UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended April 30, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

OR

☐ **SHELL COMPANY PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report ______________

For the transition period from ___________ to ____________

Commission file number **000-50922**

STARCORE INTERNATIONAL MINES LTD.
(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

British Columbia, Canada
(Jurisdiction of incorporation or organization)

Suite 750 – 580 Hornby Street, Box 113
Vancouver, British Columbia, Canada V6C 3B6
(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of Class	Name of each exchange on which registered
Not Applicable	**Not Applicable**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Common Shares Without Par Value
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

Not Applicable
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

49,646,851 common shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ YES ☒ NO

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ YES ☐ NO

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ YES ☐ NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definition of "large accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued ☒ Other ☐
by the International Accounting Standards Board

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

☐ ITEM 17 ☐ ITEM 18

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐YES ☒ NO

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐YES ☒ NO

Auditor Firm Id: [**731**] Auditor Name: [**Davidson & Company LLP**] Auditor Location: [**Vancouver, BC, Canada**]

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CURRENCY AND MEASUREMENT

All currency amounts in this Annual Report are stated in Canadian Dollars unless otherwise indicated.

Approximate conversion of metric units into imperial equivalents is as follows:

Metric Units	**Multiply by**	**Imperial Units**
hectares	2.471	= acres
meters	3.281	= feet
kilometers	3281	= feet
kilometers	0.621	= miles
grams	0.032	= ounces (troy)
tonnes	1.102	= tons (short) (2,000 lbs)
grams/tonne	0.029	= ounces (troy)/ton

FORWARD-LOOKING STATEMENTS

Except for the statements of historical fact contained herein, some information presented in this Annual Report constitutes forward-looking statements. When used in this Annual Report, the words “estimate”, “project”, “believe”, “anticipate”, “intend”, “expect”, “predict”, “may”, “should”, the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, lack of commercially exploitable mineral reserves, future prices of precious metals and minerals, as well as those factors discussed in the section entitled “Risk Factors” beginning on page 7, below. Although our Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause actual results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements. The forward-looking statements in this Annual Report speak only as to the date hereof. Except as required by applicable law, including the securities laws of the United States, we do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

As used in this Annual Report, the terms “we”, “us” and “our” mean Starcore International Mines Ltd. and all of our wholly owned subsidiaries, unless otherwise indicated.

STATUS AS AN EMERGING GROWTH COMPANY

Our Company is an "emerging growth company" as defined in section 3(a) of the Exchange Act, and we will continue to qualify as an "emerging growth company" until the earliest to occur of: (a) the last day of the fiscal year during which our Company has total annual gross revenues of US$1,000,000,000 (as such amount is indexed for inflation every 5 years by the SEC) or more; (b) the last day of our Company's fiscal year following the fifth anniversary of the date of the first sale of common equity securities pursuant to an effective Registration Statement under the Securities Act; (c) the date on which our Company has, during the previous 3-year period, issued more than US$1,000,000,000 in non-convertible debt; or (d) the date on which our Company is deemed to be a "large accelerated filer", as defined in Exchange Act Rule 12b–2. Therefore, we expect to continue to be an emerging growth company for the foreseeable future.

Generally, a company that registers any class of its securities under section 12 of the Exchange Act is required to include in the second and all subsequent annual reports filed by it under the Exchange Act, a management report on internal control over financial reporting and, subject to an exemption available to companies that meet the definition of a “smaller reporting company” in Exchange Act Rule 12b-2, an auditor attestation report on management’s assessment of internal controls over financial reporting. However, for so long as we continue to qualify as an emerging growth company, we will be exempt from the requirement to include an auditor attestation report in our annual reports filed under the Exchange Act, even if we do not qualify as a “smaller reporting company”. In addition, auditors of an emerging growth company are exempt from the rules of the Public Company Accounting Oversight Board requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the registrant company (auditor discussion and analysis).

As a reporting issuer under the securities legislation of the Canadian provinces of Ontario, British Columbia, and Alberta, we are required to comply with all new or revised accounting standards that apply to Canadian public companies. Pursuant to Section 107(b) of the Jumpstart Our Business Startups Act (commonly referred to as the “JOBS Act”), an emerging growth company may elect to utilize an extended transition period for complying with new or revised accounting standards for public companies until such standards apply to private companies. We have elected to utilize this extended transition period. However, while we have elected to utilize this extended transition period, our audited consolidated financial statements as of April 30, 2018 reflect the adoption of all required accounting standards for Canadian public companies.

PART I

FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

The financial statements and summaries of financial information contained in this document are reported in Canadian dollars (“$”) unless otherwise stated. All such financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (the “IASB”).

In May 2016, our Board of Directors resolved to change our financial year end from July 31 to April 30, with the result that our transition financial year ended on April 30, 2016 covered a period of nine months. Our financial statements for the year ended April 30, 2022 have been reported on by Davidson & Company LLP, Chartered Professional Accountants, of 1200-609 Granville Street, P.O. Box 10372, Pacific Centre Vancouver, BC, Canada V7Y 1G6, a registered public accounting firm.

Item 1 Identity of Directors, Senior Management and Advisers

Not Applicable for Annual Reports

Item 2 Offer Statistics and Expected Timetable

Not Applicable for Annual Reports

Item 3 Key Information

A. Selected Financial Data

The following tables summarize selected financial data for our Company for the year ended April 30, 2022 and the past four years before that. As indicated elsewhere in this Annual Report, in May 2016, our Board of Directors resolved to change our financial year end from July 31 to April 30. The information in the tables for the years ended April 30, 2022, April 30, 2021, April 30, 2020, April 30, 2019 and April 30, 2018 was extracted from the detailed audited financial statements and related notes included in this Annual Report and should be read in conjunction with those financial statements and the other information appearing under the heading "Item 5 – Operating and Financial Review and Prospects" beginning at page 40, below.

Selected Financial Data
(Stated in thousands of Canadian Dollars)

IFRS as issued by the IASB	At April 30, 2018	At April 30, 2019	At April 30, 2020	At April 30, 2021	At April 30, 2022
Total Revenues	27,807	32,795	24,820	26,799	25,679
Earnings from Mining Operations	(4,928)	36	1,984	6,402	5,306
Earnings for the Year	(12,000)	(11,804)	(3,629)	2,892	2,405
Basic and Diluted Earnings per Share	(0.24)	(0.24)	(0.07)	0.06	0.05
Total Assets	64,451	57,005	54,413	46,471	52,041
Total Liabilities	15,383	17,969	17,109	10,191	11,987
Net Assets	49,068	39,036	37,304	36,280	40,054
Share Capital	50,725	50,725	50,725	50,725	50,725
Common Stock	49,646,851	49,646,851	49,646,851	49,646,851	49,646,851
Cash Dividends per Common Share	NIL	NIL	NIL	NIL	NIL

Disclosure of Exchange Rate History

On July 22, 2022 the noon rate of exchange as set forth in the H.10 statistical release of the Federal Reserve Board, for the conversion of United States dollars into Canadian dollars was US$1.00 = $1.2861.

The following table sets forth the high and low rates of exchange for the Canadian dollar, expressed as Canadian dollars per U.S. dollar, for each month during the previous six months:

	Exchange Rate U.S. Dollars into Canadian Dollars	
Month Ended	**High**	**Low**
June 30, 2022	1.2433	1.2356
May 31, 2022	1.2089	1.2059
April 30, 2022	1.2322	1.2266
March 31, 2022	1.2628	1.2540
February 28, 2022	1.2702	1.2587
January 31, 2022	1.2874	1.2740

The following table sets forth the average rates of exchange for the Canadian dollar, expressed as Canadian dollars per U.S. dollar, during the year ended April 30, 2022 and during each of the preceding four financial years ended April 30, calculated by using the average of the exchange rates on the last day of each month during the period:

Year Ended	**Average Exchange Rate U.S. Dollars into Canadian Dollars**
April 30, 2022	1.2548
April 30, 2021	1.3088
April 30, 2020	1.3359
April 30, 2019	1.3179
April 30, 2018	1.2774

B. Capitalization and Indebtedness

Not Applicable for Annual Reports

C. Reasons for the Offer and Use of Proceeds

Not Applicable

D. Risk Factors

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

Risks Associated with our Mining Operations

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

During the year ended April 30, 2022, the cash flow generated from operating, investing and financing activities resulted in a net cash inflow of $4,205,000 (2021 - $2,651,000) bringing the Company's cash balance to $8,818,000 (2021 – 4,392,000) with a working capital of $9,135,000 (2021- $5,829,000) and an accumulated deficit of $24,205,000 (2021 - $26,610,000).The ability of the Company to generate sufficient cash flows to continue operations is dependent upon many factors including, but not limited to, sufficient ore grade, ore production at the San Martin mine, control of mine production costs, administrative costs and tax costs and upon the market price of metals. Cash flows may also be affected by the ability of the Company to reduce capital expenditures, including mine development.

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

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

Mining risks.

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

Mine development is subject to a number of risks.

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

We may be adversely affected by fluctuations in gold prices.

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

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

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

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

Our estimates of future production may not be achieved.

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

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

Mineral reserves and resources estimates are subject to inherent uncertainty.

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

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

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

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

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

We may have future capital requirements.

As of April 30, 2022, we had cash of approximately $8,818,000 (2021- $4,392,000) and working capital of approximately $9,135,000 (2021- $5,829,000). We intend to use our future cash flows to fund exploration and development work and for general corporate purposes. Capital expenditures and funds for exploration in financial year 2023 are expected to total approximately $4.8 millions. The primary expenditures are planned to be mine development and equipment purchases and replacement which are anticipated to be funded out of the mine's cash flow. We may have further capital requirements to the extent we decide to develop other properties or to take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to us. In addition, we may incur major unanticipated liabilities or expenses. Failure to make required capital expenditures may impact our financial results.

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

We may require further loans in the future.

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

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

Government regulation may adversely affect our business and planned operations.

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

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

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

Under the Foreign Investment Law of Mexico, there is no limitation on foreign capital participation in mining operations; however, the applicable laws may change in a way which may adversely impact the Company and its ability to repatriate profits. Under Mexican Income Tax Law, dividends are subject to a withholding tax.

The VAT (IVA) is an indirect tax levied on the value added to goods and services, and it is imposed on carry out activities within Mexican territory.

In Mexico, the corporate tax rate is 30%, , a special mining royalty of 7.5% on the profits derived from the sale of minerals, and, an extraordinary mining royalty of 0.5% on the gross income derived from the sale of gold, silver and platinum. These may have a material impact on the Company's future earnings and cash flows, and possibly on future capital investment decisions.

Our operations are subject to environmental risks.

All phases of our operations, if any, will be subject to federal, state and local environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. We cannot be certain that future changes in environmental regulation, if any, will not adversely affect our operations, if any. Environmental hazards may exist on properties we hold that are unknown to us and that have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

We do not insure against all risks.

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

Our directors and officers may have conflicts of interest.

Each of our directors and officers has served and continue to serve as officers and/or directors of other companies engaged in natural resource exploration and development and related industries. Consequently, there is a possibility that our directors and/or officers may be in a position of conflict now or in the future. For example, a conflict of interest might arise where one of our directors or officers becomes aware of a corporate opportunity that would be of interest not only to our Company, but also to another mining company of which he is also a director or officer; or it is foreseeable that our Company could become involved in a mineral property option or joint venture agreement in respect of a mineral exploration or mine development project in which such a company holds an interest. For a description of the directorships and/or offices held by our directors and officers in other companies engaged in natural resource exploration and development and related industries, please see "*Item 6 - Directors, Senior Management and Employees - A. Directors and Senior Management – Director Interlocks*."

Title to our properties may be subject to challenge.

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

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

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

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

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

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

We may be subject to unforeseen litigation.

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

Estimates and assumptions employed in the preparation of financial statements.

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

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

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

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

Our operations are subject to risks associated with currency fluctuations.

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

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

We conduct mining, development or exploration activities primarily in Mexico and exploration activities in the United States. Our foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on our earnings or the viability of its affected foreign operations, which could have a material and adverse effect on our future cash flows, results of operations and financial condition.

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

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

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

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

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

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

COVID-19 Uncertainties

Although COVID-19 restrictions and protocols have eased recently, the precise impacts of the global emergence of Coronavirus disease (COVID-19) on the Company are currently unknown. The Company intends to conduct business as normal with modifications to personnel travel and work locations. In Mexico, there is uncertainty as to the continuing designation of mining operations as an essential service. The Company is also evaluating whether exploration work can continue at San Martin. Rules in all jurisdictions are changing rapidly and the Company will need to evaluate and evolve with measures as they are announced. Government restrictions on the movement of people and goods may cause operations, exploration work and analysis being done by the Company and its contractors to slow or cease temporarily or even permanently. Ceasing operations will have disastrous effects in all Company sectors, and may cause the Company to enact force majeure under one or more of its agreements. Such disruptions in work may cause severe negative impacts on the Company's cash flow, on staffing and personnel, on actual or self-imposed deadlines and other adverse consequences and fiscal losses. In addition, the outbreak of COVID-19 has caused considerable disruption to the world economy and financial markets which could have a materially adverse impact on the ability of the Company to raise additional funding in the future and could negatively impact, among other factors, the Company's share price.

There are risks associated with our acquisition strategy.

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

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

Although the Company has completed the sale of a number of its non-core assets in the year ended April 30, 2022, the Company cannot assure that it can complete any further sale or joint venture that it pursues, or is pursuing, on favourable terms, or that any of these business arrangements will ultimately benefit the Company. If not successful or if forced into "fire-sales" in disposing of its properties, these non-core assets acquired by the Company in prior years could have a material adverse effect on the Company's results of operations and financial condition.

We are reliant on our current management team.

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

We compete for access to qualified employees and contractors.

At April 30, 2022, we employed or contracted the services of approximately 261 (244 in 2021), including staff at the minesite. We compete with other mining companies in connection with the recruitment and retention of qualified employees. At the present time, a sufficient supply of qualified workers is available for our operations. The continuation of such supply depends upon a number of factors, including, principally, the demand occasioned by other projects. There can be no assurance that we will continue to be able to retain or attract qualified employees. There is a risk that increased labour costs could have a material adverse effect on our operating costs.

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

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

Risks Related to Our Company

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

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

Risks Relating to our Securities

The prior registration of our common stock under section 12(g) of the Securities Exchange Act of 1934 was revoked pursuant to section 12(j) of that Act due to our failure to comply with our reporting obligations. We have re-registered under the Act and our registration statement became effective on October 11, 2016. If, in the future, we fail to comply with the reporting requirements of the Exchange Act, the SEC could initiate proceedings to once again revoke our registration, and broker-dealers in the United States would thereafter be unable to effect transactions in our Company's common shares.

Trading in our common shares on the Toronto Stock Exchange and the OTCQB is limited and sporadic, making it difficult for our shareholders to sell their shares or liquidate their investments.

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

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

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

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

U.S. investors may not be able to enforce their civil liabilities against us or our directors, controlling persons and officers.

It may be difficult to bring and enforce suits against us. Some of our directors and officers are residents of countries other than the United States. Consequently, it may be difficult for United States investors to effect service of process in the United States upon those directors or officers who are not residents of the United States, or to realize in the United States upon judgments of any court of the United States.

Trading of our stock may be restricted by the SEC's "Penny Stock" regulations which may limit a stockholder's ability to buy and sell our stock.

The U.S. Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) of less than US$5.00 per share or an exercise price of less than US$5.00 per share, subject to certain exceptions. Although the company meets the net tangible asset exception to the definition of a penny stock, many brokers nonetheless maintain that any stock under $5.00 and not trading on a national securities exchange are still considered penny stocks. Therefore, our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors." The term "accredited investor" refers generally to institutions with assets in excess of US$5,000,000 or individuals with a net worth in excess of US$1,000,000 (exclusive of the value of a principal residence; and either individually or jointly with the individual's spouse) or annual income exceeding US$200,000 in each of the two most recent years or US$300,000 jointly with their spouse for those years.

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer must also provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation.

In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction.

These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in, and limit the marketability of, our common stock.

Item 4 Information on our Company

A. History and Development of our Company

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

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

Our common shares are listed on the Toronto Stock Exchange under the symbol "SAM", on the OTCQB under the symbol "SHVLF" and on the Frankfurt Stock Exchange under the symbol "V4JA".

B. Our Business Overview

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

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

Sierra Rosario: Sinaloa.

Located within the historically productive Sierra Madre Occident geological province in the northern Mexican state of Sinaloa, the Sierra Rosario property consists of two large mineral exploration concessions totaling 978.57 hectares. In February 2018, the Company sold this property for US$100,000 and an additional 1% NSR.

Private Placement

On June 18, 2018, the Company announced that it had completed a private placement of secured bonds in the aggregate principal amount of CDN$3 million (the "Bonds"). The Bonds bore interest at 8% per annum, payable on maturity, and matured on June 18, 2020. The Bonds were secured by a charge over all of the Company's and its subsidiaries' assets.

Following conditional acceptance from the Toronto Stock Exchange, the Company 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.

The Bonds were sold pursuant to exemptions from the prospectus requirement of Canadian securities legislation and were subject to a statutory four month hold period which expired on October 19, 2018. The Bonds were not and will not be listed on any market or exchange. The Bonds have not been registered under the U.S. Securities Act of 1933, as amended, and were not offered or sold in the United States.

The proceeds from the sale of the Bonds were added to general working capital.

On June 10, 2020 the Company paid out the Bonds in the principal amount of Cdn$3 million, plus accrued interest of CAD$235,410, ahead of the Bonds' June 18, 2020, maturity date.

Salary Reductions

On May 16, 2019, the Company reported that Starcore management had agreed to take a 25% reduction in salary effective May 1, 2019. In April, 2022, the Board approved that management remuneration to the three executive officers be reinstated to their previous levels, and extended the management contracts to April 22, 2024. The Board thanked the executive officers for their voluntary reductions in their respective remuneration at a time when the Company was undergoing financial difficulties.

43-101 Filing

On December 2, 2019, the Company filed a technical report authored by Erme Enriquez, C.P.G., B.Sc., M.Sc. entitled "*Reserves and Resources in the San Martin Mine, Queretaro State, Mexico as of September 30, 2019*" dated October 30, 2019 (the "Technical Report").

Readers are cautioned that the SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the Exchange Act, effective February 25, 2019 (the "SEC Modernization Rules"). The SEC Modernization Rules are embodied in new subpart 1300 of Regulation S-K ("S-K 1300"), and replace the historical property disclosure requirements for mining registrants that were formerly included in SEC Industry Guide 7.

The SEC Modernization Rules include the adoption of definitions of terms which, although they are "substantially similar" to the corresponding terms under the 2014 CIM Standards (as used in the Technical Report), are nevertheless subject to certain material differences. The Company is no longer permitted to include in its filings with the SEC for fiscal periods beginning on or after January 31, 2021, any technical disclosure that does not comply with the SEC Modernization Rules. Accordingly, on June, 2022, the Company, engaged Erme Enriquez to prepare an independent technical summary on the San Martin Mine (the "Technical Report Summary"), to support the disclosure of estimates of Total Proven and Probable Mineral Reserves as of April 30, 2022 in this annual report.

The Technical Report Summary conforms to S-K 1300 and Item 601(b)(96) Technical Report Summary, and Erme Enriquez C.P.G., BSc, MSc is a qualified person for the purposes of S-K 1300. Mr. Enriquez is independent of the Company.

Revenues: See Item 5(A) "Operating Results"

Principal Market

Gold and silver doré in the form of bullion that is produced from our San Martin Mine is shipped primarily to a refinery in Europe. We also have a contract and the ability to ship to a refinery in the United States of America to mitigate the potential impact of unrelated problems that could arise using a lone refinery such as strikes or other issues. The terms of the refinery contracts provide for payment of 99.9% of the gold and 99.5% of the silver content with treatment charges of $0.30 to $0.75/troy oz of doré and refining charges of US$1.00/troy oz of gold. Payment is due 5 – 20 business days following receipt of the bullion at the refinery and based on the spot price when settled.

The San Martin doré is a clean product with few impurities. There are numerous refineries around the world available to refine the doré.

We have not yet identified any commercially viable mineral deposit on any of our exploration properties, and metal prices are currently not economically attractive for one of our projects nearing the development stage. We expect that the principal markets for any of these other properties - should they be successful and be put into production - would consist of metals refineries and base metal traders and dealers.

Seasonality of our Business

The San Martin Mine operates year-round. In general, the mine does not operate on Sundays although at times overtime is required in the mine to meet production targets. The mine operates with 3 shifts, 8 hours each, six days a week. Administration personnel at the mine work Monday to Friday.

Exploration activities at all of our properties can be conducted year-round.

Patents and Licenses; Industrial, Commercial and Financial Contracts; and New Manufacturing Processes

We are not dependent on any patented or licensed processes or technology, or on any industrial, commercial or financial contract, or on any new manufacturing processes.

Competitive Conditions

We compete with other mining companies for the acquisition of mineral interests and for the recruitment and retention of qualified employees. Some of our competitors have greater financial resources and technical facilities than our Company. While we compete with these other exploration companies in the effort to locate and acquire mineral resource properties, we will not compete with them for the removal or sales of mineral products from our properties if we should eventually discover the presence of them in quantities sufficient to make production economically feasible. Readily available markets exist worldwide for the sale of mineral products. Therefore, we will likely be able to sell any mineral products that we identify and produce.

Governmental Regulations

Various levels of governmental controls and regulations address, among other things, the environmental impact of mineral exploration and mineral processing operations, and establish requirements for decommissioning of mineral exploration properties after operations have ceased. With respect to the regulation of mineral exploration and processing, legislation and regulations in various jurisdictions establish performance standards, air and water quality emission standards, and other design or operational requirements for various aspects of the operations, including health and safety standards. Legislation and regulations also establish requirements for decommissioning, reclamation and rehabilitation of mineral exploration properties following the cessation of operations and may require that some former mineral properties be managed for long periods of time.

In North America, our production, processing and exploration activities are subject to various levels of federal and state laws and regulations in the countries where we have a presence. These laws and regulations relate to protection of the environment, including requirements for closure and reclamation of mineral exploration properties. In North America, these laws and regulations include the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Emergency Planning and Community Right-to-Know Act, the Endangered Species Act, the Federal Land Policy and Management Act, the National Environmental Policy Act, the Resource Conservation and Recovery Act and the equivalents of these federal laws that have been adopted by the state of Nevada.

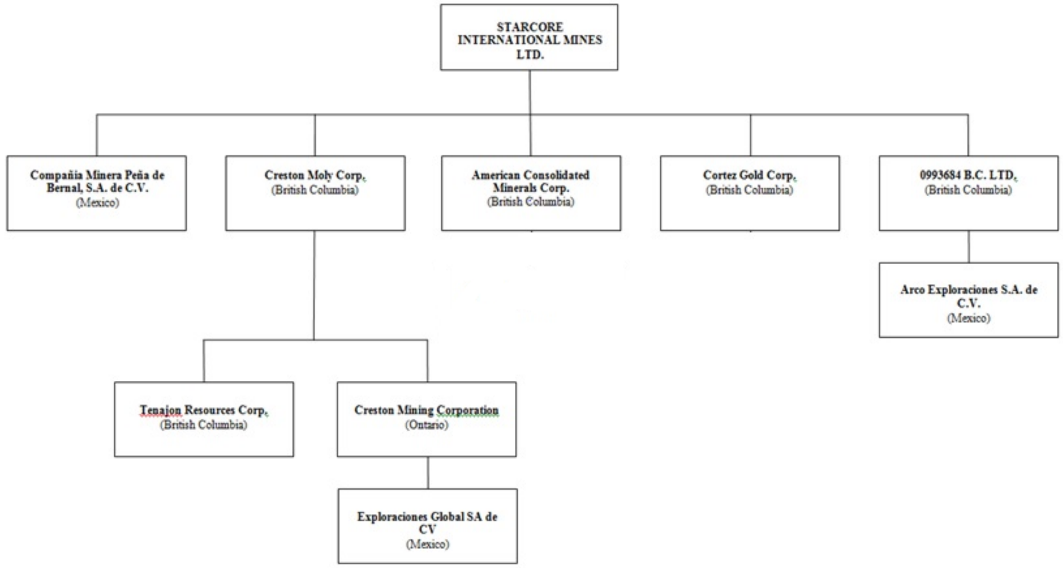
In addition, we are subject to Mexican mining laws and their laws protecting ecological balance and the environment.

C. Organizational Structure

The following table sets forth all of our material subsidiaries, their jurisdictions of incorporation and the percentage of voting securities beneficially owned or controlled by the Company.

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

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


STARCORE INTERNATIONAL MINES LTD.
Compañia Minera Peña de Bernal, S.A. de C.V. (Mexico)
Creston Moly Corp. (British Columbia)
American Consolidated Minerals Corp. (British Columbia)
Cortez Gold Corp. (British Columbia)
0993684 B.C. LTD. (British Columbia)
Arco Exploraciones S.A. de C.V. (Mexico)
Tenajon Resources Corp. (British Columbia)
Creston Mining Corporation (Ontario)
Exploraciones Global SA de CV (Mexico)

D. Property, Plant and Equipment

a. San Martin Mine, Queretaro, Mexico: Compañia Minera Peña de Bernal, S.A. de C.V., a wholly owned Starcore subsidiary, holds the mining concessions covering 12,991.78 ha (2021) - 5,588.5782 ha (2020) at the San Martin Project in the State of Querétaro. The mining concessions include seven underground mining units and four units under exploration. Luismin (now "Goldcorp Mexico") operated the mine from 1993 to January, 2007 when it was purchased by our Company. We have been mining at San Martin at a rate of approximately 250,000 tonnes per year. We expect to continue to operate the mine as we convert resources to reserves. Historically, the mine has typically maintained at least two years of reserves for operations.

b. Our executive office is located at Suite 750 – 580 Hornby Street, Box 113, Vancouver, British Columbia, Canada V6C 3B6. We lease a 2,264 square foot office, with total rent and common costs for this space being $107,724.84 per year from May 2020 to April 2022, increasing to $110,102.04 per year from May 2022 to April 2024, and $112,429.24 for the year May 2024 to April 2025. The lease expires on April 30, 2025. This office space accommodates all of our executive and administrative personnel and we believe that it is adequate for our current needs. Should we require additional space, we believe that such space can be secured on commercially reasonable terms. See Item 5(F) for office lease obligations.

Mineral Properties

San Martin Mine, Queretaro, Mexico

Except for production statistics updated to April 30, 2022, the following description of the San Martin Mine has been extracted from the Technical Report Summary entitled "*S-K 1300 Technical Report Summary San Martin Mine*" (the "Technical Report Summary") issued on June 28, 2022. The Technical Report Summary was prepared for Starcore in accordance with S-K 1300 by Erme Enriquez C.P.G., B.Sc, M.Sc., who is independent. The Technical Report is effective as at April 30, 2022.

The following table is a summary of mine production statistics for the San Martin mine for the years ended April 30, 2022 and 2021. Although the mine reduced operations to 627 tons per day, the continued strength of the US dollar has resulted in profitable operational results even with the recently declining mill head grade. Production for the year ended April 30, 2022 was 224,438 tonnes at an average head grade of 1.58 g/t gold and 22.99 g/t silver.

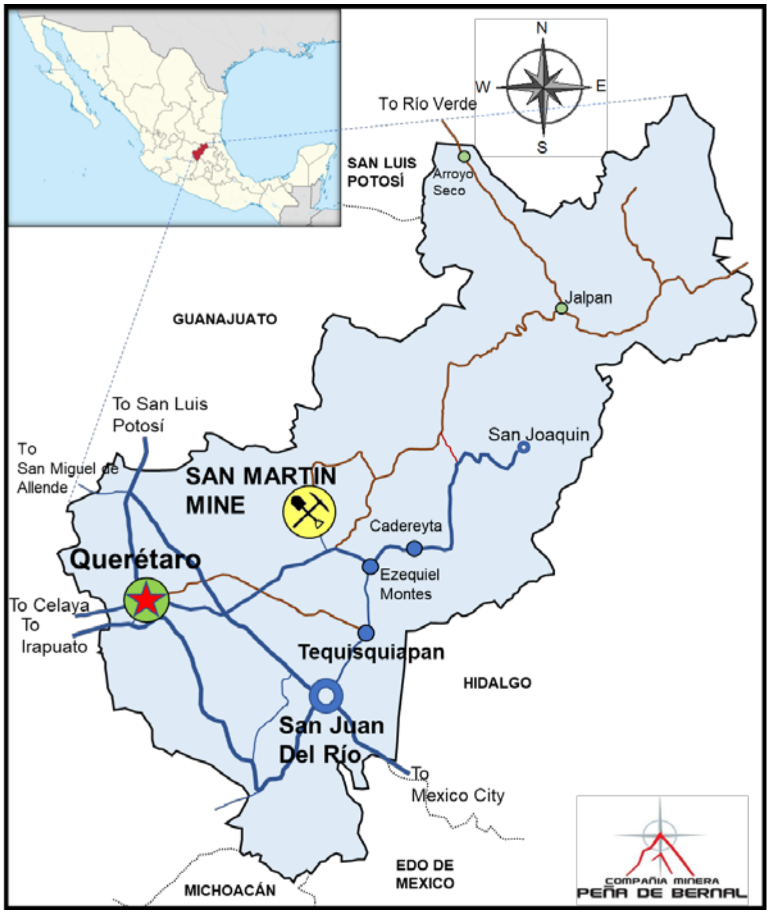
	Unit of measure	**Actual results for period ended April 30, 2022**	**Actual results for period ended April 30, 2021**
Mine production of gold in Doré	ounces	**10,028**	**10,475**
Mine production of silver in Doré	ounces	**85,360**	**103,424**
Total mine production – equivalent ounces	ounces	**11,165**	**11,797**
Silver to gold equivalency ratio		**75.04**	**78.28**
Mine gold grade	grams/tonne	**1.58**	**1.63**
Mine silver grade	grams/tonne	**22.99**	**24.7**
Mine gold recovery	percent	**88**	**88**
Mine silver recovery	percent	**51**	**57**
Milled	tonnes	**224,438**	**225,504**
Mine development, preparation and exploration	Meters	**7,474**	**7,426**
Mine operating cash cost per tonne milled	US dollars/tonne	**62**	**55**
Mine operating cash cost per equivalent ounce	US dollars/ounces	**1,239**	**1,056**
Number of employees and contractors at minesite		**254**	**244**

Property Description and Location

The San Martin mine is an underground gold-silver mining complex that has been in operation since 1993. It produces gold-silver by using the Merrill–Crowe Process technique for removing gold from the solution obtained by the cyanide leaching of gold and silver ores. The mine operates 365 days per year on a 24 hour per day schedule. Mining and ore processing operations are currently in production and the mine is considered a production stage property. The San Martin mine encompasses the San Jose, San Martin (SR), and Cuerpos 28 to 32 orebodies.

The San Martin mine is run by Compania Minera Bernal, SA de CV (CMPB) a wholly owned subsidiary of Starcore International Mines Ltd.

The San Martin mine is located 47 kilometres, in a straight line, northeast of Queretaro City, Queretaro State, on local road No.100 and about 250 kilometres NW of Mexico City, near the towns of Tequisquiapan and Ezequiel Montes. The San Martin Mine complex consists of 8 mining claims that cover 12,991.7805 hectares (2022) due to an application to reduce the surface area, application has since been withdrawn.



Location of the San Martin Mine, Queretaro State, Mexico

The following table summarizes the mining concessions comprising the San Martin Mine property.

No. on Map	Concession Name	Exp.	Title	Term of Concession		Hectares	2021 Annual Taxes (Pesos)	
				From	To		1st Sem	2nd Sem
1	San Martin 2	321.1/6-72	191134	29/04/1991	28/04/2041	190.7972	$35,652	$35,652
2	San Martin	321.1/6-71	191423	19/12/1991	18/12/2041	132.0818	$24,681	$24,681
3	La Trinidad	6/1.3/276	204824	13/05/1997	13/05/2047	2,610.7224	$487,840	$487,840
4	San Martin Fracc. A.	6/1.3/00409	215262	14/02/2002	13/02/2052	37.1099	$6,934	$6,934
5	San Martin Fracc. B.	6/1.3/00411	215263	14/02/2002	13/02/2052	22.8901	$4,277	$4,277
6	San Martin Fracc. C.[(1)]	6/1.3/00412	215264	14/02/2002	13/02/2052	3,182.5646	$594,694	$594,694
7	San Martin 3	6/1.3/00410	215301	14/02/2002	13/02/2052	60.0000	$11,212	$11,212
8	San Martín Cuatro.[(1)]	065/15357	221844	02/04/2004	01/04/2054	6,755.6145	$1,262,391	$1,262,391
	TOTAL					**12,991.7805**	**$2,427,681.488**	**$2,427,681.48**

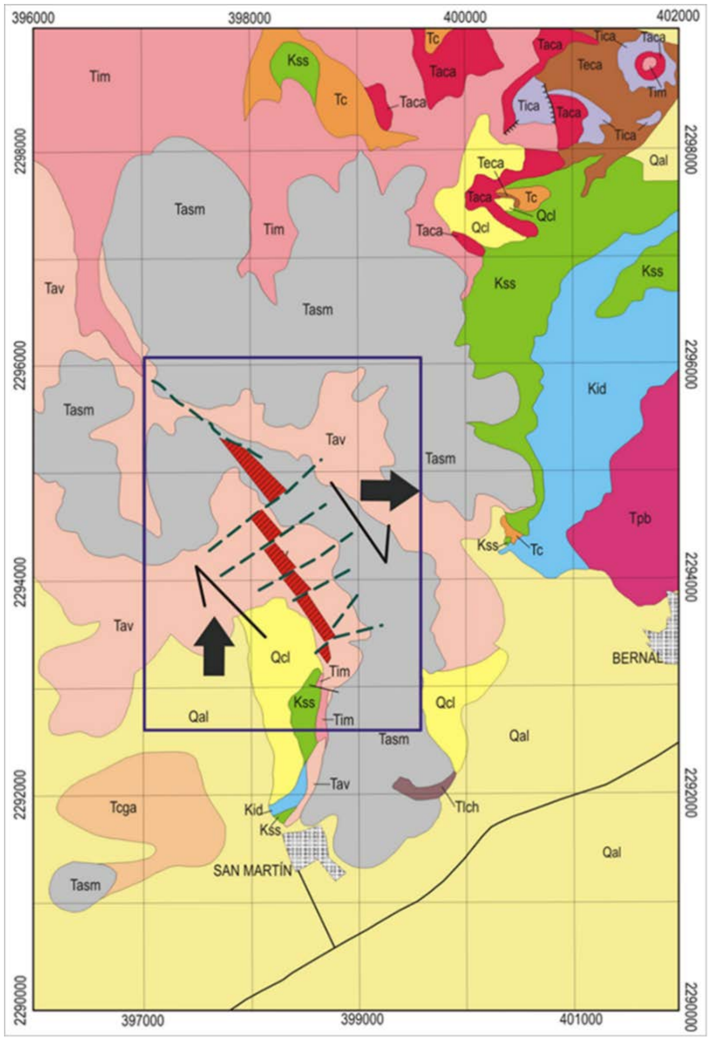
San Martin Geology

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

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

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

The San Martin vein itself has been known underground traced for 2 km along trend, with widths between 1.5 to 10 metres and averages approximately 4.0 m. A secondary mineralized vein is located, both in the footwall and hangingwall, of the San Martin vein, on the western limb of the local fold that contains the mineralization. This structure is the Santa Elena and represents a good target for exploration to the NE and SE of San Martin.



Generalized Geological Map of the San Martin Property

Resources and Reserves

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

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

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

- A greater percentage of production coming from narrow to wide steeply dipping vein structures.

- Sub-horizontal Mantos mineralized structures that were somewhat narrower than historical Mantos.
- Reopening and scavenging of the footwall mineralization in old stopes, where lower grade mineralization was not mined during times of lower gold prices.

Based on the above mining changes and incorporating mining experience over the last 8 years some of the original Luismin assumptions have been modified to improve tonnage and grade estimation for reserves. The assumptions used in this estimate are:

- A gold price of $1750 per ounce.
- A silver price of $22.00 per ounce.
- First quarters of 2022 operating costs of US$69.30 per metric dry tonne.
- Average metallurgical recoveries of 86% for gold and 55% for silver.
- Using the above price and cost assumptions the resultant calculated cutoff grade is approximately 1.41 g/t Au equivalent.
- Specific gravity of 2.6 g/cm^3 has been applied to all calculated mineralized volumes.
- Mining dilution is applied to in situ mineralized zones, and recovery factors are applied to these diluted blocks using the following factors:
- Mining dilution of 20% of zero grade in horizontal mineralized zones (Mantos) mined by room and pillar.
- Mining dilution of 20% of zero grade in steeply dipping mineralized zones mined by cut and fill. This dilution factor is modified by first applying a minimum 2-meter mining width to narrow zones.
- Remnant pillars left in room and pillar stopes are typically 20% of the total tonnage, i.e., 80% extraction. This recovery factor has been applied to sub horizontal mineralized zones.

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

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

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

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

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

- *Mineral resources have been classified into inferred and indicated in accordance with § 229.1302(d)(1)(iii)(A) (Item 1302(d)(1)(iii)(A) of Regulation S-K).*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*
- *Reserve and resource cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 86% gold and 55% silver.*
- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold:silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*
- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM and reviewed by Erme Enriquez CPG.*

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

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

Compañía Minera Peña de Bernal, SA de CV
San Martin Mine Project
Historical Production 1993-April 30, 2022

Year	Tonnes	Grade		Production		
		Au (g/t)	Ag (g/t)	Oz Au	Oz Ag	Oz Au Eq.
1993	28,267	2.53	60	1,387	24,463	1,707
1994	134,118	3.19	35	13,179	81,605	14,298
1995	146,774	3.40	38	16,172	180,459	17,068
1996	187,691	3.40	44	19,553	155,160	21,620
1997	219,827	3.27	43	22,016	174,013	24,570
1998	224,279	3.45	50	23,680	210,680	27,539
1999	242,295	3.46	46	25,852	194,110	29,624
2000	284,490	3.61	54	31,209	245,310	35,571
2001	287,520	3.76	65	32,773	330,217	38,068
2002	268,451	4.26	71	35,634	370,406	41,124
2003	276,481	4.29	82	36,438	464,947	42,692
2004	272,734	4.47	83	36,935	458,681	44,377
2005	282,392	3.92	65	32,814	349,071	38,543
2006	278,914	2.82	52	22,004	235,806	26,529
2007	252,400	3.34	49	25,232	224,714	29,606
2008	266,600	2.50	33	18,733	159,877	21,367
2009	272,856	2.43	33	19,171	167,827	21,696
2010	275,290	2.03	30	15,492	163,489	18,156
2011	296,845	2.14	39	17,694	267,237	23,736
2012	309,796	2.09	25	16,197	160,678	19,213
2013	306,941	2.66	24	22,247	129,861	24,425
2014	311,210	2.35	22	20,062	112,010	21,755
2015	309,565	2.09	20	17,903	104,767	19,319
2016	286,278	1.94	16	14,606	68,463	15,547
2017	259,709	1.69	13	11,563	54,287	12,246
April 30 2018	99,067	1.59	36	4,410.96	64,459.38	5,218.98
April 30, 2019	314,347	1.62	39	13,651	224,544	16,393
April 30, 2020	229,830	1.85	30	11,752	121,825	13,112
April 30, 2021	225,504	1.63	24.7	10,475	103,424	11,797
April 30, 2022	224,438	1.58	23	10,028	85,360	11,165
TOTALS	7,060,562			598,862.96	5,687,750.38	688,081.98

- Resources are valid as of April 30, 2022 as defined by end of month April 2021 topography.
- Measured, Indicated and Inferred resource cut-off grades were 1.66 g/t gold equivalent at San Martín.
- Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.
- Metallurgical recoveries were 88% gold and 55% silver.
- Gold equivalents are based on a 1:79.50 gold: silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.50)
- Price assumptions are $1750 per ounce for gold and $22.00 per ounce for silver for resource cutoff calculations.
- Mineral resources are estimated exclusive of and in addition to mineral reserves.
- Resources are constrained by a conceptual underground mining using parameters summarized in section.
- Resources were estimated by Starcore and reviewed by Erme Enriquez CPG.
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The Total Proven and Probable Mineral Reserves at the San Martin mine as of April 30, 2022 estimated by Starcore and reviewed by Erme Enriquez are 1,348,433 tonnes at a grade of 1.74 g Au/t and 13 g Ag/t.

Compañía Minera Peña de Bernal, SA de CV Mineral Reserve San Martin Mine (as of April 30, 2022)						
		Grade		Total Contained oz		
Category	Tonnes	(g Au/t)	(g Ag/t)	(oz Au)	(oz Ag)	(oz Au Eq)
Proven	144,331	1.79	14	8,283	61,278	9,079
Probable	1,204,102	1.73	13	67,070	493,306	73,480
Total Reserves	1,348,433	1.74	13	75,353	554,584	82,559

- *Mineral Reserves estimates have been classified in accordance with probable and proven mineral reserves in accordance with § 229.1302(e)(2) (Item 1302(e)(2) of Regulation S-K.*
- *Reserve cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 88% gold and 55% silver.*
- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold - silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*
- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM staff and reviewed by Erme Enriquez C.P.G.*
- *Reserves are exclusive of the indicated and measured resources.*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*

S-K 1300 Technical Report Summary San Martin Mine - see Exhibit 96.1

Exploration Update

This section has been prepared by Erme Enriquez, C.P.G, BSc, MSc, qualified person for the purposes of S-K 1300.

For the year ended April 30, 2022, the San Martin plant achieved 88 % recovery of gold and 57 % of silver from the 225,504 tonnes milled during the fiscal year. Head grades averaged 1.63 g/t gold and 24.7 g/t silver resulting in 11,797 equivalent gold ounces of production during the fiscal year. Equivalent gold ounce calculation is based on the actual daily average gold: silver ratio of 1 to 89.6 during the fiscal year.

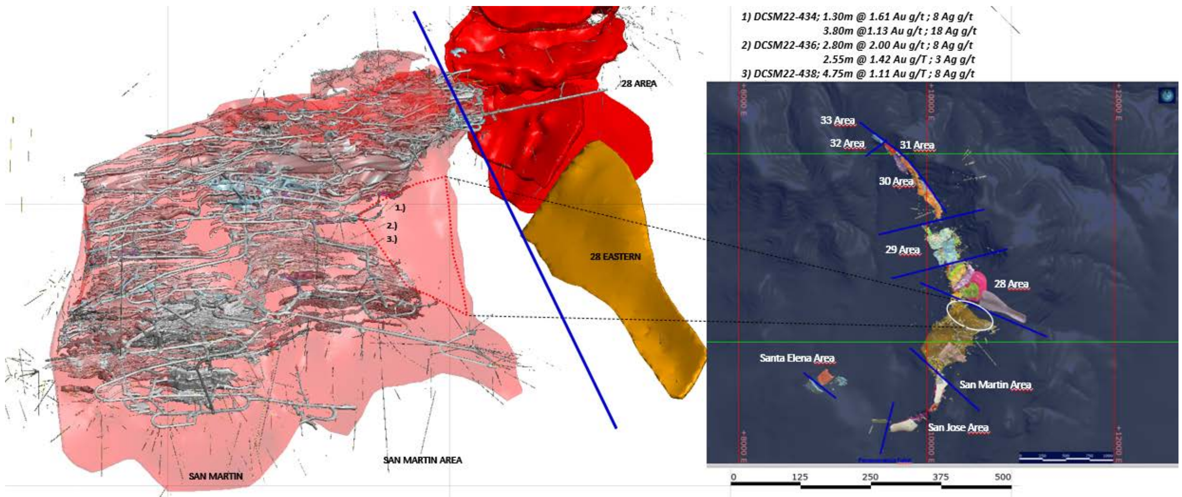
For the period ended April 30, 2020, surface and underground exploration programs were conducted using both company and contractor drill rigs. Between May 1, 2021 until April 30, 2022, a total of 7,360.50 exploration meters were drilled using the company's drill rigs.

The exploration highlights during the year at the San Martin mine include three positive drill holes in section 28 of the San Martin of the mine. There is a potential over 150,000 tonnes in the new discovery segment, which has been cut and thrown by multiple strong faults at the San Martin orebody. Three diamond drill holes have intercepted good values and there is still room to continue drilling following the extension of the oreshoot.

Results are shown in the following table. The figure below shows the area with the new discovery.

Starcore International Mines LTD
Compania Minera Pena de Bernal, SA de CV
San Martin Mine
Highlight Drilling Results

HOle ID	True Width (m)	Assays	
		Au g/t	Ag g/t
DCSM21-434	1.3	1.61	8
	3.8	1.13	18
DCSM21-436	2.8	1.13	18
	2.55	2.00	8
DCSM21-438	4.75	1.11	8

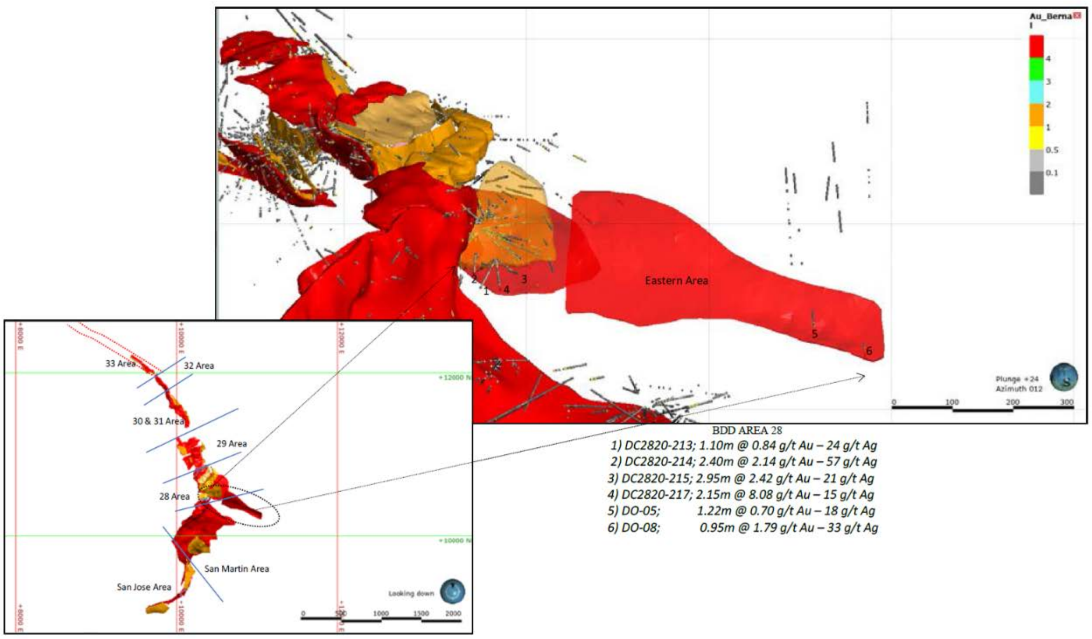


The San Martin orebody shows the new extension of mineralization and exploration.

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

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

HOle ID	True Width (m)	Assays	
		Au g/t	Ag g/t
DC2820	**2.4**	**2.14**	**57**
DC2820	**2.95**	**2.42**	**21**
DC2820	**2.15**	**8.08**	**15**



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

Other Mineral Properties

In addition to our principal property, the San Martin Mine, we have several other mineral interests in exploration properties, as summarized below, which we do not consider to be material to our operations at this time or have been sold or discontinued. These include three molybdenum-copper exploration projects that we acquired through our acquisition of Creston Moly Corp. ("**Creston Moly**") from Deloitte Restructuring Inc., in its capacity as trustee in bankruptcy of Mercator Minerals Ltd., in February 2015 for a purchase price of Cdn$2 million – namely, the El Creston Project in Mexico, the Ajax Project in British Columbia and the Moly Brook Project in Newfoundland (abandoned in 2019).

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

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

  The El Creston molybdenum property is located in the State of Sonora, Mexico, 175 kilometres south of the US Border and 145 kilometers northeast of the city of Hermosillo. Creston Moly's indirect wholly-owned subsidiary, Exploraciones Global S.A. de C.V. ("Exploraciones Global"), is the registered holder of the El

Creston property. Exploraciones Global purchased the claims comprising the El Creston property from the previous owners. The property is known to host several zones of porphyry-style molybdenum copper mineralization.

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

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

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

Table 1: Assay Results of the samples taken

from MEZTLI4 and TEOCUITLA Claims

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

Opodepe Project in Sonora, Mexico

A total of 3,289.6 m has been drilled in 25 short holes. The first stage of drilling focused on the upper part of the veins of the zone and has been considered as recognition drilling. However, in this year 2022, the drilling is focused on the zone of the veins which the geologists have considered as favorable zones to find economic reserves. These holes will be longer than the first stage including two new veins, MIDAS and El ORO, both in the Teocuitla concession recently acquired by Starcore. **See Figure 3.**

DRILLING HIGHLIGHTS

#1 – OPDS-21-001; 6.73 m @	**4.79 g/t AuEq**
#7– OPDS-21-018; 1.91 m @	**2.30 g/t AuEq**
#15 – OPDS-21-022; 2.19 m @	**1.96 g/t AuEq**

See Figure 4.

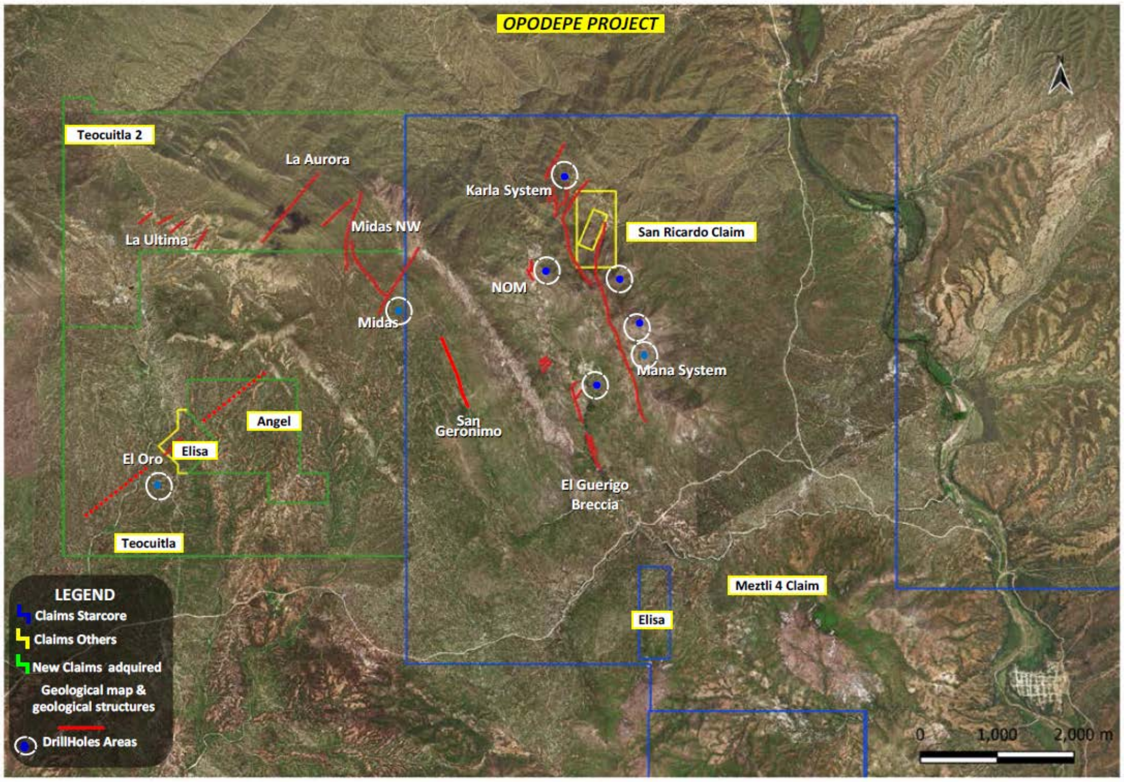
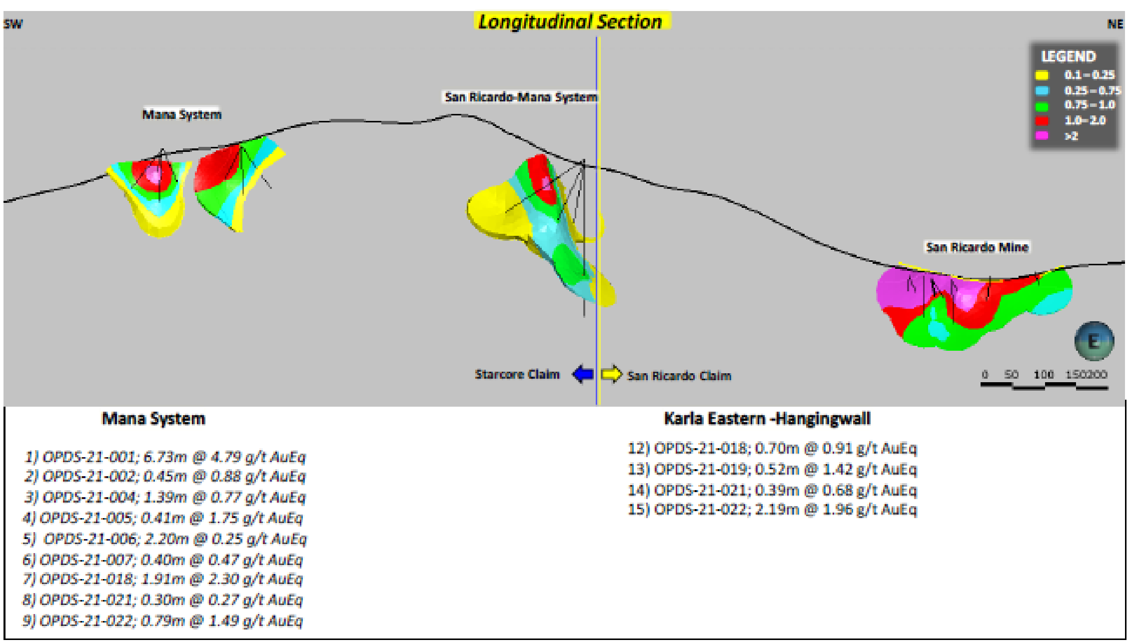


Fig. 3 MAP SHOWING THE EXPLORED VEINS AND THE TWO NEW VEINS



- ***Sierra Rosario: Sinaloa.***

Located within the historically productive Sierra Madre Occident geological province in the northern Mexican state of Sinaloa, the Sierra Rosario property consists of two large mineral exploration concessions totalling 978.57 hectares. On February 2018, the Company sold this property for US$100,000 and an additional 1% NSR.

o *Ajax Project, British Columbia.*

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

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

Ajax Molybdenum Property, British Columbia, Canada									
Tenure Number	Claim Name	Owner/ Interest	Underlying Royalty	Tenure Type/ Tenure Sub Type	Area (ha)	Issue Date/ **Present Expiry Date**	Required Holding Expenses	Property Surface Rights	Ownership
501393	mq2	Tenajon Resources Corp./ 100%	NONE	Claim/ Mineral Exploration	402.28	12/01/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
504775	mq3	Tenajon Resources Corp/ 100%	NONE	Claim/ Mineral Exploration	255.99	25/01/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
504776	mq3	Tenajon Resources Corp/ 100%	NONE	Claim/ Mineral Exploration	292.7	25/01/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
504782	mq-5	Tenajon Resources Corp/ 100%	NONE	Claim/ Mineral Exploration	146.22	25/01/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
505618	mq5	Tenajon Resources Corp/ 100%	NONE	Claim/ Mineral Exploration	256.00	02/02/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
511540		Tenajon Resources Corp/ 100%	NONE	Claim/ Mineral Exploration	365.67	22/04/2005 **13/07/2024**	No work required until 2024. No gov't fees	None	Government
				Total	**1718.86**				

o *Moly Brook Project, Newfoundland.*

Creston's Moly Brook molybdenum property located on the south coast of Newfoundland is centered 2.5 km from the outport of Grey River less than 4 kilometres from a deep water, ice free navigable fjord. During the year ended April 30, 2019, the Company decided to abandon the property and all costs associated with this property have been written off in the Consolidated Statements of Operations and Comprehensive Income.

- ***American Consolidated Minerals Corp.***

  On November 20, 2014, the Company announced the approval of the proposed acquisition of American Consolidated Minerals Corp ("AJC") pursuant to a plan of arrangement (the "Transaction") by the AJC shareholders. The Transaction was completed on December 1, 2014 upon the satisfaction of all of the conditions set out in the arrangement agreement entered into by AJC and the Company on October 1, 2014, including approval by the Supreme Court of British Columbia.

- ***Toiyabe Property, Nevada, USA***

  Pursuant to the acquisition of AJC, the Company acquired the right to 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 Inc. ("Minquest")

  Consideration to be paid for the interest is USD$900,000 (payable over 5 years commencing October 19, 2018) and the Company must incur total exploration expenditures of USD$1,025,000 on the property (which expenses have been incurred) as agreed by MinQuest. Annual payments commencing October 19, 2018 are $60,000 (paid), $80,000 (paid), $100,000 (deferred to May 31, 2021, (See below) by amending the agreement with Minquest), $120,000, $140,000 and $400,000.

  In summary, to complete the acquisition of a 100% interest in Toiyabe (subject to a 3% royalty), there are remaining property payments to be made of US$760,000 over a period of 3 years to October 2023. (See news release dated July 7, 2020)

  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 US$2 million per each 1% of the royalty.

  On May 18, 2018 Starcore filed an updated National Instrument ("NI 43-101") "Technical Report for the Toiyabe Gold Project in Lander County, Nevada", prepared by Paul D. Noland CPG dated May 11, 2018.

  Highlights from the Technical Report include:

  - Summary results from three drilling programs completed since the last report (2009, 2010, 2016)
  - In all three drilling campaigns since the 2009 report and resource estimate, the near-surface 'Courtney' resource was expanded and enhanced.
  - Drilling since the previous report has focused largely on structurally controlled, deeper and higher-grade mineralization not included in the 2009 resource estimate.
  - Wider spread drilling, outside known resource areas has allowed a better understanding of the structural setting of the project.

  Readers are cautioned that the SEC has adopted the SEC Modernization Rules as new subpart 1300 of Regulation S-K, which include definitions of terms that, although they are "substantially similar" to the corresponding terms under the 2014 CIM Standards (as used in the technical report in relation to the Toiyabe Property), are nevertheless subject to certain material differences. The Company is no longer permitted to include in its filings with the SEC for fiscal periods beginning on or after January 31, 2021, any technical disclosure that does not comply with the SEC Modernization Rules.

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

Transaction Details

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

As of April 30, 2022, a total of 3,075,000 Consideration Shares have been released from escrow, leaving 1,025,000 Consideration Shares in escrow. As of April 30, 2022, the market value of the Consideration Shares was $492,000

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

- ***Lone Ranch: Washington State, USA***

The Company 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"). During the period ending October 31, 2018, the Company decided to abandon the property and all costs associated with this property have been written off in the Consolidated Statements of Operations and Comprehensive Income.

There is no assurance that a commercially viable mineral deposit exists on any of our exploration properties, or that we will be able to identify any mineral resource on any of these properties that can be developed profitably. Even if we do discover commercially exploitable levels of mineral resources on any of our properties, which is unlikely, there can be no assurance that we will be able to enter into commercial production of our mineral properties.

Sale of Altiplano Plant, Matehuala, Mexico

The Altiplano plant was the principal asset of Cortez Gold Corp., a wholly-owned Starcore subsidiary that held title to the land, equipment and permits for the operation of a processing plant situated on 20 hectares of land in Matehuala, Mexico. The land and the plant and equipment were owned by Altiplano Goldsilver, S.A. de C.V., a wholly-owned subsidiary of Cortez Gold. The facility is located within a historic mining district, in an area that is home to numerous medium-sized mining operations. The Altiplano Plant was designed to employ the dissolution treatment production process to recover precious metals from flotation concentrates. When compared to the alternative pyrometallurgical foundries, it is a cleaner process and more economical, enabling the facility to offer lower processing rates than those currently available to concentrate producers in the area. Commencement of commercial production began on November 1, 2016.

In November 2018, management announced that the capital requirements of the Altiplano facility for inventory and operations, despite improving cash flow to a small profit in the prior quarter, did not justify the continuation of these operations. The operations were placed on a maintenance status in the quarter and remaining inventories were processed and sold accordingly. After assessing the best use of the assets of Altiplano, management deemed the sale of the facility to be the best course of action for the Company.

The Company accepted an offer on July 5, 2019, to purchase 100% of the shares of Altiplano for US$1.6 million. Terms of the transaction were filed on July 31, 2019. The stock purchase agreement requires the payment of the US$1.6 million in instalments as to US$0.5 million on closing (received), US$0.5 million on August 31, 2019 (received), and US$0.2 million each 3 months from November 30, 2019 to May 31, 2020. (All payments received.) The sale of Altiplano is now complete.

Item 5 Operating and Financial Review and Prospects

The following discussion and analysis of our financial condition and results of operations for the fiscal period ended April 30, 2022 should be read in conjunction with our financial statements and related notes included in this Annual Report. Our financial statements included in this Annual Report were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

A. Operating Results

Our results of operations have been, and may continue to be, affected by many factors of a global nature, including economic and market conditions, the availability of capital, the level and volatility of prices and interest rates, currency values, commodities prices and other market indices, technological changes, the availability of credit, inflation and legislative and regulatory developments. Factors of a local nature, including political, social, financial and economic stability, the availability of capital, technology, workers, engineers and management, geology and weather conditions, may also affect our results of operations. As a result of the economic and competitive factors discussed above, our results of operations may vary significantly from period to period. Except where otherwise noted, financial results are rounded to the nearest $1,000 and are expressed in Canadian currency.

Year Ended April 30, 2022, April 30, 2021 and April 30, 2020 (in thousands of audited)

	Twelve-Month Year Ended April 30, 2022	Twelve-Month Year Ended April 30, 2021	Twelve-Month Year Ended April 30, 2020
Revenues			
Mined ore	**$ 25,679**	$ 26,799	$ 24,820
Total Revenues	**25,679**	26,799	24,820
Cost of Sales			
Mined ore	**(16,960)**	(16,038)	(19,150)
Depreciation and depletion	**(3,413)**	(4,359)	(3,686)
Total Cost of Sales	**(20,373)**	(20,397)	(22,836)
Earnings from mining operations	**5,306**	6,402	1,984
Financing costs	**(181)**	(148)	(554)
Foreign exchange	**85**	(697)	(369)
Management fees and salaries	**(1,271)**	(1,283)	(1,151)
Office and administration	**(913)**	(598)	(942)
Professional and consulting fees	**(835)**	(738)	(1,000)
Pre- exploration costs	**(31)**	(47)	-
Shareholder relations	**(644)**	(220)	(297)
Transfer agent and regulatory fees	**(88)**	(112)	(83)
Earnings (loss) before taxes and other losses	**1,428**	2,559	(2,412)
Other Losses			
Loss on sale of Toiyabe	**(40)**	(1,116)	—
Unrealized loss on investment	**(287)**	—	—
Sale of royalties	**1,600**	—	—
Impairment of Mining Interest, Plant and Equipment	—	—	(39)
Total Other Losses	**1,273**	(1,116)	(39)
Earnings (loss) before taxes	**2,701**	1,443	(2,451)
Income tax recovery/ (expense)			
Deferred	**(296)**	1,449	(1,178)
Earnings (loss) for the year	**2,405**	2,892	(3,629)

Comparison April 30, 2022 to April 30, 2021

Overall, revenue from mining operations decreased by $1,120 for the year ended April 30, 2022 compared to the comparative year ended April 30, 2021, due mainly to lower metal production from a combination of lower ore grade and recovery in the current year compared to the prior comparable year.

Sales of metals for mining operations for the year ended April 30, 2022 approximated 9,846 ounces of gold and 86,919 ounces of silver sold at average prices in the year of US$1,838 and US$24.52 per ounce, respectively. This is a decrease in sale of gold and silver ounces when compared to the prior comparable year ended April 30, 2021 where sales of metal approximated 10,161 ounces of gold and 94,218 ounces of silver, sold at lower average prices of US$1,825 per ounce for gold and higher average prices of US$25.38 per ounce for silver.

The total cost of sales above includes non-cash expenses for depreciation and depletion of $3,413 compared to $4,359 in the prior comparable year ending April 30, 2021, which is calculated based on the units of production from the mine over the expected mine production as a denominator. This calculation is based solely on the San Martin mine proven and probable reserves and a percentage of inferred resources in accordance with the Company's policy of recognizing the value of expected Resources which will be converted to Proven and Probable Reserves, as assessed by management. The decrease is largely due to higher amortization costs in the prior year of the leases on mobile equipment in accordance with the change to IFRS 16, and the higher production tonnage calculated over the total resource in the prior year.

For the year ending April 30, 2022, the Company had gross profit of $5,306 from mine operations compared to gross profit of $6,402 for the year ended April 30, 2021. The lower gross profit was due to lower production of metal resulting from, as stated previously, the lower tonnes processed, the lower grades and recovery for metal and the higher mine operating costs per tonne during this year.

Other Items

Changes in other items for the year ended April 30, 2022, resulted in the following significant changes from the year ended April 30, 2021:

- Management fees and salaries decreased by $12 despite the addition of the president in the 4th quarter due to previous reductions in salaries and lower share based compensation costs;
- Foreign exchange gain increased by $782 for the year ended April 30, 2022. The increase relates primarily to the fluctuations of the Mexican peso and Canadian dollar in relation to the US dollar, the functional currency of the mining operations, and may be realized or unrealized at the year end;
- Professional and consulting fees increased by $97 to $835 for the year ended April 30, 2022. Professional fees relate primarily to charges in relations to legal, tax and audit fees and increased mainly due to the sale of Scottie NSR and the acquisition of the Opodepe Project;
- Shareholder relations increased by $424 in the current year due to an increase in marketing expenses associated with European markets;
- Deferred Income Tax ("DIT") expense increased by $1,745 due mainly to the difference in asset base of the underlying amounts that determine the temporary differences from year to year and utilization of losses in the current year against taxable income.

Comparison April 30, 2021 to April 30, 2020

Overall, revenue from mining operations increased by $1,979 for the year ended April 30, 2021 compared to the comparative year ended April 30, 2020, due mainly to higher gold and silver prices, partially offset by lower metal production and ore grade processed in the current year compared to the prior comparable year.

Sales of metals for mining operations for the year ended April 30, 2021 approximated 10,161 ounces of gold and 94,218 ounces of silver sold at average prices in the year of US$1,825 and US$25.38 per ounce, respectively. This is a decrease in sale of gold and silver ounces when compared to the prior comparable year ended April 30, 2020 where sales of metal approximated 11,357 ounces of gold and 117,148 ounces of silver, however, sold at much lower average prices of US$1,491 per ounce for gold and US$16.61 per ounce for silver.

The total cost of sales above includes non-cash expenses for depreciation and depletion of $4,359 compared to $3,686 in the prior comparable year ending April 30, 2020, which is calculated based on the units of production from the mine over the expected mine production as a denominator. This calculation is based solely on the San Martin mine proven and probable reserves and a percentage of inferred resources in accordance with the Company's policy of recognizing the value of expected Resources which will be converted to Proven and Probable Reserves, as assessed by management. The increase is largely due to an increase in amortization of the leases on mobile equipment in accordance with the change to IFRS 16, offset partially by the reduction of production tonnage calculated over the total resource.

For the year ending April 30, 2021, the Company had gross profit of $6,402 from mine and concentrate operations compared to gross profit of $1,984 for the year ended April 30, 2020. The higher gross profit was due mainly to the cost savings measure taken in the first two quarters of the prior year, as discussed previously, whereby the Company reduced its staff by 32% at the San Martin Mine incurring severance costs of approximately US$600,000 related to the staff reduction. The lower tonnes processed, the higher recovery for gold, the higher overall metal prices during this period combined with the planned lower overall mine processing costs resulted in much higher gross profit from mined ore.

Other Items

Changes in other items for the year ended April 30, 2021, resulted in the following significant changes from the year ended April 30, 2020:

- Financing costs during the year decreased by $406 primarily due to repayment of the US$1,000 loan in the prior year fourth quarter and the repayment of the $3,000 principal of Bonds outstanding in June of this year;
- Office and administration decreased by $344 due to lower corporate costs relating to general regulatory administration in the current year and due to the sale of Altiplano;
- Management fees and salaries increased by $132 mainly due to the increase in RSU/ DSU liability accrued based on the increased price of the Company's shares on the TSX;
- Foreign exchange loss increased by $328 for the year ended April 30, 2021. The increase relates primarily to the fluctuations of the Mexican peso and Canadian dollar in relation to the US dollar, the functional currency of the mining operations, and may be realized or unrealized at the period end;
- Professional and consulting fees decreased by $262 to $738 for the year ended April 30, 2021. Professional fees relate primarily to charges in relations to legal, tax and audit fees and decreased mainly due to costs related to the sale of Altiplano in the prior year;
- Deferred Income Tax ("DIT") decreased by $2,627 due mainly to the difference in asset base of the underlying amounts that determine the temporary differences from year to year.

Comparison April 30, 2020 to April 30, 2019

Overall, revenue from mining operations decreased by $7,975 for the year ended April 30, 2020 compared to the comparative year ended April 30, 2019, due mainly to lower metal production from lower tonnage processed in the current year compared to the prior comparable year, partially offset by higher gold and silver prices accounting for a total of $2,233 of the decrease. The remaining difference is due to the loss of purchased concentrate revenue, from the amount of $5,742 in the prior year, due to the suspension and subsequent sale of the Altiplano concentrate processing plant as well as decreased carbon concentrate processed at the San Martin mine (see - *Sale of Altiplano Processing Plant, Matehuala, Mexico*).

Sales of metals for mining operations for the year ended April 30, 2020 approximated 11,357 ounces of gold and 117,148 ounces of silver sold at average prices in the year of US$1,491 and US$16.61 per ounce, respectively. This is a decrease in sale of gold ounces and in silver ounces when compared to the prior comparable year ended April 30, 2019 where sales of metal approximated 13,852 ounces of gold and 229,982 ounces of silver, sold at lower average prices of US$1,280 per ounce for gold and US$14.89 per ounce for silver.

The total cost of sales above includes non-cash expenses for depreciation and depletion of $3,686 compared to $3,893 in the prior comparable year, which is calculated based on the units of production from the mine over the expected mine production as a denominator. This calculation is based solely on the San Martin mine proven and probable reserves and a percentage of inferred resources in accordance with the Company's policy of recognizing the value of expected Resources which will be converted to Proven and Probable Reserves, as assessed by management. The decrease is largely due to the reduction of production tonnage calculated over the total resource, offset partially by an increase in amortization of the leases on mobile equipment in accordance with the change to IFRS 16.

For the year ending April 30, 2020, the Company had gross profit of $1,984 in from mine and concentrate operations compared to gross profit of $36 for the year ended April 30, 2019. The higher gross profit was due to the cost savings measure taken in the first two quarters as discussed previously. The combination of lower tonnes processed and higher recovery for gold during this year resulted in relatively better metal production and, therefore, gross profit from mined ore as compared to the prior comparable year despite lower gross revenues.

Costs per ounce for the year ended April 30, 2020 was US$1,149/EqOz, which is slightly higher than the average operating cash cost of US$1,061/EqOz. during the comparable year ended April 30, 2019.

Other Items

Changes in other items for the year ended April 30, 2020, resulted in the following significant changes from the year ended April 30, 2019:

- Financing costs during the year increased by $243 primarily due to amortization of the warrants and San Pedrito interest income received in the previous comparable year;
- Office and administration decreased by $308 due to lower corporate costs relating to general regulatory administration in the current year and due to the sale of Altiplano;
- Management fees and salaries decreased by $254 due to reduction in salaries of executive officers;
- Foreign exchange loss increased by $244 for the year ended 30 April, 2020. The increase relates primarily to the fluctuations of the Mexican peso and Canadian dollar in relation to the US dollar, the functional currency of the mining operations;
- Professional and consulting fees increased by $219 to $1,000 for the year ended April 30, 2020. Professional fees relate primarily to charges in relations to legal, tax and audit fees and increased mainly due to costs related to the sale of Altiplano;
- Property investigation costs of $54 were incurred during the prior year to perform the necessary due diligence on new projects;
- Deferred Income Tax ("DIT") decreased by $1,051 due mainly to a recovery of special mining tax and to the difference in asset base of the underlying amounts that determine the temporary differences from year to year.

B. Liquidity and Capital Resources

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 April 30, 2022, the Company was holding cash of $8,818,000 (2021 - $4,392,000).

Obligations due within twelve months of April 30,	**2022**	**2022**	**2024**	**2025 and beyond**
Trade and other payables	$ 3,126	$ —	$ —	$ —
Reclamation and closure obligations	$ —	$ —	$ —	$ 3,011
Leases Liability	$ 497	$ 230	$ 135	$ 6

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 and therefore has sufficient working capital.

The Company has several sources of cash flow which includes raising cash through debt, issuance of shares and from operating a profitable mine.

1. On June 18, 2018, the Company completed a private placement of secured bonds in the aggregate principal amount of $3,000 (the "Bonds") less structuring and finder's fees of $60 cash and $171 attributed to finders warrants, totaling $231 (the "Discount"). The Bonds bore interest at 8% per annum, payable on maturity on June 18, 2020. The Bonds were secured by a charge over the Company's and its subsidiaries assets. On June 10, 2020, the Company paid out the Bonds plus accrued interest of Cdn$235,410 ahead of the maturity date. The payments were made from the Company's cash flow generated from mine operations and prior asset sales.

2. During the year ended April 30, 2018 the Company secured an additional $1,283 (USD1,000) loan with a lender. The loan was secured against certain assets of the Company and bore interest at 8% per annum. The full principal plus accrued interest on the loan was to be repaid to the lender on October 25, 2019. The

Company paid the interest on the loan on October 25, 2019 and the lender agreed to extend the loan for an additional 6 months to April 25, 2020. The loan was repaid in full on the due date.

As at June 10, 2020, the Company is debt free

3. The Company has no contractual commitments for capital expenditures and has disclosed all material commitments under Section F ("Tabular disclosure of contractual obligations"). The Company does have budgeted capital expenditures to be incurred in the normal operation of the San Martin Mine and for exploration of properties, which are expected to approximate $2.0 million in fiscal 2021.

C. Research and Development, Patents and Licenses, etc.

We do not currently, and did not previously, have research and development policies in place.

D. Trend Information

There have been no significant recent trends in production, sales and inventory, the state of the order book and costs and selling prices in our business since the end of the latest financial year, nor are there any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. Although there are significant uncertainties in respect of market prices for minerals and, accordingly, the availability of equity financing for the purposes of mineral exploration and development, we do not believe that the fluctuations in market price are predictable. The price of minerals has fluctuated widely in recent years and wide fluctuations are expected to continue.

E. Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resource that is material to investors. We have optioned its mineral properties from a private company controlled by an officer and director of our Company.

F. Tabular Disclosure of Contractual Obligations

Obligations due within twelve months of the year ended,	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(in thousands of Canadian dollars)				
Trade and other payables	2,213	2,213	-	-	-
Loan payable – current portion	-	-	-	-	-
Rehabilitation and closure cost provision	2,545	-	-	-	2,545
Executive employment agreement obligation	686	450	-	-	-
Explorations and evaluation asset	1,000	200	600	200	-
Land lease obligation	132	132	-	-	-
Equipment lease obligation	574	359	215	-	-
Office lease obligation	274	66	208	-	-

G. Safe harbor.

Statements in Item 5.E and Item 5.F of this Annual Report on Form 20-F that are not statements of historical fact, constitute "forward-looking statements." See "Forward-Looking Statements" on page 3 of this Annual Report. Our Company is relying on the safe harbor provided in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, in making such forward-looking statements.

Item 6 Directors, Senior Management and Employees

A. Directors and Senior Management

The following table sets forth the names, age, business experience and functions and areas of experience in our Company of each of our directors and officers:

Name Office Held Age	Area of Experience and Functions in Our Company
Robert Eadie Chief Executive Officer and Director Age: 57	As our Chief Executive Officer, Mr. Eadie is responsible for strategic planning and operations, as well as managing our relations with our lawyers, regulatory authorities and investor community; as a director, Mr. Eadie participates in management oversight and helps to ensure compliance with our corporate governance policies and standards. Mr. Eadie was one of the founders of our Company.
Pierre Alarie President & Director Age:	As President, Mr. Alarie reports to the CEO and is responsible for overseeing the Company's executive officers and employees and ensuring corporate goals are met through established strategies. Mr. Alarie participates in management oversight and helps to ensure compliance with our corporate governance policies and standards.
Gary Arca Chief Financial Officer and Director Age: 62	As Chief Financial Officer, Mr. Arca is responsible for the management and supervision of all the financial aspects of our business; as a director, Mr. Arca participates in management oversight.
Salvador Garcia Chief Operations Officer and Director Age: 66	As our Chief Operating Officer, Mr. Garcia is responsible for our exploration, development and mining operations and for management of our Mexican operations; as a director, Mr. Garcia participates in management oversight and helps to ensure compliance with our corporate governance policies and standards.
Cory Kent Corporate Secretary Age: 53	As Corporate Secretary, Mr. Kent is responsible for ensuring that the board of directors has the proper advice and resources to fulfill their duties to shareholders. Mr. Kent's duties include compliance with statutory and regulatory requirements.
Jordan Estra Director Age: 75	As an independent director, Mr. Estra provides oversight to management to help ensure alignment with corporate strategies and compliance with our corporate governance policies and standards. Mr. Estra is a member of the Audit Committee.
Federico Villaseñor Director Age: 71	As an independent director, Mr. Villaseñor provides oversight to management to help ensure alignment with corporate strategies and compliance with our corporate governance policies and standards. Mr. Villaseñor is a member of the Audit Committee.
Tanya Lutzke Director Age: 53	As an independent director, Ms. Lutzke provides oversight for management to help ensure alignment with corporate strategies and compliance with our corporate governance policies and standards. Ms. Lutzke is a member of the Audit Committee. Her membership in the Board of Directors also confirms management's compliance with gender diversity in its Board.

Robert Eadie – Chief Executive Officer and Director

Mr. Eadie has been our Chief Executive Officer, and a director of our Company since October 2003. Mr. Eadie is a self-employed business owner and has many years of experience in working with and helping build start-up companies. He began his career as a corporate investor and public relations consultant and went on to establish his own investor relations consulting business. He has since become an executive, officer or director of a number of junior public companies, primarily in the natural resource sector. In the past 20 years, Mr. Eadie has been actively involved in public resource companies raising over $100 million dollars for various exploration and development projects around the world.

Pierre Alarie – President and Director

Mr. Alarie has been our President, and a director of our Company since January 2022. Mr. Alarie's distinguished career covers over 30 years of executive positions in Canadian and Latin American companies, with experience in business development, acquisitions, team management and structured financial transactions. Most recently as Managing Director of ATCO, Latin America from September 2019 to December 2021, Mr. Alarie served as the Ambassador of Canada to Mexico from 2015 to 2019 when he worked to facilitate relations between the two countries across various sectors, including the aerospace, auto and mining industries. His business development and operational experience in commercial and banking corporations, coupled with developing and managing long-cycle projects in both international and national environments brings a valuable dimension to management and the Board of Directors.

Gary Arca – Chief Financial Officer and Director

Mr. Arca has been our Chief Financial Officer and a director of our Company since January 2006. Mr. Arca has over 37 years of financial management experience. He is a Chartered Professional Accountant (CPA) and has been a member of the Canadian Institute of Chartered Professional Accountants and British Columbia Institute of Chartered Professional Accountants since 1980. He was a partner with public accounting firms, Amisano Hanson from 2002 to 2005 and Driver Anderson from 1996 to 2001.

Mr. Arca has provided auditing, consulting, taxation, accounting and litigation support services to various clients. Mr. Arca has extensive experience dealing with public companies and start-ups both from the perspective of management and as a consultant, and has served as a director of various publicly traded resource companies.

Mr. Arca is Chair of the Corporate Governance Committee.

Salvador Garcia – COO & Director

Mr. Garcia has been our Chief Operating Officer since August 2017 and a Director of the Company since October 2017. With over 39 years of progressive experience in the mining industry in Mexico. his extensive experience encompasses mine development and production including open pit and underground operations.

Prior to Starcore, Mr. García was the Country Manager in Mexico for First Majestic Silver Corp, serving in that company since 2013. Previously, Mr. Garcia collaborated with Luismin (purchased by Goldcorp (TSX:G)(NYSE:GG) for a period of 25 years holding several positions from General Manager to Operations Director and later promoted to the senior management team of Goldcorp as Vice President for Mexico. During his tenure at Goldcorp, he was in charge of the operations at the Tayoltita and San Antonio mines and was involved in the development, construction and operation of the Los Filos, El Sauzal and Peñasquito mines.

Mr. García holds a BSc. degree in Mining Engineering from the Guanajuato University School of Mines in Mexico. In addition, Mr. García is the President of the Mining Cluster of Sonora State, member of the CAMIMEX (Mexican Mining Chamber) Advisor Board, Member of the Mining Cluster of Zacatecas State, Member of the Mining Advisor Board of San Luis Potosi State.

Cory Kent LLB – Corporate Secretary

Mr. Kent is a Partner at McMillan LLP and was the Executive of the Securities Law Section of the Canadian Bar Association from 2002 - 2004. With a practice focused on corporate securities law and related technology, natural resources and commercial matters, Mr. Kent possesses a strong and varied legal background suited to the junior mining sector.

Mr. Jordan Estra – Director

Mr. Estra has been a director of our Company since March 2010. He joined Boustead Securities, LLC, a full service investment banking firm headquartered in Irvine, California as Managing Director in 2019 and is the Head of the Mining & Metals Investment Banking Practice. Mr. Estra is also currently President and Chief Executive Officer of Ophir Brasil Mineracao, Ltda., a privately owned gold mining company in Brazil, and President and Chief Executive Officer of Ophir Consulting Group, Inc., a privately owned mining consulting company. His background includes experience as a leading research analyst for a number of international investment banks.

Mr. Estra graduated with High Distinction from Babson College (International Economics) and with Honors from the Columbia University Graduate School of Business (Finance). He served in the United States Army (Medical Corps) and has been a member of the American Institute of Mining, Metallurgical and Petroleum Engineers, the Foreign Policy Associate, the New York Society of Security Analysts and the Stock & Bond Club of South Florida. He holds Series 6, 7, 24, 57 and 58 securities licenses.

Mr. Estra is a member of the Audit Committee and the Corporate Governance Committee.

Mr. Federico Villaseñor – Director

Mr. Villasenor has been a director of our Company since February, 2007. He is currently a consultant to various mining companies. From 2007 to 2014, he served as the Business Development Director for Goldcorp Mexico, a subsidiary of Goldcorp Inc., a leading global gold producer engaged in the acquisition, exploration, development and operation of gold properties in Canada, the United States and Latin America. He obtained a BSc. in Mining Engineering from the University of Guanajuato in 1972, a Master of Science from Columbia University of New York City in 1976 and a Finance Degree from the Instituto Tecnológico Autónomo de México.in 1985. Mr. Villaseñor has been a member of the Mexican Mining Chamber Board.

Mr. Villaseñor is a member of the Audit Committee and the Compensation Committee.

Ms. Tanya Lutzke – Director

Ms. Lutzke has been a director of our Company since October, 2016 and has over 10 years' experience in financial services, the banking industry and law enforcement. A native of Vancouver, B.C., Ms. Lutzke attended the University of British Columbia and obtained her Financial Planning and Canadian Securities Institute designations.

Ms. Lutzke sits on the Audit Committee.

Director Interlocks

Each of our directors and officers has served and continue to serve as officers and/or directors of other companies engaged in natural resource exploration and development and related industries.

Messrs. Robert Eadie and Gary Arca (who are, respectively, the Chief Executive Officer and Chief Financial Officer of our Company), in addition to serving on our Board of Directors, are also executive officers and/or directors of Hemp for Health Inc. and Bond Resources Inc. which are junior companies listed on the Canadian Securities Exchange. Mr. Arca is also an executive officer of iMining Technologies Inc.

Tanya Lutzke, a member of our Board of Directors, also serves as a director of Hemp for Health Inc.

Mr. Federico Villaseñor, a member of our Board of Directors, is also a director of Santacruz Silver Mining, Ltd., a company listed on the TSX Venture Exchange whose operations include the Rosario silver mine near the town of Charcas, in the state of San Luis Potosi, Mexico.

Mr. Jordan Estra, a member of our Board of Directors, is also a director of Searchlight Minerals Corp., a junior mineral exploration company quoted on the OTCQB with a slag reprocessing project in Arizona.

B. Compensation

Executive Compensation

The following table contains information about the compensation paid for services in all capacities to us, including compensation paid to or earned by (a) our Chief Executive Officer (or an individual who acted in a similar capacity); (b) our Chief Financial Officer (or an individual who acted in a similar capacity); (c) each of the three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, who were serving as executive officers as at April 30, 2022 and whose total salary and bonus exceeds $150,000 during the period ended April 30, 2022; and (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of our Company as of April 30, 2022.

Summary Compensation Table

The compensation paid to the Named Executive Officers during the Company's most recently completed financial year ended April 30, 2022 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year ended April 30, 2022	Salary[1] ($)	Share-based awards[4] ($)	Option-based awards ($)	Non-equity incentive plan compensation[2] ($)		Pension value ($)	All other compen-sation[3] ($)	Total compen-sation ($)
					Annual incen-tive plans	Long-term incen-tive plans			
Robert Eadie Executive Chairman & CEO	2022	370,000	20,570	-	-	-	-	12,000	402,570
Pierre Alarie President	2022	169,016	41,139	-	-	-	-	-	210,155
Gary Arca CFO	2022	212,000	16,456	-	-	-	-	12,000	240,456
Salvador Garcia COO	2022	297,675	20,570	-	-	-	-	-	318,245
Cory Kent Corporate Secretary	2022	-	1,601	-	-	-	-	-	1,601

(1) Includes the dollar value of cash and non-cash base salary earned during a financial year covered. Pursuant to their executive employment agreements amended August 2015 and subsequently amended effective May 1, 2019, Messrs. Eadie and Arca are entitled to be paid annual salaries of $270,000 and $180,000, respectively. Mr. Garcia is paid annual fees in the amount of US$236,250. On May 16, 2019, the Company reported that Starcore management had agreed to take a 25% reduction in salary effective May 1, 2019. In April, 2022, the Board approved that management remuneration to the three executive officers be reinstated to their previous levels, and extended the management contracts to April 22, 2024. For additional details please refer to the discussion below under the heading, "*Directors, Senior Management and Employees – Board Practices – Executive Employment Agreements*".

(2) These amounts include annual non-equity incentive plan compensation, such as bonuses and discretionary amounts for the year ended April 30, 2022.

(3) All other compensation includes $12,000 paid to each of Mr. Eadie and Mr. Arca as directors' fees for 2022.

(4) Share based awards are based on RSU/DSU options vested which are calculated at the volume weighted average ("VWAP") of the trading price per common share on the Toronto Stock Exchange ("TSX") for the last ten (10) trading days ending on that date.

Long Term Incentive Plan (LTIP) Awards

We do not have any long term incentive plans except as disclosed above.

An LTIP is "any plan providing compensation intended to motivate performance over a period longer than one fiscal year but does not include option or stock appreciation rights plans or plans for compensation through shares or units that are subject to restrictions on resale".

Option and Stock Appreciation Rights (SARs)

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

Option/SAR Grants During the Most Recently Completed Financial Year

During the most recently completed financial year ended April 30, 2021 and subsequent thereto, no stock options were granted. See "Options and Stock Appreciation Rights."

Aggregated Option/SAR Exercises During the Most Recently Completed Financial Year and Financial Year-End Option/SAR Values

There were no outstanding stock options as at April 30, 2022. Any unexercised options expired on January 15, 2019 and no values can be attributed as there were no unexercised in the money options as at that date.

Option and SAR Repricings

All unexercised options expired on January 15, 2019.

Defined Benefit or Actuarial Plan

We do not have a defined benefit or actuarial plan.

Compensation of Directors

The compensation provided to the directors, excluding the three officers named in the foregoing, for the Company's most recently completed financial year of April 30, 2022, is as follows:

Name(1)	**Fees earned(1) ($)**	**Share-based Awards(2) ($)**	**Option-based awards ($)**	**Non-equity incentive plan compensation ($)**	**Pension value ($)**	**All other compen-sation(3) ($)**	**Total ($)**
Jordan Estra	-	8,794	-	-	-	-	8,794
Federico Villaseñor	15,000	8,794	-	-	-	-	23,794
Tanya Lutzke	14,500	8,794	-	-	-	-	23,294

(1) Includes all fees awarded, earned, paid or payable in cash for services as a director, including annual retainer fees, committee, chair and meeting fees.
(2) Includes share based awards granted during the year that vested during the year. Share based awards are based on RSU/DSU options vested and paid calculated at and the volume weighted average ("VWAP") of the trading price per common share on the Toronto Stock Exchange ("TSX") for the last ten (10) trading days ending on that date.

Outstanding Share-based Awards and Option-based Awards

The following table sets out all share-based awards and option-based awards outstanding as at April 30, 2022, for each director, excluding a director who is already set out in disclosure for a Named Executive Officer for the Company:

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options(1) ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Jordan Estra	Nil	n/a	n/a	n/a	175,000	36,750
Federico Villaseñor	Nil	n/a	n/a	n/a	175,000	36,750
Tanya Lutzke	Nil	n/a	n/a	n/a	175,000	36,750

(1) The market price of the Company's common shares as reported on the TSX on April 30, 2022 was $0.21 per share.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out all incentive plans (value vested or earned) during the year ended April 30, 2022, for each director who was not a Named Executive Officer

Name	**Option-based awards – Value vested during the year ($)**	**Share-based awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)**
Jordan Estra	Nil	Nil	Nil
Federico Villaseñor	Nil	Nil	Nil
Tanya Lutzke	Nil	Nil	Nil

C. Board Practices

Each director of our Company is elected annually and holds office until the next annual general meeting of the shareholders unless that person ceases to be a director before then. Our last annual general meeting of the shareholders was held on November 16, 2021.

Name and Position with the Company	Director/Officer Since
Robert Eadie Executive Chairman, Chief Executive Officer and Director	October 24, 2003
Pierre Alarie President and Director	January 1, 2022
Salvador Garcia Chief Operating Officer and Director	August 23, 2017(COO) October 24, 2017 (Director)
Gary Arca Chief Financial Officer and Director	January 25, 2006
Federico Villaseñor Director	February 1, 2007
Jordan Estra Director	March 26, 2010
Tanya Lutzke Director	October 28, 2016

1. Executive Employment Agreements

Pursuant to an executive employment agreement amended with effect as of August 1, 2015, and further amendments of May 1, 2019 and April 22, 2022, Robert Eadie is paid a base salary of Cdn$360,000 per annum, for acting as Chief Executive Officer of the Company. The agreement expires on April 22, 2024 and may be terminated upon notice in writing and payment of 24 months salary. In addition, the agreement provides that, for a period of 30 days after a "change of control", Mr. Eadie may, by notice in writing to the Company, deem the agreement to be terminated, in which case Mr. Eadie will receive a lump sum payment of $720,000. A change of control (a "Change of Control") is deemed to occur when (i) there is a sale of all or substantially all of the assets of the Company, (ii) there is a merger of the Company whereby shareholders of the Company hold less than 50% of the shares in the surviving entity, (iii) there is a change in ownership of voting securities of the Company sufficient to permit any person to elect or appoint a majority of the Board of Directors, (iv) any person or persons acting jointly or in concert acquire greater than 50% of the outstanding voting securities of the Company, or (v) there is a change in the composition of the Board of Directors of the Company as a result of a proposal by a shareholder group not supported by management resulting in current members of the Board of Directors representing less than 51% of the members of the Board of Directors. In addition to his base salary, Mr. Eadie received fees for his services as a director in the amount of $$12,000 for the year ended April 30, 2022.

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

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

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

2. Committee

The members of our Company's audit committee include Jordan Estra (Chairman), Tanya Lutzke and Federico Villaseñor. The audit committee is directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. The audit committee also considers whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of our Company. The audit committee also reviews the financial statements and financial information prior to its release to the public.

D. Employees

The San Martin mine operates with a combination of contractors and employees. Most of the hourly workers are contracted through the union or syndicate. The mine has a good relationship with the union and has seen significantly fewer labour issues than most other mines in Mexico.

As at April 30, 2022, we had the following employees and contractors:

Location	Full-Time Salaried	Hourly (Union)	Contractors	Total
San Martin Mine	61	153	40	254
Vancouver Office	7			7
Total				261

As at April 30, 2021, we had the following employees and contractors:

Location	Full-Time Salaried	Hourly (Union)	Contractors	Total
San Martin Mine	58	132	54	244
Vancouver Office	6	1	1	8
Total	64	133	55	252

As at April 30, 2020, we had the following employees and contractors:

Location	Full-Time Salaried	Hourly (Union)	Contractors	Total
San Martin Mine	54	136	57	247
Vancouver Office	6	1	1	8
Total	60	137	58	255

E. Share Ownership

There were 49,646,851 common shares issued and outstanding as of April 30th, 2022. Of the shares issued and outstanding, warrants held and stock options granted, our directors and officers owned the following common shares as of April 30, 2022:

Name	Number of Common Shares Beneficially Owned	Percentage
Robert Eadie	3,817,117	7.68%
Gary Arca	549,189	1.10%
Salvador Garcia	500,000	1.00%
Cory Kent	103,500	0.20%

The voting rights attached to the common shares owned by our officers and directors do not differ from those voting rights attached to shares owned by people who are not officers or directors of our Company.

For information concerning options held by our officers and directors, please see "Compensation".

Stock Option Plan

The Company does not currently have any equity compensation arrangements in place under which directors, officers or employees can be granted an equity interest in the Company. The Company previously had an incentive stock option plan in place (the "Plan") pursuant to which the Board had the ability to grant options to purchase common shares ("Options") to directors, officers, employees and consultants to the Company. The Plan was subject to shareholder approval, which was not received at the Company's January 28, 2014 annual general meeting. Options granted under the Plan prior to January 28, 2014 have expired. As at the April 30, 2022, no Options to purchase common shares remain outstanding under the Plan.

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

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

RSU

The RSU plan was for eligible members of the Board of Directors, eligible employees and eligible contractors. All outstanding RSUs as of December 31, 2020 were paid out. Effective November 1, 2021, the Company granted an aggregate of 645,000 RSUs under the Plan allocated to certain employees and an aggregate of 1,010,000 RSUs to certain consultants. All RSUs vest as to one-third annually with performance conditions to apply. The liability portion for the year ended April 30, 2022 is $53,098 (April 30, 2021 - Nil).

DSU

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

	Units
Outstanding at April 30, 2019 & 2020	1,010,000
Paid out in 2020	(210,000)
Allocated on November 1, 2021	1,725,000
Total at April 30, 2022	2,525,000

Based on the fair value of $0.24 per share, the Company has recorded a liability in its financial statements of $278,688 (April 30, 2021 - $192) under Trades and Other Payable on the Statement of Financial Position.

Treatment of Dividends

If the Company pays a cash dividend on its shares, the RSUs held by an RSU Grantee will be increased by (i) multiplying the amount of the dividend per share by the aggregate number of Restricted Share Units that were credited to the Eligible Person's account as of the record date for such dividend, and (ii) dividing that amount by the fair market value on the date on which the dividend is paid.

Termination and Change of Control

RSUs will remain outstanding and vest in accordance with their terms, unless the RSU Grantee is terminated by the Company with cause, in which case all RSUs held by the RSU Grantee, whether vested or unvested will be forfeited and cancelled without payment. In the event of a change of control of the Company and the subsequent termination of the RSU Grantee, or a decrease or diminishment of the RSU Grantee's duties, the RSUs will immediately vest and be paid out. Upon resignation of a participant, all unvested RSUs will be automatically cancelled and all rights in respect thereof will be forfeited for no consideration.

Item 7 Major Shareholders and Related Party Transactions

A. Major Shareholders

The following table sets forth, as of April 30, 2022, the persons known to us to be the beneficial owner of more than five percent (5%) of our common shares:

Name of Shareholder	No. of Common Shares Beneficially Owned	Percentage of Outstanding Common Shares	Percentage of Fully Diluted Common Shares(1)
2176423 Ontario Ltd. (a private company controlled by Eric S. Sprott) Toronto, Ontario	6,163,193(2)	12.41%	12.41%
Italpreziosi S P A	3,787,135	7.63%	7.63%
Robert Eadie	3,817,117	7.68%	7.68%

(1) Based on 49,646,851 common shares issued and outstanding as at April 30, 2022.
(2) The information is at April 30, 2022, as derived from SEDI, the electronic filing system for Insider Reporting. The voting rights of our major shareholders do not differ from the voting rights of holders of our common shares who are not major shareholders.

As at June 30, 2022, the registrar and transfer agent for our Company reported that there were 49,646,851 common shares of our Company issued and outstanding. Of these, 44,036,225 were registered to Canadian residents (245 shareholders), 1,299,476 were registered to residents of the United States (92 shareholders) and 4,311,150 were registered to residents of other foreign countries (11 shareholders).

To the best of our knowledge, our Company is not directly or indirectly owned or controlled by another corporation, by any foreign government or by any other natural or legal person.

There are no arrangements known to us, the operation of which may at a subsequent date result in a change in the control of our Company.

B. Related Party Transactions

Other than compensation paid to our directors and officers in such capacities, and except as disclosed below, to the best of our knowledge, since the formation of our Company:

- there have been no material transactions to which we were or are a party and in which any of our directors or officers, any relative or spouse of any director or officer, or any individual owning, directly or indirectly, an interest in our voting power that gives it significant influence over us, has or will have a direct or indirect material interest; and

- none of our directors or officers, nor any relatives or spouses of such directors or officers, nor any individuals owning, directly or indirectly, an interest in our voting power that gives them significant influence over us, were indebted to us.

C. Interests of experts and counsel

Not Applicable

Item 8 Financial Information

A. Consolidated Statements and Other Financial Information

Item 18 of this Annual Report contains our financial statements as at and for the year ended April 30, 2022. Our financial statements are stated in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Export Sales
(All dollar figures are in '000s)

Export sales constituted 100 percent of our Company's total sales volume during the fiscal years disclosed in the following table:

Year	Sales	Export Sales (%)
2022	$25,679	100%
2021	$26,799	100%
2020	$24,820	100%
2019	$32,795	100%
2018	$27,807	100%
2017	$27,228	100%

Legal Proceedings

There are no legal proceedings to which our Company is a party and, to our knowledge, no such proceedings are pending.

On December 22, 2015, the SEC initiated proceedings under Section 12(j) of the Securities Exchange Act of 1934 for our Company's failure to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder because it had not filed any periodic reports with the Commission since the period ended April 30, 2004. On January 25, 2016, the Company executed an Offer of Settlement presented by the SEC to settle the proceedings. The SEC issued its Final Order on February 1, 2016.

Dividend Policy

Our Company does not have a formal dividend policy.

Our Company paid our shareholders dividends in September, 2014. Any future payment of dividends or distributions will be determined by the board of directors of our Company on the basis of our Company's earnings, financial requirements and other relevant factors. Successful operation of our business is subject to a number of risks and uncertainties, including those described under the heading “Risk Factors” appearing on page 5, above.

B. Significant Changes

Not Applicable

Item 9 The Offer and Listing

A. Offer and Listing Details

Not Applicable

B. Plan of Distribution

Not Applicable

C. Markets

Our common shares trade on the TSX Exchange (Toronto Stock Exchange) with symbol “SAM” and our CUSIP number is 85525T202. Our common shares also trade on the Frankfurt Stock Exchange with symbol V4JA and the OTCQB with symbol SHVLF

D. Selling shareholders

Not Applicable

E. Dilution

Not Applicable

F. Expenses of the issue

Not Applicable

Item 10 Additional Information

A. Share capital.

Not applicable for annual reports

B. Memorandum and articles of association.

This information is included in the 20F Registration Statement filed on August 12, 2016 and has not changed, except for the amendment to the Articles of the Company providing for the Direct Registration System (“DRS”) of the Company’s securities and to allow meeting of Shareholders by Telephone or other Electronic Means. See Exhibit 1.2

C. Material Contracts

With the exception of the contracts listed below and the executive employment agreements described under the heading “*Directors, Senior Management and Employees -Board Practices – Executive Employment Agreements*” above, we have not entered into any material contracts during the last twenty-four months that were outside those entered into in the ordinary course of business.

D. Exchange Controls

There are no government laws, decrees or regulations in Canada which restrict the export or import of capital or which affect the remittance of dividends, interest or other payments to non-resident holders of our common shares. Any remittances of dividends to United States residents and to other non-residents are, however, subject to withholding tax. See "Taxation" below.

Except as provided in the Investment Canada Act (Canada), which has rules regarding certain acquisitions of shares by non-residents, there is no limitation imposed by Canadian law or by our charter or other constituent documents on the right of a non-resident to hold or vote our common shares. The Investment Canada Act is a Canadian federal statute of broad application regulating the establishment and acquisition of Canadian businesses by non-Canadians, including individuals, governments or agencies thereof, corporations, partnerships, trusts or joint ventures. Investments by non-Canadians to acquire control over existing Canadian businesses or to establish new ones are either reviewable or notifiable under the Investment Canada Act. If an investment by a non-Canadian to acquire control over an existing Canadian business is reviewable under the Investment Canada Act, the Investment Canada Act generally prohibits implementation of the investment unless, after review, the Minister of Industry is satisfied that the investment is likely to be of net benefit to Canada.

E. Taxation

Canadian Federal Income Taxation

We consider that the following summary fairly describes the principal Canadian federal income tax consequences applicable to a holder of our common shares who at all material times deals at arm's length with our Company, who holds all common shares as capital property, who is resident in the United States, who is not a resident of Canada and who does not use or hold, and is not deemed to use or hold, his common shares of our Company in connection with carrying on a business in Canada (a "non-resident holder"). It is assumed that the common shares will at all material times be listed on a stock exchange that is prescribed for purposes of the *Income Tax Act* (Canada) (the "ITA") and regulations thereunder. Investors should be aware that the Canadian federal income tax consequences applicable to holders of our common shares will change if, for any reason, we cease to be listed on a prescribed stock exchange. Accordingly, holders and prospective holders of our common shares should consult with their own tax advisors with respect to the income tax consequences of them purchasing, owning and disposing of our common shares should we cease to be listed on a prescribed stock exchange.

This summary is based upon the current provisions of the ITA, the regulations thereunder, the Canada-United States Tax Convention as amended by the Protocols thereto (the "Treaty") as at the date of the Annual Report and the currently publicly announced administrative and assessing policies of the Canada Revenue Agency (the "CRA"). This summary does not take into account Canadian provincial income tax consequences. This description is not exhaustive of all possible Canadian federal income tax consequences and does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action. This summary does, however, take into account all specific proposals to amend the ITA and regulations thereunder, publicly announced by the Government of Canada to the date hereof.

This summary does not address potential tax effects relevant to our Company or those tax considerations that depend upon circumstances specific to each investor. Accordingly, holders and prospective holders of our common shares should consult with their own tax advisors with respect to the income tax consequences to them of purchasing, owning and disposing of common shares in our Company.

Dividends

The ITA provides that dividends and other distributions deemed to be dividends paid or deemed to be paid by a Canadian resident corporation (such as our Company) to a non-resident of Canada shall be subject to a non-resident withholding tax equal to 25% of the gross amount of the dividend of deemed dividend. Provisions in the ITA relating to dividend and deemed dividend payments to and gains realized by non-residents of Canada, who are residents of the United States, are subject to the Treaty. The Treaty may reduce the withholding tax rate on dividends as discussed below.

Article X of the Treaty as amended by the US-Canada Protocol ratified on November 9, 1995 provides a 5% withholding tax on gross dividends or deemed dividends paid to a United States corporation which beneficially owns at least 10% of the voting stock of the company paying the dividend. In cases where dividends or deemed dividends are paid to a United States resident (other than a corporation) or a United States corporation which beneficially owns less than 10% of the voting stock of a company, a withholding tax of 15% is imposed on the gross amount of the dividend or deemed dividend paid. We would be required to withhold any such tax from the dividend and remit the tax directly to the CRA for the account of the investor.

The reduction in withholding tax from 25%, pursuant to the Treaty, will not be available:

(a) if the shares in respect of which the dividends are paid formed part of the business property or were otherwise effectively connected with a permanent establishment or fixed base that the holder has or had in Canada within the 12 months preceding the disposition, or

(b) the holder is a U.S. LLC which is not subject to tax in the U.S.

The Treaty generally exempts from Canadian income tax dividends paid to a religious, scientific, literary, educational or charitable organization or to an organization exclusively administering a pension, retirement or employee benefit fund or plan, if the organization is resident in the U.S. and is exempt from income tax under the laws of the U.S.

Capital Gains

A non-resident holder is not subject to tax under the ITA in respect of a capital gain realized upon the disposition of one of our shares unless the share represents “taxable Canadian property” to the holder thereof. Our common shares will be considered taxable Canadian property to a non-resident holder only if-.

(a) the non-resident holder;

(b) persons with whom the non-resident holder did not deal at arm's length- or

(c) the non-resident holder and persons with whom he did not deal at arm's length,

owned not less than 25% of the issued shares of any class or series of our Company at any time during the five year period preceding the disposition. In the case of a non-resident holder to whom shares of our Company represent taxable Canadian property and who is resident in the United States, no Canadian taxes will generally be payable on a capital gain realized on such shares by reason of the Treaty unless:

(a) the value of such shares is derived principally from real property (including resource property) situated in Canada,

(b) the holder was resident in Canada for 120 months during any period of 20 consecutive years preceding, and at any time during the 10 years immediately preceding, the disposition and the shares were owned by him when he ceased to be a resident of Canada,

(c) they formed part of the business property or were otherwise effectively connected with a permanent establishment or fixed base that the holder has or had in Canada within the 12 months preceding the disposition, or

(d) the holder is a U.S. LLC which is not subject to tax in the U.S.

If subject to Canadian tax on such a disposition, the taxpayer's capital gain (or capital loss) from a disposition is the amount by which the taxpayer’s proceeds of disposition exceed (or are exceeded by) the aggregate of the taxpayer's adjusted cost base of the shares and reasonable expenses of disposition. For Canadian income tax purposes, the “taxable capital gain” is equal to one-half of the capital gain.

United States Federal Income Taxation

The following is a discussion of the material United States Federal income tax consequences, under current law, applicable to a U.S. Holder (as defined below) of our common shares who holds such shares as capital assets. This discussion does not address all potentially relevant Federal income tax matters and it does not address consequences peculiar to persons subject to special provisions of Federal income tax law, such as those described below as excluded from the definition of a U.S. Holder. In addition, this discussion does not cover any state, local, or foreign tax consequences. (See "Canadian Federal Income Tax Consequences" above.)

The following discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations, published Internal Revenue Service ("IRS") rulings, published administrative positions of the IRS and court decisions that are currently applicable, any or all of which could be materially and adversely changed, possibly on a retroactive basis, at any time. In addition, this discussion does not consider the potential effects, both adverse and beneficial, of any recently proposed legislation which, if enacted, could be applied, possibly on a retroactive basis, at any time.

The discussion below does not address potential tax effects relevant to our Company or those tax considerations that depend upon circumstances specific to each investor. In addition, this discussion does not address the tax consequences that may be relevant to particular investors subject to special treatment under certain U.S. Federal income tax laws, such as dealers in securities, tax-exempt entities, banks, insurance companies and non-U.S. Holders. Purchasers of shares of our common stock should therefore satisfy themselves as to the overall tax consequences of their ownership of our common stock, including the State, local and foreign tax consequences thereof (which are not reviewed herein), and should consult their own tax advisors with respect to their particular circumstances.

U.S. Holders

As used herein, a "U.S. Holder" includes a beneficial holder of common shares of our Company who is a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States or of any political subdivision thereof, any trust if a US court is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, any entity created or organized in the United States which is taxable as a corporation for U.S. tax purposes and any other person or entity whose ownership of common shares of our Company is effectively connected with the conduct of a trade or business in the United States. A U.S. Holder does not include persons subject to special provisions of Federal income tax law, such as tax-exempt organizations, qualified retirement plans, financial institutions, insurance companies, real estate investment trusts, regulated investment companies, broker-dealers, non-resident alien individuals or foreign corporations whose ownership of our common shares is not effectively connected with the conduct of a trade or business in the United States and shareholders who acquired their shares through the exercise of employee stock options or otherwise as compensation.

Dividend Distribution on Shares of our Company

U.S. Holders receiving dividend distributions (including constructive dividends) with respect to the common shares of our Company are required to include in gross income for United States Federal income tax purposes the gross amount of such distributions to the extent that we have current or accumulated earnings and profits, without reduction for any Canadian income tax withheld from such distributions. Such Canadian tax withheld may be deducted or may be credited against actual tax payable, subject to certain limitations and other complex rules, against the U.S. Holder's United States Federal taxable income. See "Foreign Tax Credit" below. To the extent that distributions exceed our current or accumulated earnings and profits, they will be treated first as a return of capital to the extent of the shareholder's basis in the common shares of our Company and thereafter as gain from the sale or exchange of the common shares of our Company. Preferential tax rates for net long term capital gains may be applicable to a U.S. Holder which is an individual, estate or trust.

In general, dividends paid on our common shares will not be eligible for the dividends received deduction provided to corporations receiving dividends from certain United States corporations.

Foreign Tax Credit

A U.S. Holder who pays (or who has had withheld from distributions) Canadian income tax with respect to the ownership of our common shares may be entitled, at the election of the U.S. Holder, to either a deduction or a tax credit for such foreign tax paid or withheld. This election is made on a year-by-year basis and generally applies to all foreign income taxes paid by (or withheld from) the U.S. Holder during that year. There are significant and complex limitations which apply to the credit, among which is the general limitation that the credit cannot exceed the proportionate share of the U.S. Holder's United States income tax liability that the U.S. Holder's foreign source income bears to his or its world-wide taxable income. In determining the application of this limitation, the various items of income and deduction must be classified into foreign and domestic sources. Complex rules govern income such as “passive income”, “high withholding tax interest”, “financial services income”, “shipping income” and certain other classifications of income. A U.S. Holder who is treated as a domestic U.S. corporation owning 10% or more of our voting stock is also entitled to a deemed paid foreign tax credit in certain circumstances for the underlying foreign tax of our Company related to dividends received or Subpart F income received from us. (See the discussion below of Controlled Foreign Corporations). The availability of the foreign tax credit and the application of the limitations on the foreign tax credit are fact specific and holders and prospective holders of our common shares should consult their own tax advisors regarding their individual circumstances.

Disposition of Common Shares

If a U.S. Holder is holding shares as a capital asset, a gain or loss realized on a sale of our common shares will generally be a capital gain or loss, and will be long-term if the shareholder has a holding period of more than one year. However, gains realized upon sale of our common shares may, under certain circumstances, be treated as ordinary income, if we were determined to be a “collapsible corporation” within the meaning of Code Section 341 based on the facts in existence on the date of the sale (See below for definition of “collapsible corporation”). The amount of gain or loss recognized by a selling U.S. Holder will be measured by the difference between (i) the amount realized on the sale and (ii) his tax basis in our common shares. Capital losses are deductible only to the extent of capital gains. However, in the case of taxpayers other than corporations (U.S.) $3,000 ($1,500 for married individuals filing separately) of capital losses are deductible against ordinary income annually. In the case of individuals and other non-corporate taxpayers, capital losses that are not currently deductible may be carried forward to other years. In the case of corporations, capital losses that are not currently deductible are carried back to each of the three years preceding the loss year and forward to each of the five years succeeding the loss year.

A “collapsible corporation” is a corporation that is formed or availed principally to manufacture, construct, produce, or purchase prescribed types or property that the corporation holds for less than three years and that generally would produce ordinary income on its disposition, with a view to the stockholders selling or exchanging their stock and thus realizing gain before the corporation realizes two thirds of the taxable income to be derived from prescribed property. Prescribed property includes: stock in trade and inventory; property held primarily for sale to customers in the ordinary course of business; unrealized receivables or fees, consisting of rights to payment for non-capital assets delivered or to be delivered, or services rendered or to be rendered to the extent not previously included in income, but excluding receivables from selling property that is not prescribed; and property gain on the sale of which is subject to the capital gain/ordinary loss rule. Generally, a shareholder who owns directly or indirectly 5 percent or less of the outstanding stock of the corporation may treat gain on the sale of his shares as capital gain.

Other Considerations for U.S. Holders

In the following circumstances, the above sections of this discussion may not describe the United States Federal income tax consequences resulting from the holding and disposition of common shares of the Registrant.

Foreign Personal Holding Company

If at any time during a taxable year more than 50% of the total combined voting power or the total value of our outstanding shares is owned, actually or constructively, by five or fewer individuals who are citizens or residents of the United States and 60% or more of our gross income for such year was derived from certain passive sources (e.g., from dividends received from its subsidiaries), we would be treated as a “foreign personal holding company.” In that event, U.S. Holders that hold common shares in our capital would be required to include in income for such year their allocable portion of our passive income which would have been treated as a dividend had that passive income actually been distributed.

Foreign Investment Company

If 50% or more of the combined voting power or total value of our outstanding shares are held, actually or constructively, by citizens or residents of the United States, United States domestic partnerships or corporations, or estates or trusts other than foreign estates or trusts (as defined by the Code Section 7701(a)(31)), and we are found to be engaged primarily in the business of investing, reinvesting, or trading in securities, commodities, or any interest therein, it is possible that we might be treated as a “foreign investment company” as defined in Section 1246 of the Code, causing all or part of any gain realized by a U.S. Holder selling or exchanging our common shares to be treated as ordinary income rather than capital gains.

Passive Foreign Investment Company

A U.S. Holder who holds stock in a foreign corporation during any year in which such corporation qualifies as a passive foreign investment company (“PFIC”) is subject to U.S. federal income taxation of that foreign corporation under one of two alternative tax methods at the election of each such U.S. Holder.

Section 1297 of the Code defines a PFIC as a corporation that is not formed in the United States and, for any taxable year, either (i) 75% or more of its gross income is “passive income,” which includes interest, dividends and certain rents and royalties or (ii) the average percentage, by value (or, if the company is a controlled foreign corporation or makes an election, adjusted tax basis), of its assets that produce or are held for the production of “passive income” is 50% or more. For taxable years of U.S. persons beginning after December 31, 1997, and for tax years of foreign corporations ending with or within such tax years, the Taxpayer Relief Act of 1997 provides that publicly traded corporations must apply this test on a fair market value basis only.

As a PFIC, each U.S. Holder must determine under which of the alternative tax methods it wishes to be taxed. Under one method, a U.S. Holder who elects in a timely manner to treat the Registrant as a Qualified Electing Fund (“QEF”), as defined in the Code, (an “Electing U.S. Holder”) will be subject, under Section 1293 of the Code, to current federal income tax for any taxable year in which we qualify as a PFIC on his pro-rata share of our (i) “net capital gain” (the excess of net long-term capital gain over net short-term capital loss), which will be taxed as long-term capital gain to the Electing U.S. Holder and (ii) “ordinary earnings” (the excess of earnings and profits over net capital gain), which will be taxed as ordinary income to the Electing U.S. Holder, in each case, for the U.S. Holder's taxable year in which (or with which) our taxable year ends, regardless of whether such amounts are actually distributed. Such an election, once made shall apply to all subsequent years unless revoked with the consent of the IRS.

A QEF election also allows the Electing U.S. Holder to (i) generally treat any gain realized on the disposition of his common shares (or deemed to be realized on the pledge of his common shares) as capital gain; (ii) treat his share of our net capital gain, if any, as long-term capital gain instead of ordinary income, and (iii) either avoid interest charges resulting from PFIC status altogether (see discussion of interest charge below), or make an annual election, subject to certain limitations, to defer payment of current taxes on his share of our annual realized net capital gain and ordinary earnings subject, however, to an interest charge. If the Electing U.S. Holder is an individual, such an interest charge would be not deductible.

The procedure a U.S. Holder must comply with in making a timely QEF election will depend on whether the year of the election is the first year in the U.S. Holder's holding period in which we are a PFIC. If the U.S. Holder makes a QEF election in such first year, (sometimes referred to as a “Pedigreed QEF Election”), then the U.S. Holder may make the QEF election by simply filing the appropriate documents at the time the U.S. Holder files their tax return for such first year. If, however, we qualified as a PFIC in a prior year, then the U.S. Holder may make an “Unpedigreed QEF Election” by recognizing as an “excess distribution” (i) under the rules of Section 1291 (discussed below), any gain that he would otherwise recognize if the U.S. Holder sold his stock on the qualification date (Deemed Sale Election) or (ii) if we are a controlled foreign corporation (“CFC”), the Holder's pro rata share of the corporation's earnings and profits (Deemed Dividend Election) but see (“Elimination of Overlap Between Subpart F Rules and PFIC Provisions”). The effect of either the deemed sale election or the deemed dividend election is to pay all prior deferred tax, to pay interest on the tax deferral and to be treated thereafter as a Pedigreed QEF as discussed in the prior paragraph. With respect to a situation in which a Pedigreed QEF election is made, if we no longer qualify as a PFIC in a subsequent year, normal Code rules and not the PFIC rules will apply.

If a U.S. Holder has not made a QEF Election at any time (a "Non-electing U.S. Holder"), then special taxation rules under Section 1291 of the Code will apply to (i) gains realized on the disposition (or deemed to be realized by reason of a pledge) of his common shares and (ii) certain "excess distributions", as specially defined, by our Company. An "excess distribution" is any current-year distribution in respect of PFIC stock that represents a rateable portion of the total distributions in respect of the stock during the year that exceed 125 percent of the average amount of distributions in respect of the stock during the three preceding years.

A Non-electing U.S. Holder generally would be required to pro-rate all gains realized on the disposition of his common shares and all excess distributions over the entire holding period for the common shares. All gains or excess distributions allocated to prior years of the U.S. Holder (other than years prior to our first taxable year during such U.S. Holder's holding period and beginning after January, 1987 for which it was a PFIC) would be taxed at the highest tax rate for each such prior year applicable to ordinary income. The Non-electing U.S. Holder would also be liable for interest on the deferred tax liability for each such prior year calculated as if such liability had been due with respect to each such prior year. A Non-electing U.S. Holder that is an individual is not allowed a deduction for interest on the deferred tax liability. The portions of gains and distributions that are not characterized as "excess distributions" are subject to tax in the current year under the normal tax rules of the Internal Revenue Code.

If we are a PFIC for any taxable year during which a Non-electing U.S. Holder holds common shares, then we will continue to be treated as a PFIC with respect to such common Shares, even if our Company is no longer by definition a PFIC. A Non-electing U.S. Holder may terminate this deemed PFIC status by electing to recognize gain (which will be taxed under the rules discussed above for Non-Electing U.S. Holders) as if such common shares had been sold on the last day of the last taxable year for which we were a PFIC.

Under Section 1291(f) of the Code, the Department of the Treasury has issued proposed regulations that would treat as taxable certain transfers of PFIC stock by Non-electing U.S. Holders that are generally not otherwise taxed, such as gifts, exchanges pursuant to corporate reorganizations, and transfers at death. If a U.S. Holder makes a QEF Election that is not a Pedigreed Election (i.e., it is made after the first year during which we are a PFIC and the U.S. Holder holds our shares) (a "Unpedigreed Election"), the QEF rules apply prospectively but do not apply to years prior to the year in which the QEF first becomes effective. U.S. Holders should consult their tax advisors regarding the specific consequences of making a Non-Pedigreed QEF Election.

Certain special, generally adverse, rules will apply with respect to the common shares while we are a PFIC whether or not it is treated as a QEF. For example under Section 1297(b)(6) of the Code (as in effect prior to the Taxpayer Relief Act of 1997), a U.S. Holder who uses PFIC stock as security for a loan (including a margin loan) will, except as may be provided in regulations, be treated as having made a taxable disposition of such stock.

The foregoing discussion is based on currently effective provisions of the Code, existing and proposed regulations thereunder, and current administrative rulings and court decisions, all of which are subject to change. Any such change could affect the validity of this discussion. In addition, the implementation of certain aspects of the PFIC rules requires the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these proposals will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion. Accordingly, and due to the complexity of the PFIC rules, U.S. Holders of our common shares are strongly urged to consult their own tax advisors concerning the impact of these rules on their investment in our Company. For a discussion of the impact of the Taxpayer Relief Act of 1997 on a U.S. Holder of a PFIC, see "Mark-to-Market Election For PFIC Stock Under the Taxpayer Relief Act of 1997" and "Elimination of Overlap Between Subpart F Rules and PFIC Provisions" below.

Mark-to-Market Election for PFIC Stock Under the Taxpayer Relief Act of 1997

The Taxpayer Relief Act of 1997 provides that a U.S. Holder of a PFIC may make a mark-to-market election with respect to the stock of the PFIC if such stock is marketable as defined below. This provision is designed to provide a current inclusion provision for persons that are Non-Electing Holders. Under the election, any excess of the fair market value of the PFIC stock at the close of the tax year over the Holder's adjusted basis in the stock is included in the Holder's income. The Holder may deduct any excess of the adjusted basis of the PFIC stock over its fair market value at the close of the tax year. However, deductions are limited to the net mark-to-market gains on the stock that the Holder included in income in prior tax years, or so called "unreversed inclusions." For purposes of the election, PFIC stock is marketable if it is regularly traded on (i) a national securities exchange that is registered with the SEC, (ii) the national market system established under Section II A of the Securities Exchange Act of 1934, or (iii) an exchange or market that the IRS determines has rules sufficient to ensure that the market price represents legitimate and sound fair market value.

A Holder's adjusted basis of PFIC stock is increased by the income recognized under the mark-to-market election and decreased by the deductions allowed under the election. If a U.S. Holder owns PFIC stock indirectly through a foreign entity, the basis adjustments apply to the basis of the PFIC stock in the hands of the foreign entity for the purpose of applying the PFIC rules to the tax treatment of the U.S. owner. Similar basis adjustments are made to the basis of the property through which the U.S. persons hold the PFIC stock.

Income recognized under the mark-to-market election and gain on the sale of PFIC stock with respect to which an election is made is treated as ordinary income. Deductions allowed under the election and loss on the sale of PFIC with respect to which an election is made, to the extent that the amount of loss does not exceed the net mark-to-market gains previously included, are treated as ordinary losses. The U.S. or foreign source of any income or losses is determined as if the amount were a gain or loss from the sale of stock in the PFIC.

If PFIC stock is owned by a CFC (discussed below), the CFC is treated as a U.S. person that may make the mark-to-market election. Amounts includible in the CFC's income under the election are treated as foreign personal holding company income, and deductions are allocable to foreign personal holding company income.

The above provisions apply to tax years of U.S. persons beginning after December 31, 1997, and to tax years of foreign corporations ending with or within such tax years of U.S. persons.

The rules of Code Section 1291 applicable to nonqualified funds as discussed above generally do not apply to a U.S. Holder for tax years for which a mark-to-market election is in effect. If Code Section 1291 is applied and a mark-to-market election was in effect for any prior tax year, the U.S. Holder's holding period for the PFIC stock is treated as beginning immediately after the last tax year of the election. However, if a taxpayer makes a mark-to-market election for PFIC stock that is a nonqualified fund after the beginning of a taxpayer's holding period for such stock, a co-ordination rule applies to ensure that the taxpayer does not avoid the interest charge with respect to amounts attributable to periods before the election.

Controlled Foreign Corporation Status

If more than 50% of the voting power of all classes of stock or the total value of the stock of our Company is owned, directly or indirectly, by U.S. Holders, each of whom own after applying rules of attribution 10% or more of the total combined voting power of all classes of stock of our Company, we would be treated as a “controlled foreign corporation” or “CFC” under Subpart F of the Code. This classification would bring into effect many complex results including the required inclusion by such 10% U.S. Holders in income of their pro rata shares of “Subpart F income” (as defined by the Code) of our Company and our earnings invested in “U.S. property” (as defined by Section 956 of the Code). In addition, under Section 1248 of the Code if we are considered a CFC at any time during the five year period ending with the sale or exchange of its stock, gain from the sale or exchange of common shares of our Company by such a 10% U.S. Holder of our common stock at any time during the five year period ending with the sale or exchange is treated as ordinary dividend income to the extent of our earnings and profits attributable to the stock sold or exchanged. Because of the complexity of Subpart F, and because we may never be a CFC, a more detailed review of these rules is beyond the scope of this discussion.

Elimination of Overlap Between Subpart F Rules and PFIC Provisions

Under the Taxpayer Relief Act of 1997, a PFIC that is also a CFC will not be treated as a PFIC with respect to certain 10% U.S. Holders. For the exception to apply, (i) the corporation must be a CFC within the meaning of section 957(a) of the Code and (ii) the U.S. Holder must be subject to the current inclusion rules of Subpart F with respect to such corporation (i.e., the U.S. Holder is a “United States Shareholder,” see “Controlled Foreign Corporation,” above). The exception only applies to that portion of a U.S. Holder's holding period beginning after December 31, 1997. For that portion of a United States Holder before January 1, 1998, the ordinary PFIC and QEF rules continue to apply.

As a result of this new provision, if we were ever to become a CFC, U.S. Holders who are currently taxed on their pro rata shares of Subpart F income of a PFIC which is also a CFC will not be subject to the PFIC provisions with respect to the same stock if they have previously made a Pedigreed QEF Election. The PFIC provisions will however continue to apply to U.S Holders for any periods in which Subpart F does not apply (for example he is no longer a

10% Holder or we are no longer a CFC) and to U.S. Holders that did not make a Pedigreed QEF Election unless the U.S. Holder elects to recognize gain on the PFIC shares held in our Company as if those shares had been sold.

ALL PROSPECTIVE INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES OF PURCHASING THE COMMON SHARES OF OUR COMPANY.

F. Dividends and Paying Agents

Not applicable for Annual Reports

G. Statement by Experts

Not applicable for Annual Reports

H. Documents on Display

Upon the effectiveness of this filing, we will be subject to the informational requirements of the *Securities Exchange Act of 1934*, as amended, and we will thereafter file reports and other information with the SEC electronically. You may read and copy any of our reports and other information at the SEC's web site at http://www.sec.gov.

The documents concerning our Company referred to in this Annual Report may also be viewed at our principal executive offices, Suite 750 – 580 Hornby Street, Box 113, Vancouver, British Columbia, Canada V6C 3B6 (Telephone: (604) 602-4935), during normal business hours.

I. Subsidiary Information

See Item 4(C) for the Company's active subsidiaries as at the date of this Annual Report.

Item 11 Quantitative and Qualitative Disclosures About Market Risk

As a Canadian company, our cash balances are kept in U.S. and Canadian funds. Therefore, we may become exposed to some exchange, interest rate and other risks as listed below. We consider the amount of risk to be manageable and do not currently, nor will we likely in the foreseeable future, conduct hedging to reduce our market risks.

i.) 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.

ii.) 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.

iii.) 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.

iv.) 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.

v.) 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.

Item 12 Description of Securities Other than Equity Securities

Not applicable

Item 13 Defaults, Dividend Arrearages and Delinquencies

None

Item 14 Material Modifications to the rights of Security Holders and Use of Proceeds

Not Applicable

Item 15 Controls and Procedures

Not Applicable

Item 16 [RESERVED]

Item 16A Audit Committee Financial Expert

The Company's board of directors has determined that it has two audit committee financial experts serving on its audit committee. Jordan Estra and Federico Villaseñor have been determined to be such audit committee financial experts and are independent, as that term is defined by the Toronto Stock Exchange's listing standards applicable to the Company. The SEC has indicated that the designation of Messrs. Estra and Villaseñor as audit committee financial experts does not make either of them an "expert" for any purpose, impose any duties, obligations or liability on either of them that are greater than those imposed on members of the audit committee and board of directors who do not carry this designation or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

Item 16B Code of Ethics

The Company has not adopted a written code of ethics applicable to officers and directors of the Company. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operated independently of management and in the best interests of the Company.

Item 16C Principal Accountant Fees and Services

Audit Fees. This category includes the fees for the audit of our financial statements and the quarterly reviews of interim financial statements. This category also includes advice on audit and accounting matters that arose during or as a result of the audit or the review of interim financial statements and services in connection with Securities and Exchange Commission filings.

Audit-Related Fees. This category includes assurance and related services that are reasonably related to the performance of the audit or review of the financial statements that are not reported under Audit Fees, and describes the nature of the services comprising the fees disclosed under this category.

Tax Fees. This category includes the fees for professional services rendered for tax compliance, tax advice and tax planning, and describes the nature of the services comprising the fees disclosed under this category.

All Other Fees. This category includes products and services provided by the principal accountant, other than the services reported under Audit Fees, Audit-Related Fees or Tax Fees.

Our current independent public accountants provided audit and other services during the fiscal year ended April 30, 2022 and April 30, 2021:

	April 30, 2021	April 30, 2022
Audit Fees	92,500	150,000
Audit-Related Fees	30,000	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total Fees	122,500	150,000

Pre-Approval Policies and Procedures

Our audit committee pre-approves all services provided by our independent auditors. All of the services and fees described under the categories of “Audit Fees”, “Audit Related Fees”, “Tax Fees” and “All Other Fees” were reviewed and approved by the audit committee before the respective services were rendered. We are not relying upon a waiver pursuant to the provisions of paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X

The audit committee has considered the nature and amount of the fees billed by Davidson & Company LLP, Chartered Professional Accountants, and believes that the provision of the services for activities unrelated to the audit is compatible with maintaining the independence of Davidson & Company LLP, Chartered Professional Accountants.

Item 16D Exemptions from Listing Standards for Audit Committees

Not Applicable

Item 16E Purchase of Equity Securities by the Issuer and Affiliated Purchasers

There have been no purchases of the Company's common shares by the Company or affiliated purchasers during the period covered by this report.

Item 16F Change in Registrant’s Certifying Accountant

Since May 2016, Davidson & Company LLP, Chartered Professional Accountants have been the Company’s independent accountants.

Item 16G Corporate Governance

Not Applicable

Item 16H Mine Safety Disclosure

Not Applicable

PART II

Item 17 Financial Statements

Not Applicable

Item 18 Financial Statements

The following financial statements and notes thereto are filed with and incorporated herein as part of this Annual Report as Exhibit F-1:

> Audited financial statements of the Company for the year ended April 30, 2022, including consolidated statements of financial position, consolidated statements of operations and comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements.

The Company's Financial Statements are stated in Canadian Dollars and are prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Item 19 Exhibits

Exhibits Required by Form 20-F

Exhibit Number	**Description**
1.	**Articles of Incorporation**
1.1	Notice of Articles of Starcore International Mines Ltd. dated November 1, 2017.[1]
1.2	Amended Articles of Starcore International Mines Ltd. dated October 24, 2017.[1]
1.3	Notice of Change of Directors dated November 1, 2017. [1]
1.4	Notice of Change of Directors dated November 17, 2020.[2]
1.5	Amended Articles of Starcore International Mines Ltd. dated November 17, 2020.[2]
1.6	Notice of Change of Directors dated January 10, 2022.
8.	**List of Subsidiaries**
8.1	Subsidiaries of the Company.
12.	**Certifications**
12.1	Section 302 Certification of the Chief Executive Officer
12.2	Section 302 Certification of the Chief Financial Officer
13.1	Section 906 Certification of Chief Executive Officer
13.2	Section 906 Certification of Chief Financial Officer
96.	**Technical Report Summary**
96.1	S-K 1300 Technical Report Summary San Martin Mine prepared by Erme Enriquez, C.P.G., B.Sc., M.Sc. dated June 28, 2022.
96.2	Consent of Erme Enriquez, CPG B.Sc, M.Sc.
F-1	Financial Statements

Notes:

1. Incorporated by reference from the Company's Annual report on Form 20-F, as filed with the Securities exchange Commission on July 30, 2018.
2. Incorporated by reference from the Company's Annual report on Form 20-F, as filed with the Securities exchange Commission on July 29, 2021.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this registration statement [annual report] on its behalf.

Starcore International Mines Ltd.

Date: July 29, 2022

By: /s/ *Robert Eadie*

Name: Robert Eadie
Title: CEO

Date and Time: January 10, 2022 01:41 PM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Change of Directors

FORM 10
BUSINESS CORPORATIONS ACT
Section 127

Filed Date and Time: **January 10, 2022 01:40 PM Pacific Time**

Incorporation Number:
BC0218266

Name of Company:
STARCORE INTERNATIONAL MINES LTD.

Date of Change of Directors

January 1, 2022

New Director(s)

Last Name, First Name, Middle Name:
Alarie, Pierre

Mailing Address:
SUITE 750, 580 HORNBY STREET
VANCOUVER BC V6C 3B6
CANADA

Delivery Address:
SUITE 750, 580 HORNBY STREET
VANCOUVER BC V6C 3B6
CANADA

Director(s) as at January 1, 2022

Last Name, First Name, Middle Name:
Alarie, Pierre

Mailing Address:
SUITE 750, 580 HORNBY STREET
VANCOUVER BC V6C 3B6
CANADA

Delivery Address:
SUITE 750, 580 HORNBY STREET
VANCOUVER BC V6C 3B6
CANADA

Last Name, First Name, Middle Name:
Arca, Gary

Mailing Address:	**Delivery Address:**
SUITE 750 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA	SUITE 750 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA

Last Name, First Name, Middle Name:
EADIE, ROBERT

Mailing Address:	**Delivery Address:**
SUITE 750 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA	SUITE 750 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA

Last Name, First Name, Middle Name:
ESTRA, JORDAN

Mailing Address:	**Delivery Address:**
5888 NORTH OCEAN BLVD OCEAN RIDGE FL 33435 UNITED STATES	5888 NORTH OCEAN BLVD OCEAN RIDGE FL 33435 UNITED STATES

Last Name, First Name, Middle Name:
Garcia, Salvador

Mailing Address:	**Delivery Address:**
SUITE 750, 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA	SUITE 750, 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA

Last Name, First Name, Middle Name:
TANYA, LUTZKE

Mailing Address:	**Delivery Address:**
SUITE 750, 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA	SUITE 750, 580 HORNBY STREET VANCOUVER BC V6C 3B6 CANADA

Last Name, First Name, Middle Name:
VILLASENOR, FEDERICO

Mailing Address:	**Delivery Address:**
PANZACOLA 15 COYOACAN MEXICO, D.F. 04000 MEXICO	PANZACOLA 15 COYOACAN MEXICO, D.F. 04000 MEXICO

Exhibit 8.1

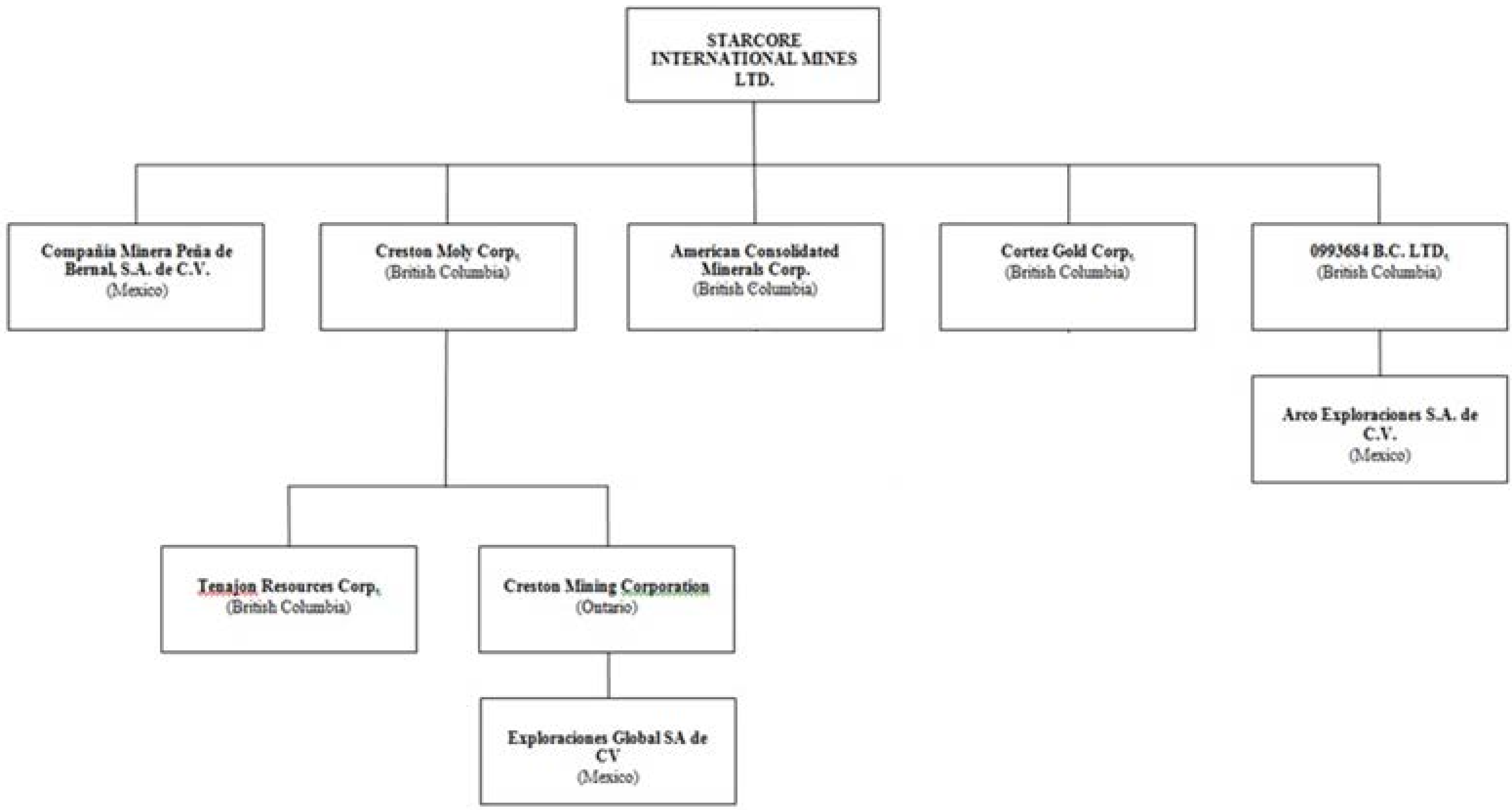

STARCORE INTERNATIONAL MINES LTD.
Compañia Minera Peña de Bernal, S.A. de C.V. (Mexico)
Creston Moly Corp. (British Columbia)
American Consolidated Minerals Corp. (British Columbia)
Cortez Gold Corp. (British Columbia)
0993684 B.C. LTD. (British Columbia)
Arco Exploraciones S.A. de C.V. (Mexico)
Tenajon Resources Corp. (British Columbia)
Creston Mining Corporation (Ontario)
Exploraciones Global SA de CV (Mexico)

Exhibit 12.1

CERTIFICATIONS

I, Robert Eadie, certify that:

1. I have reviewed this annual report on Form 20-F of Starcore International Mines Ltd.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: July 29th, 2022
Signature: */s/ Robert Eadie*
Title: Chief Executive Officer

Exhibit 12.2

CERTIFICATIONS

I, Gary Arca, certify that:

1. I have reviewed this annual report on Form 20-F of Starcore International Mines Ltd.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: July 29th, 2022
Signature: /s/ Gary Arca
Title: Chief Financial Officer

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Starcore International Mines Ltd. (the "Company") on Form 20-F for the year ended April 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Eadie, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Robert Eadie
By: Robert Eadie
Chief Executive Officer

Dated: Jul 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 13.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Starcore International Mines Ltd. (the “Company”) on Form 20-F for the year ended April 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gary Arca, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Gary Arca
By: Gary Arca
Chief Financial Officer

Dated: Jul 29, 2022

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 96.1

S-K 1300 Technical Report Summary San Martin Mine

Ezequiel Montes Municipality, Querétaro, México

UTM WGS 84, Zone 14 Q
Coordinates Centered at approximately:
(398,350 mE and 2,292,700 mN)

Prepared for:

STARCORE INTERNATIONAL MINES LTD

Suite 750 - 580 Hornby Street Box 113
Vancouver, BC
Canada, V6C 3B6

Prepared by:

Erme Enriquez C.P.G., BSc, MSc
Effective date: April 30, 2022
Report date: June 28, 2022

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List of Tables

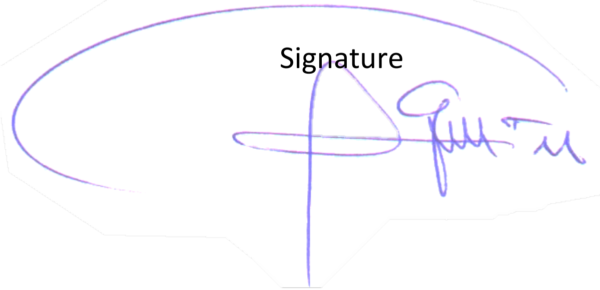
List of Figures

DATE AND SIGNATURE PAGE

The effective date of the Mineral Resource estimate was April 30, 2022.

Author Signature

Erme Enriquez



The qualifications and relevant experience of QP are shown below:

- Erme Enriquez

Education:

Is graduate of University of Sonora, Mexico, with a bachelor’s in Geological Sciences in 1983 and a graduate of Colorado School of Mines, with a master’s degree in Geology in 1996

Years of Experience:

Has over 39 years of experience in the mining industry with 15 years in development and mining, 10 years in geological and mineral resource and reserves reporting, and 14 years in exploration of base and precious metals.

Relevant Experience:

He has been a geologist and geology superintendent at the Tayoltita deposit and underground mine. He has been an exploration manager in the San Dimas district, in charge of reviewing reserves and resources as well as district exploration programs. He was an exploration manager for Wheaton River-Goldcorp overseeing operating mines and project explorations.

He was exploration manager for Capstone Gold, in charge of generating projects in Mexico and leading the exploration and deep discovery of the Cozamin deposit.

He is Director of Exploration for Canasil Resources and has acted as a consultant on various mineral deposits.

Professional Registration:

Professional Geologist (CPG) with the American Institute of Professional Geologists (Membership Number 11214)

1.0 EXECUTIVE SUMMARY

1.1 Property Description, Current Status, and Ownership

Erme Enriquez (QP) was retained by Starcore International Mines LTD (SIM) to prepare a Technical Report Summary (TRS) on the San Martin Mine (SM), located near the City of Querétaro, Queretaro, Mexico. The purpose of this Technical Report Summary is to support the disclosure of mineral reserve and mineral resources on the Mine as of April 30, 2022, in the proposed registration statement on Form S-1 and periodic filings with the United States Securities and Exchange Commission (SEC). This Technical Report Summary (TRS) conforms to SEC's Modernized Property Disclosure Requirements for Mining Registrants as described in Subpart 229.1300 of Regulation S-K, Disclosure by Registrants Engaged in Mining Operations (S-K 1300) and Item 601(b)(96) Technical Report Summary.

The San Martin (SM) mine is an underground gold and silver complex that has been in operation since 1993. It produces gold and silver doré bars with 99.6% purity. The mine is situated approximately 47 kilometers northeast of the city of Queretaro, capital of the Queretaro State, on the eastern edge of the Colon municipality.

The mine operates 365 days per year on a 24 hour per day schedule. Mining and ore processing operations are currently in production and the mine is considered a production stage property. The San Martin mine encompasses the San Jose, San Martin (SR), and Cuerpos 28 to 32 orebodies.
The San Martin mine is operated by Compania Minera Bernal, SA de CV (CMPB) a wholly owned subsidiary of SIM.

1.2 Geology and Mineralization

The San Martín gold-silver district hosts classic, medium-grade gold-silver, epithermal vein deposits characterized by low sulphidation mineralization and adularia-sericite alteration. The San Martin veins are typical of most other epithermal silver-gold vein deposits in Mexico in that they are primarily hosted in the Upper Cretaceous black limestone and calcareous shales of the Soyatal-Mezcala Formation. Tertiary Lower Volcanic series of rhyolite flows, pyroclastics and epiclastics, overlain the sediments.
Mineralization at San Martín occurs in association with an epithermal low sulphidation, quartz-carbonate, fracture-filling vein hosted by a structure trending approximately N40°-60°E, dipping to the 50° to 90° to the southeast.
The San Martin structure has been known in different stages of exploration and has adopted several names, San José, San José II, San Martín, Cuerpo 28, Cuerpo 29, Cuerpo 30, Cuerpo 31, Cuerpo 32 and Cuerpo 33. The structure itself is offset by a series of faults of northeast trending that divides the oreshoots. The structure behaves vertical at the San José and San Martin areas (Tronco) and becomes flatter from Cuerpo 28 to 31 (Mantos), and mineralization follows the planes of the folded rocks.
The San Martin vein itself has been known to be underground and traced for 2 km along trend, with widths between 1.5 to 10 metres and averages approximately 4.0 m. A secondary mineralized vein is located, both in the footwall and hangingwall, of the San Martin vein, on the western limb of the local fold that contains the mineralization. This structure is the Santa Elena and represents a good target for exploration to the NE and SE of San Martin.

1.3 Mineral Resource Estimate

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

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

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

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

Based on the above mining changes and incorporating mining experience over the last 8 years some of the original Luismin assumptions have been modified to improve tonnage and grade estimation for reserves. The assumptions used in this estimate are:

- A gold price of $1750 per ounce.
- A silver price of $22.00 per ounce.
- First quarters of 2022 operating costs of US$69.30 per metric dry tonne.
- Average metallurgical recoveries of 86% for gold and 55% for silver.
- Using the above price and cost assumptions the resultant calculated cutoff grade is approximately 1.41 g/t Au equivalent.
- Specific gravity of 2.6 g/cm^3 has been applied to all calculated mineralized volumes.
- Mining dilution is applied to in situ mineralized zones, and recovery factors are applied to these diluted blocks using the following factors:
- Mining dilution of 20% of zero grade in horizontal mineralized zones (Mantos) mined by room and pillar.
- Mining dilution of 20% of zero grade in steeply dipping mineralized zones mined by cut and fill. This dilution factor is modified by first applying a minimum 2-meter mining width to narrow zones.

- Remnant pillars left in room and pillar stopes are typically 20% of the total tonnage, i.e., 80% extraction. This recovery factor has been applied to sub horizontal mineralized zones.
-

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

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

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

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

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

- *Mineral resources have been classified into inferred and indicated in accordance with §229.1302(d)(1)(iii)(A) (Item 1302(d)(1)(iii)(A) of Regulation S-K).*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*
- *Reserve and resource cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 86% gold and 55% silver.*

- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold:silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*
- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM and reviewed by Erme Enriquez CPG.*

1.4 Mineral Reserve Estimate

Mineral reserve estimates in this Report are reported following the requirements of Subpart 1300. Accordingly mineral resources in the Measured and Indicated categories have been converted to Proven and Probable mineral reserves respectively, by applying applicable modifying factors and are planned to be mined out under the LOM plan within the period of our existing rights to mine, or within the time of assured renewal periods of rights to mine.
Total Proven and Probable Mineral Reserves at the San Martin mine as of April 30, 2022, estimated by Geology staff and reviewed by QP, are 1,348,433 tonnes at a grade of 1.74 g Au/t and 13 g Ag/t (Table 1-2). This total includes Proven reserves of 144,331 tonnes grading 1.79 g/t Au and 14 g/t Ag along with Probable reserves of 1,204,102 tonnes grading 1.73 g/t Au and 13 g/t Ag.

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

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

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

- *Mineral Reserves estimates have been classified in accordance with probable and proven mineral reserves in accordance with § 229.1302(e)(2) (Item 1302(e)(2) of Regulation S-K.*
- *Reserve cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 88% gold and 55% silver.*
- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold - silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*

- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM staff and reviewed by Erme Enriquez C.P.G.*
- *Reserves are exclusive of the indicated and measured resources.*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*

1.5 Capital and Operating Cost Estimates

The capital and operating costs are estimated by the property's operations, engineering, management, and accounting personnel in consultation with SIM corporate staff, as appropriate. The cost estimates apply to the planned production, mine schedule, and equipment requirements for the LOM plan.

Capital costs are based on CMPB internal forecasts and costs, which QP has reviewed and found to be consistent with a mine of this size. Capital costs are summarized in Table 1-3.

Table 1-3 San Martin Capital Costs

Item	US Dollars
Exploration Projects	$ 787,180
Construction in process	$ 9,023
Machinery & Equipment	$ 114,341
Leasing	$ 507,360
Maintenance	$ 136,667
Vehicles/Consultors/Computer Eq,	$ 170,562
Total Capital	**$ 1,725,133**

The components of the operating cost are based on the annual mine schedule, equipment sizing and productivity, labor estimates, and unit costs for supply items. Inputs to the operating cost are based on vendor quotes, private and commercially available cost models, and actual and factored unit costs of the mine. Operating costs are summarized in Table 1-4.

Table 1-4: Mine Operating Cost Summary

	USD x 1000
Mine operation	$ 4,877
Plant operation	$ 3,628
Maintenance	$ 2,198
G& A	$ 3,125
Total Operating Cost	**$ 13,829**

1.6 Permitting Requirements

In the QP opinion, the San Martin mine has adequate plans and programs in place, is in good standing with Mexican Environmental regulatory authorities, and no current conditions represent a material risk to continued operations. The SM mine staff have an elevated level of understanding of the requirements of environmental compliance, permitting, and local stakeholders to facilitate the development of the mineral reserve and mineral resource estimates. The periodic inspections by governmental agencies, SIM corporate staff, third-party reviews, and regular reporting confirm this understanding.

Based on the LOM plan, additional permits will be necessary in the future for continued operation of the SM mine, including a modification of the Environmental Impact Studies (MIA) and obtaining approval for increased tailings storage capacity and corresponding water supply.

1.7 Conclusions and Recommendations

SIM and the QP believe that the geologic interpretation and modeling of exploration data, economic analysis, mine design and sequencing, process scheduling, and operating and capital cost estimation have been developed using accepted industry practices and that the stated mineral reserves and mineral resources comply with SEC regulations. Periodic reviews by third-party consultants confirm these conclusions.

1.7.1 Geology and Resources

Channel samples and drill holes have been collected and analyzed using industry standard methods and practices and are sufficient to support the characterization of grade and thickness and further support the estimation of Measured, Indicated, Inferred Resources and Proven and Probable Reserves.

Recommendations for further work:

- Continue to collect specific gravity measurements and refine current estimation of specific gravity to have a more reliable measure.
- Implement procedure of duplicate channel samples in stopes and drifts, to ensure the grade and thickness and to serve as duplicates of channel samples.

- Implement procedure for standard and duplicate samples, in channel samples and drill core as well. The certified standards will give greater certainty to the QA/QC procedure for the evaluation and greater reliability in reserves and resources.
- Perform detailed model reconciliation on stopes. A strict control in rebates will help to have a reliable number at the end of the year.
- Continue the advance of the underground exploration at Body 28 East and Body 32 to the north-northwest.
- Complete a geochemical and structural model for future work to support the estimation domains. The QP notes that there is a large amount of multi-element data that could support a geochemical model to better understand the impact of elements such as antimony, arsenic, mercury, etc., on the gold distribution and recoveries.

1.8 Significant Risk Factors

Estimation of resource and reserves could be affected by changes in metal prices, the distribution of mineralization within the structure or ore body and continuity of grades in oreshoots. Successful implementation of the mine plans is subject to the successful of conversion of Inferred Resources to Indicated Resources as well as conversion of Measured and Indicated Mineral Resources to Mineral Reserves, and the ability of mining operations to control waste dilution.

2.0 INTRODUCTION

2.1 Details of Registrant

Starcore International Mining Ltd is the owner of the San Martin Mine, located in the state of Queretaro, Mexico.
SIM is registered in British Columbia, Canada, and listed in the TSX, FK and OTCQB under the symbols SAM, V4JA and SHVLF respectively. Additional information of the company is shown in Table 2-1:

Table 2-1: Identification of the issuer

DATA	DESCRIPTION
Company Name	Starcore International Mines Ltd
Financial Address	Suite 750 - 580 Hornby Street Box 113 Vancouver, BC Canada, V6C 3B6
Telephone	+1 604-602-4935
Web Site	https://starcore.com
Representative	Robert Eadie

This report provides updated mineral resource and mineral reserve estimates and classification of resources and reserves prepared in accordance with regulation S-K 229-1304 of the United States Securities Exchange Commission (SEC) and the Canadian Institute of Mining Metallurgy and Petroleum (CIM) Standards of Mineral Resources: Definitions and Guidelines.
At the time of this report the mine has been in continuous operation approximately 29 years.

2.2 Units of Measure

The Metric System for weights and units has been used throughout this report. Tons are reported in metric tons (1,000 kilograms). AII currency is in U.S. dollars (US$) unless otherwise stated.

2.3 Terms of Reference and Source of Information

The abbreviations and terms of reference used in this Technical Report are as shown in Table 2-2.

Table 2-2: Abbreviations and Terms of Reference

Abbreviation	Term
Au	Gold
AuEq	Gold equivalent
Ag	Silver
CIM	Canadian Institute of Mining
cm	Centimeter
CMPB	Compañía Minera Peña de Bernal
CPG	Certified Professional Geologist
CRF	Cemented Rock Fill
E	East
ep	Epidote
Fe	Iron
FA	Fire Assay
FA-AAS	Fire assay-Atomic Absorption Spectometry
g	Gram
G&A	General and Administrative (costs)
g/t	Grams per tonne
Ha	Hectare
HQ	Drill core size (63.5 mm)
ICP	Inductevely Coupled Plasma
INEGI	Instituto Nacional de Estadística y Geografía
IP	Induced Polarization
K-spar	Potassium feldspar
kg	Kilogram
km	Kilometre
l	Litre
LOM	Life of Mine
m	Metre
m.a.s.l.	Metres above sea level
mm	Millimiter
m2	Square metre
m3	Cubic metre
Ma	Million years
MICO	Minas Coremin, SA de CV
N	North
NE	Northeast
NI 43-101	National Instrument 43-101 Standards of Disclosure for Mineral Projects
NQ	Drill core size (47.6 mm)
NSR	Net Smelter Return
NW	Northwest
Ox	Oxide
oz	Troy ounce

oz/t	Ounce per tonne
PENBER Lab	Peña de Bernal Lab
P.Eng	Professional Engineer
P.Geo	Professional Geologist
ppb	Parts per billion
ppm	Parts per million
QA/QC	Quality Assurance/Quality Control
Qtz	Quartz
QP	Qualified Person
S.A. de C.V.	Sociedad Anónima de Capital Variable
SE	Southeast
SEMARTNAT	Secretaria del Medio Ambiente y Recursos Naturales
Ser	Sericite
SG	Specific gravity
S-K 1300	Subpart 1300 of Regulation S- K of the US Securities and Exchange Commission
SM	San Martin Mine
SRM	Standard reference material
SIM	Starcore International Mines LTD
SW	Southwest
TPD	Tonnes Per Day
Technical Report	San Martin Mine Form S-K 1300 Technical Report
TRS	Technical Report Summary
UTM	Universal Transverse Mercator
W	West
WGM	Watts, Griffis & McQuat, Ltd
WGS	World Geodetic System
yd	Yard
yr	Year

The information, opinions, conclusions, and estimates presented in this report are based on the following:

- Information and technical data provided by SIM
- Review and assessment of previous investigations
- Assumptions, conditions, and qualifications as set forth in the report
- Review and assessment of data, reports, and conclusions from other consulting organizations and previous reports.

These sources of information are presented throughout this report and in the References section. The qualified persons are unaware of any material technical data other than that presented by SIM.

2.4 Qualified Person and Site Visits

Mr. Enriquez, E., CPG, has over 30 years of professional experience as geologist, both as an employee and a consulting geologist and has contributed to numerous mineral resource projects, including silver, gold, and polymetallic resources throughout Mexico for the past fifteen years. Mr. Enriquez is responsible for the full content of this report.

Mr. Enriquez has a good knowledge of the mine from its beginning in 1993 to date. He has overseen supervising the mine for Luismin-Goldcorp from 1997 to 2003, when he was Manager of Exploration in mines for that company. He has visited the mine in 2018 and 2019 for the preparation of Technical Reports NI-43-101. He has not visited the mine in 2020 due to the COVID-19 pandemic and due to the greeting restrictions imposed at the mine. As a Qualified Person Mr. Enriquez conducted an on-site inspection of the San Martín property during June 07 to 10, 2022. While on site, Mr. Enriquez reviewed SIM's current operating procedures and associated drilling, logging, sampling, quality assurance and quality control (QA/QC), grade control, and mine planning (short, medium, and long term) procedures, he also inspected the laboratories at the San Martín facilities as well as the underground operations and plant.

Mr. Enriquez met with the general mine manager and all personnel of the geology department to review the geologic understanding, sampling methods and types, modeling (resources, reserves, and grade control), prior to inspecting the procedures in the mine and office for collecting and handling the data. Once the geology department processes were reviewed, Mr. Enriquez discussed with the mine planning and survey department the process for short, medium, and long-term mine planning. Reconciliation was discussed with both departments and the plant supervisors. The assay laboratory was toured, and the procedures were reviewed with the laboratory superintendent.

3.0 PROPERTY DESCRIPTION AND OWNERSHIP

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

3.1 Property Location

The San Martin mine is located 47 kilometres, in a straight line, northeast of the Queretaro City, Queretaro State, on local road No.100 and about 250 kilometres NW of Mexico City, near the towns of Tequisquiapan and Ezequiel Montes (Figure 3-1).

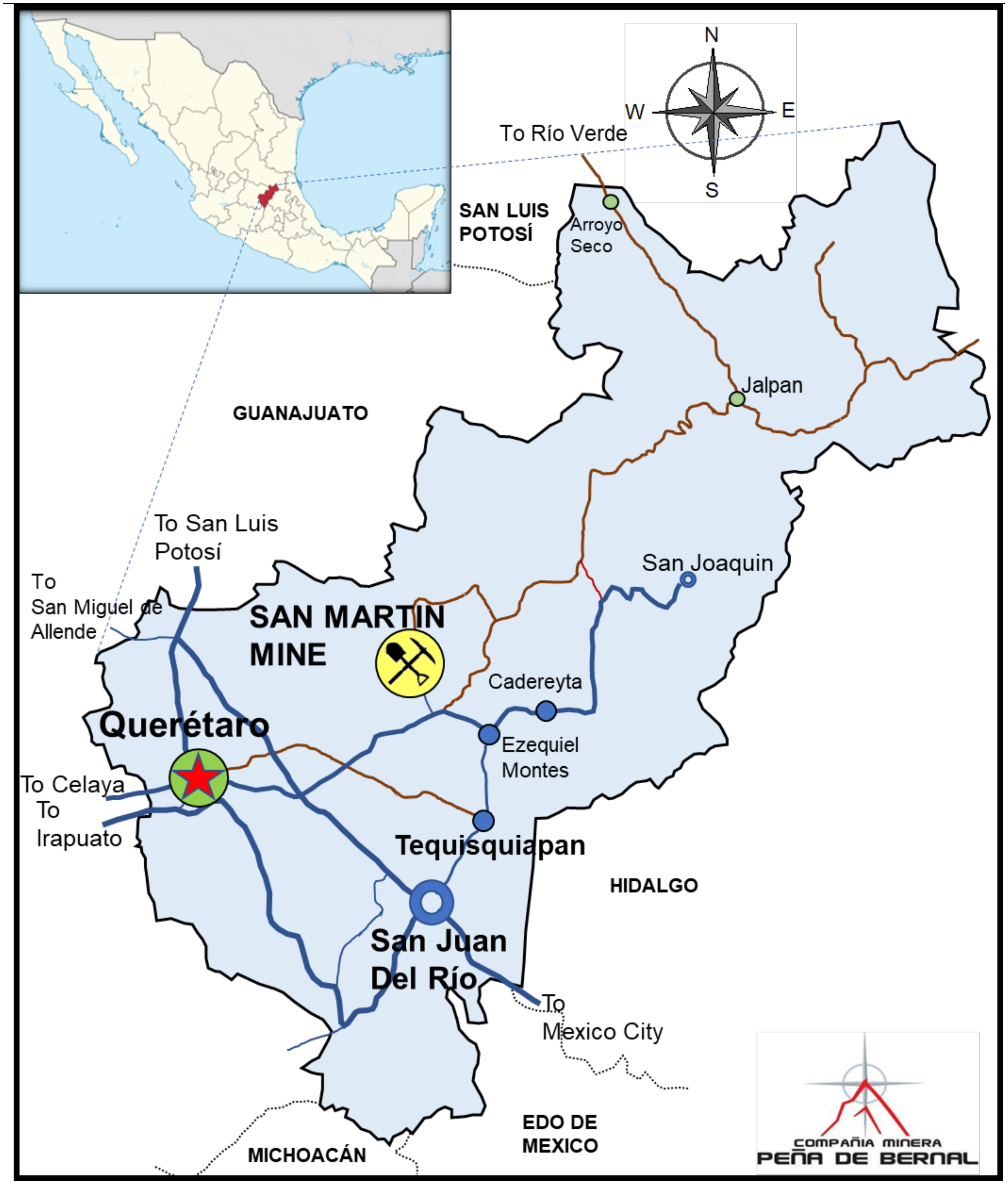


Figure 3-1: Location of the San Martin Mine

3.2 Ownership

The San Martin Mine is operated by Compañía Minera Peña de Bernal, S. A. de C. V. (CMPB), a direct, wholly owned subsidiary of SIM. A 3.0% net smelter returns a royalty ("NSR") and is payable to Servicio Geológico Mexicano ("SGM"- Mexican Geological Survey) on the claims San Martin Fracc. A, Title 215262, San Martin Fracc. B, Title 215263 and San Martin Fracc. C, Title 215264.

3.3 Mineral Titles, Claims Rights and Leases

Compañía Minera Peña de Bernal S.A. de C.V., a wholly owned SIM subsidiary, holds eight mining concessions covering 12,991.7805 hectares at the San Martin Mine in the State of Querétaro (Figure 3-2). Claims are indicated by its Title number. Right payments are done twice a year, every semester. The San Martin Mine presently consists of two underground mines, San José and San Martin. The San Martin mine is approximately 800 m NNE of the San José mine. Minas Luismin, SA de CV commenced mining late in 1993 on the San José deposit with an open pit operation that was later abandoned and mining continued with underground methods over the San José and the San Martin oreshoots.

Mining regulations in Mexico provides that all concessions are to be valid for a period of 50 years. Taxes are based on the surface area of each concession and the time of expedition of the title and are due in January and June of each year. All tax payments have been paid by SIM to date. Currently, annual claim-maintenance fees are the only federal payments related to mining claims, and these fees have been paid in full to January 31, 2022. The current annual holding costs for the San Martin mining claims are estimated at US$234,000 Dollars (Table 3-1).

Table 3-1: List of Mining Titles of the San Martin Mine

Starcore International Mines LTD
Compañía Minera Peña de Bernal, SA de CV
Mining Concessions San Martin Mine

Concession Name	Exp.	Title	Term of Cocession		Hectares	2021 Annual Taxes (Pesos)	
			From	To		1st Sem	2nd Sem
San Martin 2	321.1/6-72	**191134**	29/04/1991	28/04/2041	190.7972	$35,652	$35,652
San Martin	321.1/6-71	**191423**	19/12/1991	18/12/2041	132.0818	$24,681	$24,681
La Trinidad	6/1.3/276	**204824**	13/05/1997	12/05/2047	2,610.7224	$487,840	$487,840
San Martin Fracc. A.	6/1.3/00409	**215262**	14/02/2002	13/02/2052	37.1099	$6,934	$6,934
San Martin Fracc. B.	6/1.3/00411	**215263**	14/02/2002	13/02/2052	22.8901	$4,277	$4,277
San Martin Fracc. C	6/1.3/00412	**215264**	14/02/2002	13/02/2052	3,182.5646	$594,694	$594,694
San Martin 3	6/1.3/00410	**215301**	14/02/2002	13/02/2052	60.0000	$11,212	$11,212
San Martín Cuatro	065/15357	**221844**	02/04/2004	01/04/2054	6,755.6145	$1,262,391	$1,262,391
Total					**12,991.7805**	**$ 2,427,681**	**$ 2,427,681**

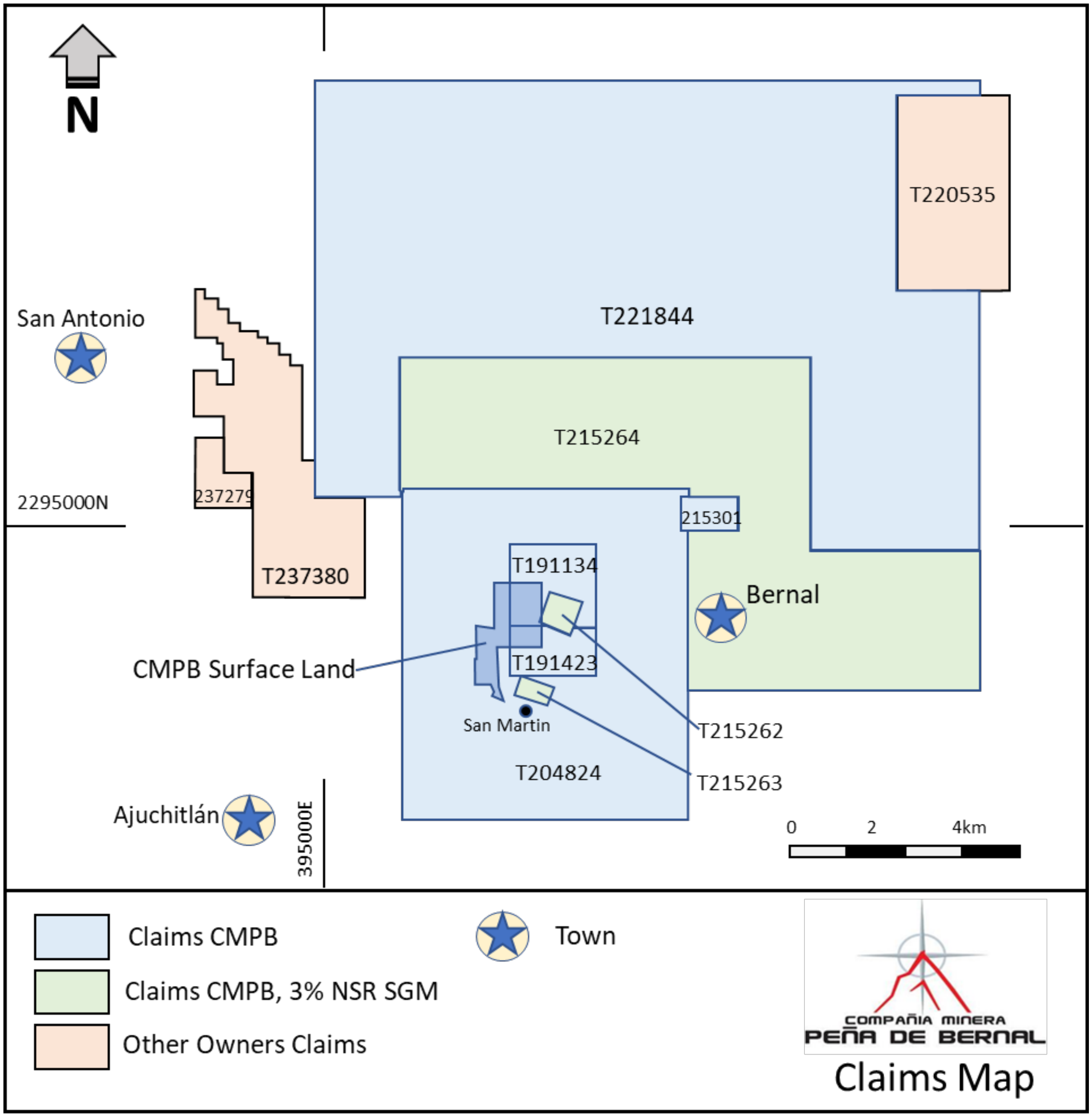


Figure 3-2: San Martin Mine and Surrounding Area Property Map

SIM acquired the San Martin Mine ("San Martin") from Goldcorp Inc. ("Goldcorp") in February 2007. Goldcorp is a Canadian mining company listed on both Canadian and United States Stock Exchanges. Goldcorp got the San Martin Project in February 2005 with the take-over of Wheaton River Minerals Ltd., who had acquired San Martin in the take-over in 2002 of the Mexican mining company Minas

Luismin S.A. de C.V. ("Luismin"). SIM paid US$24 million in cash and issued 4,729,000 common shares to Luismin at a deemed value of CDN$0.50 per share in consideration for the shares of Bernal. San Martin is owned and operated by Compañia Minera Peña de Bernal, S.A. de C.V., a wholly owned subsidiary ofSIM.

3.4 Comment on Factors and Risks Affecting Access, Title, and Ability to Perform Work

QP and the San Martin Mine staff believe that all major permits and approvals are in place to support operations at the San Martin mine. Based on the LOM plan, additional permits will become necessary in the future for increased capacities to tailing dam stockpiles and TSFs as discussed in Section 17. Such processes to obtain these permits and the associated timelines are understood and similar permits have been granted in the past. The San Martin mine have environmental, land, water, and permitting departments that monitor and review all aspects of property ownership and permit requirements so that they are maintained in good standing and any issues are addressed in a timely manner.

The mine has a unionized workforce and only safety, tailing dams and food service are contractors. There has not had been work stoppages over the operating history of the mine. As of December 31, 2021, QP and the San Martin mine believe the mine’s access, payments for titles and rights to the mineral claims, and ability to perform work on the property are all in good standing. Further, to the extent known to the QP, there are no significant encumbrances, factors, or risks that may affect the ability to perform work in support of the estimates of mineral reserves and mineral resources.

4.0 ACCESSIBILITY, CLIMATE, PHYSIOGRAPHY, LOCAL RESOURCES, AND INFRASTRUCTURE

4.1 Accessibility

The roads through which the San Martín mine is accessed are paved and they are in good condition all year long. It can be reached by highway No. 57 between the cities of Querétaro and San Luis Potosí. Access to the San Martin mine can be conducted also from Mexico City through highway 57D, for 160 kilometers, until reaching the City of San Juan del Río, Queretaro. From here, take the HW 120, for 19 km until Tequisquiapan, and continue for 16 km more until Ezequiel Montes. From here take the road to the junction with the # 100 highway, take this to the NE and 1.5 km more to enter the mine facilities.

From the City of Querétaro take Highway 45D for approximately 22 km to the SE and then take Highway No. 100 to the NW for 36 kilometers until reaching the junction with the entrance to the mine in the town of San Martin. This same road leads to the magical town of Peña de Bernal, which is the company's employee camp.

There are constant flights from the City of Querétaro to several destinations in the United States, particularly Chicago, Atlanta, Dallas, Houston and Detroit and other domestic destinations: although these change from season to season.

4.2 Climate

The climate in the San Martin mine area is semi-dry, described by generally low rates of precipitation. During the year, the temperature generally varies from 5 ° C to 30 ° C and rarely drops below 2 °C or rises above 33 °C.

The warm season lasts for two to three months, from April to June, and the average daily maximum temperature is over 28 °C. The hottest month is May. The cool season lasts around three months, from December to February, and the average daily maximum temperature is less than 24 °C. The coldest days of the year are January, with an average minimum temperature of 5 °C and an average maximum of 23 °C. The normal yearly temperature is 19°C.

The rainy season lasts six months, from June to November, with an average total accumulation of 509 millimeters. The dry season lasts from December to May.

Mining operations are all year-round with no interruptions due to weather. San Martin is located within a seismically stable area with small and imperceptible earthquakes that do not endanger the daily operations of the mine and plant.

4.3 Physiography

The relief and landforms of Mexico have been greatly influenced by the interaction of tectonic plates. The resulting relief patterns are so complex that it is often claimed that early explorers, when asked to describe what the new-found lands were like, simply crumpled up a piece of parchment by way of response.

Figure (4-1) shows Mexico's main physiographic regions. The core of Mexico (both centrally located, and where most of the population lives) is the Volcanic Axis (Region 10 on the map), a high plateau rimmed by mountain ranges to the west, south and east. Coastal plains lie between the mountains and the sea. The long Baja California Peninsula parallels the west coast. The low Isthmus of Tehuantepec separates the Chiapas Highlands and the low Yucatán Peninsula from the rest of Mexico.

The San Martin Mine falls in the convergence of the Central Plateau, Sierra Madre Oriental and Volcanic Axis or Trans-Mexican Volcanic Belt.

4.5 Local Resources and Infrastructure

The City of Querétaro is the closest major population center to the San Martín Mine Project, with a population of approximately 802,000 inhabitants. Querétaro is an agricultural, commercial, tourist and mining center with all the associated municipal amenities, including an international airport with numerous regional flights to other major Mexican cities and the United States.

At each of the mine sites, the water required is supplied from the dewatering of the mines. Industrial water for the cyanide plant is recycled, and additional water (60,000 m3/y of fresh water) is obtained from nearby wells.

The plant is a 627 tpd facility capable of treating sulfides containing Au-Ag ores using a Merrill-Crowe processing circuit to produce doré bars.

Electrical power from the Federal Electricity Commission (34 kV) supplies both the plant and mine, and satisfies power demand, which averages about 1.1 megawatts. Two emergency generators, one of 500 kW and other of 200 kW, provide power to the mill in case or outages.

An upgrade to the tailings dam was completed in 2010, when dry stacking of the tailings began, and current capacity is sufficient for many years of production.

Apart from offices, dining room, warehouses, shop, and other facilities, CMPB also provides dormitories and limited housing facilities for employees working on a rotational schedule at the townships of Ezequiel Montes and Bernal. Much of the labor work force lives in the San Martin town and nearby communities. The area has a rich tradition of mining and there is an ample supply of skilled personnel sufficient to man both the underground mining operations and the surface facilities.

CMPB has negotiated access and the right to use surface lands sufficient for many years of operation. Sufficient area exists at the property for all needed surface infrastructure related to the LOM plan, including processing, maintenance, fuel storage, explosives storage and administrative offices. There exists enough capacity in existing tailing impoundments for tailings disposal.

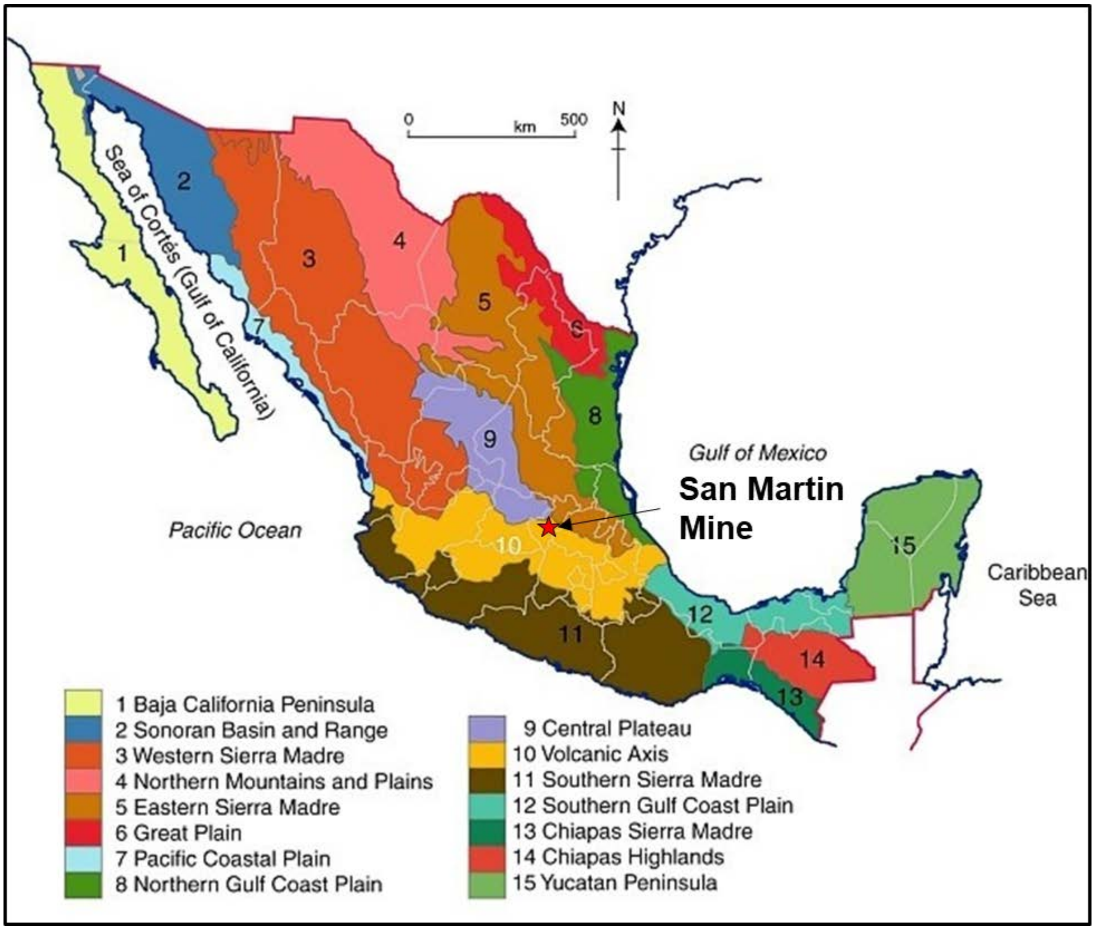


Figure 4-1:

Physiographic map of Mexico showing the location of the San Martin Mine (After Raisz, 1964)

5.0 HISTORY

Mining in the San Martín district extends back to at least 1770 when the mines were first worked by the Spanish, particularly by Don Pedro Romero de Terreros, Count of Regla. Spaniards worked in the district for 40 years, however, there is no production records available for that time. During those days, silver and gold production accounted for 80% of all exports from Nueva España (New Spain), although, by the late-eighteenth century silver production collapsed when mercury, necessary to the refining process, was diverted to the silver mines of Potosí in present day Bolivia.

Most of the production came prior to the 1910 Mexican Revolution with San Martin district being an important producer. The first records show the Ajuchitlán Mining and Milling Company produced an estimated 250,000 tonnes at a grade of 15 g Au/t and 100 g Ag/t during 1900 to 1924.

The first modern stake was in 1982, when the Mexican government declared a 6,300 ha National Reserve over the area surrounding the Peña de Bernal. Luismin entered into an agreement to explore in the claims of CRM in 1986 for a payment of US $ 250,000 dollars and a royalty of 5%, which later was reduced to 3% in 1996. In1988 geological reconnaissance and exploration program initiated. Geological works concluded in 1992 and by the end of 1993 the decision was made to start the open-pit mining in the San José area, at a rate of 300 tpd.

The operation of the San José pit only lasted a couple of years, when it was discovered that the deposit was not a "Carlin type", as had been thought, but that it was a tabular structure in form of a vein that continued to deepen and run laterally along its strike. Then it was decided to start the underground mining, on the same San Jose structure and on the oreshoot of San Martin, which ultimately turned out to be the one with the largest number of reserve and resources.

In the year 2000, the exploitation begins in the San Martín body, called "Tronco" due to its verticality. In 2001, at the same time, the exploration of high-grade gold bodies called "Mantos" began. The first of these oreshoots was the Body 28.

The mine is currently mined 627 tpd and the capacity of the mill is 1100 tpd. The mining method is cut and filled with dry backfill. The exploitation in the Body 28 is currently room and pillars filled with a mixture of backfill and 5% cement.

San Martin has produced over 7.3 million tonnes with average grades of 2.78 g/t Au and 41 g/t Ag, for a total of 688,081 oz of gold equivalent.

Historical production at the San Martín Mine for the years 1993 to April 30, 2022, is roughly estimated in Table 5-1.

Table 5-1: Summary of production for the San Martín Mine (from 1993 to April 30, 2022)

Starcore International Mines LTD
Compañía Minera Peña de Bernal, SA de CV
San Martin Mine Project
Historical Production 1993-April 30 2022

Year	Tonnes	Grade		Productiom		
		Au (g/t)	Ag (g/t)	Oz Au	Oz Ag	Oz Au Eq.
1993	28,267	2.53	60	1,387	24,463	1,707
1994	134,118	3.19	35	13,179	81,605	14,298
1995	146,774	3.40	38	16,172	180,459	17,068
1996	187,691	3.40	44	19,553	155,160	21,620
1997	219,827	3.27	43	22,016	174,013	24,570
1998	224,279	3.45	50	23,680	210,680	27,539
1999	242,295	3.46	46	25,852	194,110	29,624
2000	284,490	3.61	54	31,209	245,310	35,571
2001	287,520	3.76	65	32,773	330,217	38,068
2002	268,451	4.26	71	35,634	370,406	41,124
2003	276,481	4.29	82	36,438	464,947	42,692
2004	272,734	4.47	83	36,935	458,681	44,377
2005	282,392	3.92	65	32,814	349,071	38,543
2006	278,914	2.82	52	22,004	235,806	26,529
2007	252,400	3.34	49	25,232	224,714	29,606
2008	266,600	2.50	33	18,733	159,877	21,367
2009	272,856	2.43	33	19,171	167,827	21,696
2010	275,290	2.03	30	15,492	163,489	18,156
2011	296,845	2.14	39	17,694	267,237	23,736
2012	309,796	2.09	25	16,197	160,678	19,213
2013	306,941	2.66	24	22,247	129,861	24,425
2014	311,210	2.35	22	20,062	112,010	21,755
2015	309,565	2.09	20	17,903	104,767	19,319
2016	286,278	1.94	16	14,606	68,463	15,547
2017	259,709	1.69	13	11,563	54,287	12,246
April 30 2018	99,067	1.59	36	4,411	64,459	5,219
April 30, 2019	314,347	1.62	39	13,651	224,544	16,393
April 30, 2020	229,830	1.85	30	11,752	121,825	13,112
April 30, 2021	225,504	1.63	25	10,475	103,424	11,797
April 30, 2022	224,438	1.58	23	10,028	85,360	11,165
TOTALS	**7,374,909**	**2.78**	**41**	**598,863**	**5,687,750**	**688,081**

6.0 GEOLOGICAL SETTING, MINERALIZATION, AND DEPOSIT

6.1 Regional Geology

The regional and local geology of the San Martín Mine Project is described in detail in several existing internal and previously published technical reports and other internal reports for SIM. The following descriptions of geology and mineralization are excerpted and/or modified from Labarthe, et. al (2006) and Rankin (2008). Mr. Enriquez has reviewed the available geologic data and information, and finds the information presented here is reasonably accurate and suitable for use in this report.

The San Martin area forms Mesozoic shallow-basin sediments (shales and limestones) unconformably overlain by Tertiary volcanics/epiclastic and volcaniclastic sediments. Localized subvolcanic micro-granodiorite also occurs (Figure 6-1)

The primary formations are (from oldest to youngest): Jurassic: Las Trancas Formation(Jtr). This includes massive well bedded and laminar limestones. Very thin (<10cm) shale intercalations occasionally occur. A dark carbonaceous limestone is known form the deeper SE sections of the San Martin mine.

Cretaceous: El Doctor and Soyatal-Mezcala Formations. These make up a lower pale buff to orange lithic shale, overlain by intercalated shale and limestone. Note that there may be some local problems in discrimination between the Cretaceous and Jurassic limestones in some outcrops and drill core; a zone of shallow-dipping limestones in the mine infrastructure area are shown in the geology map as Cretaceous Soyatal-Mezcala Formation.

Tertiary: Continental sediments, overlain by bimodal epiclastic, rhyolitic ignimbrite & andesite with a distribution around the mine site. The andesite has been dated at ~30 Ma. The volcanic breccias, lahar, epiclastic, ignimbrite and andesite are younger and have been dated at ~10–11Ma. The most conspicuous feature is the Peña de Bernal intrusive, which is a micro-granodiorite of an age of 35 Ma. See also Figure 6-2.

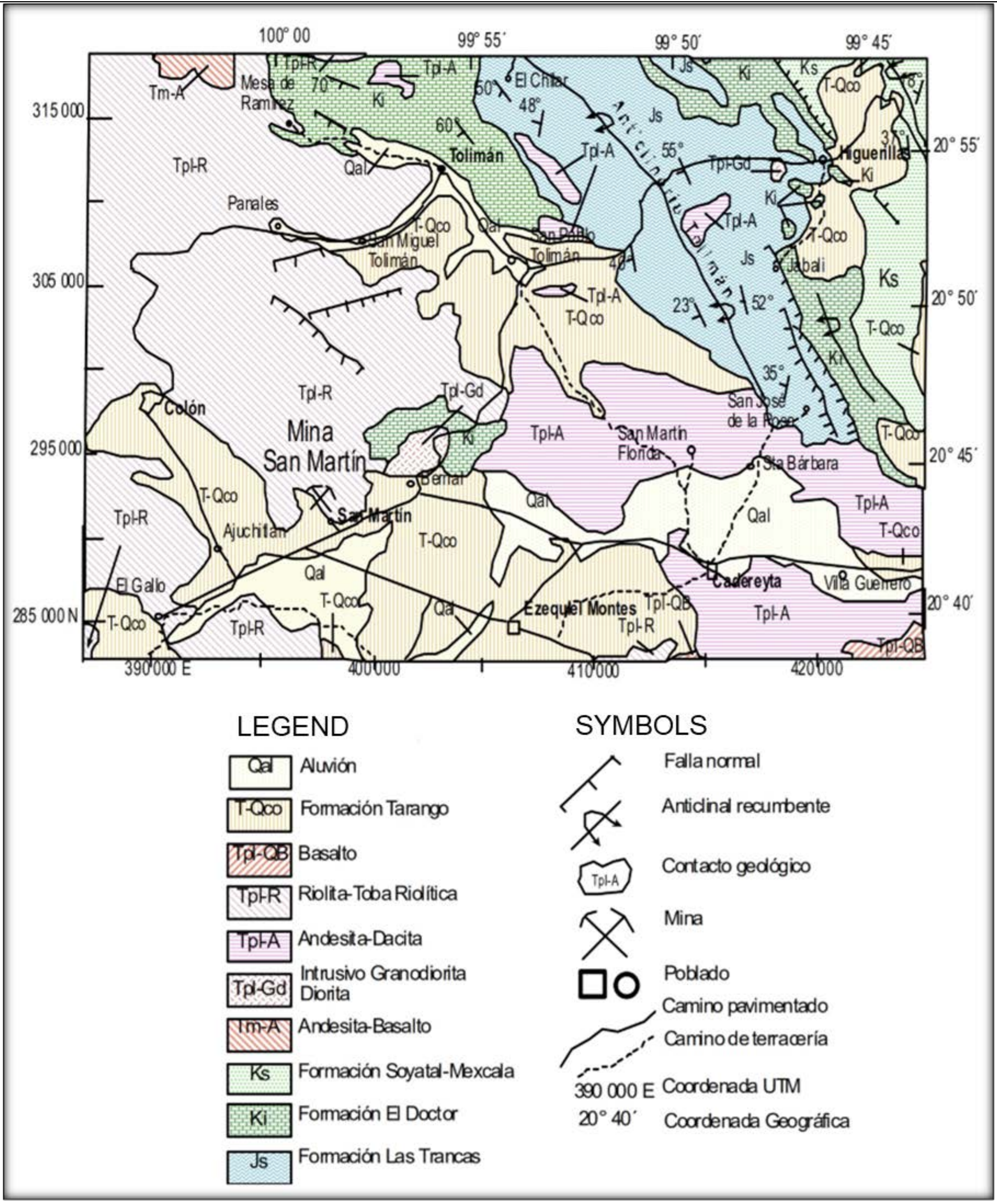


Figure 6-1: Regional geological map of the surrounding San Martin Mine. Taken from Nuñez-Miranda, 2007

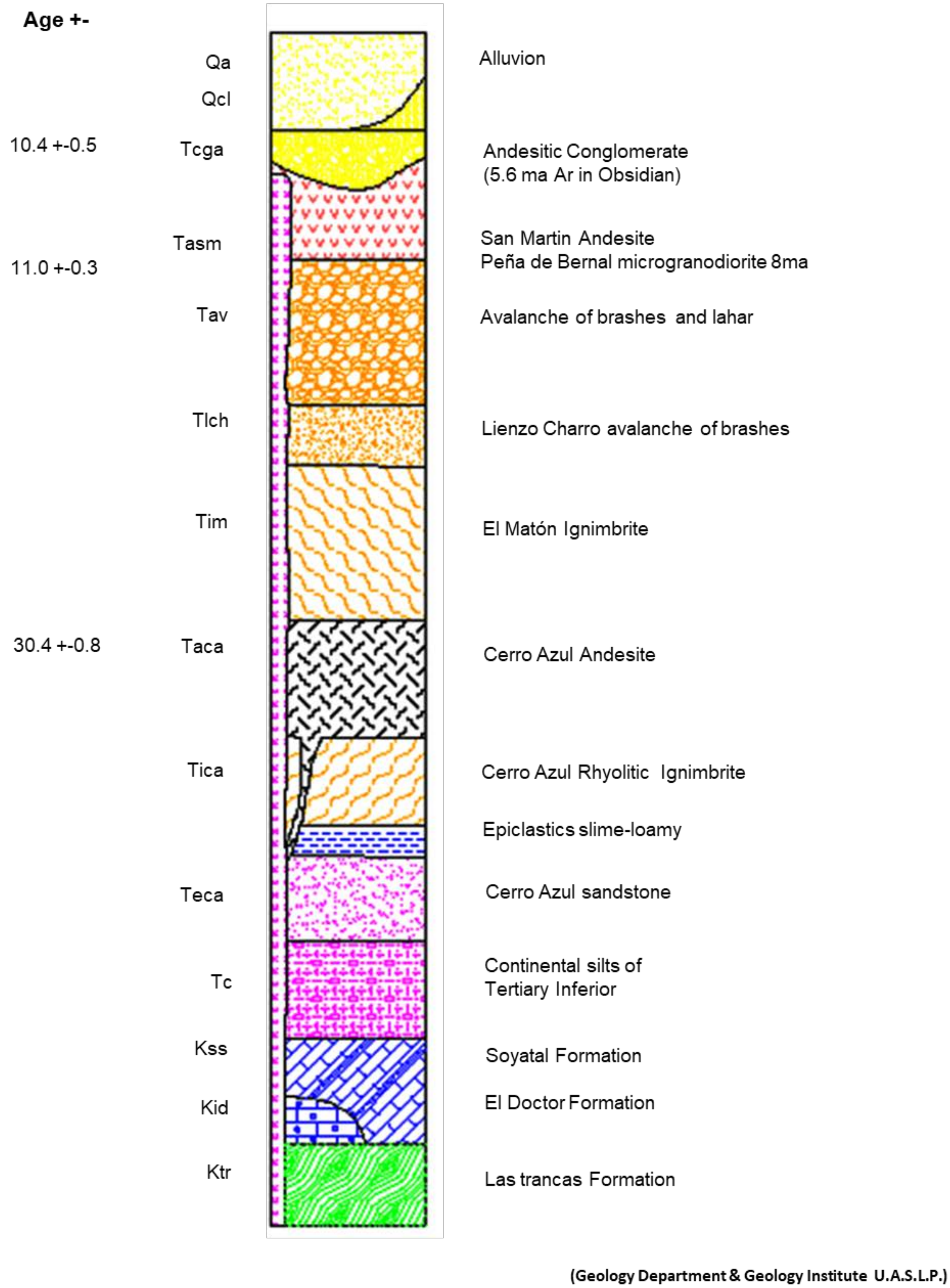


Figure 6-2 Generalized stratigraphic column of the San Martin Mine region

6.2 Deposit Geology

The local geology is represented by the Las Trancas Fm, Doctor Fm, Soyatal-Mezcala Fm, map presented in Figure 6-2. The map shows trace of the mineralized structure projected on the surface, to visualize the direction of the structure, even if there are only small outcrops at the pit of the San José I and II bodies, and part of San Martín (Figure 6-3)

6.2.1 Las Trancas Formation

Burk (1993) describes this formation in the Arroyo Nacional, located in the area known
such as Chicarroma, distant 3 km to the NE of the central part of the San Martín mine. The package consists of well-foliated slates, red to gray-brown shales, interbedded with strata of a few centimeters of calcareous siltstones, fine-grained sandstones and, to a lesser extent, proportion, conglomerates.

6.2.2 El Doctor Formation

This formation does not outcrop on the surface of the San Martín mine, and neither is it present in underground works as encasing rock. However, 3 kms to the northeast has been mapped by the geologists of the mining unit, in the areas known as Chicarroma and Capulín, located in the vicinity of the intrusive that makes up La Peña de Bernal.

6.2.3 Soyatal–Mezcala Formation

In the underground mine workings of the San Martín mine, this formation is the main host rock throughout the entire mineralized structure. Regarding its behavior on surface, it is seen in the San José I and II and part of San Martín structure, Rock consists of micritic and calcarenite limestones thinly bedded, interbedded clayey with some chert lenses and horizons thin shale and marl, with strata between 10 to 20 centimeters of argillaceous limestone and calcareous shale. The upper part of the strata consists in thinner layers between 5 to 10 cm. Thickness of this Formation is around 150 meters.

6.2.4 Igneous Rocks

Locally in the mine area two types of igneous rocks are recognized, clearly differentiated and after the Soyatal-Mezcala Formation:

1) A unit of volcanic rocks of andesite/dacite composition that overlies unconformably to the Cretaceous sedimentary rock units and which makes up the entire stratovolcano called Cerro San Martín. The geologists of the San Martín mine have subdivided this unit into the Andesitic/dacitic Breccia (Tdbx) and Andesite/dacite (Ta/d).
2) An intrusive known as a rhyolitic dike that fits between sedimentary rock units, the volcanic dacite-andesitic and the mineralized structure and that has only been observed in underground works.

6.2.5 Andesite/Dacite

Overlying the Soyatal-Mezcala Formation in erosional unconformity, they appear throughout the region and in the surroundings of the mine a set of volcanic rocks, of andesitic composition, which are part of the stratovolcano that constitutes the San Martín hill. The structure at the base is brecciated with fragments from 10 to 30 centimeters in diameter. The dike outcrops underground between the andesite/dacite and limestone of the Soyatal-Mezcala Formation (Figure 10). In the underground works of the mine, the intrusive body it is deeply silicified, megascopically it is milky white yellowish and with a general brecciated texture, that is, massive-brecciated quartz clasts and cemented by another stage of quartz that cements the entire rock.

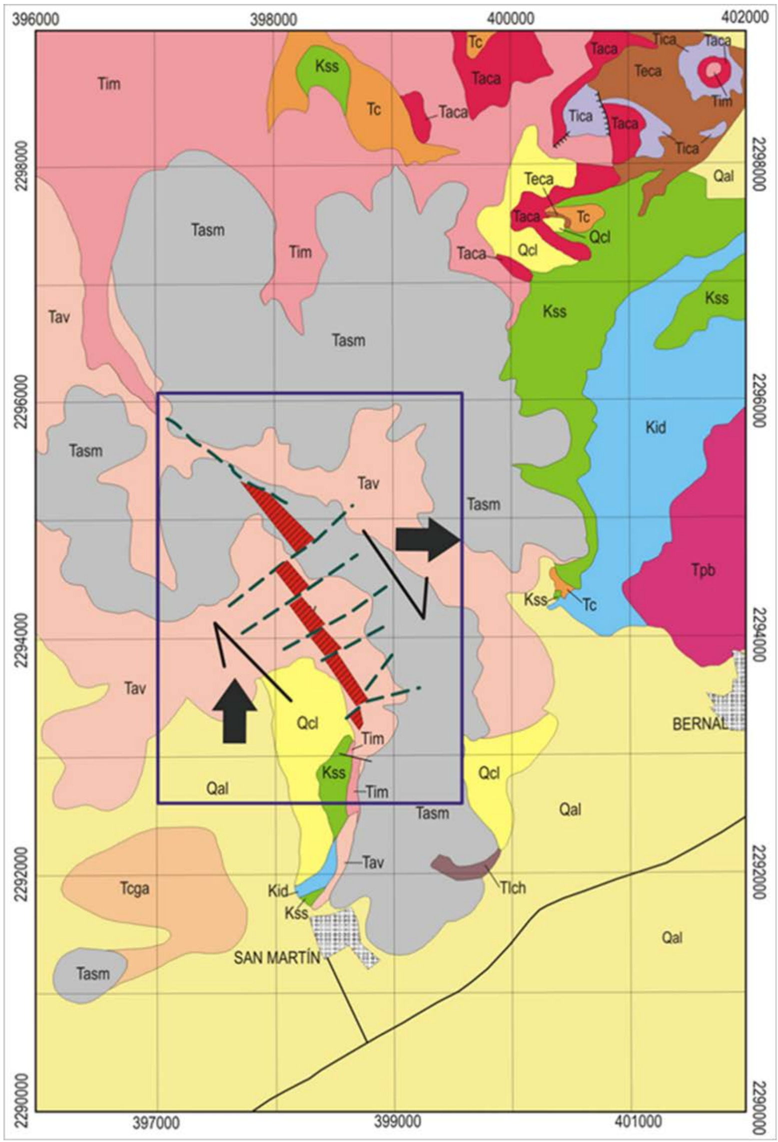


Figure 6-3 Generalized regional geologic map of the San Martín Mine Project (After Labarthe, et. al, 2004)

6.3 Structural Geology

The structure is extremely important in this deposit since mineralization is controlled by the brecciated structure. The San Martin deposit is located in the core of a strongly folded west northwest striking basement-cored anticline or southwest-tilted structural block. The strong folded Soyatal-Mezcala Formation and younger rocks have been affected by a series of faults NE-SW, regional of regional influence. The influence of this structural zone is reflected in the gold grade distribution at depth within the main breccia structure.

6.4 Mineralization

Mineralization occurs in Upper Cretaceous black limestone and calcareous shales of the Soyatal-Mezcala Formation as electrum, and silver selenide minerals principally associated with quartz and to a lesser degree with calcite. The deposit is an epithermal, low sulphidation precious metal (Au-Ag) type (metal ratio Ag:Au at 10:1).

Mineralization is generally made up of breccia that commonly is concordant with a limestone/shale contact (in the San Martin and San José areas) which forms the relatively steeply dipping “Tronco” and “Mantos” oreshoots, these breccia-veins contact the younger volcanic flows (dacite and ignimbrite) where they have formed the more horizontal portions of the deposit. The mineralized economic breccia grades from 30 g Ag/t to 250 g Ag/t.

Exploration has been concentrated along the NE trending breccia zone however evidence of a northerly trend in area 30 and 31 leads to suspect possible other structures together with 2.0 g Au/t to 30 g Au/t over widths that vary from 1.5 to 17.0 m but averaging 4.0 m.

The mineralized oreshoots show several stages of brecciation and cementation, with four major stages of hydrothermal breccias and supergene alteration that filled fractures and late cavities. The metallic mineralization is mainly formed by electrum, naumannite, tetrahedrite, pyrite and chalcopyrite as hypogene minerals, and free gold, partzite, chlorargyrite, malachite, hematite, goethite-limonite as supergene minerals. Gangue minerals are mainly quartz, chalcedony, and calcite, with minor amounts of adularia. Quartz and calcite occur in all the four stages cementing the breccia fragments of rock and older vein. Chalcedony, quartz, and calcite associated with the economic mineralization usually show saccharoidal, crustiform, colloform, cockade and comb textures. Stage one is totally barren of silver and gold. The main Ag-Au mineralization occurred in the second stage of brecciation, associated to colloform and chalcedony quartz. Stage three is carrying low grade and is abundant. The late stage of mineralization is characterized by native gold content, chlorargyrite and abundant partzite, because of the supergene alteration. Mineralization occurs as native gold, electrum, naumannite (AgSe) and argentojarosite ($AgFe_3(SO_4)_2(OH)_6$) associated principally with quartz and lesser calcite. The silver contained in argentojarosite is not recoverable with cyanidation.

7.0 EXPLORATION

San Martin is a mature mining district with a long history of exploration. The data, methods, and historical activities presented in this section document actions that led to the first and continued development of the mine but are not intended to convey any discussion or disclosure of a new, material exploration target as defined by S-K1300. Exploration outside of the current operation is conducted by geologists of the mining unit and incorporated into the geologic model that is still under construction. New drilling was included in the update of the geological resource model to support the mineral reserves and mineral resources. Drilling results added for the model update provide local refinement of the geologic interpretations and grade estimates, but do not materially alter these interpretations and estimates on a district-wide scale.

The mine has been extensively explored from surface using geologic mapping, vein mapping and vein sampling. Underground exploration consisted of diamond drilling, geologic level mapping, vein level mapping, vein sampling and drift and stope development. Historical underground development includes 69,102 meters of drift and raise, and 82,664 meters of preparation and accessing ramps. Channel samples are collected from drifts and stopes to conduct the exploration with drifting and grade control in stopes.

7.1 Channel Samples

Channel samples are collected using the following guidelines:

- During level mapping, geologists paint sample locations on the back or development face to guide samplers.
- Samples are collected by chiseling out the painted area, ideally cutting 10 cm wide sample.
- The sample widths range from 0.2 m to 1.5 meters as maximum.
- The sample's weight is usually between 1.0 and 2.5 kg. The sample is broken into small pieces of around ¼ inch to 1.0 inch as maximum.
- Sampling is carried out as perpendicular to the vein strike as possible and the true width is measured by sighting the vein dip and tilting the measuring tape accordingly.
- Stope and face samples are collected at 2 m intervals across strike. Wall rock and vein material are sampled separately. When dictated by geological features, samples are taken at closer intervals
- Sampling along cross cuts is conducted continuously.

Sampling is subject to numerous sources of error, particularly to the differential hardness of material being sampled, and the tendency to include disproportionate volume of softer rock. Diligent of systematic collection of channel samples generates a large data set which in most cases is statistically representative, but never completely free of errors or potential bias. The collection of channel samples has been observed underground it was noted that the procedure follows accepted engineering practices for channel sampling established by the geology department. The author concludes channel samples procedures used in the mine result in samples which are reasonably representative of the mineralization and meet industry best practices guidelines for this type of sampling. The resulting data is sufficient to support the estimation of reserve and resources.

7.2 Drilling

Historic exploration drilling statistics for the period of 1988-2022 are summarized in Table 7-1. These results were proportionated by CMPB and summarized here, however; the data has not been independently verified by the author.

The drill hole database for the SM contains 1989 drill holes completed between 1988 and April 2022, representing 233,944 meters of drilling. This includes condemnation, district exploration, geotechnical. Minas Coremin, SA de CV (MICO), a subsidiary of Luismin-Wheaton River drilled the property since 1988 to 2007. SIM acquired the mine in February 2008 and since then the performance of drilling has improved significantly.

These low-grade to barren holes are not in the immediate mining areas and are not used for resource estimation. Some of the drill holes used for geologic modeling are summarized in Table 7-1.

The goals of drilling by MICO, for the period of 1988-2007, was to trace the breccia structure from the San José open pit to the north-northwest, resulting in the discovery of the San Martin orebody and the San José II structure. The misconception of the type of deposit resulted in starting the exploitation of the San Martin with an open pit. The idea, at that time, was to mine out 180,000 tonnes of ore and shut down the mine at the third year. The San Martin giant breccia was discovered with the pit and then the concept of exploration was reviewed by Luismin.

Most of the drilling was done from underground. The author has no information about the holes done from surface but represent less than 2% of the total. Figure 7-1 shows the swarm of historical holes that have been performed in the entire mine.

Table 7-1: Summary of drill hole programs performed by MICO and CMP

Starcore International Mines LTD
Compañía Minera Peña de Bernal, SA de CV
San Martin Mine
Historical Drilling From 1988-April 30 2022

Years	Company	Total Holes	Total Meters	% of Total
1988-2007	Minas Coremin, SA de CV	379	68,492	29
2008-Apr 2022	Compañía Minera Peña de Bernal, SA de CV	1,613	165,452	71
	Totals	**1,992**	**233,944**	**100**

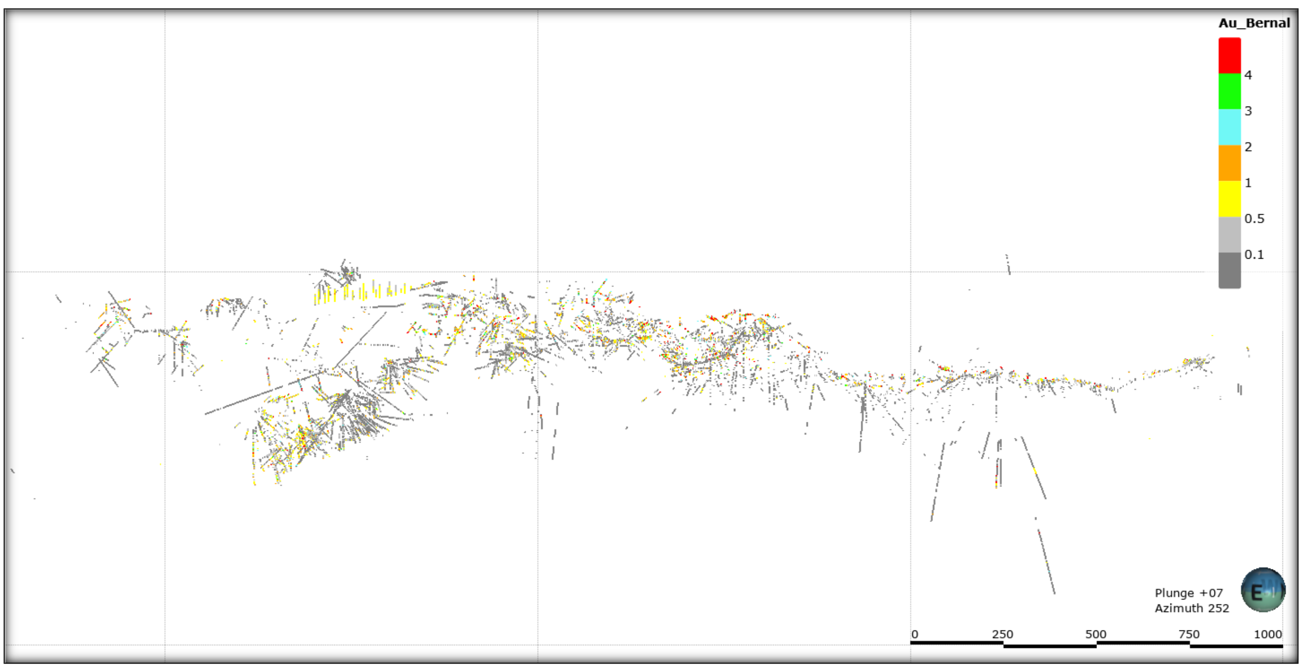


Figure 7-1: Map showing the swarm of drill holes done at the entire San Martin mine

7.3 Collar and Downhole Surveys

Upon completion of a drill hole, collar locations are surveyed using the surveyors for underground and Global Positioning System (GPS) units for surface holes . All coordinates are based on UTM mine grid system. Historically, downhole surveys were not systematically performed. For historical holes lacking surveys, the collar azimuth and dip are used for the entire length of the hole. Survey data are part of the district-wide database and are used in the modeling process to locate drill hole intercepts. Final reports for collar and downhole surveys are included in the drill hole log files. Original survey records are stored in a secure facility. Spatial locations of the drill holes are visually confirmed in the resource modeling software.

7.4 Drill Core Sampling

Diamond drill core samples are taken according to the following criteria:

- Drill core is split using a core saw
- Samples are taken from the core sections with visible structure (breccia) or mineralization, and 1.5 meters of the surrounding wall rock
- Will rock within the breccia structure is sampled independently
- Information is recorded in the drill logs for each sample includes depth, width, core angle and ore/rock type

7.5 Core Logging

Core logging procedures used at the San Martin mine were developed under the ownership of MICO and recently by CMPB. Historical logging was done on paper and includes information regarding rock types, structure, mineralization, and alteration.
Currently, geological logging is done on laptop computers. Since 2008, all information is entered into a drill hole database. Information collected includes rock type, alteration type and intensity, mineralization, core recovery and rock quality designation (RQD). No high-resolution photographs are taken for each or set of boxes. Completed logs are validated, approved, and then printed out and stored on-site for each drill hole.

7.6 Important Drilling Results

A total of 7,360.50 meters were drilled in 2021 until the end of April 2022 which focused on two areas of the mine: the first focusing on the CENTRAL (San Martin Body and 28 Body) part of the operating mine, and the second searching for the extension of the orebodies of high-grade discovered during the 30 years of the mine’s life. The San Martin structure was cut after the normal fault that displaces the right-lateral breccia structure(Figure 7-2). Highlights of the best results are in Table 7-2.

Table 7-2 Drill Results of the San Martin Body Extension

Starcore International Mines LTD
Compañía Minera Peña de Bernal, SA de CV
San Martin Mine
Highlights Drilling Results

Hole ID	True Width (m)	Assays	
		Au g/t	Ag g/t
DCSM21-434	1.3	1.61	8
	3.8	1.13	18
DCSM21-436	2.8	1.13	18
	2.55	2.00	8
DCSM22-438	4.75	1.11	8

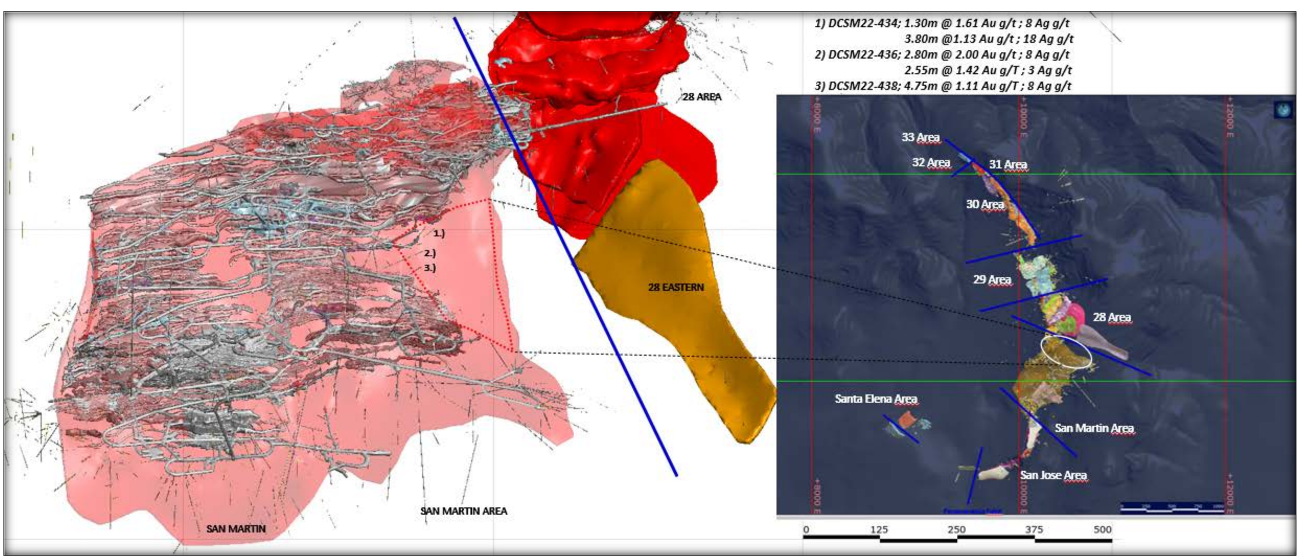


Figure 7-2: San Martin Orebody detected with Diamond Drill Holes

Other results that have proved the continuation of the orebody in Area 28 are outlined in Table 7-3. The mining work is aimed at assessing these resources for this current year. This new structure was discovered in 2021 with four diamond drill holes and the underground works have started to intercept this extension. This new vein is related to a vein discovered more than 15 years ago through a hole located 500 meters far away from the structure. Exploration continues with the development of drilling stations along the projection vein. Figure 7-3 shows the continuity of the orebody towards the eastern.

Table 7-3: Highlights of Drill Results at Area 28 Oreshoot

Starcore International Mines LTD

Compañía Minera Peña de Bernal, SA de CV

Area 28 Oreshoot

Highlights Drilling Results

Hole ID	True Width (m)	Assays	
		Au g/t	Ag g/t
DC2820	2.4	2.14	57
DC2820	2.95	2.42	21
DC2820	2.15	8.08	15

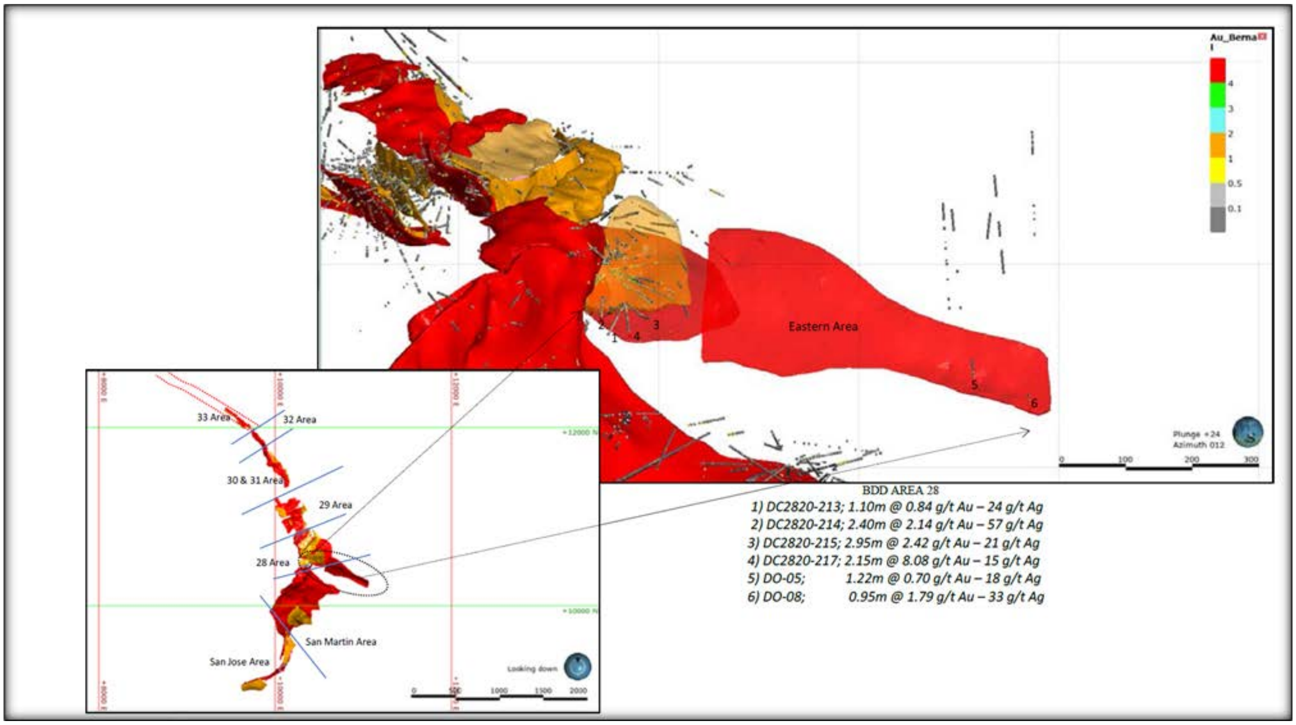


Figure 7-3: Eastern extension of the 28 Orebody detected with diamond drilling

7.7 Data Adequacy

The drill core sampling and the channel sampling of stopes and drifts are consistent with the commonly practiced procedures used throughout the mineral industry. Along with in-house blanks, standards, and duplicates included in the sample batches, some check assays are conducted on the samples by a certified, independent laboratory as well. Most double check analyses are conducted by the PENBER Lab.

Drill core sampling practices are consistent with the industry standards, adequate for use in preparing a mineral resource estimate.

7.8 Comment of Exploration

In the opinion of the QP:

- The exploration programs completed at San Martin (drilling, sampling, logging and drifting) are appropriate for geologic resource modeling.
- The data spacing and distribution is sufficient to establish a degree of geological and grade continuity appropriate for mineral reserve and resource estimation.
- The engineering programs and the geotechnical data are proper to support the design of the underground mine workings, according to the established design and criteria for the mine plans.

8.0 SAMPLE PREPARATION, ANALYSES, AND SECURITY

Sample preparation, analyses, and security followed by CMPB meet industry common practice standards and are adequate to support the estimation of Reserve and Resources. The quality control (QC) sampling results throughout the campaigns and laboratories are typical of an operation given the amount of throughput and data handling.

Core assays are complete by PENBER Lab, and some checks are sent to ALS Chemex in Vancouver, Canada, and the channel and mill samples are tested also in the PENBER Lab facility.

No modifications have been done in the last years. The samples received in the laboratory are dried before entering the preparation process. A primary size reduction is made up to 1/8 inch. The sample is divided into smaller portions using a Jones crusher until a sample of 150 g is obtained, which is considered representative of the initial sample volume.

The sample is reduced in size in a ring sprayer to a size smaller than 150 meshes, then is homogenized, and placed in an envelope previously labeled with the folio number tagged by the Department of Geology, including the date.

From the sample in the envelope, 20 g are taken and homogenized with the mixture of fluxes to be cast and obtain the lead button that has captured the gold and silver values. This button with values is placed in a cup to remove the lead and obtain a gold and silver button at the end of the process.

The button of gold is weighed, and a chemical attack is made to dissolve the silver, the residue is pure gold that is weighed and, in this way, obtain the gold and silver grades present in the mineral sample. This analysis of gold and silver in mineral samples has a detection limit of 0.1 g/t Au and 3.0 g/t Ag.

CMPB's internal QAQC includes adding one duplicate, one reference and one blank to every 20 samples. A sample of sterile (white) material is crushed before starting the size reduction process. The degree of reduction is verified by passing the total of the sample through the # 6 mesh; 80% of the sample must pass, otherwise the breaker opening is adjusted. This process is done in the first sample and then every 20 samples. Similarly, every 20 samples in the crusher will pass a sample of sterile material, in addition to cleaning the equipment with compressed air, including the Jones quartz that is used to divide the sample into small portions.

Continuing with the reduction process, after passing the sample through the ring sprayer, it passes through the 150 mesh, through which 80% of the total weight must pass. To avoid contamination, compressed air is used to clean the equipment and every 20 samples a sterile material is sprayed.

The pulverized sample is taken to furnace in batches of 42 samples each. At the beginning of each batch a blank is placed, in the position number 21 a standard of known value is placed and in the position number 42 a duplicate of the sample corresponding to the position number 22 is placed.

The Assay Standard CDN-ME-1304 certified standard is from the CDN Resource Laboratories LTD laboratory, with a grade of 1.80 g/t Au and 34.0 g/t Ag. In the same way, an in-home made and validated standard is used on site, with a grade of 1.93 g/t Au and 40.5 g/t Ag.

When performing the gold and silver test and the relationship between these two elements is less than 4, it is considered to repeat the assay of the sample by adding silver nitrate (inaccurate) to increase the ratio and prevent the encapsulation of the silver.

The third-party laboratory that has been used is ALS Chemex, with the prep lab located in Guadalajara, Jalisco, of ALS Global.

In the past, personnel of Inspectorate laboratories in Vancouver have inspected the mine lab facilities and has provided procedures, flux recipes and feedback on all laboratory equipment. The mine has been awarded the Mexican Quality Award which is like International Standards ISO 9001 for quality control in the overall mining operations and with the award Certificate of Clean Industry by SEMARNAT.

8.1 Sample Preparation and Analysis

8.1.1 Underground Channel Samples

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

8.1.2 Diamond Drill Core Samples

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

8.2 Security, Storage, and Transport

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

8.3 Quality Control (QA/QC)

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

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

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

8.3.1 Standards

In-house standards, by PENBER Lab, are used to keep track of production grades and the mill. The standards are low for medium grade gold and silver. Each standard is used both for channel samples from the mine, as well as core samples from blastholes and samples from mill heads and tails.

Sampling and QA/QC protocols have been updated in 2008, using blank material and standards to better reflect the vein grades and the deposit type. The analysis and verification for blank and standard material is conducted on a routine basis to ensure the results are as expected.

8.3.2 Blanks

Blanks are used and inserted on a 1 in 20 basis to confirm that there is no contamination between samples due to the sample preparation errors at the laboratory. Blanks are not certified and were prepared by PENBER Lab, as an internal way to check the operation of the lab. The blanks were prepared at the San Martine mine using unmineralized quartz or rock material. The blanks are blind to the laboratory.

8.3.3 Duplicates

Duplicates of pulps are analyzed within the channel and drill core stream in the PENBER Lab. Review of the duplicates show good reproducibility (Figures 8-1 and 8-2). No significant errors have been noticed in Standards and duplicates, and do not suggest the invalidation of the results from the PENBER Lab. Almost 30 years of continuous operation of the San Martin mine and mill, have passed without having a problem that is attributable to the testing laboratory and the methods that have been used for its performance. However, the author has recommended using certified standards and an external laboratory for duplicates, as this will give the mining operation at San Martin even greater certainty.

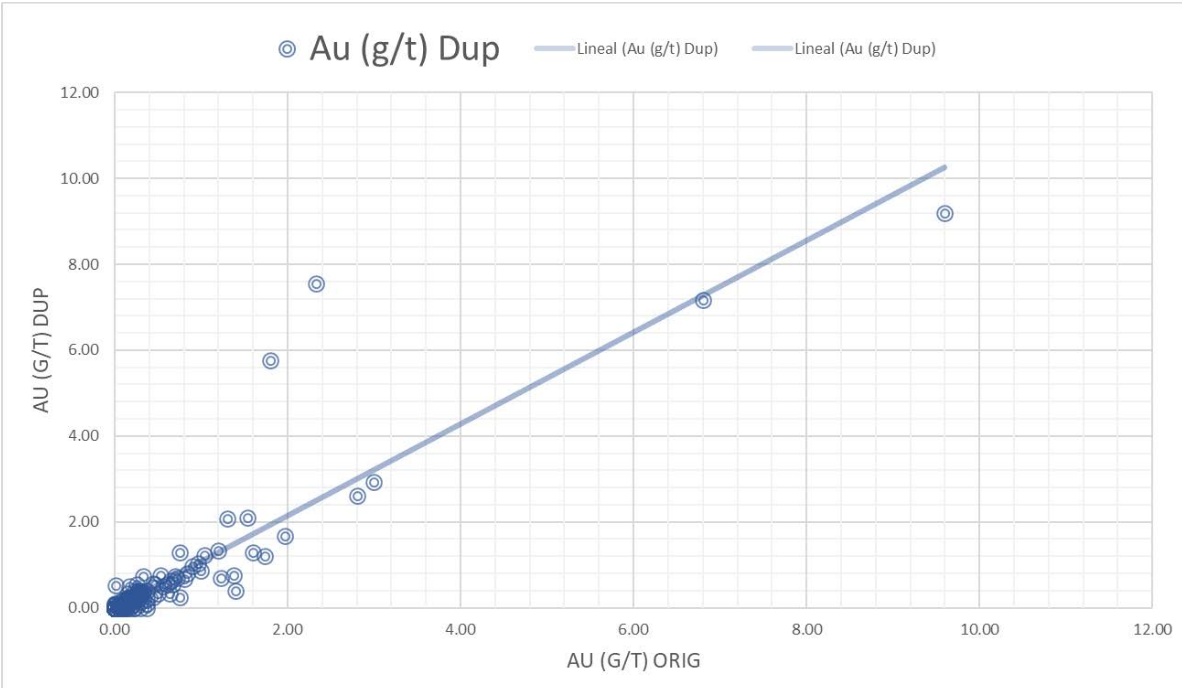


Figure 8-1: Pulp Duplicate Gold Assay Result PENBER Lab

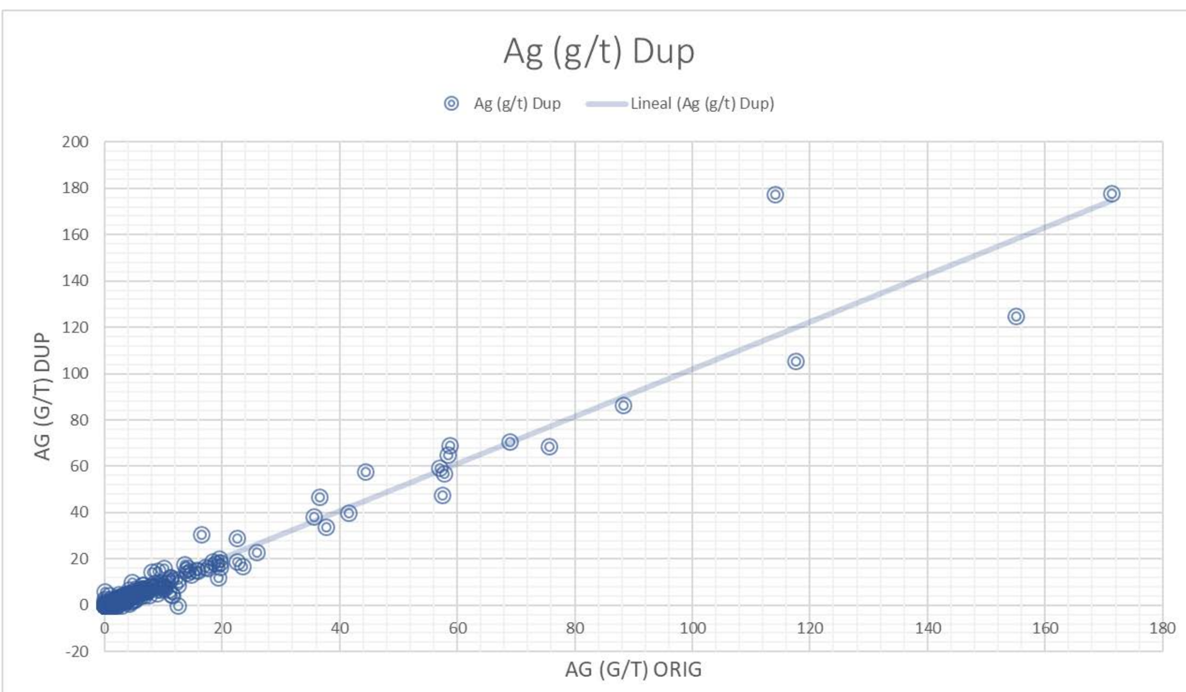


Figure 8-2: Pulp Duplicate Silver Assay Result PENBER Lab

8.4 Comment on Sample Preparation, Analyses and Security

In the QP's opinion, sample preparation, analytical methods, security protocols, and QA/QC performance are adequate and supports the use of these analytical data for mineral reserve and resource estimation at the San Martin mine.

9.0 DATA VERIFICATION

The mineral resource estimate presented in report Section 11 is based on the following information provided to Mr. Enriquez by SIM with an effective date of April 30, 2022:

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

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

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

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

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

9.2 Comment on Data Verification

As a confirmation of the mineral reserve and resource process, third party consultants have been hired to perform verification studies. The San Martin mine was last reviewed in September 2019. The study included database checks and concluded that the data base supporting the geological information of the San Martin deposit reserves and resource estimate is complete and follows mining industry standards.

The QP has been involved in two of the recent audits of the San Martin mine, including reviews of stope, drifts, and drill hole data. The data has been verified and no limitations have been identified. In summary, data verification for the San Martin mine has been performed by mine site staff and external consultants contracted by SIM. Based on reviews of this work, it is the QP's opinion the San Martin mine, stope, drifts and drill hole database and other supporting geologic data, align with the accepted industry practices and are adequate for the use in this level of study.

10.0 MINERAL PROCESSING AND METALLURGICAL TESTING

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

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

10.1 Metallurgical Testing and Recovery

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

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

10.2 Data Adequacy

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

11.0 MINERAL RESOURCE ESTIMATE

11.1 Introduction and Qualified Person

This Report provides a mineral resource estimate and a classification of resources reported in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves. Accordingly, the Mineral Resources have been classified as lndicated Mineral Resources or lnferred Mineral Resources. The Mineral Resource estimate for the mine is reported here in accordance with the SEC S-K 1300 regulations. For estimating the Mineral Resources of the San Martin Mine, the following definition as set forth in the S-K 1300 Definition Standards adopted December 26, 2018, was applied.

The Mineral Resource estimate and related geologic modeling were reviewed and approved by Erme Enriquez, C.P.G. Mr. Enriquez is a Qualified Person, independent of SIM for the purposes of this study.
Mr. Enriquez worked for Luismin (former owner of San Martin) for 21 years and visited the San Martin Mine regularly every other month from 1996 to 2002 and is familiarized with the deposit. Mr. Enriquez has visited the San Martin Mine from June 07 to 10, 2012. Mr. Enriquez is an independent Qualified Person as defined by National Instrument 43-101. This Mineral Resource/Reserve estimate is effective as of April 30, 2022, and follows the previous independent Resource/reserve estimate performed as of September 30, 2019, by Erme Enriquez, as of April 30, 2018, by Erme Enriquez, as of July 31, 2013 and 2014 by David R. Gunning, P. Eng. and Joseph W. Campbell, P. Geo. Previous audits of Luismin's operations as of December 31, 2001; December 31, 2002; and, August 31, 2004, were performed by Watts Griffis McOuat. Prior to 2001, Pincock, Allen & Holt had conducted independent audits in the years 1998, 1999 and 2000.

Total Estimated Inferred and Indicated Resources at the San Martín Mine are 1,481,770 tonnes at a grade of 1.78 g Au/t and 14 g Ag/t. The calculation of resources had been updated, when only the inferred resources were reported and not the indicated resources, measured resources have not been included due to the lack of enough drilling to support this category. In this Report, the inferred and indicated resources have been included, so the calculation, compared to the year 2019, with a little decrease.

11.2 Density

The San Martin staff apply a factor of 2.6 tonnes/m^3 to convert volume to tonnage. This is considered reasonable for the type of deposit and is based on long production experience and historic measurements.

11.3 Methodology

The Inferred and Indicated Mineral Resources are estimated by projecting typical structural geometry within the confines of the various geological structures into untested areas. The thickness of the structure and the gold and silver grades assigned to these resources was previously based on the average of past production stopes within similar structures within each mine area.
In 2010 a change was made to reflect grades from stopes that are proximal to the Inferred blocks. This resulted in a significant decrease in the grade of metals for the Inferred ore at that time but better reflects the reality of the structures. In some cases, when there are various blocks below or above the block of the projected Inferred Mineral Resources, the average of their grade and thickness is used in the estimate. However, in other cases, statistics for gold and silver that have been produced through diamond drillholes and through development are applied. Blocks for Inferred Resources are colored blue.

Indicated Mineral Reserves are defined primarily by diamond drilling. In these cases, a square is drawn on the vertical longitudinal section with the drillhole centered on the square. The shape and size of the block depends upon the geological interpretation with the maximum size of the block based on the thickness of the vein as follows:

Vein Thickness	Size of Block
Less than 1.0 m	25 x 25 m
1.0 to 1.5 m	34 x 35 m
Greater than 1.5 m	50 x 50 m

All blocks for this category are colored green. Inferred and Indicated Mineral Resources are shown in Table 11-1

Table 11-1: Inferred and Indicated Mineral Resources at the San Martín Mine

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

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

- *Mineral resources have been classified into inferred and indicated in accordance with § 229.1302(d)(1)(iii)(A) (Item 1302(d)(1)(iii)(A) of Regulation S-K).*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*
- *Reserve and resource cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 86% gold and 55% silver.*
- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold:silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*
- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM and reviewed by Erme Enriquez CPG.*

12.0 MINERAL RESERVE ESTIMATE

12.1 Introduction

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

Total Proven and Probable Mineral Reserves at the San Martin mine as of April 30, 2022, estimated by Geology staff and reviewed by QP, are 1,348,433 tonnes at a grade of 1.74 g Au/t and 13 g Ag/t (Table 12-1). This total includes Proven reserves of 144,331 tonnes grading 1.79 g/t Au and 14 g/t Ag along with Probable reserves of 1,204,102 tonnes grading 1.73 g/t Au and 13 g/t Ag. The Carbonaceous material has not been included in the Reserves and that is why P&P reserves have decreased. The carbonaceous reserves have been always present in the deposit and have been mined and sent to the plant using normal treatment, but those always caused a problem with the recovery of gold. The reserves represent only 5.5% of total reserves and can be left for better times when the right process is found for treatment. There exists sufficient non- carbonaceous ore to operate for two full years, which should be enough for feeding the plant for several years.

The estimation methods used by Luismin/Goldcorp have been retained to some degree, but there have been substantial changes to determination criteria for Proven and Probable reserves, and changes to dilution rates to account for the mining of Tronco ore zones and remnant ore (both hanging wall and strike and dip extensions) versus the dominance of Manto ore mined in the past.

Relative to the Manto ore the Tronco ore is thinner and stepper dipping which has resulted in higher dilution during mining due to most of the ore being mined by cut and fill methods versus the room and pillar method in the thicker flat lying Mantos. For remnant ore there is a greater dilution associated with minimal widths for mechanical equipment, which at times exceeds the remnant ore widths. There is also additional dilution associated with breaking and mucking ore next to unconsolidated fill from past mining. Cutting of some high-grade samples has been implemented to try to better predict mined grades. As well grades were lowered in some ore blocks with sufficient production history to establish the lower grades.

Modifications have also been made to the determination of Probable and Proven ore. Most notably Proven ore is only calculated for blocks above mine development, whereas in the past Proven ore was also extended below workings.

The author believes that the Mineral Reserve and Mineral Resource estimates fairly represent the Mineral Reserve/Mineral Resource potential of the property.

The previous NI43-101 compliant estimation as of July 31, 2014, prepared by David R. Gunning, P. Eng., and Joseph W. Campbell, P.Geo, reported a total proven and probable reserves of 486,586 tonnes at a grade of 2.31 g Au/t and 18.5 g Ag/t. This total included Proven reserves of 179,589 tonnes grading 2.33 g/t Au and 17 g/t Ag along with Probable reserves of 306,997 tonnes grading 2.30 g/t Au and 19 g/t Ag. In addition to this reserve is 181,546 tonnes at a grade of 2.98 g/t Au and 32 g/t Ag which is hosted in carbonaceous limestone, of which 88,000 tonnes of this material have been mined in the last five years.

12.2 Methodology

The 2D polygonal method uses a fixed distance of Vertical Longitudinal Projection (VLP) from sample points. The VLP's are created by projecting the mine workings of a vein onto a vertical 2D long section. Figure 15-1 displays the VLP for the San José II vein. Reserve blocks are constructed on the VLP based on the sample locations in the plane of the projection. SIM geologists review the data for sample trends and delineate areas with similar characteristics along the sample lines. The areas are then grouped based on mining requirements. The average grades and thicknesses of the samples are then tabulated for each block.

Reserve volumes are calculated from the delineated area and the horizontal thickness of the vein, as recorded in the sample database. The volume and density are used to determine the overall resource tonnage for each area, and the grades are reported as a length weighted average of the samples inside each resource block. No special software is used for the drawing of mineral blocks on the vertical section for each of the veins. Recently Leapfrog is being used for the estimation of reserve and resources, but still inadequate to the type and style of mineralization on this deposit.
The method of calculating proven and probable reserves is the product of many years of production in the mines operated by Luismin and SIM. This calculation system is still valid because it has worked in San Martin for the last 30 years. The calculation method of San Martín is in accordance with the parameters established by CIM.
The following criteria are used by SIM geologists to classify Proven and Probable Mineral Reserves. The distance for vertical projections for Proven Mineral Reserves and Probable Mineral Reserves is a function of the length of the block, defined as follows:

Block Length	Maximum Vertical Projection for Proven Mineral Reserves	Maximum Vertical Projection for Probable Mineral Reserves
Less than 15 m	4 m	8 m
15 to 45 m	8 m	16 m
45 to 85 m	16 m	32 m
Greater than 85 m	20 m	40 m

12.3 Mineral Reserve Statement

Mineral reserves are derived from Inferred resources after applying the economic parameters as stated previously and utilizing the VLP to generate stope designs for the reserve LOM plan. The stope designs are then used to mine on levels along with the required development for the final mine plans. The San Martín Mine mineral reserves have been derived and classified according to the following criteria:
Figures 12-1 and 12-2 shows reserve blocks depicted on a portion of a typical longitudinal section. Proven reserve blocks are shown in red, Probable reserve blocks are shown in yellow. The mine

planners have determined that extraction of the blocks is feasible given grade, tonnes, costs, and access requirement.

The San Martín Mine Project mineral reserves have been derived and classified according to the following criteria:

- Proven mineral reserves are the economically mineable part of the Measured resource for which mining, and processing/metallurgy information and other relevant factors demonstrate that economic extraction is feasible.
- Probable mineral reserves are those Measured or Indicated mineral resource blocks which are considered economic and for which SIM has a mine plan in place.

The Proven and Probable mineral reserves for the San Martin mine as of April 30, 2022, are summarized in Table 12-1. The mineral reserves are exclusive of the mineral resources reported in Section 11 of this report.

Table 12-1: Proven and Probable Mineral Reserves, Effective Date April 30, 2022

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

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

- *Mineral Reserves estimates have been classified in accordance with probable and proven mineral reserves in accordance with § 229.1302(e)(2) (Item 1302(e)(2) of Regulation S-K.*
- *Reserve cut-off grades are based on a 1.41 g/t gold equivalent.*
- *Metallurgical Recoveries were 88% gold and 55% silver.*
- *Mining Recoveries of 90% were applied.*
- *Minimum mining widths were 2.0 meters.*
- *Dilution factors is 20%. Dilution factors are calculated based on internal stope dilution calculations.*
- *Gold equivalents are based on a 1:79.5 gold - silver ratio. Au Eq= gAu/t + (gAg/t ÷ 79.5)*
- *Price assumptions are $1750 per ounce for gold and $22 per ounce for silver.*
- *Mineral resources are estimated exclusive of and in addition to mineral reserves.*
- *Resources were estimated by SIM staff and reviewed by Erme Enriquez C.P.G.*
- *Reserves are exclusive of the indicated and measured resources.*
- *Tonnage is expressed in tonnes; metal content is expressed in ounces. Totals may not add up due to rounding.*

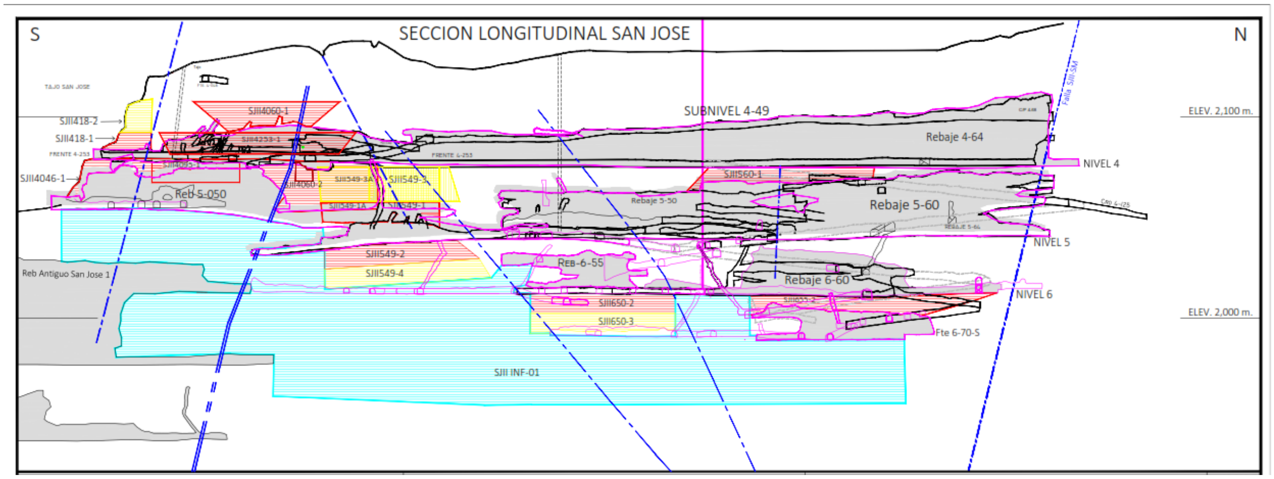


Figure 12-1: Typical vertical longitudinal section (VLP) showing the blocks of proven and probable ore in the San José II orebody.

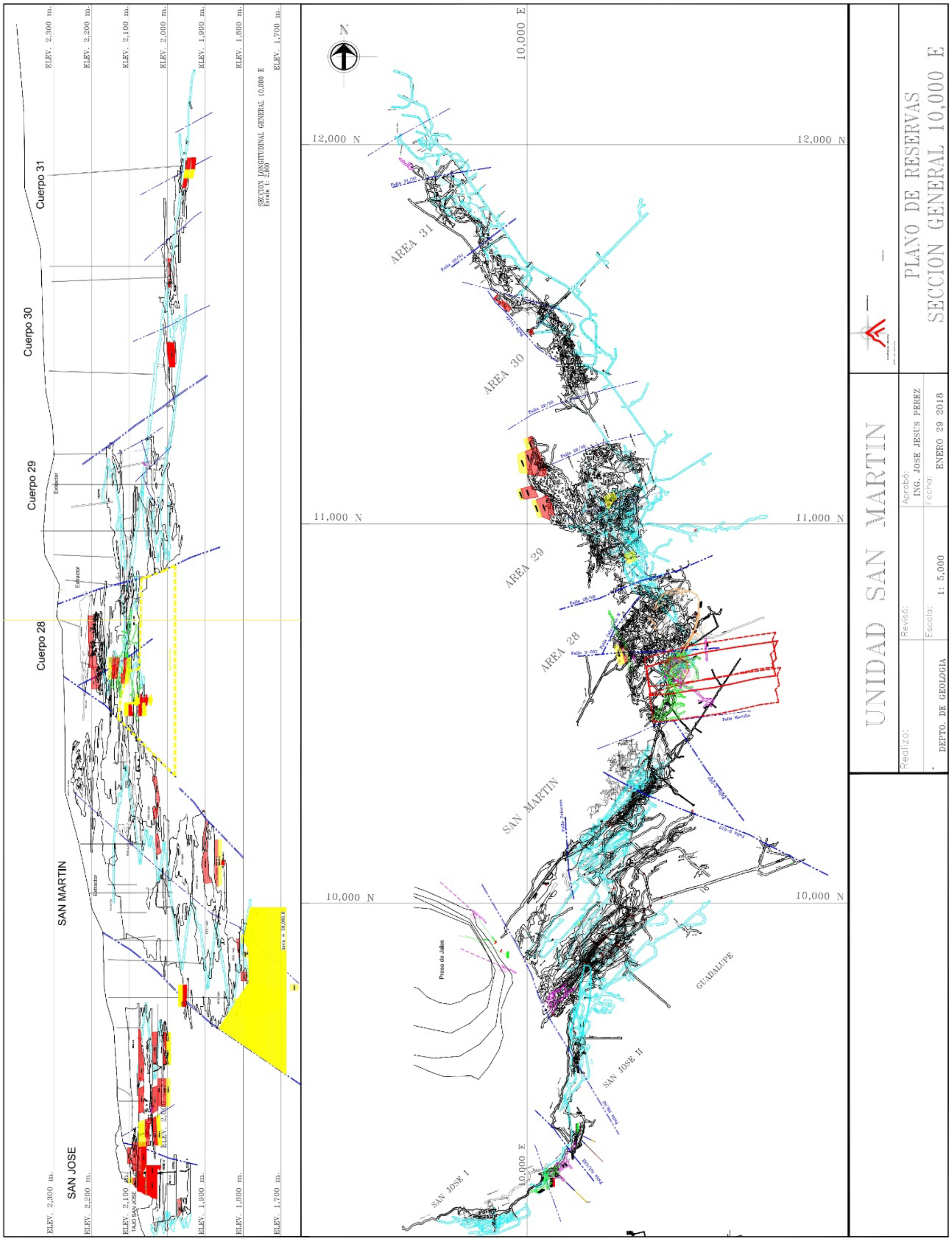


Figure 12- 2: General vertical longitudinal section of the San Martin Mine showing the proven and probable reserve blocks.

12.4 Comment on Mineral Reserve Estimate

The mineral reserve estimate has been prepared using industry accepted practice and conforms to the disclosure requirements of S-K1300. Mineral reserve and mineral resource estimates are evaluated annually, providing the opportunity to reassess the assumed conditions. All the technical and economic issues likely to influence the prospect of economic extraction are expected to be resolved under the stated assumed conditions.

Mineral reserve estimates consider technical, economic, environmental, and regulatory parameters containing inherent risks. Changes in grade and/or metal recovery estimation, realized metal prices, and operating and capital costs have a direct relationship to the cash flow and profitability of the mine. Other aspects such as changes to environmental or regulatory requirements could alter or restrict the operating performance of the mine. Significant differences from the parameters used in this TRS would justify a re-evaluation of the reported mineral reserve and mineral resource estimates in the future.

13.0 MINING METHODS

The San Martin mine has a long operational history and mining conditions are well understood by the site and SIM corporate staff. The mining method is a conventional underground cut and fill.

13.1 Mining Operations

Since 2008, SIM has been in control of the day-to-day mining operations at the San Martin Mine. SIM assumed control of the mining operations from a local mining contractor in order to allow for more flexibility in operations and to continue optimizing the costs.

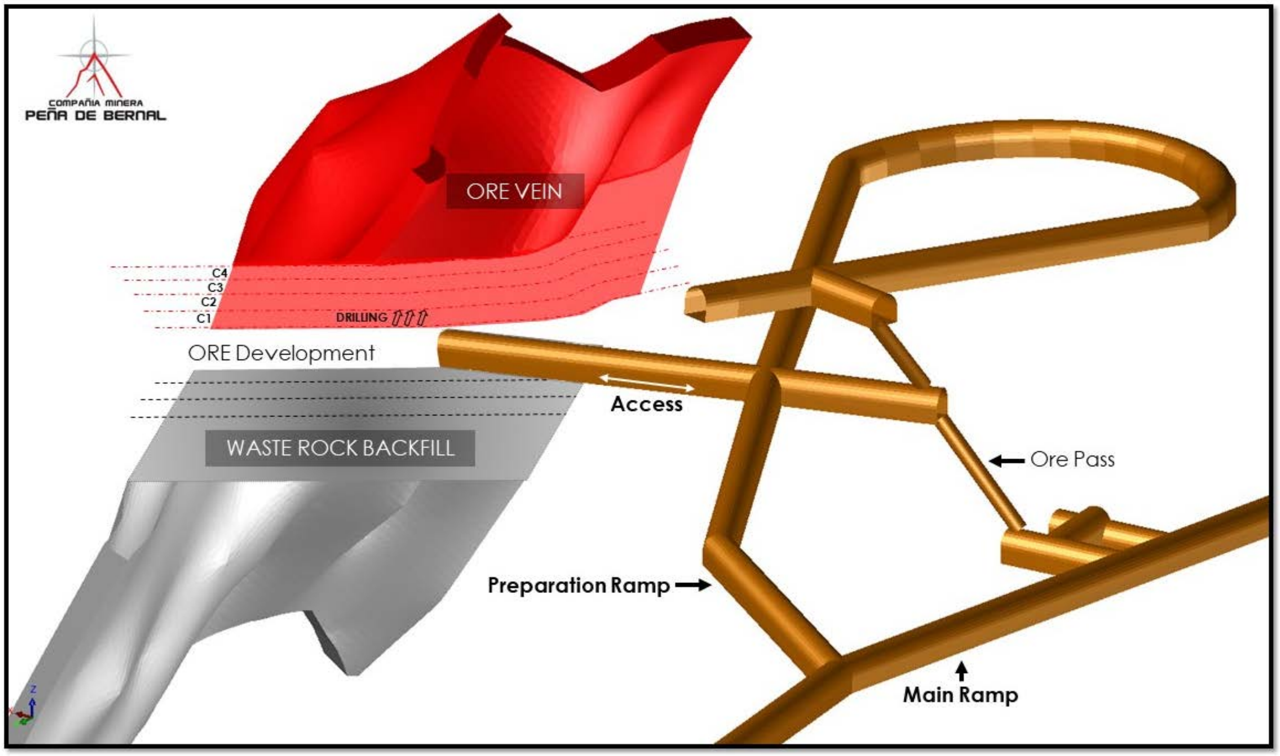
The San Martin Mine project has a roster of 50 employees, 153 unionized workers and an additional 94 contractors. The San Jose mine operates on two 10-hour shifts (contractors) 20 by 8. The San Martin works 3 shifts 8 hours each, six days a week. The supervisors are in shifts of 20 by 8 for body 28 and 33 and 10 by 4 for San Martin. The mill operates on a 20/8 schedule.

The CMPB miners are skilled and experienced in vein mining and are currently unionized. In the production / development function, the Company's agreement with the contractor is based on a set price There is an incentive system in place rewarding personnel for good attendance, safety and production. Technical services and overall supervision are provided by SIM staff. The mine employs geology, planning and surveying personnel and has detailed production plans and schedules. All mining activities are being conducted under the direct supervision and guidance of the mine manager.

13.2 Mining Method

Given the conditions of the San Martín Unit deposit, the conventional cut-and-fill mining method is mainly used (Figure 13-1)

It is known that the exploitation of mineral deposits by underground methods is more complex than those of the surface, for this reason it is necessary to pay special attention to each of the existing methods, for a correct planning of the exploitation of an ore body. The selection of the mining method that is intended to be used in a deposit or a mineralized body must be studied carefully, taking into consideration that it is the method that must be adapted to the deposit and not in a counted way, the present work shows in detail the cut and fill mining method, the advantages, and disadvantages of its use, to give a broader view of the method. We can ensure the effectiveness of this method of exploitation since many mines currently use it, it is important to mention that the method offers powerful advantages, over the rest of the exploitation methods, however, its



application is not always possible. Currently, with the arrival of mechanization in the mining sector, the method has developed variants that allow it to maximize its potential.

Figure 13-1: Schematic of the overhead cut-and-fill mining method

13.3 Mining Method Description

In underground exploitation, mining is carried out from the top to the bottom of the different horizons or ore floor. It consists of breaking the ore. After a cut or floor has been completely extracted, it is filled before starting the new cut, this fill is what will help support the roof of the new cut that opens, the mining of the ore continues floor by floor until the end of the block.

Various factors were taken into account to choose the appropriate mining method: the size and morphology of the ore body, the thickness and type of the surface scarp, the location, direction and dip of the deposit, the physical characteristics and resistance of the mineral, the presence or absence of groundwater and its hydraulic conditions related to the drainage of the works, economic factors involved with the operation, including the grade and type of ore, comparative mining costs and desired production rates.

A methodology was developed based on the variables mentioned to evaluate which is the most appropriate exploitation method, generating a value for the fulfillment of a factor or variable and thus generating a more effective choice.

Table 13-1: Table for choosing the mining method

PARAMETERS	GRADE INCLINATION			VEIN WIDTH			ROCK QUALITY			TARGET
MEDIDAS	>40°	40°-20°	20°-0°	> 3 m	1m - 3m	< 1 m	GOOD	REGULAR	BAD	
Longhole	SI	NO	NO	SI	SI	NO	NO	SI	SI	55.56%
Cut & Fill	SI	SI	NO	SI	SI	SI	NO	SI	SI	77.78%
Shrinkage	SI	NO	NO	SI	SI	SI	NO	SI	SI	55.56%

13.4 Drilling

The objective of drilling is to establish a methodology that allows us to generate a cavity in the rock mass, with a diameter and a length determined in one linear meter. Consequently, it brings us an advance in either development or production, generating a tomb in ore. or waste or for drilling in a systematic anchoring support.

It is worth mentioning that before the drilling activity, the responsible personnel must verify the work area, correctly apply the work procedure and the work instructions, which tell us that we must check that our area is completely ventilated, free of particles from the blasting. Above, perfectly irrigate the load in a position from the outside to the inside, check simultaneously the tables of the undercut and ceiling, if any open rock, take the solidifying bar and lay it down immediately, that way we already have a safe undercut, and we can carry out drilling activity

Drilling is defined as the action of drilling wells or holes to recover our drilled material. The tools used for drilling are known as, which are formed by a proper mechanism to produce the effects of percussion or rotation, and which are normally provided with an attack bit.

13.5 Blasting

The objective of blasting is to establish the methodology to provoke the fragmentation of the rock in a linear meter or a ton of ore or waste with the help of charging explosives under pressure with compressed air in the hole cavity.

It is worth mentioning that before starting the blasting activity, we must blow the holes well by injecting compressed air into them, leaving them free of any obstacle that prevents entry, we proceed with the priming of the explosive, which is to make a hole in the tovex charge and introduce the primer. , which we proceed to put it to the bottom of the hole and when the explosive charge has been introduced into the hole, we proceed to load the column of the hole by injecting mexamón dust under pressure with a special charger, before starting a blast and to take into account the already established recommendations such as the firing schedule and taking care of the entrance accesses to said area where the blasting is going to be carried out.

The blasting is achieved thanks to the excellent work of the driller and assistant, either using a leg or jumbo machine. For the efficient drilling of a face, the equipment must be in good condition, there must be services such as sufficient air if a leg machine is used, the electrical current necessary to be able to operate the jumbo and water for both cases. The pressure necessary for a leg machine to be efficient requires an air pressure of between 80 and 90 psi and a water pressure of .5 bar, and it also needs a certain amount of oil for lubrication.

13.6 Mucking

The leftover is the movement with heavy machinery of ore or waste leftovers, product of the detonation of blasting of production or development holes and unloading in cargo stock or accumulator, to transfer hoppers or directly to haul trucks generating a linear advance or production of economic or non-economic tonnage. The straggler is especially important because if the front in action is not prepared, it is not possible to continue drilling and therefore there is no progress. In addition to that if there is an excess of material in accumulators there is no option where to accommodate so much material.

13.7 Haulage of Ore

The haulage establishes the methodology to generate movement on heavy machinery (low-profile truck, dump truck, etc.) or even with scoops of ore tailings or waste, product of the detonation of blasting of production or development holes and unloading in inside mine stock, transfer hoppers, or its destination to treatment plants or backyard dumps.
It is of the utmost importance to be able to effectively identify the loads so that the ore reaches the benefit plant and thus ensure the planned contents.

13.8 Geotechnical Review

A geotechnical analysis for the Project has not been conducted or reviewed by the author. The mine has historically operated without significant underground support on the shotcreting areas with significant falling rocks. The rock is most competent and self-supporting. No areas of concern were noted.

13.9 Ventilation

The San Martin mine is naturally ventilated. The access declines are used as an intake airway and the old mineworkings at San Martin and Bodies 28 and 33 use raises and drifts connected to Robbins raises for exhausting air (Figure 13-2). Booster fans are used in new drifts or areas away from the ventilation raises.
No further evaluation on the ventilation has been done since the mine operates at a temperature good enough for working comfortably.

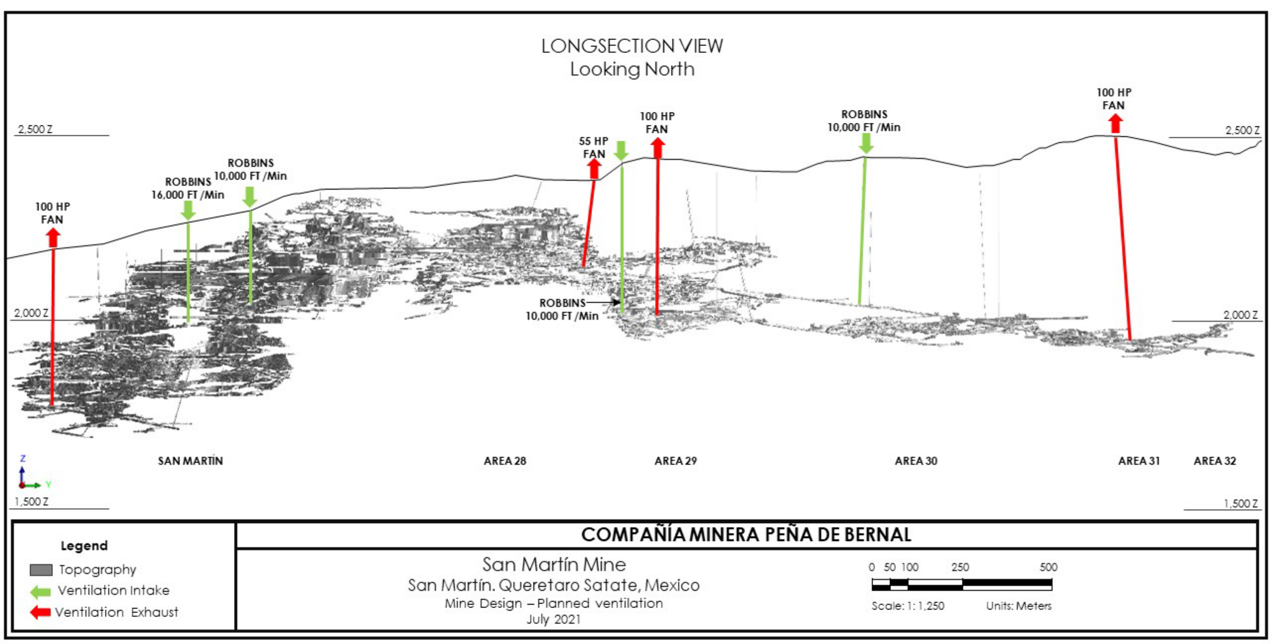


Figure 13-2: Ventilation circuit, at the San Martin Mine, by using Robbins raises ventilation intake and for exhausting

13.10 Dewatering

Dewatering at the San Martin mine is relatively simple. With several pumping stations, towards the surface, from the deepest part of the San Martin Mine and from the area of Bodies 28 to 32. The water is brought to the surface, and this is used for the processing of the ore in the plant. and for regular use and irrigation in gardens and on paths to avoid raising dust. The drain circuits are shown in the Figure 13-3.

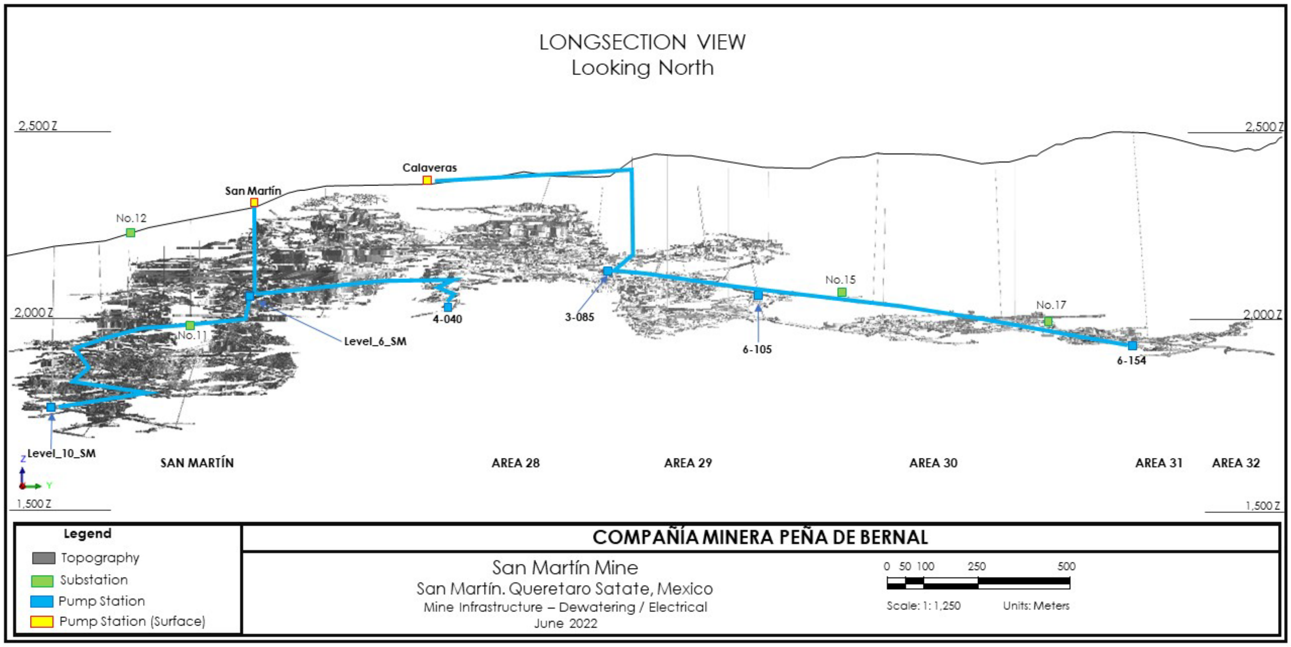


Figure 13-3: Pumping systems in the entire San Martin Mine. Water is sent to surface for usage in the plant process

13.11 Mining Equipment

Ore and waste transportation is by scooptram and truck haulage. Ore and waste haulage is performed using 14-tonne underground trucks. Single boom jumbo drills and jacklegs are used for development headings and conventional cut and fill stope drilling is by jackleg. A total of 45 jackleg drills are available in inventory.

A list of the major underground equipment on-hand at San Martin is listed in Table 13-2. According toSIM's personnel, all that equipment is in good, well-maintained condition and is operating on very smooth clean roads.

Table 13-2: List of Mining Equipment used at the San Martin Mine

Compañía Minera Peña de Bernal, SA de CV
San Martin Mine
Mine Equipment to April 2022

Equipment	ID Econ.	Make / Model	Capacity	Year
Scoop Tram	8	MTI,LT-410	3 Yds	2000
Scoop Tram	15	MTI,LT-350	2.5 Yds	2003
Scoop Tram	21	MTI,LT-650	4 Yds	2014
Scoop Tram	22	JOY,LT-650	4 Yds	2017
Scoop Tram	24	JOY,LT-270	1.5 Yds	2016
Scoop Tram	25	JOY,LT-270	1.5 Yds	2017
Scoop Tram	26	JOY,LT-650	4 Yds	2017
Scoop Tram	27	JOY,LT-270	1.5 Yds	2018
Scoop Tram	28	JOY,LT-650	4 Yds	2019
Low Profile Truck	3	TAMROCK	16 Tons	2005
Jumbo	7	SANDVIK DD210	8/12 Ft	2017
Jumbo	8	JOY VR-II	14 Ft	2017
Jumbo	9	JOY VR-II	14 Ft	2018
Agriculture Tractor	5	NEW HOLLAND, TT75		2011
Agriculture Tractor	6	NEW HOLLAND, TT75		2018
Allentown	3	PUTZMEISTER TK 20		2011
CARMIX	1	CARMIX ONE	1 M3	2018
CARMIX	2	CARMIX ONE	1 M3	2018
Backhoe	1	CASE 580 SUPER M Series 2 (580M)	1.03 Yds	2013
Backhoe	2	CASE 580 SUPER M Series 2 (580M)	1.03 Yds	2016
Toyota	7	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2004
Toyota	8	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2004
Toyota	9	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2004
Toyota	10	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2004
Toyota	11	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2004
Toyota	12	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2005
Toyota	14	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2005
Toyota	15	TOYOTA, ENS INDUSTRIAL (LAND CRUSIER HZJ79)		2005
Ranger	1	POLARIS RANGER 900 DIESEL 4X4		2011
Ranger	3	POLARIS RANGER 900 DIESEL 4X4		2011
Mule	2	KAWASAKI MULE 4010 4X4 DIESEL (KAF950FDF)		2016
Kubota	1	KUBOTA RTV-X1140W-H		2017
Nissan	3	NISSAN NP300 4X4 2013		2013
Dump Truck	14	INTERNATIONAL DURASTAR 4400	14m	2014
Dump Truck	15	INTERNATIONAL DURASTAR 4400	14m	2015
Dump Truck	16	INTERNATIONAL DURASTAR 4400	14m	2015
Dump Truck (Torino)	1	INTERNATIONAL	7m	1994
Dump Truck (Torino)	2	INTERNATIONAL	7m	2000
Dump Truck (Torino)	3	INTERNATIONAL	7m	2000
Dump Truck (Torino)	4	INTERNATIONAL	7m	2006
Nissan Frontier	0	NP 300 FRONTIER DIESEL 4X4		2016
Ambulance	3	FORD TRANSIT DIESEL		2014
Mitsubishi L200	1	MITSUBISHI L200 2.5 DID CABINA DOBLE 4X4 MT		2016
Mitsubishi L200	2	MITSUBISHI L200 2.5 DID CABINA DOBLE 4X4 MT		2017
Mitsubishi L200	3	MITSUBISHI L200 2.5 DID CABINA DOBLE 4X4 MT		2017
Mitsubishi L200	4	MITSUBISHI L200 2.5 DID CABINA DOBLE 4X4 MT		2017

13.12 Comments on the Mine Operations

The site is in operation with experienced management and sufficient personnel. The mine works 365 days per year on a 24 hour per day schedule. Operational, technical, and administrative staff are on-site to support the operation. As of April 30, 2022, mine operations have 254 employees with additional contractors available as needed.

14.0 PROCESSING AND RECOVERY METHODS

Mineral reserves and mineral resources are evaluated to be processed using cyanidation process by dynamic leaching. The mill is currently operating at 627 tons per day, it presents a series circuit that includes Crushing, Grinding, Leaching, a System of Countercurrent Washing by Decantation, Filtration, Tailings Deposit and Merril Crowe for the recovery of silver and gold values, in addition to the smelter area. The plant flowchart is illustrated in Figure 14-1.

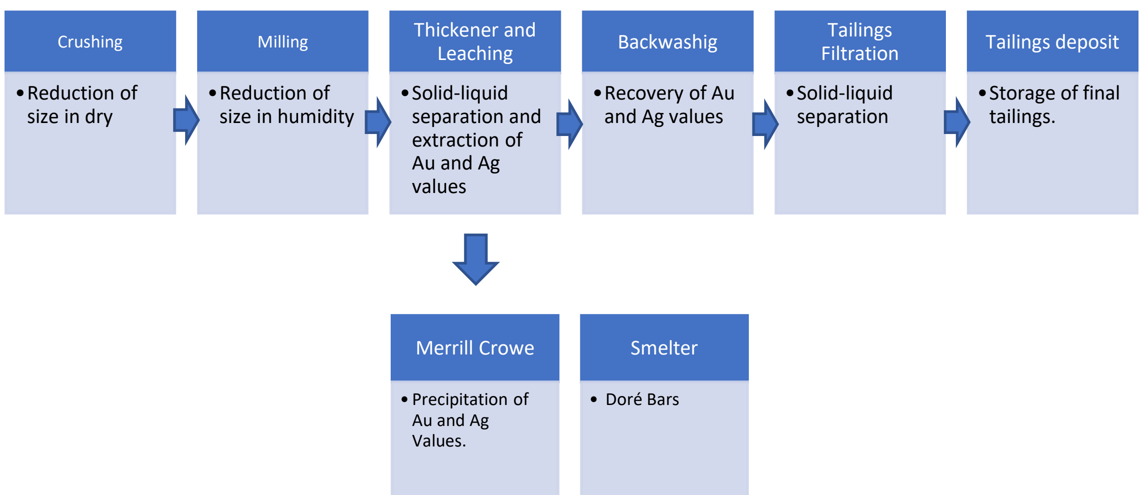


Figure 14-1: Plant flow chart

14.1 Process of the Benefit Plant

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

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

- Crushing and transport
- Storage and claim
- Primary and secondary milling

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

In the crushing area, the ore is reduced to ¼ in., to be fed to the primary ball mills and later to the secondary vertical mill to obtain a 70% product at 74 microns. This is fed to the dynamic leaching circuit where oxygen is injected. The dissolved values are recovered by precipitating them with zinc powder in the Merrill Crowe process and melting to obtain doré bars with a purity of 99.3%.
The tailings are filtered before being deposited in the dam (Figure 14-2). The recovered solution is returned to the process.
The filtered tailings are transported to the deposit to be stored, a tailing banding system is used to be compacted and wind erosion is minimized. Later, when one side of the slope is formed, reforestation with flora of the region is conducted to avoid rain erosion (Figure 14-3).
In mid-2012, a decrease in mill recoveries was detected. The problem was that carbonaceous mineral was being fed in high quantities and the recovery of gold fell to 75.2% and 60.5% in June and July respectively. The metallurgical investigations showed that the ore could be recovered with the following treatment:
a) A low temperature roast of the carbonaceous ore
b) A conversion to Carbon in Leach processing

The organic matter in the carbonaceous mineral affects the leaching process, however, this type of mineral has always existed in the San Martin body and in the body Cuerpo 29 and its exploitation never caused problems in the chemical treatment in the past. This mineral was fed to the mill between 10% and 15% of the total daily processed mineral, between the years 1998 and 2003.
A processing flow sheet dated April 2022 is presented in Figure 14-4.

14.1.1 Crushing Area

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

14.1.2 Grinding Area

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

14.1.3 Chemical Treatment Area

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

14.1.4 Tailings Filtration Area

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

14.1.5 Merrill-Cowe Area

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

14.1.6 Smelting Area

The process of obtaining doré bars is conducted in electric induction furnaces using a graphite smelting pot, to obtain gold and silver bars with a purity of 99.3%. What was achieved by changing the conventional refining method that consisted of oxidation by decomposition of sodium nitrate, which had a drawback, such an aggressive oxidation that damaged the smelting pot, making it impossible to reach purities above 98%. Now, in the San Martin unit, doré is refined by creating an atmosphere rich in oxygen gas, which causes the elimination of impurities to be more selective, reducing damage to the smelting pot by 80%.

14.2 Comment on Mineral Processing and Metallurgical Testing and Recoveries

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

14.3 Data Adequacy

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

Figure 14-2: Dried tailings being collected and hauled to the tailings dam

Figure 14-3: Reforestation of the northern part of the tailings dam

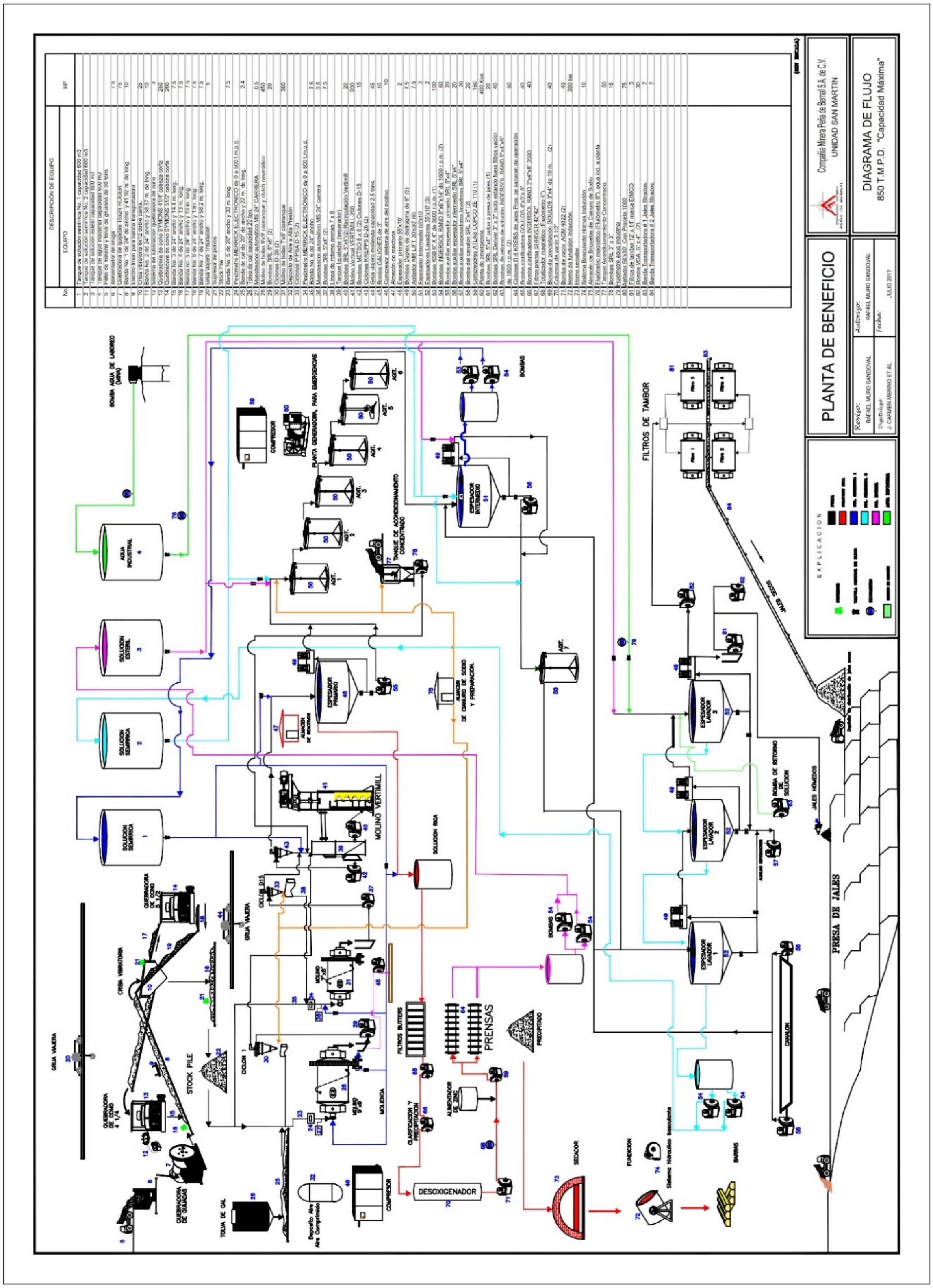


Figure 14-2: Flowsheet of the mill process at San Martin Mine

15.0 INFRASTRUCTURE

The site infrastructure at the San Martin mine has been established over the history of the project and supports the current operations. The current major mine infrastructure includes waste rock storage, tailings dam, temporary stockpiles, power and electrical systems, water usage systems, various on-site warehouses and maintenance shops including small-scale mine truck shops, and offices required for administration, engineering, maintenance, and other related mine and processing operations. The communication system at site includes internet and telephone access connected by hard-wire, and mobile networks. Access to the property is discussed further in Section 4 of this TRS. The site infrastructure is shown in Figure 15.1.

15.1 Waste Rock

The mining method used for mining is cut and fill. Waste rock from development is used to fill open stopes. No waste rock is hauled out to surface.

15.2 Tailings

Tailings are dried and deposited in the southern edge of the tailing dam. Trucks are filled by using a paver, then hauled to be deposited in the tailings dam. Tailings are spread by using a backhoe and then a road compactor is used to compact the material evenly.

15.3 Power and Electrical

The San Martin mine's electrical power is sourced under long-term contracts with, Comision Federal de Electricidad (CFE), a government enterprise. The mine and mill are connected to the electric grid. Electrical power is supplied by the CFE is in a power line of 34.5 kVa. A secondary electricity generating system with about 500kW capacity to supply power to the mill during a power failure and during the peak supply times when prices are higher, is available.

15.4 Water Usage

The water for industrial use is taken from the underground mine, this is used in the chemical treatment in the plant and for irrigation of the roads to avoid dust and other contaminants. There is also a water well that is for domestic use in the offices and kitchen of the complex and the showers of the workers. Additionally, in the rainy season, the water is stored in a dam with sufficient capacity for several months of operation. All water is used responsibly and there is no waste of the vital liquid.

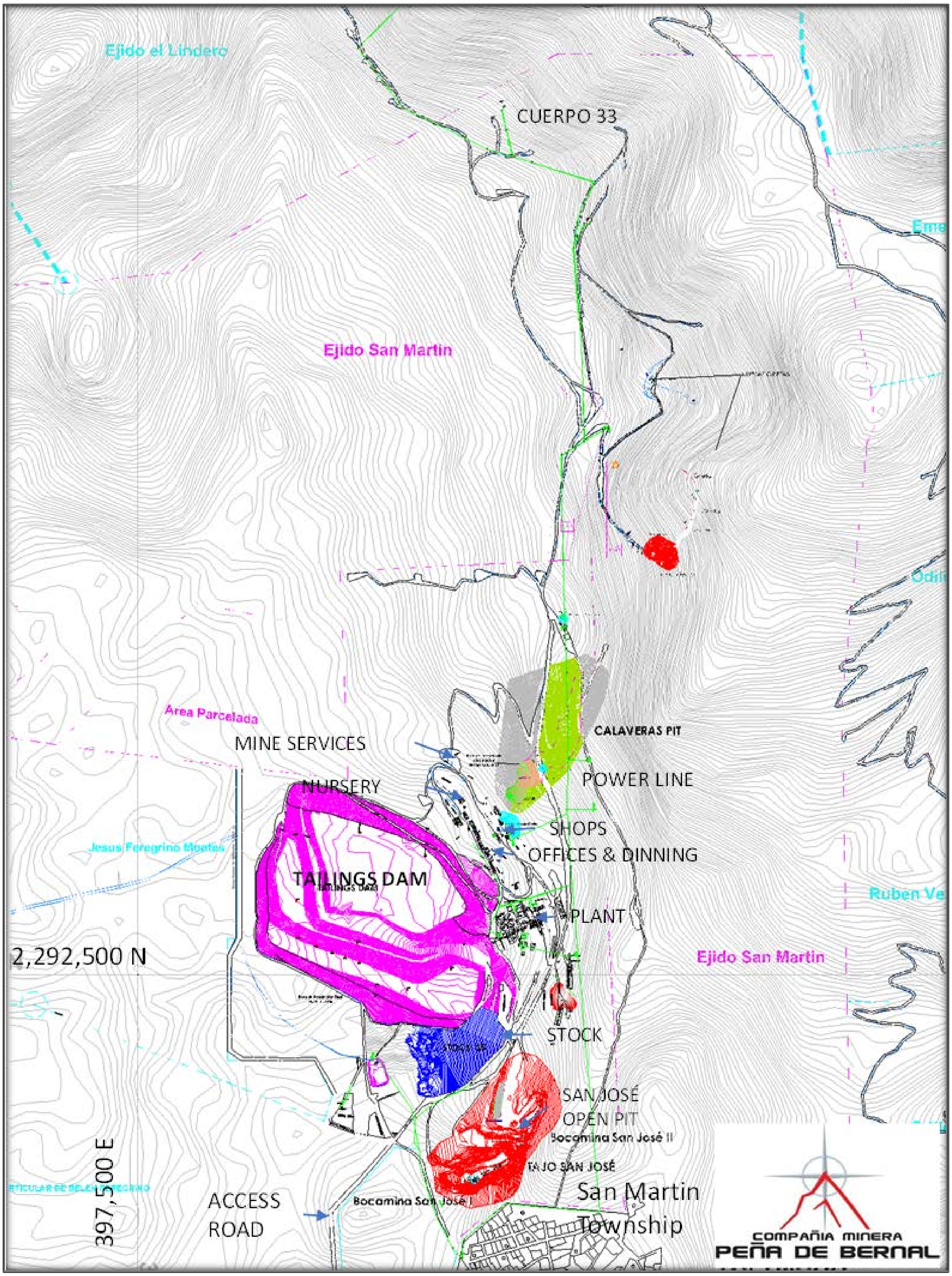


Figure 15-1: San Martin Infrastructure Map

15.5 Logistics, Supplies and Administration

The operation has common management and services, as well as a logistics network that includes warehouses, vehicles, and personnel required to distribute and store supplies used by the operation and its workforce. Vehicle service is provided to the mine and workplaces. Warehouses are maintained at various locations throughout the site.

Supporting infrastructure in San Martin has been built, improved, and expanded over the life of the project including administration offices, training, recreational, and first aid service facilities. All workers are enrolled in Social Security (IMSS), to receive medical services for any illness, which is paid by the company. Employees have insurance for major medical expenses that allows them to select doctors and hospitals to treat any health condition.

16.0 MARKET STUDIES

The processing of gold and silver ores in the San Martin mines is using cyanidation with the Merrill-Crowe process to obtain doré bars 99.3% purity. No other by product is obtained.

For purposes of this study, it is assumed that San Martin is successful in securing buyers for doré bars. The metal prices used for this study are the average of the long-term consensus pricing forecast from different global banks. The prices used are US$1750/troy ounce Au and US$22.00/troy ounce Ag.

16.1 Commodity Prices Forecast and Contracts

The price of base and precious metals is quoted based on the main international markets. Among them the most important are the metal markets of London, New York, Tokyo and Hong Kong, among others. They fluctuate depending on the supply and demand for them on an almost continuous basis. The historical prices of gold and silver for the last few years are as follows:

	abr-22	dic-21	dic-20	dic-19	dic-18	dic-17	dic-16
Gold Price, U$/Oz	1,888.6971	1,799.5759	1,769.6456	1,392.1745	1,269.1236	1,257.1101	1,248.3417
Silver Price, U$/Oz	24.0937	25.1653	20.5127	16.1960	15.7114	17.0601	17.1015

Long term for reserve estimation prices for reserve estimations are:

- US$1750 per ounce of gold
- US$22.00 per ounce of silver

The contract for the marketing of the product is ITALPREZIOSI, in Arezzo, Italy. Italpreziosi is one of the main operators in the production, refining and trading of precious metals, and the production and trading of investment gold. A contract has been signed since June 2013 and in force to date. Doré bars are paid at the gold and silver price established by London Fix at the time of the transaction.

All part of the logistics for the delivery of the product is contracted with the company IBI International Logistics Inc.

All contracts currently necessary for supplies and services to maintain the San Martin mine's facilities and production are in place and are renewed or replaced within timeframes and conditions of common industry practices.

SIM and the QP believe that the marketing and metal price assumptions for metal products are suitable to support the financial analysis of the mineral reserve evaluation. Further information regarding the sale and marketing of the mine's metal products are discussed in SIM's Annual Report on Form 10-K for the year ended April 30, 2022.

17.0 ENVIRONMENTAL STUDIES, PERMITTING, AND SOCIAL IMPACT

17.1 General

The San Martin mine operates under the policy of zero industrial discharges into the environment. Surface water in the tailings disposal facilities are practically zero due to the tailings being filtered before sending to the dam.

Running water in the intermittent streams within the property is tested for mineral elements and contaminants. Some water pumped from the underground workings is discharged in the water storage reservoir at the surface and used later for mineral processing. The following aspects are treated with special care by the company as they represent potential risks to the operation. To reduce the possibility of an incident regarding any of these issues, San Martin has established strict procedures of operation and monitoring in accordance with accepted standards.

- The tailing dams require strict environmental and operation control because the proximity to the San Martín community represents a risk.
- Testing for water pollutants into creeks near the tailings dam.
- Testing of discharge sewage pollutants.
- Testing of the combustion gases from the laboratory's chimneys and foundry, and lead exposure for lab workers.

The vegetation in the vicinity of the mine is diverse and abundant but has deteriorated in areas with abundant traffic. The arid ecosystem provides for predominantly shrub vegetation cover which contributes to soil stability. An indication of the stability maintained in this environment is the abundance of cacti species. Of the 37 species of flora recorded for the mine area, not one has been reported within a risk category.

Mammal species identified in the mine area include coyote (*Canis latran*), bush mouse (*Peromiyscus boylii*), skunk (*Spilogale putarius*); and one species considered endangered, armadillo (*Dasypodiae*). Of bird species identified in the mine area, three are under special protection (red-tailed hawk, peregrine falcon, Tousend's solitaire). Falcon mexicanus is considered endangered.

The reptile fauna is formed by rock rattlesnake, lizard (*Psammodro hispanicus*), black racer and coral snake (*Lampropeltris Triangulum*)

A variety of studies have been completed to characterize the natural environment of the SM area. The most recent Environmental Impact Statements are listed in Table 17-1.

Table 17-1: San Martin Mine Recent Environmental Studies

STUDY	FREQUENCY OF REALIZATION	REGULATIONS	COMMENTS
WATER STUDIES	Every 6 months	Based on NOM-001-SEMARNAT-2021	Studies carried out on monitoring wells located in the tailings dam. Carried out by laboratories certified by the EMA
STUDIES OF EMISSIONS TO THE ATMOSPHERE	Every 6 months	Based on NOM-043-SEMARNAT-1993 (Determination of lead, silver, sulfur dioxide, carbon monoxide and nitrogen oxides in fixed source), NOM-035-SEMARNAT-1993 (Determination of Total Suspended Particles PST in the air)	Sampling is carried out by certified external laboratories, in 4 strategic points of the perimeter and areas of the unit for NOM-035-SEMARNAT-1993; in the areas of the muffles laboratory of essays, and casting in the melting and drying process for NOM-043-SEMARNAT-1993
TAILINGS STUDIES	Every 12 months	Based on NOM-141-SEMARNAT-2003	Analytical tests are carried out to determine, among others, metals and mercury at dry tailings (more than 6 months in jales dam) and wet yailings (leaving the plant process) by certified laboratory.
PERIMETER NOISE	In change of process or every 2 years	Based on NOM-081-SEMARNAT-1994	The noise evaluation is carried out in 1 zone during day and night hours to determine if we are within the maximum permissible limits established by said standard

17.2 Permitting

Currently, SIM has maintained all the necessary permits for exploration and exploitation at the San Martín mine site (Table 20-1). A Manifestacion de Impacto Ambiental (MIA) was submitted to Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT) in April 2004. The license covers all related to the underground expansion of the mine. In March 2011 approval of a MIA by SEMARNAT allowed an expansion for tailings facilities that were not previously required. An amendment for stabilization and expansion was approved by SEMARNAT in early August 2016. Tailings have been tested periodically; last test was on June 14, 2018. The results were presented by Intertek+ABC Analytic, finding all within normal parameters.

A mining concession in Mexico does not confer any ownership of surface rights. However, use of surface rights for exploration and production can be obtained under the terms of various acts and regulations if the concession is on government land. The San Martin concessions are located on Ejido (community or co-op) and private property land, and all the agreements with the surface owners have been signed which allows SIM access and authorization to complete exploration and mine operations activities.

17.3 Permitting Requirements and Status

QP and the San Martin mine staff believe that all major permits and approvals are in place to support operations at the SM, however additional permits or renewals will likely be necessary in the future. Where permits have specific terms, renewal applications are made to the relevant regulatory authority as required, prior to the end of the permit term.

Any major mining project in Mexico requires preparation of a Manifestation of Environmental Impact Study (MIA for its acronym in Spanish), including the construction, operation, and closure stages, completed by a third-party consultant, which is submitted to the regulatory agency.

After the MIA is approved, a comprehensive closure plan including closure cost estimates and financial guarantee schedule is submitted for approval to meet the applicable Mexican laws and regulations. The status of permits is listed in Table 17-2.

Based on the LOM plan, additional permits will be necessary in the future for continued operation of the San Martin mine, including a modification of the MIA and obtaining approval for modified leach pad configurations, increased tailings storage capacity and corresponding water supply. The Cerro Verde mine will need to submit the Second Modification of the MIA prior to reaching current tailings storage capacity, which is sufficient until 2027 at planned rates in the LOM plan. Closure strategies will be developed for these proposed facilities as part of the permitting process.

Table 17-2: List of the Status of Permits

ENVIRONMENTAL PERMITS	NUMBER	DESCRIPTION OR REGISTRATION NUMBER	AUTHORIZATION DATE	VALIDITY	GOVERNMENT DEPENDENCE
Environmental Impact Manifesto (MIA)	S.G.P.A./DGIRA. DEI.0648.04	Stabilization and Expansion of the Jales Dams	16-Apr-04	20 years	Secretary of Environment and Natural Resources (SEMARNAT)
Single Environmental License	F.22.01.03/1828/04	Environmental Registration Number MPBI2220511	08-Dec-04	Valid until process modification	Secretary of Environment and Natural Resources (SEMARNAT)
Feasibility of land use	DQ-21-3-2-06/92		07-may-92		Secretariat of Urban Development and Ecology (SEDUE)
Hazardous Waste management plan and metallurgical mining	DGGIMAR.710/0004432	No. 22-PMM-I-0123-2014	30-may-17	Valid 12 years from the authorization of November 13, 2014	Secretary of Environment and Natural Resources (SEMARNAT)
Water Concession Title	QRO106111/18	09QRO106111/26IMDL18	19-may-18	10 YEARS	National Water Commission (CONAGUA)
Non-Hazardous Solid Waste Management and Special Management Plan	SSMA/DCA/975/2008	PMI-Qro/273	20-oct-08	IN EFFECT	Secretary of Sustainable Development
Permit for the purchase, storage and consumption of explosive material	SM/0134	3731-Qro		Valid until 31-12-2022	Secretary of National Defense (SEDENA)

17.4 Surface Water Management Plan

Most of the water comes from underground and is used for the preparation of the cyanide solution in the benefit process and for the different mining activities such as drilling, irrigation of roads to avoid raising dust and washing of works to maintain them. Pollution free; and from a deep well whose flows are deposited in tank No. 4 of industrial water with a capacity of 600 m^3.

The working water is conducted through pipes and pumps that are inside the mine to a surface pool where it is stored and later sent by gravity to the process tank; while the water extracted from the supply well is poured directly into said tank.

Apart from the sedimentation process that occurs naturally, due to the residence time of the working water in the pumping station and in the industrial water tank, the water does not undergo any treatment to condition it for the process.

In smaller amounts, it is used in toilets, showers and irrigation of green areas.

Three more tanks receive the water with cyanide solution that is recovered from the Processing Plant and the tailings tank, which is recirculated to the process.

There are two septic tanks to which there is no authorized discharge since it is not discharged to any National good, it is only conducted to recover it and send it as mentioned above, all the water is recirculated to the ore benefit process.

Payment of water rights is made quarterly with the well registration of title No. 09QRO106111/26IMDL18 for industrial use with meter No. 14040219 brand Azteca and for use of Services with Meter No. 16040040 brand Azteca. In rainy seasons, water is collected to be used in the process and thus use less water from tillage.

17.5 Social Community Impact

SIM considers nearby communities as important stakeholders and, as such, the company pays special attention to their problems and requests for support. A good neighbor and open-door policy characterize the relations with the communities inside and around the area of operations. A company representative interacts with the local authorities frequently.

According to the population and housing census of 2010, the inhabitants in the surrounding communities include 52,401 people living in the 5 locations. Women are 51.3% of the population. Table 20-2 presents population by gender in the communities, and shows the relationship of San Martín with them, whether directly or indirectly.

The relationship with a community is indirect whenever it has a direct relationship with another mining company. Regardless of the indirect relationship with these communities, San Martín considers that it has a shared commitment with them.

San Martín has a policy of social responsibility based on community development. The tactic used to achieve this strategic principle is focused on:

- Education and Employability: Promoting learning opportunities ranging from basic education to technical skills and supporting the creation and development of small business that provide an economic alternative to mining related jobs.
- Infrastructure: Supporting construction, improvement, or rehabilitation of community facilities, such as the Church, the playgrounds, or the roads.
- Health: In partnership with government institutions, SIM promote several health campaigns in the communities such as dental, vaccines, nutrition, pet control, and others.
- Sports: Also, in partnership with government institutions and NGOs, SIM supports summer camps for children and in the last two years has sponsored one of the main races that happen in Guanajuato.
- Environment: SIM runs different environmental campaigns in the communities, such as the recycling of electronics, the reuse of tires to rehabilitate recreational sites, reforestation initiatives, cleaning up campaigns, and others.
- Traditions and Culture: SIM supports throughout the year the different celebrations that happen in the community, such as the day of the miner, mother´s day, day of the death, children´s day, Christmas celebrations, and others. SIM responds to ongoing requests from the community.

To fulfill social responsibility actions, San Martín has an internal procedure intended to channel the demands of the local communities, to assess their needs, to prioritize them, and to evaluate donations to be made to improve quality of life.

17.6 Comment on Environmental Compliance, Permitting, and Local Engagement

In the QP's opinion, the San Martin mine has adequate plans and programs in place, is in good standing with Mexican environmental regulatory authorities, and no current conditions represent a material risk to continued operations. The SM mine staff have a high level of understanding of the requirements of environmental compliance, permitting, and local stakeholders to facilitate the development of the mineral reserve and mineral resource estimates. The periodic inspections by governmental agencies, SIM staff, third-party reviews, and regular reporting and studies confirm this understanding.

18.0 CAPITAL AND OPERATING COSTS

The capital and operating costs are estimated by the property's operations, engineering, management, and accounting personnel in consultation with SIM corporate staff, as appropriate. The cost estimates apply to the planned production, mine schedule, and equipment requirements for the LOM plan.

18.1 Capital Costs

Capital costs are based on CMPB internal forecasts and costs, which QP has reviewed and found to be consistent with a mine of this size. Capital costs are summarized in Table 18-1.

Table 18-1 San Martin Capital Costs

Item	US Dollars
Exploration Projects	$ 787,180
Construction in process	$ 9,023
Machinery & Equipment	$ 114,341
Leasing	$ 507,360
Maintenance	$ 136,667
Vehicles/Consultors/Computer Eq,	$ 170,562
Total Capital	**$ 1,725,133**

18.1 Operating Costs

The components of the operating cost are based on the annual mine schedule, equipment sizing and productivity, labor estimates, and unit costs for supply items. Inputs to the operating cost are based on vendor quotes, private and commercially available cost models, and actual and factored unit costs of the mine. Operating costs are summarized in Table 18-2.

Table 18-2: Mine Operating Cost Summary

	Annual Cost USD x 1000
Mine operation	$ 4,877
Plant operation	$ 3,628
Maintenance	$ 2,198
G& A	$ 3,125
Total Operating Cost	**$ 13,829**

19.0 ECONOMIC ANALYSIS

The LOM plan includes comprehensive operational drivers (mine and corresponding processing plans, metal production schedules and corresponding equipment plans) and financial estimates (revenues, capital costs, operating costs, downstream processing, freight, taxes and royalties, etc.) to produce the reserves over the life of the property. The LOM plan is an operational and financial model that also forecasts annual cash flows of the production schedule of the reserves for the life of the property under the assumed pricing and cost assumptions. The LOM plan is used for economic analyses, sensitivity testing, and mine development evaluations.

The financial forecast incorporates revenues and operating costs for all produced metals, processing streams, and overall site management for the life of the property. The economic analysis summary in Table 19-1 includes the material drivers of the economic value for the property and includes the net present value (NPV) of the unleveraged after- tax free cash flows as the key metric for the economic value of the property's reserve plan under these pricing and cost assumptions. This analysis does not include economic measures such as internal rate of return or payback period for capital since these measures are not applicable (and are not calculable) for an on-going operation that does not have a significant upfront capital investment to be recovered.

Table 19-1: Economic Model Input Parameters

Description	Value	Units
Market Prices:		
Gold (Au)	$ 1,750	oz
Silver (Ag)	$ 22	oz
Taxes:		
Federal Precious Metals Royalty	5	%
Financial:		
Discount Rate	8	%

The key drivers of the economic value of the property include the gold and silver market price, gold and silver grades and recoveries, and costs. Depending on the changes in these key drivers, SIM can adjust operating plans (in the near-term as well as the mid-term, as appropriate) to minimize negative impacts to the overall economic value of the property.

Table 19.2 summarizes the LOM plan including the annual metal production volumes, mine plan schedule, capital and operating cost estimates, unit net cash costs, and unleveraged after-tax free cash flows over the life of the property. Free cash flow is the operating cash flow less the capital costs and is a key metric to demonstrate the cash that the property is projected to generate from its operations after capital investments for the reserve production plan at assumed pricing and cost assumptions. The property's ability to create value from the reserves is determined by its ability to generate positive free cash flow. The summary proves the favorable free cash flow generated from the property's LOM plan under the assumptions. This economic analysis supports the economic viability of the mineral reserves statement.

Table 19-2: LOM Plan Summary

Metal Prices	Total	2022	2023	2024	2025	2026	2027
Gold ($ per ounce)	$ 1,750	$ 1,750	$ 1,750	$ 1,750	$ 1,750	$ 1,750	$ 1,750
Silver ($ per ounce)	$ 22	$ 22	$ 22	$ 22	$ 22	$ 22	$ 22
Ore Processed	1,375,845	228,750	229,419	229,419	229,419	229,419	229,419
Gold Grade (g/t)	1.46	1.44	1.50	1.48	1.47	1.44	1.46
Silver Grade (g(t)	15	16	17	18	13	13	13
Grade Au Equiv. (g/t)	1.61	1.60	1.67	1.66	1.60	1.57	1.58
Metallurgical Recovery (%)							
Gold	88	88	88	88	88	88	88
Silver	54	54	54	54	54	54	54
Production							
Gold (ounces)	57,006	9,355	9,726	9,581	9,517	9,358	9,470
Silver (Ounces)	356,796	62,707	68,167	72,950	52,618	50,488	49,866
Gold Equivalent (ounces)	61,515	10,166	10,583	10,499	10,179	9,992	10,096
Cost Per Ounce Au Equiv.	1,436	1,436	1,436	1,436	1,436	1,436	1,436
Capital costs ($ /year)	$11,626,300	$ 1,937,717	$ 1,937,717	$ 1,937,717	$ 1,937,717	$ 1,937,717	$ 1,937,717
Site cash operating costs ($/year)	$88,357,172	$14,602,137	$ 15,200,563	$ 15,079,660	$ 14,620,341	$ 14,352,406	$ 14,502,064
Unit net cash cost ($ per ounce)	$ 9,762	$ 1,627	$ 1,627	$ 1,627	$ 1,627	$ 1,627	$ 1,627
Free cash flow ($/year)	$ 6,591,732	$ 1,098,622	$ 1,098,622	$ 1,098,622	$ 1,098,622	$ 1,098,622	$ 1,098,622

20.0 ADJACENT PROPERTIES

Exploraciones Mineras La Parreña, S.A. de C.V. (Peñoles) has a claim of 822 hectares, located on the Central-West part of the SIM's concessions. This claim has been cancelled but hasn't been released by the Mexican Mining Bureau. The name of the claim is Colón and is registered with the Title No. 237380 and the status of this claim is cancelled. Peñoles also holds The Palmita claim, Title 237379, with an area of 99.97 hectares.

Another property is the San Judas Tadeo claim, Title No. 220535, covering 700 hectares. This property is private and has three owners, the main owner is Ciro Feregrino. This property is located to the northeast of the SIM's claims.

21.0 OTHER RELEVANT DATA AND INFORMATION

This report summarizes all data and information material to the San Martín Mine Project as of April 30, 2022. QP knows of no other relevant technical or other data or information that might materially impact the interpretations and conclusions presented herein, nor of any additional information necessary to make the report more understandable or not misleading.

22.0 INTERPRETATION AND CONCLUSIONS

Estimates of mineral reserves and mineral resources are prepared by and are the responsibility of SIM employees. All relevant geologic, engineering, economic, metallurgical, and other data is prepared according to SIM developed procedures and guidelines based on accepted industry practices. SIM maintains a process of verifying and documenting the mineral reserve and mineral resource estimates, information for which are located at the mine site and SIM corporate offices. SIM conducts ongoing studies of its ore bodies to optimize economic value and to manage risk.

SIM and the QP believe that the geologic interpretation and modeling of exploration data, economic analysis, mine design and sequencing, process scheduling, and operating and capital cost estimation have been developed using accepted industry practices and that the stated mineral reserves and mineral resources comply with SEC regulations. Periodic reviews by third-party consultants confirm these conclusions.

The SM mine is a mid-scale producing mining property that has been operated by SIM and its predecessors for many years. Mineral reserve and mineral resource estimates consider technical, economic, environmental, and regulatory parameters containing inherent risks. Changes in grade and/or metal recovery estimation, realized metal prices, and operating and capital costs have a direct relationship to the cash flow and profitability of the mine. Other aspects such as changes to environmental or regulatory requirements could alter or restrict the operating performance of the mine. Significant differences from the parameters used in this TRS would justify a re-evaluation of the reported mineral reserve and mineral resource estimates. Mine site administration and SIM dedicate significant resources to managing these risks.

22.1 Geology and Resources

Channel samples and drill holes have been collected and analyzed using industry standard methods and practices and are sufficient to support the characterization of grade and thickness and further support the estimation of Measured, Indicated, Inferred Resources and Proven and Probable Reserves.

23.0 RECOMMENDATIONS

Recommendations for further work:

- Continue to collect specific gravity measurements and refine current estimation of specific gravity to have a more reliable measure.
- Implement procedure of duplicate channel samples in stopes and drifts, to ensure the grade and thickness and to serve as duplicates of channel samples.
- Implement procedure for standard and duplicate samples, in channel samples and drill core as well. The certified standards will give greater certainty to the QA/QC procedure for the evaluation and greater reliability in reserves and resources.
- Perform detailed model reconciliation on stopes. A strict control in rebates will help to have a reliable number at the end of the year.
- Continue the advance of the underground exploration at Body 28 East and Body 32 to the north-northwest.
- Complete a geochemical and structural model for future work to support the estimation domains. The QP notes that there is a large amount of multi-element data that could support a geochemical model to better understand the impact of elements such as antimony, arsenic, mercury, etc., on the gold distribution and recoveries.

Although ongoing initiatives in productivity and recovery improvements are underway, the mineral reserves and mineral resources are based on the stated long-term metal prices and corresponding technical and economic performance data.

No other recommendations for additional work are identified for the reported mineral reserves and mineral resources as of April 30, 2022.

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25.0 RELIANCE ON INFORMATION PROVIDED BY THE REGISTRANT

QP is relying on documents and statements provided by SIM personnel regarding:

- Historical data, primarily earlier Technical Reports
- Resource block model estimation
- Mine and plant production data
- Status of mineral concessions
- Status and timelines of permits, contracts, and agreements needed for operation
- Capital and operating cost estimates
- Legal matters outside of QP expertise.
- Mine and plant closure plans and associated costs

Exhibit 96.2

CONSENT OF EXPERT
ERME ENRIQUEZ

I, Erme Enriquez, in connection with the filing of Starcore International Mines Ltd.'s Annual Report on Form 20-F for the year ended April 30, 2022, consent to:

- the filing and use of the technical report summary titled "S-K 1300 Technical Report Summary San Martin Mine" (the "Technical Report Summary"), dated June 28, 2022 and with effective date April 30, 2022, as an exhibit to and referenced in the Form 20-F or any amendment or supplement thereto;
- the use of and references to our name in connection with the Form 20-F or any amendment or supplement thereto and any such Technical Report Summary;
- the information derived, summarized, quoted or referenced from the Technical Report Summary, or portions thereof, that was prepared by me, that I supervised the preparation of and/or that was reviewed and approved by me, that is included or incorporated by reference in the Form 20-F or any amendment or supplement thereto.

Date: July 29, 2022

Sgd "Erme Enriquez"
Erme Enriquez C.P.G., BSc, MSc

Starcore International Mines Ltd.

Consolidated Financial Statements

For the years ended April 30, 2022 and April 30, 2021

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of
Starcore International Mines Ltd.

Opinion on the consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Starcore International Mines Ltd. (the "Company"), as of April 30, 2022 and 2021, and the related consolidated statements of operations and comprehensive income (loss), cash flows, and changes in equity for the years ended April 30, 2022, 2021, and 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2022 and 2021, and the results of its operations and its cash flows for the years ended April 30, 2022, 2021, and 2020 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatements of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

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Telephone (604) 687-0947 Davidson-co.com

Assessment of impairment indicators of Mining interest, plant and equipment

As described in Note 8 to the consolidated financial statements, the carrying amount of the Company's mining interest, plant and equipment was $29,820,000 as at April 30, 2022.

The principal considerations for our determination that performing procedures relating to the assessment of impairment indicators of mining interest, plant and equipment is a critical audit matter are that there was judgment by management when assessing whether there were indicators of impairment for these capital assets, specifically related to assessing: (i) technological obsolescence of the mining interest, plant and equipment; (ii) significant adverse changes in the business climate or legal factors including changes in gold and silver prices; and iii) internal reporting regarding the economic performance of the mining interest, plant and equipment and comparison to historical operations. This in turn led to a high degree of auditor judgment, subjectivity and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to conduct a formal impairment test.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures include, among others:

- evaluating management's assessment of indicators of impairment;
- assessing the condition and potential obsolescence of the mining interest, plant and equipment;
- assessing significant changes in the expected operating costs, current period cash flow and operating income in comparison to historical operations;
- considering current and forecasted gold and silver prices through review of external market and industry data;
- assessing the completeness of external or internal factors that could be considered as indicators of impairment; and
- assessing the adequacy of the associated disclosures in the financial statements.

Accounting for income taxes

As described in Note 19 to the consolidated financial statements, the carrying amount of the Company's deferred tax assets is $3,348,000 and deferred tax liabilities is $5,610,000.

The principal considerations for our determination that performing procedures relating to the assessment of deferred tax assets and liabilities is a critical audit matter are that there was judgment by management when assessing: (i) material foreign and domestic tax provisions; and (ii) complex tax regulations relating to multiple jurisdictions. This in turn led to a high degree of auditor judgment, subjectivity and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of these elements.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures include, among others:

- evaluating the appropriateness and accuracy of the gross deferred tax assets and deferred tax liabilities by assessing significant changes by nature of the tax item;
- utilizing personnel with specialized knowledge and skill in domestic and international tax to assist in analyzing management's assessment of domestic and foreign tax laws and the application to the Company's tax provision; and
- assessing the adequacy of the associated disclosures in the financial statements.

We have served as the Company's auditor since 2016.

Davidson & Company LLP

Vancouver, Canada Chartered Professional Accountants

July 28, 2022

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

As at		April 30, 2022		April 30, 2021
Assets				
Current				
Cash	$	8,818	$	4,392
Amounts receivable (note 5)		1,580		1,170
Inventory (note 6)		1,535		1,781
Prepaid expenses and advances		472		367
Investment (note 7)		492		779
Total Current Assets		12,897		8,489
Non-Current				
Mining interest, plant and equipment (note 8)		29,820		29,404
Right-of-use assets (note 10)		894		979
Exploration and evaluation assets (note 9)		5,082		4,088
Reclamation deposits		-		165
Deferred tax assets (note 19)		3,348		3,346
Total Non-Current Assets		39,144		37,982
Total Assets	$	52,041	$	46,471
Liabilities				
Current				
Trade and other payables	$	3,126	$	2,213
Current portion of lease liability (note 10)		636		447
Total Current Liabilities		3,762		2,660
Non-Current				
Rehabilitation and closure cost provision (note 12)		2,353		1,952
Lease liability (note 10)		262		500
Deferred tax liabilities (note 19)		5,610		5,079
Total Non-Current Liabilities		8,225		7,531
Total Liabilities	$	11,987	$	10,191

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

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

As at		April 30, 2022		April 30, 2021
Equity				
Share capital (note 13)	$	**50,725**	$	50,725
Equity reserve		**11,349**		11,349
Foreign currency translation reserve		**2,185**		816
Accumulated deficit		**(24,205)**		(26,610)
Total Equity		**40,054**		36,280
Total Liabilities and Equity	$	**52,041**	$	46,471

Subsequent Events (notes 9 and 20)
Commitments (note 15)

Approved by the Directors:

"Robert Eadie" Director ***"Gary Arca"*** Director

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

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

For the year ended April 30,	**2022**	2021	2020
Revenues			
Mined ore	**$ 25,679**	$ 26,799	$ 24,820
Total Revenues (note 18)	**25,679**	26,799	24,820
Cost of Sales			
Mined ore	**(16,960)**	(16,038)	(19,150)
Depreciation and depletion (notes 8 and 10)	**(3,413)**	(4,359)	(3,686)
Total Cost of Sales	**(20,373)**	(20,397)	(22,836)
Earnings from mining operations	**5,306**	6,402	1,984
Financing costs (note 11)	**(181)**	(148)	(554)
Foreign exchange	**85**	(697)	(369)
Management fees and salaries (note 15)	**(1,271)**	(1,283)	(1,151)
Office and administration	**(913)**	(598)	(942)
Professional and consulting fees (note 15)	**(835)**	(738)	(1,000)
Pre-exploration costs	**(31)**	(47)	-
Shareholder relations	**(644)**	(220)	(297)
Transfer agent and regulatory fees	**(88)**	(112)	(83)
Earnings (loss) before taxes and other losses	**1,428**	2,559	(2,412)
Other Income / (Losses)			
Loss on sale of Toiyabe (note 9)	**(40)**	(1,116)	-
Unrealized loss on investment (note 7)	**(287)**	-	-
Sale of royalties (note 9)	**1,600**	-	-
Impairment of Mining Interest, Plant and Equipment (note 8)	**-**	-	(39)
Total Other Income/ (Losses)	**1,273**	(1,116)	(39)
Earnings (loss) before taxes	**2,701**	1,443	(2,451)
Income tax recovery/ (expense) (note 19)			
Deferred	**(296)**	1,449	(1,178)
Earnings (loss) for the year	**2,405**	2,892	(3,629)
Other comprehensive income (loss)			
Foreign currency translation differences	**1,369**	(3,916)	1,897
Comprehensive earnings/ (loss) for the year	**$ 3,774**	$ (1,024)	$ (1,732)
Basic earnings (loss) per share (Note 17)	**$ 0.05**	$ 0.06	$ (0.07)
Diluted earnings (loss) per share (Note 17)	**$ 0.05**	$ 0.06	$ (0.07)

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

Starcore International Mines Ltd.
Consolidated Statements of Cash Flows
(in thousands of Canadian dollars)

For the years ended April 30,		**2022**		2021		2020
Cash provided by						
Operating activities						
Earnings (loss) for the year	**$**	**2,405**	$	2,892	$	(3,629)
Items not involving cash:						
Depreciation and depletion (note 8)		**3,470**		4,456		3,836
Discount on long-term debt (note 11)		**-**		15		115
Interest on long-term debt (note 11)		**-**		23		349
Income tax recovery		**296**		(1,449)		1,178
Sale of royalty (note 9)		**(1,600)**		-		-
Lease accretion (note 10)		**81**		106		89
Loss on sale of Toiyabe (note 9)		**40**		1,116		-
Sale of Altiplano (note 8)		**-**		-		39
Rehabilitation and closure cost accretion (note 12)		**160**		85		72
Share-based payments (note 13)		**140**		72		44
Unrealized loss on investment (note 7)		**287**		-		-
Cash generated by operating activities before working capital changes		**5,279**		7,316		2,093
Change in non-cash working capital items						
Amounts receivable		**(450)**		629		1,022
Inventory		**183**		(332)		(216)
Prepaid expenses and advances		**(118)**		(115)		86
Trade and other payables		**939**		230		(246)
Cash inflow from operating activities		**5,833**		7,728		2,739
Financing activities						
Loan payment (note 11)		**-**		(2,999)		(1,411)
Interest paid (note 11)		**-**		(235)		(514)
Lease payments (note 10)		**(611)**		(724)		(524)
Cash outflow from financing activities		**(611)**		(3,958)		(2,449)
Investing activities						
Investment in exploration and evaluation assets (note 9)		**(905)**		(298)		(427)
Purchase of mining interest, plant and equipment (note 8)		**(1,846)**		(1,277)		(2,687)
Sale of royalty (note 9)		**1,600**		-		-
Proceeds from sale of Altiplano (note 8)		**-**		269		1,836
Cash on sale of Toiyabe (note 9)		**-**		187		-
Cash received from reclamation deposit		**134**		-		-
Cash outflow from investing activities		**(1,017)**		(1,119)		(1,278)
Total increase (decrease) in cash		**4,205**		2,651		(988)
Effect of foreign exchange rate changes on cash		**221**		(364)		544
Cash, beginning of year		**4,392**		2,105		2,549
Cash, end of year	**$**	**8,818**	$	4,392	$	2,105

Non-cash transactions for year ended April 30, 2022:

a) The Company accrued $nil (2021 –$ nil; 2020 - $303) in equipment purchased through Trade payables.
b) Capitalized $195 (2021 - $871; 2020 - $nil) in asset retirement obligations to Mining Interests.
c) Capitalized $518 in Right of use assets and $440 in lease liabilities (less deposit of $78) (2021/2020 - $nil).
d) The Company paid $nil (2021 –$ nil; 2020 - $nil) in taxes.

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

Starcore International Mines Ltd.

Consolidated Statements of Changes in Equity for the years ended April 30, 2022, 2021 and 2020
(in thousands of Canadian dollars except for number of shares)

	Number of Shares Outstanding		Share Capital		Equity Reserve		Foreign Currency Translation Reserve		Accumulated Deficit		Total
Balance, April 30, 2019	49,646,851	$	50,725	$	11,349	$	2,835	$	(25,873)	$	39,036
Foreign currency translation differences	-		-		-		1,897		-		1,897
Loss for the year	-		-		-		-		(3,629)		(3,629)
Balance, April 30, 2020	49,646,851		50,725		11,349		4,732		(29,502)		37,304
Foreign currency translation differences	-		-		-		(3,916)		-		(3,916)
Earnings for the year	-		-		-		-		2,892		2,892
Balance, April 30, 2021	49,646,851		50,725		11,349		816		(26,610)		36,280
Foreign currency translation differences	-		-		-		1,369		-		1,369
Earnings for the year	-		-		-		-		2,405		2,405
Balance, April 30, 2022	**49,646,851**	**$**	**50,725**	**$**	**11,349**	**$**	**2,185**	**$**	**(24,205)**	**$**	**40,054**

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

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, Compañia Minera Peña de Bernal, S.A. de C.V. ("Bernal"), which owns the San Martin mine in Queretaro, Mexico. In May of 2020, the Company completed the sale of Altiplano GoldSilver S.A. de C.V ("Altiplano"), which owns the gold and silver concentrate processing plant in Matehuala, Mexico (see note 8).

The Company is also engaged in acquiring mining related operating assets and exploration assets in North America directly and through corporate acquisitions. In management's judgment, the Company has adequate working capital and cash for the upcoming twelve months. See Note 20- Subsequent Event- Private Placement.

2. Basis of preparation

a) Statement of compliance

These 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").

The consolidated financial statements were authorized for issue by the Board of Directors on July **27**, 2022.

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. These financial statements have been prepared using the accrual basis of accounting except for cash flow information. 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.

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 subsidiary Bernal, 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. Summary of significant accounting policies

The accounting policies set out below were applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

a) Foreign Currency Translation

The functional currency of Starcore, the parent, is the Canadian dollar ("CAD") and the functional currency of its subsidiaries is the United States dollar ("USD") (collectively "Functional Currency"). Foreign currency accounts are translated into the Functional Currency as follows:

- At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into the Functional Currency by the use of the exchange rate in effect at that date. At the period end date, unsettled monetary assets and liabilities are translated into the Functional Currency by using the exchange rate in effect at the period end.

Foreign exchange gains and losses are recognized in net earnings and presented in the Consolidated Statement of Operations and Comprehensive Income (Loss) in accordance with the nature of the transactions to which the foreign currency gains and losses relate, except for foreign exchange gains and losses from translating investments and marketable securities which are recognized in other comprehensive income as part of the total change in fair values of the securities. Unrealized foreign exchange gains and losses on cash balances denominated in foreign currencies are disclosed separately in the Consolidated Statements of Cash Flows.

b) Foreign Operations

The assets and liabilities of foreign operations with Functional Currencies differing from the presentation currency, including fair value adjustments arising on acquisition, are translated to CAD at exchange rates in effect at the reporting date. The income and expenses of foreign operations with Functional Currencies differing from the presentation currency are translated into CAD at the year-to-date average exchange rates.

The Company's foreign currency differences are recognised and presented in other comprehensive income as a foreign currency translation reserve ("Foreign Currency Translation Reserve"), a component of equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. At April 30, 2022 and 2021, the Company had no cash equivalents.

3. Summary of significant accounting policies – (cont'd)

d) Revenue Recognition

Revenue from the sale of metals is recognized when the significant risks and rewards of ownership have passed to the buyer, it is probable that economic benefits associated with the transaction will flow to the Company, the sale price can be measured reliably, the Company has no significant continuing involvement and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenues from metal sales are subject to adjustment upon final settlement of metal prices, weights, and assays as of a date that may be up to two weeks after the shipment date. The Company records adjustments to revenues monthly based on quoted forward prices for the expected settlement period. Adjustments for weights and assays are recorded when results are determinable or on final settlement. Accounts receivable for metal sales are therefore measured at fair value.

e) Inventory

Finished goods and work-in-process are measured at the lower of average cost and net realizable value. Net realizable value is calculated as the estimated price at the time of sale based on prevailing and long-term metal prices less estimated future costs to convert the inventories into saleable form and estimated costs to sell.

Ore extracted from the mines is processed into finished goods (gold and by-products in doré). Costs are included in work-in-process inventory based on current costs incurred up to the point prior to the refining process, including applicable depreciation and depletion of mining interests, and removed at the average cost per recoverable ounce of gold. The average costs of finished goods represent the average costs of work-in-process inventories incurred prior to the refining process, plus applicable refining costs.

Supplies are measured at average cost. In the event that the net realizable value of the finished product, the production of which the supplies are held for use in, is lower than the expected cost of the finished product, the supplies are written down to net realizable value. Replacement costs of supplies are generally used as the best estimate of net realizable value. The costs of inventories sold during the year are presented in the Company's profit and loss.

f) Mining Interest, Plant and Equipment

Mining interests represent capitalized expenditures related to the development of mining properties and related plant and equipment.

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

3. Summary of significant accounting policies – (cont'd)

f) Mining Interest, Plant and Equipment – (cont'd)

Recognition and Measurement – (cont'd)

Mining expenditures incurred either to develop new ore bodies or to develop mine areas in advance of current production are capitalized. Mine development costs incurred to maintain current production are included in the consolidated statement of operations and comprehensive income (loss). Exploration costs relating to the current mine in production are expensed to net income as incurred due to the immediate exploitation of these areas or an immediate determination that they are not exploitable.

Borrowing costs that are directly attributable to the acquisition and preparation for use, are capitalized. Capitalization of borrowing costs begins when expenditures are incurred and activities are undertaken to prepare the asset for its intended use. The amount of borrowing costs capitalized cannot exceed the actual amount of borrowing costs incurred during the period. All other borrowing costs are expensed as incurred.

The capitalization of borrowing costs is discontinued when substantially all of the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Capitalized borrowing costs are amortized over the useful life of the related asset.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Company's profit or loss during the financial year in which they are incurred.

Subsequent Costs

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of equipment are recognized in the Company's profit or loss as incurred.

Leased Equipment

Leases are recognized as a right-to-use asset with a corresponding liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

3. Summary of significant accounting policies – (cont'd)

f) Mining Interest, Plant and Equipment – (cont'd)

Depreciation and Impairment

Mining interest, plant and equipment are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated. Depletion of mine properties is charged on a unit-of-production basis over proven and probable reserves and resources expected to be converted to reserves. Currently the depletion base is approximately 10 years of expected production. Depreciation of plant and equipment and corporate office equipment, vehicles, software and leaseholds is calculated using the straight-line method, based on the lesser of economic life of the asset and the expected life of mine of approximately 10 years. Where components of an asset have different useful lives, depreciation is calculated on each separate part. Depreciation commences when an asset is available for use. At the end of each calendar year estimates of proven and probable gold reserves and a portion of resources expected to be converted to reserves are updated and the calculations of amortization of mining interest, plant and equipment is prospectively revised.

The Company reviews and evaluates its mining interests, plant and equipment for impairment at least annually or when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Impairment is considered to exist if the recoverable value of a cash generating unit is less than the carrying amount of the assets. An impairment loss is measured and recorded based on the greater of the cash generating unit's fair value less cost to sell or its value in use versus its carrying value. In assessing value in use, future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs discounted to their present value.

Mining interests, plant and equipment that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in the consolidated statement of operations and comprehensive income (loss).

g) Rehabilitation and Closure Cost Provision

The Company records a provision for the estimated future costs of rehabilitation and closure of operating and inactive mines and development projects, which are discounted to net present value using the risk-free interest rates applicable to the future cash outflows. Estimates of future costs represent management's best estimates which incorporate assumptions on the effects of inflation, movements in foreign exchange rates and the effects of country and other specific risks associated with the related liabilities. The provision for the Company's rehabilitation and closure cost obligations is accreted over time to reflect the unwinding of the discount with the accretion expense included in finance costs in the Consolidated Statement of Operations and Comprehensive Income (Loss). The provision for rehabilitation and closure cost obligations is re-measured at the end of each reporting period for changes in estimates and circumstances. Changes in estimates and circumstances include changes in legal or regulatory requirements, increased obligations arising from additional mining and exploration activities, changes to cost estimates and changes to risk free interest rates.

3. Summary of significant accounting policies – (cont'd)

g) Rehabilitation and Closure Cost Provision – (cont'd)

Rehabilitation and closure cost obligations relating to operating mines and development projects are initially recorded with a corresponding increase to the carrying amounts of related mining properties. Changes to the obligations are also accounted for as changes in the carrying amounts of related mining properties, except where a reduction in the obligation is greater than the capitalized rehabilitation and closure costs, in which case, the capitalized rehabilitation and closure costs is reduced to nil and the remaining adjustment is included in production costs in the Consolidated Statement of Operations and Comprehensive Income (Loss). Rehabilitation and closure cost obligations related to inactive mines are included in production costs in the Consolidated Statement of Operations and Comprehensive Income (Loss) on initial recognition and subsequently when re-measured.

h) Exploration and Evaluation Expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation ("E&E") expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying and sampling costs, drilling costs, payments made to contractors, geologists, consultants, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to E&E activities, including general and administrative overhead costs, are expensed in the period in which they occur.

When a project is determined to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditures, in excess of estimated recoveries, are written off to the Company's profit or loss.

The Company assesses E&E assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". E&E assets are tested for impairment before the assets are transferred to development properties.

Any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

i) Financial Instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

3. Summary of significant accounting policies – (cont'd)

i) Financial Instruments – (cont'd)

All of the Company's financial instruments are classified into one of the following categories based upon the purpose for which the instrument was acquired or issued. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets are classified according to the following measurement categories:

i) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and,

ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

i) amortized cost; or

ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives)

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

The Company's financial assets consist of cash and investments , which are classified and measured at FVTPL, with realized and unrealized gains or losses related to changes in fair value reported in profit or loss, and amounts receivable, which is classified at amortized cost. The Company's financial liabilities consist of trade and other payables which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in profit or loss.

Impairment

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

3. Summary of significant accounting policies – (cont'd)

i) Financial Instruments – (cont'd)

Fair value hierarchy

Financial instruments recognized at fair value on the consolidated balance sheets must be classified into one of the three following fair value hierarchy levels:

Level 1 – measurement based on quoted prices (unadjusted observed in active markets) for identical assets or liabilities;

Level 2 – measurement based on inputs other than quoted prices included in Level 1, that are observable for the asset or liability;

Level 3 – measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

j) Income Taxes

Current tax and deferred taxes are recognized in the Company's profit or loss, except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilised. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

k) Share Capital

Financial instruments issued by the Company are classified as equity, only to the extent that they do not meet the definition of a financial liability or asset. The Company's common shares, share warrants and share options are classified as equity instruments.

Incremental costs, directly attributable to the issue of new shares, warrants or options, are shown in equity as a deduction, net of tax, from proceeds.

3. Summary of significant accounting policies – (cont'd)

l) Profit or Loss per Share

Basic profit or loss per share is computed by dividing the Company's profit or loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period.

Diluted profit or loss per share is computed by dividing the Company's profit or loss applicable to common shares, by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted at the beginning of the period.

m) Share-based Payments

Where equity-settled share options are awarded to employees or non-employees, the fair value of the options at the date of grant is charged to the Company's profit or loss over the vesting period. The number of equity instruments expected to vest at each reporting date, are taken into account so that the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modifications, is charged to the Company's profit or loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the Company's profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the Company's profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for effects of non-transferability, exercise restrictions and behavioural considerations. All equity-settled share based payments are reflected in equity reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in equity reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and immediately recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent that the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3. Summary of significant accounting policies – (cont'd)

m) Share-based Payments – (cont'd)

Where vesting conditions are not satisfied and options are forfeited, the Company reverses the fair value amount of the unvested options which had been recognized over the vesting period.

n) New and Revised Accounting Standards

The following accounting standards have been issued or amended but are not yet effective. The Company has not early adopted these new and amended standards. The Company continues to evaluate the new standards but currently no material impact is expected as a result of the adoptions of these new and amended standards:

- IAS 1 "Presentation of Financial Statements"
- IAS 16 "Property, Plant and Equipment"

4. Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in the Company's profit or loss in the period of the change, if it affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Estimates

a) Economic Recoverability and Profitability of Future Economic Benefits of Mining Interests

Management has determined that mining interests, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

b) Units of Production Depletion and Depreciation

Estimated recoverable reserves are used in determining the depreciation of mine specific assets. This results in depreciation charges proportional to the depletion of the anticipated remaining life of mine production. Each item's life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. These calculations require the use of estimates and assumption, including the amount of recoverable reserves and estimate of future capital expenditure. Changes are accounted for prospectively.

4. Critical accounting estimates and judgments – (cont'd)

Estimates – (cont'd)

c) Rehabilitation Provisions

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

The inflation rate applied to estimated future rehabilitation and closure costs is 7.65% and the discount rate currently applied in the calculation of the net present value of the provision is 10% (note 12).

d) Mineral Reserves and Mineral Resource Estimates

Mineral reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its mineral reserve and mineral resources based on information compiled by Qualified Persons as defined by Canadian Securities Administrators National Instrument 43-101 Standards for Disclosure of Mineral Projects. Such information includes geological data on the size, depth and shape of the mineral deposit, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade that comprise the mineral reserves. Changes in the mining reserve or mineral resource estimates may impact the carrying value of mineral properties and deferred development costs, property, plant and equipment, provision for site reclamation and closure, recognition of deferred income tax assets and depreciation and amortization charges.

Judgments

a) Impairments

The Company assesses its mining interest, plant and equipment and exploration and evaluation assets annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance.

(in thousands of Canadian dollars unless otherwise stated)

4. Critical accounting estimates and judgments – (cont'd)

Judgments – (cont'd)

b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recuperated.

5. Amounts receivable

	April 30, 2022	April 30, 2021
Taxes receivable	$ 1,113	$ 660
Trades receivable	315	380
Other	152	130
	$ 1,580	$ 1,170

6. Inventory

	April 30, 2022	April 30, 2021
Carrying value of inventory:		
Doré	$ 353	$ 889
Goods in transit	42	-
Work-in-process	80	85
Stockpile	14	49
Supplies	1,046	758
	$ 1,535	$ 1,781

7. Investment

Marketable securities at April 30, 2022 consists of a FVTPL investment in Westward Gold Inc. (formerly IM Exploration Inc.) ("WG"). At April 30, 2022, the Company held 4,100,000 common shares valued at $0.12 for $492 representing a $287 unrealized loss from the original cost, valued at $779 at April 30, 2021. The fair value of WG has been determined by reference to published price quotations in an active market.

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.

(in thousands of Canadian dollars unless otherwise stated)

8. Mining interest, plant and equipment

	Mining Interest	Plant and Equipment Mining	Corporate Office Equipment	Total
Cost				
Balance, April 30, 2020	$ 72,776	$ 26,603	$ 725	$ 100,104
Increase in ARO provision (note 12)	871	-	-	871
Additions	491	483	-	974
Effect of foreign exchange	(8,637)	(3,129)	-	(11,766)
Balance, April 30, 2021	65,501	23,957	725	90,183
Increase in ARO provision (note 12)	195	-	-	195
Additions	621	1,210	15	1,846
Effect of foreign exchange	3,117	1,251	-	4,368
Balance, April 30, 2022	$ 69,434	$ 26,418	$ 740	$ 96,592
Depreciation				
Balance, April 30, 2020	$ (47,124)	$ (16,987)	$ (691)	$ (64,802)
Depreciation for the year	(1,188)	(2,532)	(17)	(3,737)
Effect of foreign exchange	5,648	2,112	-	7,760
Balance, April 30, 2021	(42,664)	(17,407)	(708)	(60,779)
Depreciation for the year	(1,063)	(1,750)	(10)	(2,823)
Effect of foreign exchange	(2,298)	(872)	-	(3,170)
Balance, April 30, 2022	$ (46,025)	$ (20,029)	$ (718)	$ (66,772)
Carrying amounts				
Balance, April 30, 2021	$ 22,837	$ 6,550	$ 17	$ 29,404
Balance, April 30, 2022	**$ 23,409**	**$ 6,389**	**$ 22**	**$ 29,820**

San Martin

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

Sale of Altiplano Facility

In August, 2015, the Company acquired Cortez Gold Corp. in an all-share transaction completed pursuant to a court approved Plan of Arrangement under the Business Corporations Act (British Columbia), which owned Altiplano and its facility, a third party gold and silver concentrate processing plant in Matehuala, Mexico. The Company accepted an offer on July 5, 2019, to sell 100% of the shares of Altiplano for US$1.6 million payable in quarterly installments to May 31, 2020 (full payment received). As a result, the Company recorded an impairment of $4,804 to the Statements of Operations and Comprehensive Income (Loss) during the year ended April 30, 2019, and $39 expensed to Statement of Operations and Comprehensive Income (Loss) in the year ending April 30, 2020.

9. Exploration and evaluation assets

a) American Consolidated Minerals ("AJC") properties

Toiyabe, U.S.A

The Company had the rights to a 100% undivided interest in the Toiyabe Gold Project ("Toiyabe"), subject to a 3% net smelter revenue royalty ("NSR"), located in Lander County, Nevada, United States of America. During the year ended April 30, 2021, the Company entered into a binding agreement with WG for the assignment of the Company's option to acquire a 100% interest in Toiyabe from the optionor. The Company transferred all of its rights and WG assumed all property claim and maintenance payments and all obligations under the current option agreement with the optionor. As consideration for the transfer of the Company's option to acquire Toiyabe, WG made payments of US$150,000 in cash and 4,100,000 common shares in the capital of WG. The WG shares were valued at fair market value at date of issue of $0.19 per share (see note 7) and were subject to a contractual escrow period of twelve (12) months following the date of issuance, with 25% being released every three (3) months from closing of the Transaction (75% has been released with an additional 25% released subsequent to April 30, 2022).

The consideration received in cash and shares was valued at $966 and, as a result, the Company recorded a loss on Toiyabe of $1,116, in the Consolidated Statements of Operations and Comprehensive Income (Loss) for the year ending April 30, 2021. During the year ended April 30, 2022, the Company realized a loss of $40 attributable to the disposal of a reclamation bond associated with Toiyabe.

b) Creston Moly ("Creston") properties

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

i) *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.

ii) *Ajax Project, Canada*

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

iii) *Scottie Claims Royalty, Canada*

The Company acquired a 3% NSR in the Scottie gold claims located in B.C. During the year ended April 30, 2022, the Company sold its 3% NSR to Scottie Resources Corp. for $1,600. As the Scottie gold claims had a net book value of $nil, the full amount is shown as a gain on the consolidated statement of operations and comprehensive income (loss) for the year ended April 30, 2022.

(in thousands of Canadian dollars unless otherwise stated)

9. Exploration and evaluation assets – (cont'd)

	AJC Properties	Creston Properties	AJAX Properties	Total
Acquisition costs:				
Balance, April 30, 2020	$ 36	$ 2,001	$ -	$ 2,037
Property disposition	(36)	-	-	(36)
Balance, April 30, 2021 and April 30, 2022	**$ -**	**$ 2,001**	**-**	**$ 2,001**
Exploration costs:				
Balance, April 30, 2020	$ 2,008	$ 1,931	$ -	$ 3,939
Maintenance	38	260	-	298
Property disposition	(2,046)	-	-	(2,046)
Foreign exchange	-	(104)	-	(104)
Balance, April 30, 2021	-	2,087	-	2,087
Maintenance	-	491	-	491
Drilling costs	-	353	-	353
Foreign exchange	-	89	61	150
Balance, April 30, 2022	**$ -**	**$ 3,020**	**61**	**$ 3,081**
Total Exploration and evaluation assets				
Balance, April 30, 2021	$ -	$ 4,088	$ -	$ 4,088
Balance, April 30, 2022	**$ -**	**$ 5,021**	**$ 61**	**$ 5,082**

10. 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, 2020	$ 269	$ 1,431	$ 1,700
Lease accretion	20	85	105
Payments	(66)	(658)	(724)
Foreign exchange	-	(134)	(134)
Lease liabilities, April 30, 2021	223	724	947
Lease accretion	16	65	81
Lease additions	-	440	440
Payments	(66)	(545)	(611)
Foreign exchange	-	41	41
Lease liabilities, April 30, 2022	$ 173	$ 725	**$ 898**

	April 30, 2022	April 30, 2021
Current	**$ 636**	$ 447
Non-Current	**$ 262**	$ 500
Total	**$ 898**	$ 947

(in thousands of Canadian dollars unless otherwise stated)

10. Leases – (cont'd)

	Office		Mining Equipment		Total	
Lease asset, April 30, 2020	$	260	$	1,584	$	1,844
Amortization		(52)		(667)		(719)
Foreign exchange		-		(146)		(146)
Lease asset, April 30, 2021		208		771		979
Amortization		(52)		(595)		(647)
Additions		-		518		518
Foreign exchange		-		44		44
Lease asset, April 30, 2022	**$**	**156**	**$**	**738**	**$**	**894**

11. Loans payable

On June 10, 2020, the Company repaid secured bonds, due June 17, 2020, in the aggregate principal amount of $3,000 (the "Bonds") less structuring and finder's fees of $60 cash and $171 attributed to finders warrants, totaling $231, plus outstanding interest calculated at 8% per annum, for a total payment of $3,234.

	Principal		Interest		Discount		Total	
Balance, April 30, 2020	$	2,999	$	212	$	(15)	$	3,196
Discount		-		-		15		15
Loan repayment		(2,999)		-		-		(2,999)
Interest paid on bond		-		(235)		-		(235)
Interest accrual		-		23		-		23
Balance, April 30, 2021 and April 30, 2022	$	-	$	-	$	-	$	-

The Company's financing costs for the year ended April 30, 2022, 2021, and 2020 as reported on its Consolidated Statement of Operations and Comprehensive Income (Loss) can be summarized as follows:

For the year ended April 30,		**2022**		2021		2020
Unwinding of discount on rehabilitation and closure accretion (note 12)	**$**	**160**	$	85	$	72
Discount unwinding on debt repaid (note 11)		**-**		15		115
Lease accretion Starcore (note 10)		**16**		20		23
Interest on diesel equipment lease		**-**		-		3
Interest expense on debt (note 11)		**-**		23		349
Bank fees		**9**		11		-
Interest revenue		**(4)**		(6)		(8)
	$	**181**	$	148	$	554

(in thousands of Canadian dollars unless otherwise stated)

12. Rehabilitation and closure cost provision

The Company's asset retirement obligations consist of reclamation and closure costs for the mine. At April 30, 2022, the present value of obligations is estimated at $2,353 (April 30, 2021 - $1,952) based on expected undiscounted cash-flows at the end of the mine life of $2,652 (April 30, 2021 - $2,545), which is calculated annually over 5 to 10 years. Such liability was determined using a discount rate of 10% (April 30, 2021 – 8%) and an inflation rate of 7.65% (April 30, 2021 – 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:

	April 30, 2022	April 30, 2021
Balance, beginning of year	**$ 1,952**	$ 1,014
Accretion expense	**160**	85
Increase in provision	**195**	871
Foreign exchange fluctuation	**46**	(18)
	$ 2,353	$ 1,952

13. 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 year ended April 30, 2022 and April 30, 2021, the Company did not issue any common shares.

b) Warrants

A summary of the Company's outstanding share purchase warrants at April 30, 2022 and April 30, 2021 and the changes during the year ended is presented below:

	Number of warrants	**Weighted average exercise price**
Outstanding at April 30, 2020 and April 30, 2021	3,250,000	$ 0.21
Expired	(3,250,000)	0.21
Outstanding at April 30, 2022	-	-

During the year ending April 30, 2022, no new warrants were issued and 3,250,000 warrants expired unexercised.

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 grant further options and there were no options outstanding, for the years ending April 30, 2022 and April 30, 2021.

(in thousands of Canadian dollars unless otherwise stated)

13. Share capital – (cont'd)

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, 2020	330,000
Expired	(220,000)
Exercised	(110,000)
Outstanding at April 30, 2021	-
Granted	1,655,000
Outstanding at April 30, 2022	1,655,000

1,655,000 RSU's were granted in the year ended April 30, 2022. The RSU's have been valued at fair value of $0.21 per share as at April 30, 2022, and the total fair value of this liability is recorded at $53 (April 30, 2021 - $nil) under Trades 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, 2020	1,010,000
Exercised	(210,000)
Outstanding at April 30, 2021	800,000
Granted	1,725,000
Outstanding at April 30, 2022	2,525,000

Based on the fair value at April 30, 2022 of $0.21 (2021 - $0.24) per share, the Company has recorded a liability of $279 (April 30, 2021 - $192) under Trades and Other Payable on the Statement of Financial Position. 1,725,000 DSU's were granted in the current year ended April 30, 2022. During the prior year end April 30, 2021, 210,000 DSU's were exercised at $0.31 for $65.

During the year ended April 30, 2022, a total of $140 (2021 - $72; 2020 - $44) was recorded in the statement of profit and loss as share-based payments, included in management fees, wages and consulting.

14. 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 $1,293. A 10% increase or decrease in the MXN$ exchange rate will decrease or increase comprehensive income (loss) by approximately $546.

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's maximum exposure to credit risk is with respect to its cash and account receivable, the balance of which at April 30, 2022 is $10,398 (April 30, 2021 - $5,562).

Cash of $1,105 (April 30, 2021 - $901) are held at a Mexican financial institution, cash of $5,490 (April 30, 2021 – $2,317) is held in US dollars at Canadian financial institutions and the remainder of $2,223 (April 30, 2021 - $1,174) 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 $1,085 (April 30, 2021 - $619) and GST receivable of $28 (April 30, 2021 - $41), which are subject to review by the respective tax authority. Trade receivables include $315 due from one customer.

(in thousands of Canadian dollars unless otherwise stated)

14. 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 April 30, 2022, the Company was holding cash of $8,818 (April 30, 2021- $4,392).

Obligations due within twelve months of April 30,	2022	2023	2024	2025 and beyond
Trade and other payables	$ 3,126	$ -	$ -	$ -
Reclamation and closure obligations	$ -	$ -	$ -	$ 3,011
Leases liability	$ 497	$ 230	$ 135	$ 6

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 $2,568 in revenue.

15. Commitments and related party transactions

Except as disclosed elsewhere in these consolidated financial statements, the Company has the following commitments outstanding at April 30, 2022:

a) The Company has a land rental commitment with respect to the land at the mine site, for $132 per year which is currently being renegotiated. The Company also has ongoing concession commitments on the mine site and on exploration and evaluation assets of approximately $700 per year.

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

For the year ended April 30,	2022	2021	2020
Management fees	**$ 1,141**	$ 1,012	$ 838
Legal fees -Professional Fees	**18**	13	23
Directors fees -Salaries	**54**	62	72
Total	**$ 1,213**	$ 1,087	$ 933

The Company also accrued $87 (2021 - $167; 2020 - $21) for DSU's for directors and $40 (2021 - $(7); 2020 - $17) for RSU's which are not included above.

(in thousands of Canadian dollars unless otherwise stated)

16. 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 year ended April 30, 2022.

17. 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 year. As at April 30, 2022 and 2021, 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 years ended April 30,	2022	2021	2020
Issued common share, beginning of year	**49,646,851**	49,646,851	49,646,851
Effect of dilutive warrants and options	**-**	2,250,000	-
Diluted weighted average common shares	**49,646,851**	51,896,851	49,646,851

18. Segmented information

During the year ended April 30, 2022, the Company earned all of its revenues from one customer. As at April 30, 2022, 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 April 30, 2022 was $315 (April 30, 2021 - $380). The Company operates in one segment, the revenue is from gold and silver mining generated in Mexico.

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

April 30, 2022	Mexico	Canada	USA	Total
Exploration & evaluation assets	$ 5,021	$ 61	$ -	**$ 5,082**
Right of use assets	738	156	-	**894**
Mining interest, plant and equipment	29,798	22	-	**29,820**
Deferred tax asset	279	3,069	-	**3,348**

April 30, 2021	Mexico	Canada	USA	Total
Exploration & evaluation assets	$ 4,088	$ -	$ -	$ 4,088
Right of use assets	771	208	-	979
Mining interest, plant and equipment	29,387	17	-	29,404
Reclamation bonds	-	-	165	165
Deferred tax asset	434	2,912	-	3,346

(in thousands of Canadian dollars unless otherwise stated)

19. Income taxes

Current and deferred income tax expenses differ from the amount that would result from applying the Canadian statutory income tax rates to the Company's earnings before income taxes. This difference is reconciled as follows:

For the year ended April 30,		2022		2021		2020
Income (loss) before income taxes	**$**	**2,701**	$	1,443	$	(2,451)
Income tax expense (recovery) at statutory rate		**729**		390		(662)
Difference from higher statutory tax rates on earnings of foreign subsidiaries		**33**		(74)		822
Losses expired		**-**		(305)		742
Permanent Difference		**-**		-		60
Effect of Mexican mining royalty tax (SMD) on deferred income tax liabilities		**58**		(54)		(473)
Recognition of previously unrecognized non-capital loss carry forward and other deductible tax benefits		**(524)**		(1,406)		689
Income tax (recovery) expense	**$**	**296**	$	(1,449)	$	1,178

The significant components of the Company's deferred income tax assets and liabilities are as follows:

		April 30, 2022		April 30, 2021
Deferred income tax assets (liabilities):				
Mining interest, plant and equipment	$	(6,116)	$	(5,891)
Payments to defer		(63)		(56)
Insurance		(7)		(7)
Reclamation and closure costs provision		976		719
Exploration assets		(550)		1,549
Expenses reserve		323		132
Pension-fund reserve		124		88
Deferred mining tax		(1,025)		(968)
Non-capital losses and other deductible tax benefits		4,251		2,437
Plant and equipment		109		345
Other		(284)		(81)
Deferred income tax liabilities, net	$	(2,262)	$	(1,733)

The Non-Capital losses are set to expire between 2026 and 2042 while the remaining loss carry forwards have no set expiry date. In accordance with Mexican tax law, Bernal is subject to income tax. Income tax is computed taking into consideration the taxable and deductible effects of inflation, such as depreciation calculated on restated asset values. Taxable income is increased or reduced by the effects of inflation on certain monetary assets and liabilities through an inflationary component.

19. Income taxes – (cont'd)

Mexico Tax Reform

During December 2013, the 2014 Tax Reform (the "Tax Reform") was published in Mexico's official gazette with changes taking effect January 1, 2014. The Tax Reform included the implementation of a 7.5% Special Mining Duty ("SMD") and a 0.5% Extraordinary Mining Duty ("EMD"). The Company has taken the position that SMD is an income tax under IAS 12 *Income tax*, as it is calculated based on a form of earnings before income tax less certain specified costs. The EMD is a calculation based on gross revenue and is therefore not considered an income tax. Both the SMD and EMD will be deductible for income tax purposes.

Management is currently disputing the SMD, in a joint action lawsuit with other Mexican mining companies, with the applicable Mexican government authority. Management believes that the SMD is unconstitutional and should be overturned. In accordance with IFRS reporting standards, however, the estimated effect of the SMD has been accrued to the current and deferred income tax provisions as stated above. Should the Company be successful in overturning the SMD, in whole or in part, the accrued tax liabilities stated above will be reversed to recovery of income taxes in the applicable period.

20. Subsequent event

Private Placement

Subsequent to April 30, 2022, the Company completed a non-brokered private placement for $1,200,000 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"), each whole Warrant exercisable for a period of four years from the date of issue to purchase one common share of the Company at a price of $0.30 per share, provided that, 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.

The Company paid $48,000 as a finder's fee for the portion of the financing attributable to the finder's efforts. All of the securities issued pursuant to this private placement will have a hold period expiring four months plus one day after the closing date.