Starcore International Mines Ltd.

Condensed Interim Consolidated Financial Statements

For the nine months ended January 31, 2024

(Unaudited)

NOTICE TO READER OF THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed interim consolidated financial statements for the nine months ended January 31, 2024 have been prepared by and are the responsibility of the Company's management. These financial statements have not been reviewed or audited by the Company's auditors.

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

As at	January 31, 2024	April 30, 2023
Assets		
Current		
Cash and cash equivalents (note 4)	**$ 3,592**	$ 6,443
Amounts receivable (note 5)	**2,270**	1,970
Inventory (note 6)	**1,660**	2,389
Investment (note 7)	**310**	366
Prepaid expenses and advances	**392**	639
Total Current Assets	**8,224**	11,807
Non-Current		
Mining interest, plant and equipment (note 8)	**28,893**	30,230
Right-of-use assets (note 10)	**926**	376
Exploration and evaluation assets (note 9)	**7,311**	5,681
Deferred tax assets	**2,812**	2,812
Total Non-Current Assets	**39,942**	39,099
Total Assets	**$ 48,166**	$ 50,906
Liabilities		
Current		
Trade and other payables	**$ 3,104**	$ 3,125
Current portion of lease liability (note 10)	**446**	216
Total Current Liabilities	**3,550**	3,341
Non-Current		
Rehabilitation and closure cost provision (note 12)	**3,035**	2,920
Lease liability (note 10)	**411**	168
Deferred tax liabilities	**5,519**	5,701
Total Non-Current Liabilities	**8,965**	8,789
Total Liabilities	**$ 12,515**	$ 12,130

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

(in thousands of Canadian dollars) – (Unaudited)

As at		January 31, 2024		April 30, 2023
Equity				
Share capital (note 13)	**$**	**53,285**	$	51,878
Equity reserve		**11,349**		11,349
Foreign currency translation reserve		**3,368**		5,010
Accumulated deficit		**(32,351)**		(29,461)
Total Equity		**35,651**		38,776
Total Liabilities and Equity	**$**	**48,166**	$	50,906

Commitments (note 15)

Approved by the Directors:

"Robert Eadie" Director ***"Gary Arca"*** Director

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

Starcore International Mines Ltd.

Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)
(in thousands of Canadian dollars except per share amounts) – (Unaudited)

	For the three months ended January 31,				For the nine months ended January 31,			
		2024		2023		**2024**		2023
Revenues								
Mined ore (note 18)	**$**	**6,784**	$	6,162	**$**	**18,992**	$	17,724
Cost of Sales								
Mined ore		**(5,375)**		(5,806)		**(16,896)**		(14,520)
Depreciation and depletion (notes 8 and 10)		**(614)**		(909)		**(1,853)**		(2,842)
Total Cost of Sales		**(5,989)**		(6,715)		**(18,749)**		(17,362)
Earnings (loss) from mining operations		**795**		(553)		**243**		362
Financing costs (note 11)		**(35)**		(31)		**(45)**		(120)
Foreign exchange gain (loss)		**153**		86		**299**		183
Management fees and salaries (note 15)		**(320)**		(496)		**(878)**		(1,467)
Office and administration		**(317)**		(545)		**(1,025)**		(1,261)
Professional and consulting fees		**(300)**		(253)		**(747)**		(856)
Pre exploration costs		**-**		(14)		**-**		(65)
Shareholder relations		**(150)**		(241)		**(324)**		(606)
Transfer agent and regulatory fees		**(35)**		(26)		**(85)**		(98)
Earnings (loss) before other losses and taxes		**(209)**		(2,073)		**(2,562)**		(3,928)
Other Losses								
Unrealized gain (loss) on investment (note 7)		**(58)**		(41)		**(329)**		(164)
Gain on sale of assets (note 8)		**37**		-		**37**		-
Total Other Losses		**(21)**		(41)		**(292)**		(164)
Earnings (loss) before taxes		**(230)**		(2,114)		**(2,854)**		(4,092)
Income taxes								
Current (expense)/recovery		**(2)**		(4)		**(8)**		(444)
Deferred (expense)/recovery		**78**		256		**(28)**		242
Earnings (loss) for the period		**(154)**		(1,862)		**(2,890)**		(4,294)
Other comprehensive income (loss)								
Foreign currency translation differences		**(1,212)**		(959)		**(1,642)**		1,475
Comprehensive income (loss) for the period	**$**	**(1,366)**	$	(2,821)	**$**	**(4,532)**	$	(2,819)
Basic earnings (loss) per share (Note 17)	**$**	**(0.00)**	$	(0.03)	**$**	**(0.05)**	$	(0.08)
Diluted earnings (loss) per share (Note 17)	**$**	**(0.00)**	$	(0.03)	**$**	**(0.05)**	$	(0.08)

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

Starcore International Mines Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(in thousands of Canadian dollars except per share amounts) – (Unaudited)

For the nine months ended January 31,		2024		2023
Cash provided by				
Operating activities				
Profit (loss) for the period	$	(2,890)	$	(4,294)
Unrealized loss on investment		329		164
Items not involving cash:				
Depreciation and depletion (notes 8 and 10)		1,889		2,929
Deferred income tax expenses		28		(242)
Gain on sale of assets (note 8)		(37)		-
Lease accretion (note 10)		39		44
Rehabilitation and closure cost accretion (note 12)		172		147
ARO adjustment to mining interest, plant and equipment (note 8)		(136)		-
Share-based payments (note 13)		(264)		195
Cash inflow (outflow) from operating activities before working capital changes		(870)		(1,057)
Change in non-cash working capital items				
Amounts receivable		(362)		(183)
Inventory		653		(74)
Prepaid expenses and advances		(38)		118
Trade and other payables		413		(724)
Cash inflow (outflow) from operating activities		(204)		(1,920)
Financing activities				
Lease payments (note 10)		(255)		(538)
Share issuance (net)		-		1,153
Cash inflow (outflow) from financing activities		(255)		615
Investing activities				
Investment in exploration and evaluation assets (note 9)		(268)		(728)
Cash received from sale of assets (note 8)		135		-
Purchase of mining interest, plant and equipment (note 8)		(823)		(232)
Cash outflow from investing activities		(956)		(960)
Total (decrease) increase in cash		(1,415)		(2,265)
Effect of foreign exchange rate changes on cash		(1,436)		578
Cash, beginning of period		6,443		8,818
Cash, end of period	$	3,592	$	7,131

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

Starcore International Mines Ltd.

Condensed Interim Consolidated Statements of Changes in Equity for the periods ended January 31, 2024, 2023 and April 30, 2023
(In thousands of Canadian dollars except for number of shares) – (Unaudited)

	Number of Shares Outstanding	Share Capital	Equity Reserve	Foreign Currency Translation Reserve	Accumulated Deficit	Total
Balance, April 30, 2022	49,646,851	$ 50,725	$ 11,349	$ 2,185	$ (24,205)	$ 40,054
Private Placement at $0.20 per Unit (warrants at $0.30)	6,000,000	1,200	-	-	-	1,200
Share issue costs		(47)	-	-	-	(47)
Foreign currency translation differences	-	-	-	1,475	-	1,475
Loss for the period	-	-	-	-	(4,294)	(4,294)
Balance, January 31, 2023	55,646,851	$ 51,878	$ 11,349	$ 3,660	$ (28,499)	$ 38,388
Foreign currency translation differences	-	-	-	1,350	-	1,350
Loss for the period	-	-	-	-	(962)	(962)
Balance, April 30, 2023	55,646,851	51,878	$ 11,349	$ 5,010	$ (29,461)	$ 38,776
Shares issued per EU Share Exchange Transaction	7,883,333	670	-	-	-	670
Shares issued per K Mining Mineral Property Option	8,666,667	737	-	-	-	737
Foreign currency translation differences	-	-	-	(1,642)	-	(1,642)
Loss for the period	-	-	-	-	(2,890)	(2,890)
Balance, January 31, 2024	**72,196,851**	**$ 53,285**	**$ 11,349**	**$ 3,368**	**$ (32,351)**	**$ 35,651**

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

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

2. Basis of preparation

a) Statement of compliance

These unaudited condensed interim consolidated financial statements for the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements, for the nine month period ended January 31, 2024, have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting, and do not include all the information required for full annual financial statement. These condensed interim financial statements should be read in conjunction with the Company's April 30, 2023 audited annual financial statements. The financial statements were authorized for issue by the Board of Directors on March 7, 2024.

b) Basis of measurement

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

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

c) Basis of consolidation

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

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

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

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

3. Acquisition of EU Gold Mining Inc.

On January 22, 2024, the Company announced that it had closed the Share Exchange Agreement entered into with EU Gold Mining Inc. ("EU Gold"), a private company holding mineral property interests in Côte d'Ivoire, whereby Starcore acquired all of the issued and outstanding shares of EU Gold in exchange for Starcore shares ("the "EU Share Exchange Transaction"). Before the EU Share Exchange Transaction, EU and Starcore had directors and officers in common.

EU Gold shareholders received two (2) common shares of the Company (the "Starcore Shares") for three (3) common shares of EU (the "EU" Shares") held by such EU shareholder (the "Exchange Ratio"). The Company issued 7,883,333 common shares at a fair value of $0.085 per share for total consideration of $670. Prior to the acquisition, there were 11,825,000 EU shares.

With the EU Share Exchange Transaction, EU Gold became a wholly-owned subsidiary of the Company, giving the Company the option (the "Option") to acquire from K Mining, an Ivorian gold exploration company in Abidjan, Côte d'Ivoire, all of its right, title and interest in and to the Kimoukro Project (see note 9). The Option calls for the following consideration: (i) payment to K Mining of an aggregate of $400,000; (ii) issue to K Mining of 8,666,667 shares of Starcore; and (iii) incur an aggregate of US$3,750,000 of expenditures on the Kimoukro Project (collectively the "Option Price"), see Note 9.

The EU Share Exchange Transaction and The Option Agreement were accounted for as an acquisition of assets. The purchase price of $1,407 has been allocated to the assets acquired based on their relative fair values on the closing date. The purchase price allocation is a result of management's best estimates and assumptions after taking into account all relevant information available. The purchase price has been allocated as follows:

Assets		
Cash and cash equivalents	$	410
Amounts receivable		4
Mineral properties (note 9)		999
Total assets	**$**	**1,413**
Liabilities		
Less: Trade and other payables	$	6
Total liabilities	**$**	**6**
Net assets acquired	**$**	**1,407**
Net assets consideration		
Shares (16,550,000 shares issued at fair value of $0.085 per share)	**$**	**1,407**

Former EU shareholders hold approximately 10.9% of the post-acquisition issued and outstanding shares of Starcore after giving effect to the EU Share Exchange Transaction. Included in the Starcore shares issued to EU Gold shareholders were 3,000,000 shares of Starcore issued to current and former management and directors of Starcore who held an interest in EU Gold.

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

4. Cash and cash equivalents

		January 31, 2024		April 30, 2023
Cash	**$**	**2,654**	$	2,684
GIC's		**938**		3,759
	$	**3,592**	$	6,443

At January 31, 2024, the Company held a Guaranteed Investment Certificates ("GIC") with a market value of $938. The GIC is held in US dollars of US$700 maturing on March 12, 2024 at an interest rate of 4.85% and is cashable at the Company's option.

The Company's GIC is held at one financial institution and as such the Company is exposed to the risks of this financial institution.

5. Amounts receivable

		January 31, 2024		April 30, 2023
Taxes receivable	**$**	**1,732**	$	1,165
Trades receivable		**134**		480
Other		**404**		325
	$	**2,270**	$	1,970

6. Inventory

		January 31, 2024		April 30, 2023
Carrying value of inventory:				
Doré	**$**	**501**	$	1,318
Work-in-process		**97**		81
Stockpile		**127**		40
Supplies		**935**		950
	$	**1,660**	$	2,389

7. Investment

Marketable securities at January 31, 2024 consists of a FVTPL investment in Westward Gold Inc. ("WG"). At January 31, 2024, the Company held 3,872,000 (April 30, 2023 – 3,872,000) common shares valued at $0.08 for $310 representing a $329 unrealized loss for the period (April 30, 2023 - $197 unrealized gain and $10 realized loss). The fair value of WG has been determined by reference to published price quotations in an active market. The Company acquired these shares pursuant to the assignment of the Company's option to acquire a 100% interest in the Toiyabe property, located in Lander County Nevada, USA, to WG for consideration of cash of US$150,000 and 4,100,000 common shares of WG. These shares were originally valued at fair market value at date of issue of $0.19 per share.

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

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

8. Mining interest, plant and equipment

	Mining Interest	Plant and Equipment Mining	Corporate Office Equipment	Total
Cost				
Balance, April 30, 2022	$ 69,434	$ 26,418	$ 740	$ 96,592
Increase in ARO provision	218	-	-	218
Additions	628	292	127	1,047
Disposals	-	-	(78)	(78)
Effect of foreign exchange	4,104	1,503	-	5,607
Balance, April 30, 2023	74,384	28,213	789	103,386
Additions	689	598	168	1,455
Disposals	-	(184)	(253)	(437)
Leases	-	(633)	-	(633)
Adjustment to ARO	136	-	-	136
Effect of foreign exchange	(1,447)	(550)	-	(1,997)
Balance, January 31, 2024	**$ 73,762**	**$ 27,444**	**$ 704**	**$ 101,910**
Depreciation				
Balance, April 30, 2022	$ (46,025)	$ (20,029)	$ (718)	$ (66,772)
Depreciation for the period	(1,225)	(1,519)	(26)	(2,770)
Disposals	-	-	78	78
Effect of foreign exchange	(2,577)	(1,115)	-	(3,692)
Balance, April 30, 2023	(49,827)	(22,663)	(666)	(73,156)
Depreciation for the period	(416)	(1,174)	(36)	(1,626)
Disposals	-	97	253	350
Effect of foreign exchange	980	435	-	1,415
Balance, January 31, 2024	**$ (49,263)**	**$ (23,305)**	**$ (449)**	**$ (73,017)**
Carrying amounts				
Balance, April 30, 2023	$ 24,557	$ 5,550	$ 123	$ 30,230
Balance, January 31, 2024	**$ 24,499**	**$ 4,139**	**$ 255**	**$ 28,893**

San Martin

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

9. Exploration and evaluation assets

EU Gold

a) *Kimoukro Project, Côte d'Ivoire*

The acquisition of EU Gold (see Note 3) gives the Company access to the Kimoukro Gold Project located in the West African country of Côte d'Ivoire (the "Kimoukro Project") (see note 3). By acquiring

9. Exploration and evaluation assets – (cont'd)

a) *Kimoukro Project, Côte d'Ivoire – (cont'd)*

EU Gold, Starcore assumed all of the rights and obligations contained in a Mineral Property Option Agreement that EU Gold entered into with K Mining SARL ("K Mining"), an Ivorian gold exploration company in Abidjan, Côte d'Ivoire. K Mining owns four gold exploration permit applications covering 830 km2, which includes the Kimoukro Project which covers 14.48 km2.

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

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

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

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

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

<u>Creston Moly ("Creston") properties</u>

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

a) *El Creston Project, Mexico*

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

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

b) *Ajax Project, Canada*

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

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

9. Exploration and evaluation assets – (cont'd)

	Creston Properties	AJAX Properties	EU Gold Properties	Total
Acquisition costs				
Balance, April 30, 2022 and April 30 2023	$ 2,001	$ -	$ -	$ 2,001
Acquisition payments	-	-	999	999
Balance, January 31, 2024	**$ 2,001**	**$ -**	**$ 999**	**$ 3,000**
Exploration costs				
Balance, April 30, 2022	$ 3,020	$ 61	$ -	$ 3,081
Maintenance	176	-	-	176
Drilling costs	274	34	-	308
Foreign Exchange	134	-	-	134
BC Mining Exploration Tax Credit	-	(19)	-	(19)
Balance, April 30, 2023	$ 3,604	$ 76	$ -	$ 3,680
Maintenance	578	114	7	699
Foreign Exchange	(45)	-	-	(45)
BC Mining Exploration Tax Credit	-	(23)	-	(23)
Balance, January 31, 2024	**$ 4,137**	**$ 167**	**$ 7**	**$ 4,311**
Total Exploration and evaluation assets				
Balance, April 30, 2023	$ 5,605	$ 76	$ -	$ 5,681
Balance, January 31, 2024	**$ 6,138**	**$ 167**	**$ 1,006**	**$ 7,311**

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:

	Office	Mining Equipment	Total
Lease liabilities, April 30, 2022	$ 173	$ 725	$ 898
Lease accretion	12	41	53
Payments	(63)	(537)	(600)
Foreign exchange	-	33	33
Lease liabilities, April 30, 2023	122	262	384
Additions	-	692	692
Lease accretion	6	33	39
Payments	(48)	(208)	(256)
Foreign exchange	-	(2)	(2)
Lease liability, January 31, 2024	**$ 80**	**$ 777**	**$ 857**

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

10. Leases – (cont'd)

		Office		Mining Equipment		Total
Lease assets, April 30, 2022	$	156	$	738	$	894
Amortization		(52)		(500)		(552)
Foreign exchange		-		34		34
Lease assets, April 30, 2023		104		272		376
Additions		-		816		816
Amortization		(39)		(224)		(263)
Foreign exchange		-		(3)		(3)
Lease asset, January 31, 2024	**$**	**65**	**$**	**861**	**$**	**926**

11. Financing costs

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

For the period ended January 31,		**2024**		2023
Unwinding of discount on rehabilitation and closure accretion (note 12)	**$**	**172**	$	147
Lease accretion Starcore (note 10)		**6**		9
Bank fees		**10**		9
Interest revenue		**(143)**		(45)
	$	**45**	$	120

12. Rehabilitation and closure cost provision

The Company's asset retirement obligations consist of reclamation and closure costs for the mine. At January 31, 2024, the present value of obligations is estimated at $3,035 (April 30, 2023 - $2,920) based on expected undiscounted cash-flows at the end of the mine life of $3,426 (April 30, 2023 - $3,246), which is calculated annually over 5 to 10 years. Such liability was determined using a discount rate of 10% (April 30, 2023 – 10%) and an inflation rate of 6.90% (April 30, 2023 – 6.90%).

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

		January 31, 2024		April 30, 2023
Balance, April 30, 2023	**$**	**2,920**	$	2,353
Accretion expense		**172**		200
Increase in provision		**-**		218
ARO adjustment to mining interest, plant and equipment		**136**		-
Foreign exchange fluctuation		**(193)**		149
Balance, January 31, 2024	**$**	**3,035**	$	2,920

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

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 period ended January 31, 2024, the Company issued:

- 7,883,333 shares pursuant to the EU Share Exchange Transaction at fair value of $0.085 whereby the Company acquired all of the issued and outstanding shares of EU Gold (note 3).

- 8,666,667 shares pursuant to the Company assuming the Mineral Property Option (the "Option") at fair value of $0.085 to acquire from K Mining all of its right, title and interest in and to the Kimoukro Project (notes 3 and 9).

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

b) Warrants

A summary of the Company's outstanding share purchase warrants at January 31, 2024 and April 30, 2023 and the changes during the period ended is presented below:

	Number of warrants	Weighted average exercise price
Outstanding at April 30, 2022	-	-
Granted	3,000,000	0.30
Outstanding at April 30, 2023 and January 31, 2024	**3,000,000**	**$ 0.30**

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

c) Share-based payments

The Company, in accordance with the policies of the Toronto Stock Exchange ("TSX"), was previously authorized to grant options to directors, officers, and employees to acquire up to 20% of the amount of stock outstanding. In January 2014, the Company's shareholders voted to cancel the Company's option plan and, as a result, the Company's Board of Directors have not granted further options and there were no options outstanding, for the periods ended January 31 2024, April 30, 2023 and April 30, 2022.

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

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. 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, 2023	1,380,000
Cancelled	(397,500)
Granted	-
Exercised	(295,000)
Outstanding at January 31, 2024	**687,500**

210,000 RSU's were granted in the year ended April 30, 2023 (April 30, 2022 – 1,655,000). The RSU's have been valued at fair value of $0.11 per share as at January 31, 2024 (April 30, 2023 - $0.18), and the total fair value of this liability is recorded at $19 (April 30, 2023 - $61) under Trade and Other Payables on the Statements of Financial Position. During the year ended April 30, 2023, 3,000,000 warrants were issued that are exercisable at $0.30 per share expiring July 15, 2026.

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, 2023	2,525,000
Granted	-
Cancelled	(166,667)
Exercised	(333,333)
Outstanding at January 31, 2024	**2,025,000**

Based on the fair value at January 31, 2024 of $0.11 (April 30, 2023 - $0.18) per share, the Company has recorded a liability of $207 (April 30, 2023 - $429) under Trades and Other Payable on the Statement of Financial Position. No DSU's were granted in the current period ended January 31, 2024 (April 30, 2023 – nil). During the period ended January 31, 2024 a total of ($264) (April 30, 2023 - $157) 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 $337. A 10% increase or decrease in the MXN$ exchange rate will decrease or increase comprehensive income (loss) by approximately $454.

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 cash equivalents and account receivable, the balance of which at January 31, 2024 is $5,862 (April 30, 2023 - $8,413).

Cash and cash equivalents of $186 (April 30, 2023 - $359) are held at a Mexican financial institution, cash and cash equivalents of $2,182 (April 30, 2023 – $5,742) is held in US dollars at Canadian financial institutions and the remainder of $1,224 (April 30, 2023 - $342) 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 $1,645 (April 30, 2023 - $1,125) and GST receivable of $87 (April 30, 2023 - $40), which are subject to review by the respective tax authority. Trade receivables include $134 (April 30, 2023 - $480) due from one customer.

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

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 January 31, 2024, the Company was holding cash of $3,592 (April 30, 2023 - $6,443).

Obligations due within twelve months of January 31,	**2024**	**2025**	**2026**	**2027 and beyond**
Trade and other payables	$ 3,104	$ -	$ -	$ -
Reclamation and closure obligations	$ -	$ -	$ -	$ 3,426
Leases liability	$ 513	$ 326	$ 128	$ -

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

e) Commodity risk

Mineral prices and marketability fluctuate and any decline in mineral prices may have a negative effect on the Company. Mineral prices, particularly gold and silver prices, have fluctuated widely in recent years. The marketability and price of minerals which may be produced and sold by the Company will be

affected by numerous factors beyond the control of the Company. These other factors include delivery uncertainties related to the proximity of its resources to processing facilities and extensive government regulations related to price, taxes, royalties, allowable production land tenure, the import and export of minerals and many other aspects of the mining business. Declines in mineral prices may have a negative effect on the Company. A 10% decrease or increase in metal prices may result in a decrease or increase of $1,899 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 January 31, 2024:

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

b. The Company has management contracts to officers and directors totaling $600 and US$315 per year, payable monthly, expiring in April 2024.

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

For the period ended January 31,	**2024**	2023
Management fees	**$ 839**	$ 1,373
Director fees - salaries	**39**	41
Total	**$ 878**	$ 1,414

(in thousands of Canadian dollars unless otherwise stated) - Unaudited

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

During the year ended April 30, 2023, the Company issued an advance to a key management personnel for the amount of $134 (US$100). As at January 31, 2024, the balance of the advance was $142 (US$106) and included interest at the prescribed rates indicated by the Canada Revenue Agency.

b) Capital disclosures

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in the consolidated statements of changes in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements and there were no changes to the capital management in the period ended January 31, 2024.

c) Earnings per share

The Company calculates the basic and diluted income per common share using the weighted average number of common shares outstanding during each period and the diluted income per share assumes that the outstanding vested stock options and share purchase warrants had been exercised at the beginning of the period. As at January 31, 2024 and 2023, all warrants outstanding were excluded in the dilutive weighted average shares outstanding as they were anti-dilutive. The denominator for the calculation of income per share, being the weighted average number of common shares, is calculated as follows:

For the period ended January 31,	**2024**	2023
Issued common share, beginning of period	**55,646,851**	49,646,851
Weighted average issuances	**779,529**	4,750,685
Diluted weighted average common shares	**56,426,380**	54,397,536

d) Segmented information

During the period ended January 31, 2024, the Company earned all of its revenues from one customer. As at January 31, 2024, 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 January 31, 2024 was $134 (April 30, 2023 - $480). The Company operates in one segment, the revenue is from gold and silver mining generated in Mexico.