets (note 7)                     | (136)           | (232)           |
| Purchase of mining interest, plant and equipment (note 6)                    | (810)           | (776)           |
| (Purchase) sale of short-term investments (note 3)                           | (2,000)         | 3,645           |
| <b>Cash outflows for investing activities</b>                                | <b>(2,946)</b>  | <b>2,637</b>    |
| <b>Total (decrease) increase in cash</b>                                     | <b>(1,092)</b>  | <b>1,402</b>    |
| <b>Effect of foreign exchange rate changes on cash</b>                       | <b>(42)</b>     | <b>62</b>       |
| <b>Cash, beginning of period</b>   | <b>2,321</b>    | <b>5,558</b>    |
| <b>Cash, end of period</b>   | <b>\$ 1,187</b> | <b>\$ 7,022</b> |

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

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**Starcore International Mines Ltd.****Condensed Interim Consolidated Statements of Changes in Equity for the periods ended July 31, 2018, 2017 and April 30, 2018****(in thousands of Canadian dollars except for number of shares) – (Unaudited)**

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|  | <b>Number of<br/>Shares<br/>Outstanding</b> | <b>Share<br/>Capital</b> | <b>Equity<br/>Reserve</b> | <b>Foreign<br/>Currency<br/>Translation<br/>Reserve</b> | <b>Accumulated<br/>Deficit</b> | <b>Total</b>     |
|--|---|--------------------------|---------------------------|---|--------------------------------|------------------|
| Balance, April 30, 2017                  | 49,146,851                                  | \$ 50,605                | \$ 11,173                 | \$ 5,209  | \$ (2,069)                     | \$ 64,918        |
| Foreign currency translation differences | -   | -                        | -                         | (5,051)   | -                              | (5,051)          |
| Loss for the period                      | -   | -                        | -                         | -   | (294)                          | (294)            |
| Balance, July 31, 2017                   | 49,146,851                                  | 50,605                   | 11,173                    | 158   | (2,363)                        | 59,573           |
| Issued for cash pursuant to:             |   |                          |                           |   |                                |                  |
| - Private placement at \$0.25 (note 10)  | 500,000                                     | 120                      | 5                         | -   | -                              | 125              |
| Foreign currency translation differences | -   | -                        | -                         | 1,076   | -                              | 1,076            |
| Earnings for the period                  | -   | -                        | -                         | -   | (11,706)                       | (11,706)         |
| Balance, April 30, 2018                  | 49,646,851                                  | 50,725                   | 11,178                    | 1,234   | (14,069)                       | 49,068           |
| Foreign currency translation differences | -   | -                        | -                         | 562   | -                              | 562              |
| Loss for the period                      | -   | -                        | -                         | -   | (381)                          | (381)            |
| <b>Balance, July 31, 2018</b>            | <b>49,646,851</b>                           | <b>\$ 50,725</b>         | <b>\$ 11,178</b>          | <b>\$ 1,796</b>   | <b>\$ (14,450)</b>             | <b>\$ 49,249</b> |

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

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

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**July 31, 2018**

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**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 subsidiaries, Compañía Minera Peña de Bernal, S.A. de C.V. (“Bernal”), which owns the San Martin mine in Queretaro, Mexico and Altiplano GoldSilver S.A. de C.V (“Altiplano”), which owns the gold and silver processing plant in Matehuala, Mexico.

The Company is also engaged in acquiring mining related operating assets and exploration assets in North America directly and through corporate acquisitions.

**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 three month period ended July 31, 2018, 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, 2018 audited annual financial statements.

The financial statements were authorized for issue by the Board of Directors on September 12, 2018.

b) Basis of Measurement

The 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, 2018 audited annual financial statements.

The 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 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, 2018 audited annual financial statements.



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

**July 31, 2018**

**2. Basis of Preparation – (cont’d)**

c) Basis of Consolidation

These 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 Company’s wholly-owned subsidiaries, Bernal and Altiplano, along with various other subsidiaries, carry out their operations in Mexico, U.S.A. and in Canada.

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

**3. Short-term Investments**

At July 31, 2017, the Company held a Guaranteed Investment Certificate (“GIC”) with a market value of \$2,004 (April 30, 2018 - \$Nil), earning interest income at 1.72% per annum and maturing on June 19, 2019.

The GIC is cashable at the Company’s option and are considered to be highly liquid. The Company’s short-term investment is held at one financial institution and as such the Company is exposed to the risks of that financial institution.

**4. Amounts Receivable**

|                           | <b>July 31,<br/>2018</b> | April 30,<br>2018 |
|---------------------------|--------------------------|-------------------|
| Taxes receivable          | \$ 2,744                 | \$ 1,941          |
| San Pedrito sale (note 6) | 1,404                    | 1,359             |
| Trades receivable         | 1,750                    | -                 |
| Other                     | 25                       | 48                |
|                           | <b>\$ 5,923</b>          | <b>\$ 3,348</b>   |

**5. Inventory**

|                              | <b>July 31,<br/>2018</b> | April 30,<br>2018 |
|------------------------------|--------------------------|-------------------|
| Carrying value of inventory: |                          |                   |
| Doré                         | \$ 612                   | \$ 955            |
| Goods in transit             | -                        | 376               |
| Work-in-process              | 1,030                    | 662               |
| Concentrate                  | 433                      | 595               |
| Stockpile                    | 67                       | 118               |
| Supplies                     | 910                      | 793               |
|                              | <b>\$ 3,052</b>          | <b>\$ 3,499</b>   |

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

**July 31, 2018**

**6. Mining Interest, Plant and Equipment**

|  | <b>Mining<br/>Interest</b> | <b>Plant and<br/>Equipment<br/>Mining</b> | <b>Plant and<br/>Equipment<br/>Altiplano</b> | <b>Corporate<br/>Office<br/>Equipment</b> | <b>Total</b>     |
|--|----------------------------|---|--|---|------------------|
| <b>Cost</b>                            |                            |   |  |   |                  |
| Balance, April 30, 2017                | \$ 73,048                  | \$ 23,699                                 | \$ 7,005                                     | \$ 677                                    | \$ 104,429       |
| Additions                              | 902                        | 2,720                                     | 78   | 15  | 3,715            |
| Write-down of equipment and impairment | (5,000)                    | (1,925)                                   | -  | -   | (6,925)          |
| Effect of foreign exchange             | (4,592)                    | (1,318)                                   | (429)  | -   | (6,339)          |
| Balance, April 30, 2018                | 64,358                     | 23,176                                    | 6,654  | 692                                       | 94,880           |
| Additions                              | 343                        | 369                                       | 86   | 12  | 810              |
| Effect of foreign exchange             | 953                        | 344                                       | 99   | -   | 1,396            |
| <b>Balance, July 31, 2018</b>          | <b>\$ 65,654</b>           | <b>\$ 23,889</b>                          | <b>\$ 6,839</b>                              | <b>\$ 704</b>                             | <b>\$ 97,086</b> |
| <b>Depreciation</b>                    |                            |   |  |   |                  |
| Balance, April 30, 2017                | \$ 39,657                  | \$ 11,190                                 | \$ 228                                       | \$ 433                                    | \$ 51,508        |
| Depreciation for the year              | 2,887                      | 1,621                                     | 434  | 90  | 5,032            |
| Write-down of equipment                | -                          | (212)                                     | -  | -   | (212)            |
| Effect of foreign exchange             | (2,232)                    | (680)                                     | (12)   | -   | (2,924)          |
| Balance, April 30, 2018                | \$ 40,312                  | \$ 11,919                                 | \$ 650                                       | \$ 523                                    | \$ 53,404        |
| Depreciation for the period            | 592                        | 347                                       | 91   | 23  | 1,053            |
| Effect of foreign exchange             | 445                        | 179                                       | 31   | -   | 655              |
| <b>Balance, July 31, 2018</b>          | <b>\$ 41,349</b>           | <b>\$ 12,445</b>                          | <b>\$ 772</b>                                | <b>\$ 546</b>                             | <b>\$ 55,112</b> |
| <b>Carrying amounts</b>                |                            |   |  |   |                  |
| Balance, April 30, 2017                | \$ 33,391                  | \$ 12,509                                 | \$ 6,777                                     | \$ 244                                    | \$ 52,921        |
| <b>Balance, April 30, 2018</b>         | <b>\$ 24,046</b>           | <b>\$ 11,257</b>                          | <b>\$ 6,004</b>                              | <b>\$ 169</b>                             | <b>\$ 41,476</b> |
| <b>Balance, July 31, 2018</b>          | <b>\$ 24,305</b>           | <b>\$ 11,444</b>                          | <b>\$ 6,067</b>                              | <b>\$ 158</b>                             | <b>\$ 41,974</b> |

Impairment on Mining Interest

During the prior year ended April 30, 2018, the Company determined that the carrying amount of its assets were higher than market capitalization of the Company and therefore was an indicator of impairment. In determining the recoverable amounts of the Company's mining interests, the Company's management makes estimates of the discounted future cash flows expected to be derived from the Company's mining properties, costs to sell the mining properties and the appropriate discount rate. The projected cash flows were significantly affected by changes in assumptions about gold's selling price, future capital expenditures, changes in the amount of recoverable reserves, resources, and exploration potential, production cost estimates, discount rates and exchange rates. Based on the calculation, at April 30, 2018, management decided to record an impairment of \$5,000 on the San Martin Project. The key assumptions used for assessing the recoverable amount are gold price of USD \$1,300/oz and a discount rate of 9%.

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

**July 31, 2018**

**6. Mining Interest, Plant and Equipment – (cont'd)**

Impairment on Mining Interest – (cont'd)

Management has also determined that the CIL plant constructed in 2016 is no longer useful in the operations of the San Martin mine in Queretaro, Mexico. While this plant has a value as a functioning carbon leach plant and has operated to process third party carbon concentrates, the Company cannot guarantee its usefulness in the future or the ability to attract third party carbon concentrates for processing. As a result, at April 30, 2018, management decided to write down the plant to \$nil value and record an impairment of the book value of \$1,713 to the Statements of Operations and Comprehensive Income (Loss).

San Pedrito

On March 21, 2017, the Company finalized the sale of its San Pedrito Property, a non-core asset located in Queretaro, Mexico for MXN\$ 192,784,331. The San Pedrito property was part of Starcore's original acquisition in 2007, when the Company acquired the San Martin Mine from Goldcorp for US\$26 million. The disposition of San Pedrito was recorded during the year ended April 30, 2017 and a gain of \$7,128 is reported on the Statement of Operations and Comprehensive Income. The gain recorded is net of an allowance for MXN\$ 10.5 million for amounts that management has deemed uncertain for collectability.

The sale covers a total surface area of approximately 74 hectares (740,832 square meters) sold at \$250 pesos per square meter. Payments are staged as follows:

| Surface Area in hectares (ha)   | Equivalent in square meters (sm) | Mexican Pesos <sup>(4)</sup> | Canadian Dollars <sup>(2)(4)</sup> | Status                  |
|---------------------------------|----------------------------------|------------------------------|------------------------------------|-------------------------|
| 55.068 ha                       | 550,685.485 sm                   | MXN\$ 137,671,371            | C\$ 9,640,852                      |                         |
| Interest Received               |                                  | MXN\$ 7,576,445              | C\$ 530,563                        |                         |
|                                 |                                  | <b>MXN\$ 145,247,816</b>     | <b>C\$ 10,171,415</b>              | <b>Payment received</b> |
| Parcel of 12 ha <sup>1</sup>    | 120,000.000 sm                   | MXN\$ 30,000,000             | C\$ 2,100,840                      | Pending clearance       |
| Parcel of 2.014 ha <sup>1</sup> | 20,146.059 sm                    | MXN\$ 5,036,515              | C\$ 352,697                        | Pending clearance       |
| Parcel of 5 ha <sup>1</sup>     | 50,000.000 sm                    | MXN\$ 12,500,000             | C\$ 832,731 <sup>(3)</sup>         | Payment received        |

(1) The remaining two parcels await various confirmations from different local and federal authorities. As the Company receives these confirmations, the buyer will immediately remit the corresponding payment for each parcel of land. It is expected that these clearances will be confirmed within the next 6 months.

(2) Based on exchange rate of 14.28 Pesos/CAD\$ as at close of March 21, 2017.

(3) Based on exchange rate of 15.01 Pesos/CAD\$ on the actual date of collection on November 8, 2017.

(4) Amounts are not rounded to the nearest thousand.

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

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**July 31, 2018**

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**6. Mining Interest, Plant and Equipment – (cont'd)**

Altiplano Facility

On August 5, 2015, the Company acquired Cortez Gold Corp. (“Cortez”) (TSXV: CUT) in an all-share transaction completed pursuant to a court approved Plan of Arrangement under the Business Corporations Act (British Columbia). Pursuant to the acquisition, the purchase price was allocated based on management’s best estimates and assumptions, after taking into account all relevant information available. As a result, apart from working capital allocations, \$6,094 was allocated to plant, machinery and equipment. The Altiplano Plant is a facility which processes third party gold and silver concentrate in Matehuala, Mexico.

**7. Exploration and Evaluation Assets**

a) American Consolidated Minerals (“AJC”) properties

Pursuant to the Acquisition of AJC, the Company has acquired the rights to three exploration properties as follows:

i) *Lone Ranch, U.S.A*

The Company has acquired the right to a 100% undivided interest, subject to a 3% net smelter royalty (“NSR”), in 73 mining claims located in Ferry County, Washington State, United States of America (“Lone Ranch”) from MinQuest Inc. (“MinQuest”). Consideration to be paid for the interest is USD\$360 (payable over 5 years commencing October 19, 2018), and the Company must incur total exploration expenditures of USD\$1,225 (USD\$175 incurred) on the property, by the third anniversary of October 19, 2018 as agreed by MinQuest. Annual payments commencing October 19, 2018 are \$60, \$80, \$100, and \$170 respectively.

These payment requirements will commence earlier should the Company enter into a joint venture agreement over the property or complete a bankable feasibility study on the property.

The optionor has also granted the Company the right to purchase up to one-half of the NSR (or 1.5%) on the basis of USD\$1,500 per each 1% of the royalty. If the Company does not incur the exploration expenditures as specified, the unpaid portions may be paid to the optionor to maintain the option.

ii) *Toiyabe, U.S.A*

The Company has the right to acquire a 100% undivided interest, subject to a 3% NSR, in 165 mining claims located in Lander County, Nevada, United States of America (“Toiyabe”) from MinQuest. Consideration to be paid for the interest is USD\$900 (payable over 5 years commencing October 19, 2018) and the Company must incur total exploration expenditures of USD\$1,025 (incurred) on the property, by the fifth anniversary of October 19, 2018 as agreed by MinQuest. Annual payments commencing October 19, 2018 are \$60, \$80, \$100, \$120, \$140 and \$400 respectively.

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

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**July 31, 2018**

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**7. Exploration and Evaluation Assets – (cont'd)**

a) AJC properties – (cont'd)

ii) *Toiyabe, U.S.A* – (cont'd)

These payment requirements will commence earlier should the Company enter into a joint venture agreement over Toiyabe or complete a bankable feasibility study on the property.

The optionor has also granted the Company the right to purchase up to one-half of the NSR (or 1.5%) on the basis of USD \$2,000 per each 1% of the royalty.

b) Creston Moly (“Creston”) properties

Pursuant to the Acquisition of Creston the Company has acquired the rights to three exploration properties as follows:

i) *El Creston Project, Mexico*

The Company acquired a 100% interest in the nine 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.

ii) *Ajax Project, Canada*

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

iii) *Molybrook Project, Canada*

The Company owns 100% of the 44 mineral claims of the Moly Brook molybdenum property, located on the southern coast of Newfoundland. The Moly Brook property is subject to a 2% NSR, of which 1.5% can be purchased by the Company for \$1,500.

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

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**July 31, 2018**

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**7. Exploration and Evaluation Assets – (cont'd)**

|  | <b>AJC</b>        | <b>Creston</b>    | <b>Total</b>    |
|--|-------------------|-------------------|-----------------|
|  | <b>Properties</b> | <b>Properties</b> |                 |
| <b>Acquisition costs:</b>                      |                   |                   |                 |
| Balance, April 30, 2017                        | \$ 1,214          | \$ 2,001          | \$ 3,215        |
| Property disposition                           | (970)             | -                 | (970)           |
| Recovery of disposal of E&E Asset              | (128)             | -                 | (128)           |
| Effect of foreign exchange                     | (80)              | -                 | (80)            |
| Balance, April 30, 2018 & July 31, 2018        | \$ 36             | \$ 2,001          | \$ 2,037        |
| Effect of foreign exchange                     | (1)               | -                 | (1)             |
| <b>Balance, July 31, 2018</b>                  | <b>\$ 35</b>      | <b>\$ 2,001</b>   | <b>\$ 2,036</b> |
| <b>Exploration costs:</b>                      |                   |                   |                 |
| Balance, April 30, 2017                        | \$ 1,712          | \$ 1,028          | \$ 2,740        |
| Exploration cost                               | 23                | -                 | 23              |
| Drilling                                       | 18                | -                 | 18              |
| Geological                                     | 31                | 13                | 44              |
| Legal fees                                     | -                 | 15                | 15              |
| Maintenance                                    | 62                | 274               | 336             |
| Property disposition                           | (37)              | -                 | (37)            |
| Effect of foreign exchange                     | -                 | 1                 | 1               |
| Balance, April 30, 2018                        | \$ 1,809          | \$ 1,331          | \$ 3,140        |
| Exploration cost                               | 1                 | -                 | 1               |
| Geological                                     | 7                 | -                 | 7               |
| Maintenance                                    | 1                 | 124               | 125             |
| Effect of foreign exchange                     | -                 | 3                 | 3               |
| <b>Balance, July 31, 2018</b>                  | <b>\$ 1,818</b>   | <b>\$ 1,458</b>   | <b>\$ 3,276</b> |
| <b>Total exploration and evaluation assets</b> |                   |                   |                 |
| Balance, April 30, 2017                        | \$ 2,926          | \$ 3,029          | \$ 5,955        |
| Balance, April 30, 2018                        | \$ 1,845          | \$ 3,332          | \$ 5,177        |
| <b>Balance, July 31, 2018</b>                  | <b>\$ 1,853</b>   | <b>\$ 3,459</b>   | <b>\$ 5,312</b> |

**Starcore International Mines Ltd.**  
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**8. Loan Payable**

On June 18, 2018, the Company completed a private placement of secured bonds in the aggregate principal amount of \$3,000 (the “Bonds”). The Bonds bear interest at 8% per annum, payable on maturity, and mature on June 18, 2020. The Bonds are secured by a charge over all of the Company’s and its subsidiaries assets.

The Company has issued 3,000,000 warrants to the bond holders, each warrant entitling the bond holders to acquire one share of Starcore at a price of \$0.20, expiring on June 18, 2021.

During the prior year ended April 30, 2018, the Company secured \$1,283 (USD \$1,000) loan (“Loan”) with a lender. The Loan is secured against certain assets of the Company and bears interest at 8% per annum, compounded and paid annually. The full principal plus accrued interest on the loan shall be repayable to the lender on October 25, 2019.

During the year ended July 31, 2015, the Company secured a \$1,305 (USD \$1,000) loan with a lender, bearing interest at 8% per annum, compounded annually. The full principal of \$1,213 plus accrued interest of \$311 for a total of \$1,524 on the loan was repaid to the lender during the year ended April 30, 2018.

|                               | Principal       | Interest      | Discount       | Total           |
|-------------------------------|-----------------|---------------|----------------|-----------------|
| Balance, April 30, 2017       | \$ 1,366        | \$ 280        | \$ -           | \$ 1,646        |
| Financing, October 25, 2017   | 1,283           | -             | -              | 1,283           |
| Repayment on debt             | (1,213)         | (311)         | -              | (1,524)         |
| Interest accrual              | -               | 83            | -              | 83              |
| Foreign exchange adjustment   | (154)           | -             | -              | (154)           |
| Balance, April 30, 2018       | 1,282           | 52            | -              | 1,334           |
| Interest accrual              | -               | 50            | -              | 50              |
| Discount                      | -               | -             | (56)           | (56)            |
| Financing                     | 3,000           | -             | -              | 3,000           |
| Foreign exchange adjustment   | 19              | -             | -              | 19              |
| <b>Balance, July 31, 2018</b> | <b>\$ 4,301</b> | <b>\$ 102</b> | <b>\$ (56)</b> | <b>\$ 4,347</b> |

|              | July 31, 2018   | April 30, 2018  |
|--------------|-----------------|-----------------|
| Current      | \$ -            | \$ -            |
| Non- Current | 4,347           | 1,334           |
|              | <b>\$ 4,347</b> | <b>\$ 1,334</b> |

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**July 31, 2018**

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**9. Rehabilitation and Closure Cost Provision**

The Company's asset retirement obligations consist of reclamation and closure costs for the mine. At July 31, 2018, the present value of obligations is estimated at \$1,188 (April 30, 2018 - \$1,162) based on expected undiscounted cash-flows at the end of the mine life of MXN\$18,729 or \$1,307 (April 30, 2018 - \$1,280), which is calculated annually over 5 to 10 years. Such liability was determined using a discount rate of 8% (April 30, 2018 - 8%) and an inflation rate of 3.5% (April 30, 2018 - 3.5%).

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:

|                              | <b>July 31, 2018</b> | April 30, 2018 |
|------------------------------|----------------------|----------------|
| Balance, beginning of period | \$ 1,162             | \$ 1,131       |
| Accretion expense            | 22                   | 64             |
| Foreign exchange fluctuation | 4                    | (33)           |
|                              | <b>\$ 1,188</b>      | \$ 1,162       |

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**10. Share Capital**

a) 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 period ended July 31, 2018, the Company did not issue any common shares.

During the year ended April 30, 2018, the Company:

- Completed a non-brokered private placement to an officer and director of the Company through the issuance of 500,000 units at a price of \$0.25 per unit for gross proceeds of \$125. Each unit is comprised of one common share of Starcore and one-half of one transferable common share purchase warrant, 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.

The Company calculated the fair value of the share component to be the lesser of the market price for the shares on the date of grant, which was \$0.24 per share, and the offering price, which was \$0.25 per unit. The shares, therefore, had a market price of \$0.24 per share or \$120 and the fair value of the warrants was calculated as the difference of \$5. As such, share capital was increased by \$120 and equity reserve increased by \$5.



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**10. Share Capital – (cont'd)**

b) Warrants

A summary of the Company's outstanding share purchase warrants at July 31, 2018, April 30, 2018 and 2017 and the changes during the period ended is presented below:

|                                     | Number of warrants | Weighted average exercise price |
|-------------------------------------|--------------------|---------------------------------|
| Outstanding at April 30, 2017       | -                  | \$ -                            |
| Warrants issued                     | 250,000            | 0.30                            |
| Outstanding at April 30, 2018       | 250,000            | 0.30                            |
| Warrants issued                     | 3,000,000          | 0.20                            |
| <b>Outstanding at July 31, 2018</b> | <b>3,250,000</b>   | <b>\$ 0.21</b>                  |

A summary of the Company's outstanding share purchase warrants is presented below:

| Number of Warrants | Exercise Price | Expiry Date   |
|--------------------|----------------|---------------|
| 250,000            | \$0.30         | March 7, 2022 |
| 3,000,000          | \$0.20         | June 18, 2020 |

c) Share-based Payments

The Company, in accordance with the policies of the 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 may not grant further options. The Company's management and directors are reviewing alternative compensation arrangements for the Company's employees and directors.

The following is a summary of changes in options, which are still outstanding, for the periods ending July 31, 2018, April 30, 2018 and 2017:

|   | Number of Shares | Weighted Average Exercise Price |
|---|------------------|---------------------------------|
| Balance at April 30, 2017                           | 1,348,750        | \$0.90                          |
| Forfeited/expired                                   | (400,000)        | 0.94                            |
| Balance at April 30, 2018                           | 948,750          | 0.88                            |
| Expired   | (50,000)         | 1.00                            |
| <b>Outstanding and Exercisable at July 31, 2018</b> | <b>898,750</b>   | <b>\$0.88</b>                   |

**Starcore International Mines Ltd.**  
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**July 31, 2018**

**10. Share Capital – (cont’d)**

c) Share-based Payments – (cont’d)

The following is a summary of outstanding stock options at July 31, 2018:

| Number<br>Outstanding | Weighted<br>Average<br>Exercise Price | Weighted<br>Average Life |
|-----------------------|---------------------------------------|--------------------------|
| 50,000                | \$0.80                                | 0.06                     |
| 50,000                | \$0.92                                | 1.10                     |
| 798,750               | \$0.88                                | 0.46                     |
| 898,750               | \$0.88                                | 0.42                     |

During the period ending July 31, 2018, 50,000 options expired. Subsequent to the period ending July 31, 2018, an additional 100,000 options expired.

d) Deferred Share Units (“DSU”) & Restricted Share Units (“RSU”)

Effective August 1, 2016, The Board of Directors has 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 is for eligible members of the Board of Directors, eligible employees and eligible contractors. The RSUs will vest over a period of three years from the date of grant, vesting as to one-third at the end of each calendar year. 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 August 1st of 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 period were as follows:

|   | Number of Share<br>Units |
|---|--------------------------|
| Outstanding at April 30, 2017                 | 757,000                  |
| Granted                                       | 705,000                  |
| Exercised                                     | (178,750)                |
| Cancelled                                     | (42,000)                 |
| Outstanding at April 30, 2018 & July 31, 2018 | 1,241,250                |

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**Starcore International Mines Ltd.**  
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**July 31, 2018**

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**10. Share Capital – (cont'd)**

c) Deferred Share Units (“DSU”) & Restricted Share Units (“RSU”) – (cont'd)

Management has determined that 50% of the RSU’s will be deemed payable on the vesting dates based on current performance criteria measures. As such only 50% of the RSU’s have been valued at fair value of \$0.125 per share. The liability portion for the period ended July 31, 2018 is \$55 (April 30, 2018 - \$70) which has been included under Trades and Other Payables on the Statement 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 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:

|   | Number of Share<br>Units |
|---|--------------------------|
| Outstanding at April 30, 2017                 | 600,000                  |
| Granted                                       | 410,000                  |
| Outstanding at April 30, 2018 & July 31, 2018 | 1,010,000                |

Based on the fair value of \$0.125 per share, the Company has recorded a liability of \$98 under Trades and Other Payable on the Statement of Financial Position.

**11. 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 short-term investments are carried at their fair value. There are no material differences between the carrying values and the fair values of any other financial assets or liabilities.

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.

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**Starcore International Mines Ltd.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**11. Financial Instruments – (cont'd)**

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. At July 31, 2018, the Company had the following financial assets and liabilities denominated in CAD and denominated in MXN\$:

|                                     | <b>CAD<br/>Dollars</b> | <b>MXN\$</b> |
|-------------------------------------|------------------------|--------------|
| Cash                                | \$ 2,609               | 2,297        |
| Other working capital amounts - net | \$ (247)               | 78,727       |
| Long-term liability                 | \$ (2,975)             | -            |

At July 31, 2018, US dollar amounts were converted at a rate of \$1.3012 Canadian dollars to \$1 US dollar and MP were converted at a rate of MP18.63 to \$1 US Dollar. A 10% increase or decrease in the US dollar exchange may increase or decrease annual earnings from mining operations by approximately \$172. A 10% increase or decrease in the MP exchange rate will decrease or increase annual earnings from mining operations by approximately \$71.

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 rate 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 is exposed to credit risk with respect to its cash and short-term investments, the balance of which at July 31, 2018 is \$1,187 (2018- \$2,321) and \$2,004 (2018 - \$Nil), respectively. Cash of \$413 (2018- \$974) and short-term investments of \$Nil (2018- \$ Nil) are held at a Mexican financial institution, cash of \$67 (2018 – \$23) are held at a US financial institution and the remainder of \$707 (2018- \$1,324) and the short-term investment of \$2,004 (2018- \$ Nil) are held at a chartered Canadian financial institution; the Company is exposed to the risks of those financial institutions. The taxes receivable are comprised of Mexican VAT taxes receivable of \$2,730 and GST receivable of \$14, which are subject to review by the respective tax authority, and \$1,404 related to amount owed from the sale of its San Pedrito Property (note 8).

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**Starcore International Mines Ltd.**  
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**July 31, 2018**

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**11. Financial Instruments – (cont'd)**

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 July 31, 2018, the Company was holding cash of \$1,187 (2018 - \$2,321) and short-term investments of \$2,004 (2018 - \$Nil).

| Obligations due within twelve months<br>of July 31, | 2018     | 2019     | 2020     | 2021 and<br>beyond |
|---|----------|----------|----------|--------------------|
| Trade and other payables                            | \$ 5,293 | \$ -     | \$ -     | \$ -               |
| Loan payable  | \$ -     | \$ 1,301 | \$ 3,000 | \$ -               |
| Reclamation and closure obligations                 | \$ -     | \$ -     | \$ -     | \$ 1,307           |

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 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 \$1,053 in revenue and net income.

**12. Commitments and Related Party Transactions**

Except as disclosed elsewhere in these interim condensed consolidated financial statements, the Company has the following commitments outstanding at July 31, 2018:

- a) As at July 31, 2018, the Company has shared lease commitments for office space of approximately \$144 per year, expiring at various dates up to April 2020, which includes minimum lease payments and estimated taxes, but excluded operating costs, taxes and utilities, to expiry.
- b) As at April 30, 2018, the Company has a land lease agreement commitment with respect to the land at the mine site, for \$132 per year until December 2018. The Company also has ongoing commitments on the exploration and evaluation assets of approximately \$220 per year increasing over the next 5 years for the AJC properties (see Note 9).
- c) As at April 30, 2018, the Company has management contracts to officers and directors totaling \$600 per year, payable monthly, expiring in January 2020 and US\$315 per year, payable monthly, expiring in August 2021.

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**Starcore International Mines Ltd.**  
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**July 31, 2018**

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**13. 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 July 31, 2018.

**14. Earnings per Share**

The Company calculates the basic and diluted income (loss) per share using the weighted average number of shares outstanding during each year and the diluted income (loss) per share assumes that the outstanding vested stock options and share purchase warrants had been exercised at the beginning of the year.

The denominator for the calculation of income (loss) per share, being the weighted average number of shares, is calculated as follows:

| <b>For the period ended July 31,</b>     | <b>2018</b>       | 2017       |
|--|-------------------|------------|
| Issued common share, beginning of period | <b>49,646,851</b> | 49,146,851 |
| Weighted average issuances               | -                 | -          |
| Basic weighted average common shares     | <b>49,646,851</b> | 49,146,851 |
| Effect of dilutive warrants and options  | -                 | -          |
| Diluted weighted average common shares   | <b>49,646,851</b> | 49,146,851 |

Vested share purchase options totalling 898,750 and warrants totalling 3,250,000 at July 31, 2018, were not included in the computation of diluted earnings per share as the effect was anti-dilutive.

**Starcore International Mines Ltd.****Notes to the Condensed Interim Consolidated Financial Statements  
(in thousands of Canadian dollars unless otherwise stated) - Unaudited****July 31, 2018****15. Segmented Information**

The Company operates in three reportable geographical and one operating segment. Selected financial information by geographical segment is as follows:

|                                      | <b>Bernal</b> | <b>Mexico<br/>Altiplano</b> | <b>Others</b> | <b>Total</b> | <b>Canada</b> | <b>USA</b> | <b>July 31, 2018<br/>Total</b> |
|--------------------------------------|---------------|-----------------------------|---------------|--------------|---------------|------------|--------------------------------|
| Revenue                              |               |                             |               |              |               |            |                                |
| Mined Ore                            | \$ 7,350      | \$ -                        | \$ -          | \$ 7,350     | \$ -          | \$ -       | \$ 7,350                       |
| Purchase Concentrate                 | 192           | 3,081                       | -             | 3,273        | -             | -          | 3,273                          |
| Cost of sales:                       |               |                             |               |              |               |            |                                |
| Mined Ore                            | (5,751)       | -                           | -             | (5,751)      | -             | -          | (5,751)                        |
| Purchase Concentrate                 | (101)         | (3,068)                     | -             | (3,169)      | -             | -          | (3,169)                        |
| Depreciation                         | (940)         | (90)                        | -             | (1,030)      | -             | -          | (1,030)                        |
| Earnings (loss) from operations      | 750           | (77)                        | -             | 673          | -             | -          | 673                            |
| Mining interest, plant and equipment | 35,747        | 6,068                       | -             | 41,815       | 159           | -          | 41,974                         |
| <b>Non-Current Assets</b>            | 41,230        | 6,068                       | 3,187         | 50,485       | 3,070         | 2,020      | 55,575                         |
| Total assets                         | 48,329        | 8,534                       | 3,497         | 60,360       | 5,789         | 2,153      | 68,302                         |

|                                      | <b>Bernal</b> | <b>Mexico<br/>Altiplano</b> | <b>Others</b> | <b>Total</b> | <b>Canada</b> | <b>USA</b> | <b>July 31, 2017<br/>Total</b> |
|--------------------------------------|---------------|-----------------------------|---------------|--------------|---------------|------------|--------------------------------|
| Revenue                              |               |                             |               |              |               |            |                                |
| Mined Ore                            | \$ 6,435      | \$ -                        | \$ -          | \$ 6,435     | \$ -          | \$ -       | \$ 6,435                       |
| Purchase Concentrate                 | 926           | 734                         | -             | 1,660        | -             | -          | 1,660                          |
| Cost of sales:                       |               |                             |               |              |               |            |                                |
| Mined Ore                            | (5,129)       | -                           | -             | (5,129)      | -             | -          | (5,129)                        |
| Purchase Concentrate                 | (857)         | (1,092)                     | -             | (1,949)      | -             | -          | (1,949)                        |
| Depreciation                         | (1,238)       | (112)                       | (46)          | (1,396)      | -             | -          | (1,396)                        |
| Earnings (loss) from operations      | 164           | (470)                       | (73)          | (379)        | -             | -          | (379)                          |
| Mining interest, plant and equipment | 39,464        | 6,125                       | 1,808         | 47,397       | 224           | -          | 47,621                         |
| Non-Current Assets                   | 43,226        | 6,125                       | 1,808         | 51,159       | 6,342         | 1,992      | 59,493                         |
| Total assets                         | 55,701        | 8,562                       | 1,867         | 66,130       | 7,905         | 2,005      | 76,040                         |

During the periods ended July 31, 2018, the Company earned all of its revenues from two customers. As at July 31, 2018, the Company does not consider itself to be economically dependent on these customers as transactions with these parties can be easily replaced by transactions with other parties on similar terms and conditions. The balance owing from this customer on July 31, 2018 was \$1,750 (April 30, 2018 - \$Nil).