STARCORE
INTERNATIONAL
MINES LTD.

MANAGEMENT DISCUSSION & ANALYSIS

For the year ended April 30, 2026

Directors and Officers as at July 24, 2026:

Directors:

Gary Arca
Robert Eadie
Jordan Estra
Salvador Garcia
Tanya Lutzke
Federico Villaseñor

Officers:

Executive Chairman, President and Chief Executive Officer – Robert Eadie
Chief Operating Officer - Salvador Garcia
Chief Financial Officer – Gary Arca
Corporate Secretary – Tanya Lutzke

Contact Name*:* Gary Arca

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TSX Symbol: SAM

Form 51-102-F1

STARCORE INTERNATIONAL MINES LTD.

MANAGEMENT DISCUSSION & ANALYSIS

For the year ended April 30, 2026

1. Date of This Report

This MD&A is prepared as of July 24, 2026.

This Management Discussion & Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Starcore International Mines Ltd. ("Starcore", or the "Company") for the years ended April 30, 2026 and 2025.

Monetary amounts throughout this MD&A are shown in thousands of Canadian dollars, unless otherwise stated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Such statements and information include without limitation: statements regarding timing and amounts of capital expenditures and other assumptions; estimates of future reserves, resources, mineral production and sales; estimates of mine life; estimates of future mining costs, cash costs, mine site costs; estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof; statements and information as to the projected development of certain ore deposits, including estimates of exploration, development and production and other capital costs, and estimates of the timing of such exploration, development and production or decisions with respect to such exploration, development and production; estimates of reserves and resources, and statements and information regarding anticipated future exploration; the anticipated timing of events with respect to the Company's minesite and; statements and information regarding the sufficiency of the Company's cash resources. Such statements and information reflect the Company's views as at the date of this document and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements and information. Many factors, known and unknown could cause the actual results to be materially different from those expressed or implied by such forward-looking statements and information. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks, risks associated with foreign operations; risks related to title issues; governmental and environmental regulation; and the volatility of the Company's stock price. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

2. Overall Performance

Description of Business

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" or "CMPB"), which owns the San Martin mine in Queretaro, Mexico. The Company is a public reporting issuer on the Toronto Stock Exchange ("TSX"). The Company is also engaged in acquiring mining related operating assets and exploration assets in North America directly and through corporate acquisitions. The Company has interests in properties which are exclusively located in Mexico and Canada.

Financial Highlights for the quarter ended April 30, 2026 (Unaudited) and the year ended April 30, 2026 (Audited):

- Cash and short-term investments on hand of $12.3 million at April 30, 2026 compared to $3.1 million at April 30, 2025;
- Gold and silver sales of $44.3 million for the year ended April 30, 2026 compared to $32.2 million for the year ended April 30, 2025. Gold and silver sales of $11.4 million for the quarter ended April 30, 2026 compared to $9.4 million for the quarter ended April 30, 2025;
- Income from mining operations of $13.6 million for the year ended April 30, 2026 compared to income of $6.3 million for the year ended April 30, 2025. Income from mining operations of $3.2 million for the quarter ended April 30, 2026 compared to income of $2.5 million for the quarter ended April 30, 2025;
- Income of $7.0 million for the year ended April 30, 2026 compared to income of $0.2 million for the year ended April 30, 2025. Income of $5.5 million for the quarter ended April 30, 2026 compared to loss of $1.6 million for the quarter ended April 30, 2025;
- Equivalent gold production of 7,874 ounces in the year ended April 30, 2026 compared to production of 8,916 ounces in the year ended April 30, 2025. Equivalent gold production of 1,722 ounces in the quarter ended April 30, 2026 compared to production of 2,342 ounces in the quarter ended April 30, 2025;
- Mine operating cash cost is US$2,662/EqOz for the year ended April 30, 2026 compared to cost of US$1,936/EqOz for the year ended April 30, 2025;
- All-in sustaining costs US$3,698/EqOz for the year ended April 30, 2026, compared to costs of US$2,662/EqOz for the year ended April 30, 2025;
- EBITDA(1) of $7,509 for the year ended April 30, 2026 compared to $2,675 for the year ended April 30, 2025.

Reconciliation of Net Income to EBITDA(1)

For the year ended April 30,		**2026**		2025
Net income	**$**	**7,009**	$	215
Depreciation and depletion		**3,347**		3,453
Rehabilitation and closure cost accretion		**339**		331
Interest (revenue), net of interest expense		**(74)**		(72)
Accretion on share buyback		**40**		27
Lease accretion		**75**		52
Income tax (recovery)		**(3,227)**		(1,331)
EBITDA	**$**	**7,509**	$	2,675
EBITDA MARGIN(2)		**17.0%**		8.3%

(1) EBITDA ("Earnings before Interest, Taxes, Depreciation and Amortization") is a non-GAAP financial performance measure with no standard definition under International Financial Reporting Standards ("IFRS"). It is therefore possible that this measure could not be comparable with a similar measure of another company. The Company uses this non-GAAP measure which can also be helpful to investors as it provides a result which can be compared with the Company market share price.

(2) EBITDA MARGIN is a measurement of a company's operating profitability calculated as EBITDA divided by total revenue. EBITDA MARGIN is a non-GAAP financial performance measure with no standard definition under IFRS. It is therefore possible that this measure could not be comparable with a similar measure of another company. The Company uses this non-GAAP measure which can also be helpful to investors as it provides a result which can be compared with the Company market share price.

Recent Events

Starcore Purchases 1,000 kg of Investment-Grade Silver Bullion

Subsequent to April 30, 2026, the Company purchased 1,000 kilograms of investment-grade silver bullion (1,000 one-kilogram bars with a fineness of 999) for total consideration of approximately US$1.9 million, at an average cost of US$59.93 per ounce. The purchase represents a one-time strategic acquisition and is not part of the Company's ordinary course of business, which primarily involves the production and sale of doré bars.

Starcore Starts Trading on OTCQX

On June 17, 2026, The Company announced it had qualified to trade on the OTCQX® Best Market and began trading on the OTCQX under the symbol "SHVLF". The announcement was also made in New York by the OTC Markets Group Inc. (OTCQX: OTCM), operator of regulated markets for trading 12,000 U.S. and international securities.

U.S. investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on www.otcmarkets.com.

Upgrading to the OTCQX Market is an important step for companies seeking to provide transparent trading for their U.S. investors. For companies listed on a qualified international exchange (the Company is listed on the Toronto Stock Exchange), streamlined market standards enable them to utilize their home market reporting to make their information available in the U.S. To qualify for OTCQX, companies must meet high financial standards, follow best practice corporate governance and demonstrate compliance with applicable securities laws.

"*We are pleased to qualify for trading on the OTCQX Market, which enhances our visibility and accessibility for U.S. investors. OTCQX provides a recognized platform for international companies that meet high financial and governance standards, and we believe this qualification will support greater communication with our U.S. shareholder base while broadening awareness of our company within the North American investment community*," said Robert Eadie, President and CEO of Starcore."

Starcore Reaches Communities Agreement for La Tortilla Project

On May 27, 2026, Starcore announced that CMPB, operator of the San Martín Mine, reached an agreement with the El Doctor Agrarian Community, in the municipality of Cadereyta de Montes, Querétaro, Mexico, granting CMPB the social license to operate the La Tortilla Project ("La Tortilla").

This agreement is for the same 10-year period as the La Tortilla lease has with the concession owner, with an option to renew. The agreement grants CMPB permission to use the access road to La Tortilla, which passes through their communities. The agreement prioritizes the well-being of the communities and the stability and continued operation of La Tortilla.

The general terms of the agreement directly benefit the communities, creating well-paying jobs, contributing to the economic stability of local residents, improving basic medical services, and enhancing the community's quality of life and infrastructure. It also includes the future possibility for the community members to provide transportation services to CMPB, transporting ore from La Tortilla to the processing plant at San Martín.

This is highly relevant because the new Mexican Mining Law, in its edition of May 8, 2023, explicitly states that community consultations will be conducted prior to the granting of the mining concession and simultaneously with the consultation required for the Environmental Impact Assessment (MIA) already in process to be approved by the environmental authorities, SEMARNAT.

Salvador García, B. Eng., the Company's Director and Chief Operating Officer, is the Company's Qualified Person for the project as required by NI 43-101 and prepared the technical information contained in the foregoing disclosure.

Starcore Announces Airborne MobileMT Geophysical Survey at San Martin Mine, Queretaro, Mexico

On April 22, 2026, the Company announced the initiation of an airborne geophysical survey over its San Martin mining concessions in Querétaro State, Mexico, operated through its wholly owned subsidiary, Compañía Minera Peña de Bernal S.A. de C.V.

The Company has retained Expert Geophysics Surveys Inc. to conduct an airborne Mobile Magnetotelluric (MobileMT) survey across the San Martín project area. The survey will comprise approximately 711 line-kilometres of helicopter-supported data acquisition, covering an area of approximately 99.13 square kilometres.

Survey Parameters

The MobileMT survey has been designed to provide high-resolution subsurface resistivity data to support geological interpretation and exploration targeting. Key survey parameters are as follows:

- Survey type: Airborne Mobile Magnetotelluric (MobileMT)
- Total coverage: approximately 711 line-km
- Line spacing: 150 metres
- Tie-line spacing: 1,500 metres
- Line orientation: approximately 090°–270°
- Tie-line orientation: approximately 000°–180°
- Platform: helicopter (Airbus AS350 series)
- Sensor terrain clearance: approximately 50–60 metres
- Survey speed: approximately 80 km/h
- Depth of investigation: up to approximately 2 kilometres, depending on subsurface conductivity

Final processed data products are anticipated within approximately eight to ten weeks following completion of the survey.

Purpose of the Survey

The MobileMT survey is intended to improve the Company's understanding of the structural and lithological framework of the San Martin district. The program is designed to:

- Identify deep structural features associated with known mineralization;
- Delineate potential extensions of mineralized vein systems beneath cover;
- Map resistivity contrasts related to hydrothermal alteration;
- Generate targets for follow-up drilling at depth and along strike.

The MobileMT survey is expected to provide a step-change in the Company's ability to map the continuity and depth extent of mineralized structures and to identify new drill targets within the broader San Martin structural corridor.

Geological Setting

The San Martin deposit is a structurally controlled, low-sulfidation epithermal gold-silver system hosted in Upper Cretaceous carbonate sequences, including locally carbonaceous units, and partially covered by Tertiary volcanic rocks. Mineralization is associated with quartz-carbonate-adularia vein systems, hydrothermal breccias, and structurally controlled feeder zones developed along northeast-trending fault corridors and dilation zones.

These structures are interpreted to form part of a broader structural framework that may include repetition of favorable host horizons and lateral continuity of mineralized vein and breccia systems. Mineralization is considered to be linked to deeper structural pathways, potentially including fault-related feeder zones and reactivated structures.

At a district scale, mineralization at San Martin may be influenced by regional compressional tectonics, including fold and thrust structures, with the deposit potentially localized along a back-thrust or related structural feature. These interpretations are conceptual in nature and require further validation.

Previous Geophysical Work

The San Martin project has been the subject of multiple geophysical surveys, including a helicopter-borne magnetic and radiometric survey completed in 2005, as well as ground-based magnetotelluric (MT), controlled-source audio-frequency

magnetotelluric (CSAMT), and natural-source audio-frequency magnetotelluric (NSAMT) surveys conducted between 1993 and 2007.
These surveys have contributed to the definition of the structural framework of the district, highlighting resistivity contrasts associated with lithological contacts, structural corridors, and zones of potential mineralization, including features interpreted to be associated with vein systems and breccia-hosted mineralization.

More recently, legacy magnetic data have been reprocessed and reinterpreted by an independent consultant, resulting in improved delineation of structural trends, potential repetition of structural panels, and identification of additional exploration targets.

The current MobileMT survey is designed to build upon this dataset by providing continuous resistivity imaging at greater depths and across a broader area, including zones covered by volcanic units. In conjunction with existing datasets, the survey is expected to support improved interpretation of structural continuity, lateral extent of mineralized systems, and the geometry of larger-scale structural features.

Technical Information and Qualified Person

The scientific and technical information contained in the above announcement was reviewed and approved by Dr. Riccardo Aquè, Ph.D. Eurogeol., a Qualified Person as that term is defined in NI 43-101 – Standards of Disclosure for Mineral Projects.

Starcore Accepts Offer on its Ajax Property

In March 2026, the Board of Directors accepted an offer (the "Offer") from Korestar Exploration Inc., ("Korestar") to acquire Starcore's 100%-owned Ajax Property located 12 km. north of Alice Arm in northwestern British Columbia, at the southern end of the mineral belt known as the "Golden Triangle." Korestar, a private company incorporated under the jurisdiction of British Columbia, is not a reporting issuer and does not currently trade on any stock exchange, although it is Korestar's intention to seek a listing on either the CSE or TSXV. The Offer included the following terms of purchase:

- The issuance to Starcore of 2.5 million shares of Korestar;
- $100 payment within 180 days from signing of a mineral property purchase agreement (the "Effective Date");
- $100 work commitment within 18 months of the Effective Date;
- $100 work commitment within 36 months of the Effective Date; and
- 2.5% NSR, with an option for Korestar to buy back 1.5% for $1,000.

The completed transaction is non-arm's length and considered a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. Robert Eadie and Gary Arca, both directors of the Company, disclosed their interest as shareholders of Korestar, and abstained from voting on the Offer when presented to and voted on by the Company's Board. The Company relied on certain exemptions to the requirements to seek minority shareholders' approval and to obtain a formal valuation under MI 61-101, in that the value of the transaction will represent less than 25% of the Company's market capitalization.

The Ajax Property was originally acquired by the Company in 2015, as part of its purchase of Creston Moly Corp. However, the Company has not expended any material amount of time or money toward exploring that grassroots property over the past 10 years, and it presently has no plans to undertake the level of work required to adequately explore or develop that property. The sale of the Ajax Property to Korestar represents an opportunity for the Company to have the property advanced, while retaining an interest therein.

3. Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	Three Months Ended		*Twelve Months Ended*		
	April 30, 2026	April 30, 2025	**April 30, 2026**	April 30, 2025	April 30, 2024
Revenues	**$ 11,435**	$ 9,368	**$ 44,297**	$ 32,159	$ 28,327
Cost of Sales	**(8,224)**	(6,914)	**(30,658)**	(25,827)	(25,922)
Income from mining operations	**3,211**	2,454	**13,639**	6,332	2,405
Administrative (expenses)	**(75)**	(2,473)	**(8,782)**	(7,204)	(4,032)
Total other income (losses)	**(207)**	57	**(636)**	57	(273)
Income tax recovery	**3,000**	1,808	**3,227**	1,331	3,601
Income from continuing operations	**$ 5,929**	$ 1,846	**$ 7,448**	$ 516	$ 1,701
Loss from discontinued operations, including loss on disposal of disposal group	**(439)**	(234)	**(439)**	(301)	(68)
Income for the year	**$ 5,490**	1,612	**$ 7,009**	$ 215	$ 1,633
Income per share – basic	**$ 0.06**	$ 0.02	**$ 0.08**	$ 0.00	$ 0.03
Income per share – diluted	**$ 0.05**	$ 0.02	**$ 0.08**	$ 0.00	$ 0.03
Total assets	**$ 68,738**	$ 55,998	**$ 68,738**	$ 55,998	$ 51,973
Total long-term liabilities	**$ 8,131**	$ 8,041	**$ 8,131**	$ 8,041	$ 7,186

4. Results of Operations

Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the audited consolidated financial statements of the Company and notes attached thereto for the years ended April 30, 2026 and 2025.

4.1 San Martín Mine, Queretaro, Mexico

The San Martin Mine, located approximately 50 km east of the City of Queretaro, State of Queretaro, Mexico, consists of mining concessions covering 13,077 hectares and includes 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 the Company. The Company expects to continue to operate the mine based on the current expected conversion of known resources, and exploration is able to maintain proven and probable reserves replacing those mined with new reserves, such that the total resource remains relatively constant from year to year.

Starcore has staked additional claims near its principal producing gold property, the San Martin gold mine, in Querétaro, Mexico. The geology department has completed a staking initiative that includes new claims to the west of the current mineral rights of the San Martin mine on private property, that holds exploration and development upside.

Reserves

The Company released its updated NI 43-101 reserve and resource estimates as at April 30, 2024 for its San Martin Mine, located in Queretaro State, Mexico as filed on September 23, 2024, prepared by Erme Enriquez. (the "Technical Report") has been filed on SEDAR+ and is also available on the Company's website www.starcore.com. All assumptions are listed at the bottom of the reserve and resource table below.

Starcore International Mines, San Martin Mine Mineral Reserves as of April 30, 2024:

Category	Tonnes	Grade			Total Contained oz		
		(g Au/t)	(g Ag/t)	(g Au-Eq/t)	(oz Au)	(oz Ag)	(Au Eq oz)
Proven	**545,373**	**2.39**	**19**	**2.61**	**41,845**	**325,003**	**45,809**
Probable	**712,987**	**2.38**	**17**	**2.58**	**54,453**	**385,432**	**59,154**
Total Proven & Probable	**1,258,360**	**2.38**	**18**	**2.59**	**96,298**	**710,435**	**104,962**

Starcore International Mines, San Martin Mine Mineral Resources as of April 30, 2024:

Category	Tonnes	Grade			Total Contained oz		
		(g Au/t)	(g Ag/t)	(g Au-Eq/t)	(oz Au)	(oz Ag)	(Au Eq oz)
Measured	**510,754**	**2.60**	**20**	**2.85**	**42,731**	**329,724**	**46,752**
Indicated	**646,559**	**2.63**	**19**	**2.86**	**54,665**	**390,899**	**59,432**
Total Measured & Indicated	**1,157,312**	**2.62**	**19**	**2.85**	**97,396**	**720,623**	**106,185**
Inferred	**728,433**	**2.05**	**15**	**2.23**	**47,972**	**355,856**	**52,312**

1. The effective date of the mineral resources estimate is April 30, 2024.
2. Estimation and reporting of mineral resources were carried out in accordance with Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") guidelines.
3. Mineral resources have been classified into measured, indicated and inferred confidence categories.
4. Inferred Mineral Resources are considered too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves.
5. Mineral resources have reasonable prospects for eventual economic extraction demonstrating sufficient spatial continuity of mineralization constrained within a potentially mineable shape. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
6. Prices used to report mineral resources were: US$1,891 per ounce of gold and US$23.06 per ounce of silver.
7. Resource and reserve cut-off grades are based on a 1.29 g/t gold equivalent.
8. This mineral resource and reserve estimate was prepared under the supervision of, or was reviewed by, Erme Enriquez, MSc, CPG, independent consultant, who is a Qualified Person as that term is defined in NI 43-101.
9. Grades are shown as contained metal before mill recoveries are applied. The Company has undertaken a verification process with respect to the data disclosed in this news release.
10. A total of 441 diamond drill holes with a total length of 52,605 metres and 5,427 channel samples were used in the geological interpretation and resource estimate. Several old historic drill holes were included in the modeling.

For 2024, 104,962 ounces of gold equivalent are reported in mineral reserves, an increase of 27% in reserves compared to the estimate for 2022, where 82,562 ounces of gold equivalent were reported. In this update, a carbonaceous mineral (as referred to in previous press releases) is reported that corresponds to 49,539 of the total reserves included. The metallurgical research and testing completed over the past year by Kappes Cassiday and Associates of Reno, Nevada USA, have been very positive and has achieved recoveries of approximately 70% for Gold and 65% for Silver. With this strong technical support, we believe we are able to include this carbonaceous ore, which contains a gold grade of approximately 3.1 gr/ton and 20 gr/ton of Silver, as an economic ore. This type of material is significant as it is an indication of the existence of enormous potential and supports exploration at depth and in lateral extensions to increase resources and reserves in the short and medium term. In calendar 2026, Starcore plans to complete over 6,000 metres of drilling across its main mine of San Martin, focused on near-mine exploration for mineral reserve replacement.

Erme Enriquez C.P.G., BSc., MSc., is an independent consultant to the Company. He is a qualified person on the project as required under NI 43-101 and has prepared this technical information.

Production

The following table is a summary of mine production statistics for the San Martin mine for the three months and year ended April 30, 2026 and for the three months and previous year ended April 30, 2025:

(Unaudited)	***Unit of measure***	***Actual results 3 months ended 30-Apr-26***	*Actual results 3 months ended 30-Apr-25*	***Actual results 12 months ended 30-Apr-26***	*Actual results 12 months ended 30-Apr-25*
Mine production of gold in dore	*thousand ounces*	**1.5**	2.2	**7.2**	8.3
Mine production of silver in dore	*thousand ounces*	**11.6**	15.2	**50.1**	49.3
Total mine production – equivalent ounces	*thousand ounces*	**1.7**	2.3	**7.9**	8.9
Silver to Gold equivalency ratio		**61.7**	93.0	**72.2**	82.6
Mine Gold grade	*grams/tonne*	**1.23**	1.57	**1.35**	1.58
Mine Silver grade	*grams/tonne*	**17.33**	15.77	**15.67**	14.27
Mine Gold recovery	*percent*	**84.2%**	81.7%	**80.8%**	83.1%
Mine Silver recovery	*percent*	**44.9%**	56.7%	**48.5%**	53.0%
Milled	*thousands of tonnes*	**45.6**	53.4	**204.4**	197.9
Mine development, preparation and exploration	*meters*	**1,245**	1,379	**5,697**	4,565
Mine operating cash cost per tonne milled	*US dollars/tonne*	**123**	83	**103**	87
Mine operating cash cost per equivalent ounce	*US dollars/ounces*	**3,241**	1,888	**2,662**	1,936
Number of employees/contractors at minesite		**315**	282	**315**	282

During the quarter ended April 30, 2026, the mill operated at a rate of approximately 512 (April 30, 2025: 580) milled tonnes/day. Gold and silver grades during the quarter ending April 30, 2026 were 1.23 g/t and 17.33 g/t, respectively, compared to the prior year quarter ended April 30, 2025 comparable grades of 1.57 g/t and 15.77 g/t, respectively. The fourth quarter produced 1,722 equivalent gold ounces ("EqOz") compared to 2,342 in the prior year quarter ended April 30, 2025, and 2,162 EqOz in the prior quarter ended January 31, 2026. Overall, EqOz production from the mine during the year ending April 30, 2026 of 7,874 EqOz was lower than the prior year's production of 8,916, due mainly to less tonnes processed and lower gold ore grades. The decreased ore production was mainly due to preg-robbing effect of the oxide ore circuit during the third quarter and more difficult mining surrounding high-grade reserves located between a fault at the top of the Manto, which is detailed in ***Section 4.2 – Property Activity – A. San Martin Mine Activities – Queretaro, Mexico – Recent Activity***, below.

Overall development meters have increased in the current year, to 5,697 meters, compared to 4,565 meters in the prior year ended April 30, 2025. The development has been consistent with the current calendar period production tonnage budgeted.

Production cash costs of the mine for the fourth quarter ended April 30, 2026, of US$3,241/EqOz were higher than the previous year comparable quarter of US$1,888/EqOz due mainly to the low metal production for the quarter in addition to increased plant maintenance required to address older equipment and also to ***new processes developed to allow for the processing of Carbonaceous ore in the current period***. Production costs for the year ended April 30, 2026 were higher at US$2,662/EqOz compared to US$1,936/EqOz in the prior comparable year ended April 30, 2025, due mainly to the increased unit costs and lower recoveries and metal production and the issues mentioned above. Overall cost per tonne averaged US$103/t, compared to US$87/t in the prior year for the reasons mentioned above. The cash costs per tonne of US$123/t were higher this quarter compared to the comparable quarter ended April 30, 2025, of US$83/t due in part to fixed costs over the lower tonnes processed, and more than the previous quarter ended January 31, 2026 of US$98/t where tonnes milled and development meters were higher.

The mine plan has been developed to ensure the mine is properly developed and mined so as to ensure a constant supply of ore in accordance with currently planned production capacity and ore grades. Changes to the plan that may involve production and capital investment are continually being assessed by management. Currently, the Company is continuing underground exploration in order to identify higher grade ore zones and has allocated an adequate budget to support year-long exploration.

During the quarter ended April 30, 2026, the Company incurred approximately US$1,504 in mine capital expenditures, which includes mine development drifting and drilling, machinery and equipment leases and purchases, and construction and tailings dam remediation, compared to US$665 in the prior comparable quarter ending April 30, 2025.

4.2 Property Activity

A. San Martin Mine Activities – Queretaro, Mexico

The Company continues exploration San Martin Mine concession with the following objectives:

1. San Martin Mine:
   a. To search for the extension of the 30 West target (implicated structures of high grade of gold) area of the mine;
   b. Explore and identify the base or level of the mineralization at depth in San Martin Area; and,
   c. Recent reprocessed aeromagnetic data has highlighted three significant anomalies, prompting targeted prospecting on the anomalies corresponding to the extensions of the main mineralization of the San Martin mine.

Additional exploration has been budgeted towards new opportunities where Starcore has been invited to participate, as with the Tortilla Project discussed in ***Section 4.2 – B. Tortilla Project – Starcore Finalizes Silver Mine Lease***.

San Martin Dry Stack Tailings Extension

The Company received approval from the Mexican environmental authority, the Direccion General de Impacto y Riesgo Ambiental (DGIRA) (General Deputy for Environmental Control), to extend the term for Starcore's management of its dry stack tailings at the San Martin Mine in Queretaro, Mexico. The extension of the environmental permit gives Starcore an additional ten years of life expectancy for the Company´s handling of its tailings. The Company submitted its environmental risk studies to the Mexican authorities, which included technical updates and modifications to its dry stack tailings from the mine operations. Starcore will continue to comply with the DGIRA requirements including mitigation, prevention and compensation as detailed in the Environmental Impact Assessment, Environmental Risk Level 1 study and Preliminary Risk Report as submitted by the Company to the DGIRA. The Company will also continue to comply with the implementation of any corrective measures ordered by the Mexican authorities.

Starcore Reports Positive Test Results on Processing of Carbonaceous Ore

The Company announced the results of the in-plant test of the CIL circuit to treat carbonaceous ore at its flagship San Martin mine and processing plant. As previously announced, the Company has been diligent in its efforts to obtain optimum recovery of gold and silver from the carbonaceous ore in the reserves at San Martin. Carbonaceous ore, which is currently being mined from selected stopes in the San Martin underground area, can be processed in parallel with the normal oxide ore using an existing ball mill and leach tanks which are otherwise not being used. Further plant modifications, which will be undertaken by the first quarter of 2027, will allow processing of carbonaceous ore along with oxide ore at the full plant capacity of 800+ tonnes per day. This is a major achievement for San Martin as the carbonaceous mineral reported in the latest NI 43-101 amounts to 880 thousand tonnes in the different proven, probable and inferred categories yielding a total of 77,461 ounces of gold equivalent and the longitudinal and depth potential is open.

Recent Activity

In this quarter we encountered lower grades and tonnage processed. This was due mainly to the fact that the high-grade Manto reserves, which were detected using diamond drilling in the previous quarter, were found to be located between a fault at the top of the Manto and very soft material at the bottom. This makes mining very difficult and is subject to higher dilution. We quickly adjusted to prepare a new high-grade ore body in another area of the mine to counteract this effect, and this new ore body was reached by the end of the quarter.

The geophysical survey announced in the previous quarter was carried out consisting of two surveys: a mobile MT (Magneto Telluric) geophysical survey conducted by Expert Geophysics, covering a total of 91.5 square kilometers, and an IP (Induced Polarization) geophysical survey by Geotem, covering a total of 5.2 square kilometers. The results of the surveys are expected to be known by the end of July for internal analysis. With this, we have practically covered 70% of the 13,000-hectare concession.

"*At this time we are focused on increasing the production of ounces in both the oxide ore and the carbonaceous ore, which was producing results from the second half of April. The Carbonaceous ore being processed through the plant is averaging 3 g/t of gold and 25 g/t of silver at a recovery of approximately 80% with milling reaching 100 tons per day by quarter end*," stated Salvador García, the Company's Chief Operating Officer.

				12 Month YTD		
San Martin Production	**Q4 2026**	**Q3 2026**	Q/Q Change	**2026**	**2025**	Y/Y Change
Ore Milled (Tonnes)	**45,550**	52,609	-13%	**204,366**	197,880	3%
Gold Equivalent Ounces	**1,722**	2,162	-20%	**7,874**	8,916	-12%
Gold Grade (Grams/Ton)	**1.23**	1.33	-8%	**1.35**	1.58	-15%
Silver Grade (Grams/Ton)	**17.33**	18.29	-5%	**15.67**	14.27	10%
Gold Recovery (%)	**84.17**	85.72	-2%	**80.84**	83.09	-3%
Silver Recovery (%)	**44.85**	46.37	-3%	**48.52**	53.02	-8%
Gold: Silver Ratio	**61.71**	60.42		**72.15**	82.62	

Salvador Garcia, B. Eng., a director of the Company and Chief Operating Officer, is the Company's qualified person on the project as required under NI 43-101and has prepared the technical information contained in the foregoing disclosure.

B. San Juan Nepomuceno Project ("La Tortilla") Project

Starcore Finalizes Silver Mine Lease

On October 9, 2025, the Company, through its Bernal subsidiary, executed a Definitive Agreement, covering a ten-year lease that encompasses six mineral claims and concessions, and land comprising what is commonly known as the San Juan Nepomuceno Project (" La Tortilla"), located in Queretaro, Mexico. La Tortilla includes a historical past-producing silver mine situated 40 km northeast of the San Martin Mine. ***See 2.0 - Recent Events - Starcore Reaches Communities Agreement for La Tortilla Project*** for progress on this concession.

The Tortilla Project includes a historical past-producing silver mine situated 150 km from the capital, Santiago de Queretaro, 40 km northeast of the San Martin Mining Unit and 5 km west of the La Negra Mine. Mining activity in the area dates back to 1557 with records of continuous operation until 1870 under Spanish control. During this period, the deposit was known as El Doctor Mine. Towards the end of the 19th century, a British company, O. J. Braniff, resumed exploration activities and installed a processing plant to process minerals from the San Juan Nepomuceno and Santo Entierro mines. However, operations only lasted two years. There are no historical production records.

In consideration of the Definitive Agreement, the Company must pay the lessor an aggregate of MX$5,000,000 (approx. $378) as follows:

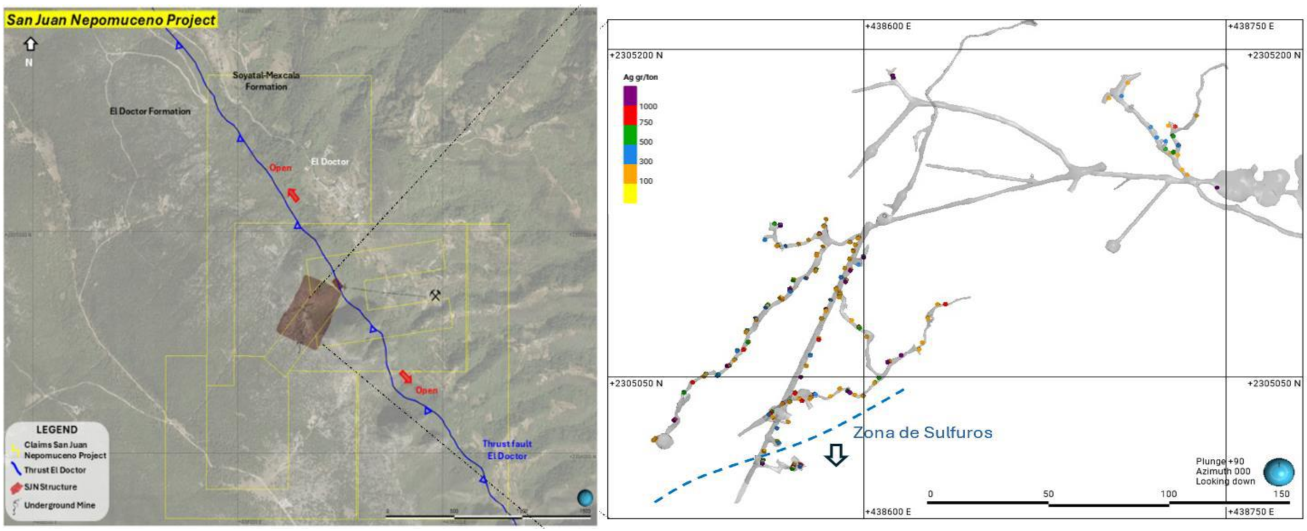
- MX$2,000,000 (approx. $151) upon signing the Definitive Agreement (paid); and
- Six monthly payments of MX$500,000 (approx. $38), commencing November 9, 2025, with the last payment due on April 9, 2026 (paid) (approx. $228).

After all lease payments have been made, the lessor will be entitled to a 2% NSR from mineral production derived from La Tortilla. During the term of the ten-year lease and for two years thereafter, the Company has the option, at its sole discretion, to purchase all of the claims and concessions from the lessor at a purchase price of US$5 million. The 2% NSR can also be acquired by the Company at a purchase price of US$2 million.

Ongoing work on the Tortilla Project has provided valuable information about the continuity and potential of the mineralized structure of the historical mine.

Two main mineralized zones have been identified:

- Oxides Zone: Average silver grade: 424 g/t, average gold grade: 0.51 g/t, average sampling width: 1.45 m (width of gallery, not of the entire structure); and
- Sulfide Zone: Average silver grade: 973 g/t, average gold grade: 0.43 g/t, average sampling width: 2.80 m.



General satellite image of the La Tortilla Project (left) and a general plan with sampling of the mining infrastructure (right) showing the high grades of the deposit.

The grades tend to increase with depth, suggesting greater potential at lower levels which mirror what historical records have indicated.

Preliminary metallurgical tests were carried out by flotation on representative samples from the sulfide zone, with favorable results: silver recovery: 91.49% and gold recovery: 48.25%.

These results demonstrate that the ore is metallurgically treatable by conventional methods, representing a strong opportunity for economic development.

"*We are really excited about the potential and economic value of the Tortilla Project*," said Robert Eadie, President and CEO of Starcore. *"If our technical and metallurgical analyses are confirmed, we believe this investment will deliver significant returns for our shareholders."*

During the due diligence process, the Company conducted metallurgical testing at its plant using cyanidation as the testing process. After a 72-hour testing period, the results, shown in the table below, indicated a recovery of 56.25% for gold and 78.23% for silver. Leaching with granular activated carbon significantly enhanced gold recoveries, increasing to 79.85%, while silver recoveries rose to 84.75%. This demonstrates that the mineral can be effectively processed using the CIL (carbon-in-leach) process.

Grade of the samples taken for the metallurgical test:

HEAD GRADE						
Au (gr/ton)	**Ag (gr/ton)**	**Cu (5)**	**Pb (%)**	**Zn (%)**	**Se (%)**	**Fe (%)**
2.15	968.33	0.01	0.41	0.13	0.48	5.59

Metallurgical Test:

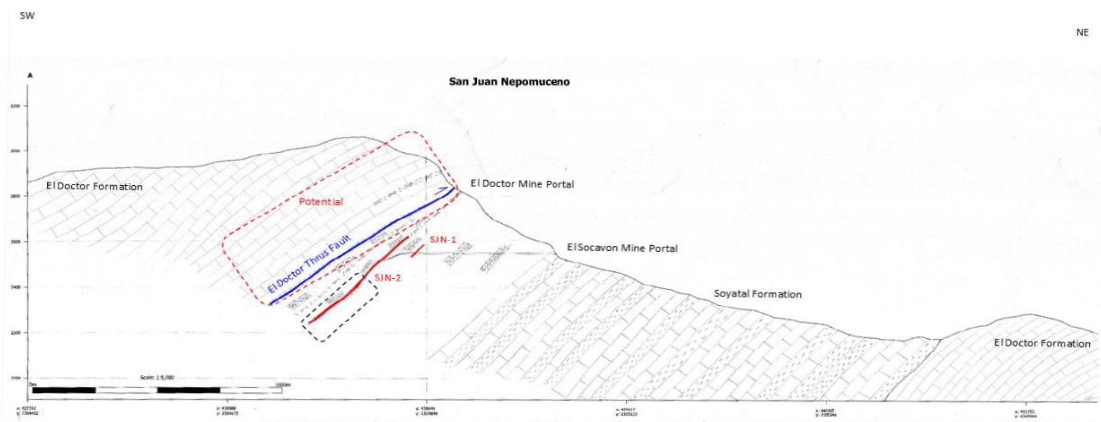
Time	**Standard Leaching + granular activated carbon Ore Extraction (%)**		**Standard Leaching Ore Extraction (%)**	
	Au	**Ag**	**Au**	**Ag**
24 hours	74.29	78.83	52.42	72.76
48 hours	77.80	82.57	54.84	76.21
72 hours	79.85	84.75	56.25	78.23

Satellite image showing the potential lateral and depth extension.
The surface outline of the El Doctor thrust is also shown.

The average grades associated with the San Juan Nepomuceno structure are as follows: Au: 0.54–0.95 g/t, Ag: 590–1,200 g/t. The reported average widths range around 1.20 meters; however, there is physical evidence that the thickness may reach 5.0 or even more meters.

The San Juan Nepomuceno structure has a N290° orientation and a dip that varies between 15° and 30°, dipping southwest. The main structure was developed within the old mine, which shows an average geological thickness of 5 meters. The recorded longitudinal extension is 80 to 120 meters, while vertically it has been recognized to a depth of 700 meters, following the dip of the structure Historical exploitation works were carried out partially and artisanal, leaving the potential and economic values at the extreme and basal part open as exploration targets.

The mineralized zone is hosted by the Soyatal Formation. The main potential of the San Juan Nepomuceno structure lies in the lateral extensions, which could reach up to 3 kilometers in length. In the deepest part of the workings, the structure continues to show high economic values, indicating a mineralizing system still open at depth. During the development of the main tunnel, a secondary structure parallel to the main vein was identified. This structure presents grades of up to 700 g/t silver (Ag) and an average thickness of 0.70 meters, reinforcing the interest in the deposit's multiple structural system.



SW-NE section of the San Juan Nepomuceno Project, viewed to the NW.

Another area with significant potential is the El Doctor thrust, located 500 m to the west and a geological, lithological, and structurally primed target for mineralization development. A second priority exploration target is also identified in the area known as La Cabalgadura hanging wall, corresponding to El Doctor Formation. This geological unit is considered more favorable for hosting larger ore bodies with economic potential, compared to the Soyatal Formation.

Salvador Garcia, B. Eng., a director of the Company and Chief Operating Officer, is the Company's qualified person on the project as required under NI 43-101 and has prepared the technical information contained in the foregoing disclosure..

C. <u>Creston Moly – Mexico</u>

On February 19, 2015, the Company acquired all of the shares of Creston Moly from Deloitte Restructuring Inc. in its capacity as trustee in bankruptcy of Mercator Minerals Ltd. at a purchase price of CDN $2 Million. In June, 2011, Mercator Minerals Ltd. ("Mercator"), a TSX listed company, had acquired Creston Moly in a cash and shares deal valuing Creston Moly at approximately $194 million. BMO Capital Markets, financial advisor to Creston Moly and its Board, provided a fairness opinion to the effect that the consideration (of $194 million) was fair, from a financial point of view, to the shareholders of Creston Moly. The most significant asset in this acquisition was the El Creston project in Sonora, Mexico which had been advanced to a completed Preliminary Economic Assessment ("PEA"). Creston Moly is a British Columbia company that owns, through its subsidiaries, a 100% interest in the El Creston molybdenum property.

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. In 2010, a PEA was prepared on the property based on zones of porphyry-style molybdenum ("Mo")/Copper ("Cu") mineralization by an independent consulting firm. The result of this study indicated that the El Creston molybdenum-copper deposit had a US $561.9 million net present value after tax (using an 8% discount rate). The internal rate of return (after tax) was calculated to be 22.3% and a capital cost payback was calculated to be four years. Other highlights of the report include:

- ***Large moly-copper deposit in a mining-friendly jurisdiction***. Total Measured and Indicated Resources of 215 million tonnes grading 0.071% Mo and 0.06% Cu, containing 336 Mlbs Mo and 281 Mlbs Cu. Mineral resources that are not mineral reserves do not have demonstrated economic viability;
- ***Initial Capital cost:*** US$655.9million with payback of 4 years, based on metal prices of $15/lb Mo and $2.60/lb Cu. Metal recoveries were estimated at 88% for Mo and 84% for Cu;
- ***Low Operating Cost***: Operating cost of $US4.12/lb Mo, net of copper credits, 0.84:1 waste to ore strip ratio within an optimized pit containing an additional 7.6 million tonnes of Inferred Resources responsible for $20M of the NPV;
- ***Excellent infrastructure***: Road accessible with a 230kV power grid within 50 km;
- ***Apart from the PEA,*** recommendations have been made to test known mineralization below the current pit-limiting "Creston Fault" where results such as drill hole EC08-54 returned 241.4m at 0.083% Mo and 0.059% Cu to a depth of 495m in the Red Hill Deep zone.

David Visagie, P.Geo., an independent consultant, is the Company's qualified person under NI 43-101, and has reviewed and approved the scientific and technical disclosure on the El Creston Project contained in the foregoing disclosure.

Current Activities

The Company released its updated mineral resource estimate and NI 43-101 compliant Technical Report for its El Creston molybdenum project located near Opodepe, Mexico on December 1, 2022. The report entitled "Independent Technical Report for the El Creston Molybdenum Project, Sonora, Mexico" prepared by SRK Consulting (Canada) Inc. ("SRK Consulting") has been filed on SEDAR+ and is also available on the Company's website www.starcore.com. The Technical Report documents a mineral resource statement for the El Creston Project prepared by Dr. Gilles Arseneau, Qualified Person and associate consultant with SRK. It was prepared following the guidelines of the Canadian Securities Administrators' National Instrument 43-101 and Form 43-101F1. Highlights of the report are outlined below.

Property Description and Ownership

The El Creston Project is located in north-central Sonora State in north-western Mexico. The property is about 145 kilometres ("km") by road north-northeast of Hermosillo, the capital of Sonora State, 5 km southwest of the village of Opodepe. Access from Hermosillo is via Highway 15 north from Hermosillo 70 km to Carbo junction. From the junction, a paved road is followed east for 52 km to Rayon, then north along a well-maintained gravel road for 21 km to the junction with a secondary unpaved road crossing the San Miguel River 5 km south of Opodepe that leads to the Creston Project. The approximate center of the mineral resources described in Section 14 is 29°53'N latitude and 110°39'W longitude.

The property is comprised of nine concessions covering approximately 11,363 hectares ("ha") wholly owned by Exploraciones Global, S.A. de C.V., a Mexican subsidiary of Starcore. All concessions are subject to a 3% net smelter return ("NSR"). There are no known environmental liabilities to which the project is currently subjected.

Geology and Mineralization

Regionally, the area is part of the Basin and Range Province which is an extensional terrain of fault-bounded ranges and intervening valleys in the western United States that extends southward from Nevada and Utah southwards into the states of Sonora and Chihuahua, Mexico. In northern Mexico, this province is bifurcated by the Sierra Madre Occidental, a north-northwest-trending mountain range about 1,200 km long and 200 km to 300 km wide that forms the spine of northern Mexico. The Creston property lies in the western or Sonoran portion of the Basin and Range Province, close to the western flank of the Sierra Madre Occidental.

The predominant lithologies known at El Creston include metamorphic rocks of Precambrian and perhaps Paleozoic age, intrusions of various compositions, dikes, and breccias of Paleozoic and Tertiary age, and Recent conglomerate, talus, and landslide deposits. Phyllites, quartzite, gneisses, and metavolcanic rocks were intruded by the Creston granite, which has a weakly developed gneissic texture. The Creston granite has been altered and mineralized, hosting most of the presently defined molybdenum ("Mo") mineralization in the Main deposit, the older metamorphic rocks intruded by the Creston granite are only locally altered and mineralized.

There are two principal styles of mineralization at the Main deposit: predominantly subvertical quartz-molybdenite-pyrite veinlets hosted by the Creston granite and molybdenite-pyrite within the quartz matrix of magmatic-hydrothermal breccia of the East Breccia body, which cuts the Creston granite. While minor amounts of chalcopyrite accompany the molybdenite mineralization, more significant quantities of copper ("Cu") occur as chalcocite replacements of pyrite within secondary enrichment blankets that parallel present-day topography. Some chalcocite also occurs below the enrichment blankets, primarily along permeable structural zones such as the Ordoñez fault zone.

The currently defined mineralized area occupies a zone about 1,600 metres ("m") in an east-west direction, a maximum of 1,200 m in a north-south direction, and 550 m vertically. The Creston and Ordoñez faults terminate the bulk of the molybdenum mineralization at depth, although some mineralization has been intersected in drillholes below the Creston fault at the Red Hill zone to the south. Mineralization at El Creston includes both molybdenum and copper minerals.

Mineral Resource Estimate

The mineral resource model prepared by the QP considers 181 core holes and three reverse circulation holes, Creston Moly Corporation drilled 156 holes during the period of 2007 to 2011, 28 holes were drilled by AMAX between 1974-1975. The resource estimation work was completed by Dr. Gilles Arseneau, P. Geo. (APEGBC #23474) an appropriate "independent Qualified Person" as this term is defined in National Instrument 43-101. The mineral resources have been estimated in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators' National Instrument 43-101.

GEOVIA GEMs™ Version 6.8.4 was used to construct the geological solids, prepare assay data for geostatistical analysis, construct the block model, estimate metal grades and tabulate mineral resources. Sage2001 was used to model the variography of copper and molybdenum.

The oxide surface was modelled from a hard boundary between the dominantly oxidized zone near surface and the sulphide mineralization below using a 30% molybdenum oxide limit. A wireframe was used to model the molybdenum mineralization with the Creston granite and the copper mineralization was modelled into high-grade and low-grade domains based on statistical analysis of the assay data. Assay data were capped prior to modelling based on statistical analysis. Molybdenum values were capped at 0.70% Mo and copper values in the higher-grade zone were capped at 1.0% Cu and 0.45% Cu in the low-grade copper zone. All assays were composited to 3.0 m length within the modelled domains. Grades were estimated by ordinary kriging inside 10 m by 10 m by 12 m blocks. To determine the quantities of material offering "reasonable prospects for eventual economic extraction" by an open pit, the QP used a pit optimizer and reasonable mining assumptions to evaluate the proportions of the block model (Measured, Indicated and Inferred blocks) that could be "reasonably expected" to be mined from an open pit. The optimization parameters were based on experience and benchmarking against similar projects. Blocks within the resource shell were classified as Measured if they were populated using more than eleven samples at an average distance of less than 80 m and where the probability of the grade exceeding cut-off was more than 90%. Blocks were considered Indicated if they were populated by more than eight samples at an average distance of less than 100 m. All other estimated blocks were classed as Inferred. Based on the above parameters, the QP estimated that the El Creston deposit contained 56.3 million tonnes ("Mt") grading 0.076% Mo and 0.04% Cu in the Measured category, and 142.2 Mt grading 0.067% Mo and 0.08% Cu classified as Indicated mineral resources. There are no blocks classified as Inferred mineral resource within the Whittle optimized pit shell (Table 1.1).

Table 1.1: Mineral Resource Statement at 0.045% Molybdenum Equivalent*, El Creston Molybdenum Project, Sonora Mexico, SRK Consulting, 30 September 2022:

Category	**Quantity**	**Grade**		**Metal**	
		Mo	**Cu**	**Mo**	**Cu**
	(Mt)	**(%)**	**(%)**	**(Mlb)**	**(Mlb)**
Open Pit**					
Measured	**56.3**	**0.076**	**0.04**	**94.3**	**49.7**
Indicated	**142.2**	**0.067**	**0.08**	**210.0**	**250.8**
Measured Plus Indicated	**198.5**	**0.069**	**0.07**	**304.4**	**300.5**
Inferred					

* Mineral resources are reported in relation to a conceptual pit shell. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.
** Open pit mineral resources are reported at a cut-off grade of 0.045% Mo EQ. Cut-off grades are based on a price of US$9.93 per lb of molybdenum and US$3.50 for copper, recoveries of 88% for molybdenum and 84% for copper were applied.

Conclusion and Recommendations

The El Creston Molybdenum Project is an advanced staged exploration property located in Sonora State, Mexico.

The molybdenite mineralization occurs as finely disseminated subhedral crystals 0.1 millimetres ("mm") to 0.8 mm across, embedded in a pervasive, fine-grained quartz-sericite matrix, and as coarsely crystalline molybdenite along the margins of quartz veins. The QP believes that the widely spaced drill sampling is suitably adequate to represent the disseminated and veinlet molybdenum mineralization.

While some molybdenum grades do occur below the Creston fault, the grade estimates were limited to the zone between the oxide boundary and the Creston fault. The QP recommends that Starcore continue to explore the El Creston Project. Specifically, a US$500,000 exploration surface exploration program is recommended.

"*We have always viewed El Creston as an extremely valuable asset, given that it is a copper-moly project*," said Robert Eadie, Starcore's CEO. "*We are happy that the report has been updated and we are now able to advance the project and share SRK Consulting's findings with our shareholders*."

Mexico Amparo Lawsuits filed

On June 16, 2023, on behalf of Bernal and Exploraciones Global S.A. de C.V., which owns the El Creston project (*see Section 4.2*), the Company filed against certain provisions of the reform to the Mexican Mining Law approved by the Mexican Lower House and the Mexican Senate on May 8, 2023, (the "New Mining Law") pursuant to which the Company challenged, among other matters: (i) the legislative process for the approval of the New Mining Law and other environmental laws affecting the Mexican mining industry, and (ii) diverse provisions of the New Mining Law harming the fundamental rights of the Company, which may contravene certain provisions and principles of the Mexican Constitution. Management believes that it is crucial to take action and protect the rights and investments of the shareholders as this decree imposes additional burdens and modifies the existing rights of active mining concessions. The enactment of this decree has far-reaching implications for all companies involved in the mining industry and filing an Amparo is necessary to protect the Company's assets. The Amparo is a constitutional remedy that protects individuals and entities against violations of their constitutional rights.

D. EU Gold Mining Inc. ("EU Gold") - Cote d'Ivoire, Africa

Acquisition of EU Gold Mining Inc.

On January 18, 2024, the Company completed a Share Exchange Agreement 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 shareholders (the "Exchange Ratio"). The Company issued 7,883,333 Starcore 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 outstanding.

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 SARL ("K Mining"), an Ivorian gold exploration company in Abidjan, Côte d'Ivoire, all of its right, title and interest in and to the Kimoukro Gold Project ("Kimoukro Project"). See below for a summary of the consideration to K Mining and the subsequent purchase of K Mining (above) thereby further modifying the required consideration.

By acquiring EU Gold, Starcore assumed all of the rights and obligations contained in the Option, which called for the payment of $400 to the K Mining shareholder and to incur at least US$3.75 million of expenditures on the Kimoukro Project, all over 36 months. As well, the Company issued 8,666,667 shares of (issued at a total value of $737). On February 3, 2025, the Company entered into a Share Purchase Agreement (the "Agreement") to acquire all of the issued and outstanding shares of K Mining, which holds seven gold permit applications covering a total of 1,393 km2. As a result, the payments required under the Option were be replaced by the Agreement.

Under the terms of the Agreement in consideration of $500, the Company acquired all of the issued and outstanding shares of K Mining from the Shareholder. The Agreement was subject to acceptance by the ministerial authorities in Cote d'Ivoire which was received on March 19, 2026.

On July 8, 2025, the Company announced its intention to spin out its exploration interests in Côte d'Ivoire, West Africa, into its wholly-owned subsidiary, EU Gold, through an Arrangement. On February 2, 2026, the Company received the Final Order from the Supreme Court of British Columbia approving the Plan of Arrangement between the Company and EU Gold. The

Arrangement became legally effective February 6, 2026, which was also the record date for determining the shareholders of the Company entitled to receive common shares of EU Gold pursuant to the Arrangement (the "Record Date").

Discontinued operations

On March 5, 2026, the Company completed the spin-out of EU Gold. As a result of the transaction, the Company ceased to control EU Gold and accordingly deconsolidated EU Gold effective March 5, 2026. The financial position, results of operations and cash flows of EU Gold have been presented as discontinued operations in the consolidated financial statements, and the comparative periods have been re-presented to reflect the separate presentation of discontinued operations in accordance with IFRS 5.

The following are the financial results of EU Gold for the years ended April 30, 2026 and 2025:

	Year ended April 30,	
	2026	2025
Foreign exchange loss (gain)	**$ 32**	$ (22)
Office and administration	**4**	1
Professional and consulting fees	**-**	223
Shareholder relations	**1**	99
Transfer agent and regulatory fees	**1**	-
Loss from discontinued operations before income taxes	**38**	301
Income tax expense	**-**	-
Loss from discontinued operations before income taxes	**38**	301
Loss on distribution of discontinued operations	**401**	-
Loss from discontinued operations, including loss on disposal of disposal group	**$ 439**	$ 301

Pursuant to the Arrangement, the Company transferred its African mineral property interests, including the Kimoukro exploration permit and other permit applications covering approximately 1,393 km², to EU Gold. Shareholders of the Company as of the Record Date were issued one common share of EU Gold for every two Company shares owned by the shareholder. The Company received and redistributed 45,871,840 EU Gold shares to the Company's shareholders on March 5, 2026 (the "Distribution Date").

The Company determined the fair value of the distribution to be $0.05 per EU Gold share for purposes of measuring the distribution under IFRIC 17, which represented a return of capital to the Starcore shareholders, thereby reducing the cost base of the Starcore shares accordingly and establishing the value of the EU Gold shares. The fair value of the EU Gold shares distributed was estimated by management using observable market prices, historical arm's length transactions involving EU Gold shares and related mineral property interests, and other transaction-based information available at the Distribution Date.

The loss on loss of control of EU Gold of $401 represents the excess of the carrying amount of the net assets derecognized over the fair value of the EU Gold shares distributed to the Company's shareholders.

E. El Oro Tailings Environmental Rehabilitation Project, Mexico

On May 3, 2024, the Company executed a Memorandum of Understanding ("MOU") to enter into a joint venture with Kappes, Cassiday & Associates ("KCA") with respect to processing mine tailings from the municipality of El Oro in Mexico (the "El Oro Tailings"). Per the MOU, the Company assumed the responsibility for 50% of the payments due to Xali Gold by KCA, of which, KCA paid Xali Gold $150 from the initial signing of the LOI during the period ended April 30, 2025. During the year ended April 30, 2026, the MOU was allowed to expire by the Company and there is no intention to renew the project. As a result, capitalized acquisition costs and project expenditures of $550 were written off.

F. Ajax, British Columbia, Canada[3]

Starcore Accepts Offer on its Ajax Property

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

On March 24, 2026 (the "Effective Date"), the Company accepted an offer (the "Offer") from Korestar Exploration Inc., ("Korestar") to acquire Starcore's 100%-owned Ajax Property. Korestar, a private company incorporated under the jurisdiction of British Columbia. The Offer included the following terms of purchase:

- The issuance of 2.5 million shares of Korestar to the Company;
- $100 payment within 180 days from the Effective Date;
- $100 work commitment within 18 months of the Effective Date;
- $100 work commitment within 36 months of the Effective Date; and
- 2.5% NSR, with an option for Korestar to buy back 1.5% for $1,000.

At the Effective Date, the Company recognized consideration of $100, representing the fixed cash payment receivable. The remaining forms of consideration were not recognized as part of the consideration transferred because their fair values could not be measured reliably at the transaction date. Specifically, Korestar is a privately held entity and the fair value of the shares to be received could not be determined reliably, the exploration work commitments do not represent amounts payable to the Company, and the contingent royalty interest did not have a reliably measurable fair value at the disposal date.

Accordingly, the Company recognized a loss on disposal of Exploration and evaluation expenditures of $75, representing the carrying value of the mineral property of $175 less the recognized cash consideration of $100.

The completed transaction is non-arm's length and considered a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. Robert Eadie and Gary Arca, both directors of the Company, disclosed their interest as shareholders of Korestar, and abstained from voting on the Offer when presented to and voted on by the Company's Board. The Company relied on certain exemptions to the requirements to seek minority shareholders' approval and to obtain a formal valuation under MI 61-101, in that the value of the transaction will represent less than 25% of the Company's market capitalization.

Property Description and Ownership

Ajax Molybdenum Property is comprised of 1,718 hectares and is located 13 km north of Alice Arm, British Columbia in northwestern B.C.'s well-known mineralized belt, the "Golden Triangle". The property, measuring 1,718.65 hectares in size, was acquired in 2015 through its purchase of Creston Moly Corp. and its subsidiary Tenajon Resources Corp. The Ajax Property, one of North America's largest undeveloped molybdenum deposits occupying a surface area of approximately 600 by 650 metres, is a world class primary molybdenum property in the advanced stage of exploration.

The Ajax property is located approximately 12 km to the southeast of Dolly Varden Silver, 7 km south of Big Bulk and 17 km east of Goliath Resources Golddigger/Surebet property. The Ajax Property is located within 1 to 3 km of the Triassic - Jurassic contact, termed the Red Line in this area, near which many of the Golden Triangle's mineralized systems occur.

[3] Technical information in this report relating to the Ajax Project is based on the NI 43-101 Resource Estimate Press Release entitled "Tenajon Announces 75% Increase in Indicated Molybdenum Resources at Ajax Project", dated May 15, 2008 and the technical report entitled "Update of Resource Estimation, Ajax Property, Alice Arm, British Columbia", dated April 18, 2007, both of which are filed under the Tenajon Resources Corp. issuer profile on SEDAR+.

4.3 Results of Operations

The Company recorded income for the year ended April 30, 2026 of $7,009 compared with an income of $215 for the comparative year ended April 30, 2025. The details of the Company's operating results and related revenues and expenses are as follows:

For the years ended April 30,		2026		2025		Variance
Revenues	**$**	**44,297**	$	32,159	$	12,138
Cost of Sales						
Mined ore		**(27,490)**		(22,526)		(4,964)
Depreciation and depletion		**(3,168)**		(3,301)		133
Total Cost of Sales		**(30,658)**		(25,827)		(4,831)
Income from mining operations		**13,639**		6,332		7,307
Financing costs (net)		**(321)**		(275)		(46)
Foreign exchange gains		**555**		40		515
Geological and plant consulting (fees) / recoveries		**13**		(1,291)		1,304
Management and director fees and salaries		**(4,814)**		(2,278)		(2,536)
Office and administration		**(1,483)**		(1,201)		(282)
Professional and consulting fees		**(1,527)**		(1,420)		(107)
Shareholder relations		**(1,045)**		(627)		(418)
Transfer agent and regulatory fees		**(160)**		(152)		(8)
Income (Loss) from continuing operations before taxes and other income (losses)		**4,857**		(872)		5,729
Other Income (losses)						
Other income		**29**		-		29
Unrealized (loss) gain on investment		**(78)**		97		(175)
Write-off of exploration and evaluation expenditures		**(550)**		-		(550)
Disposal of exploration and evaluation assets		**(75)**		-		(75)
Gain (loss) on sale of assets		**38**		(40)		78
Income (Loss) from continuing operations before taxes		**4,221**		(815)		5,036
Income tax recovery						
Current		**-**		15		(15)
Deferred		**3,227**		1,316		1,911
Total Income tax recovery		**3,227**		1,331		1,896
Income from continuing operations		**7,448**		516		6,932
Loss from discontinued operations, including loss on disposal of disposal group		**(439)**		(301)		(138)
Income for the year	**$**	**7,009**	$	215	$	6,794
Other comprehensive income (loss) – items that may be subsequently reclassified to profit or loss:						
Foreign currency translation differences		**(1,112)**		337		(1,449)
Comprehensive income for the year	**$**	**5,897**	$	552	$	5,345

Overall, revenue from mining operations increased by $12,138 for the year ended April 30, 2026 compared to the comparative year ended April 30, 2025, due mainly to higher metal prices. Sales of metals for mining operations for the year ended April 30, 2026 approximated 7,288 ounces of gold and 50,520 ounces of silver sold at average prices in the year of US$4,066 and

US$60.93 per ounce, respectively. This is a decrease in gold and increase in silver ounces sold when compared to the prior year ended April 30, 2025 where sales of metal approximated 8,308 ounces of gold and 49,706 ounces of silver, albeit sold at lower average prices of US$2,650 per ounce for gold and US$30.62 per ounce for silver.

The total cost of sales above includes non-cash expenses for depreciation and depletion of $3,168 compared to $3,301 in the prior year ending April 30, 2025, 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.

For the year ending April 30, 2026, the Company had gross profit of $13,639 from mine operations compared to gross profit of $6,332 for the year ended April 30, 2025. As explained above, the higher gross profit was due mainly to gold and silver sold at higher average prices during the year ending April 30, 2026 (***see Section 4.2 – San Martin Mine – Production***).

Other Items

Changes in other items for the year ended April 30, 2026, resulted in the following significant changes from the year ended April 30, 2025:

- Management fees and salaries increased by $2,536 due mainly to the accrual of RSU/DSU expenses based on the vesting of RSU/DSU's and the higher market price applied to allocations in fiscal 2026;
- Foreign exchange gain increased by $515 for the year ended April 30, 2026. 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 $107 to $1,527 for the year ended April 30, 2026. The Company incurred additional legal costs related to the disposal of EU Gold (noted above in ***Section 4.2 – Property Activity – D. EU Gold Mining Inc. ("EU Gold") - Cote d'Ivoire, Africa - Discontinued operations)***.
- Shareholder relations increased by $418 in the current period due to an increase in marketing expenses associated with North American and European markets;
- Deferred tax recovery increased by $1,911 due mainly to the difference in asset base of the underlying amounts that determine the temporary differences from year to year and recognition of losses from prior periods against expected future taxable income.

All-in Sustaining Costs

In conjunction with a non-GAAP initiative being undertaken within the gold mining industry, the Company has adopted an "all-in sustaining cash cost" ("AISC") non-GAAP performance measure that the Company believes more fully defines the total costs associated with producing gold; however this performance measure has no standardized meaning. As the measure seeks to reflect the full cost of equivalent gold production from current mining operations, new project capital is not included in the calculation. This measure includes San Martin mining operations coupled with related capital costs. Accordingly it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The Company reports this measure on a sales basis based solely on sales of metal from the San Martin mining operations:

(In Canadian Dollars unless indicated) **For the year ended April 30,**	**Sustaining Costs (in 000's)** **2026**	2025	**Sustaining Costs Per Ounce (in $/oz)** **2026**	2025
Total cost of sales cash costs[1]	**$ 27,490**	$ 22,526	**$ 3,417**	$ 2,536
Total corporate and administration cash costs[1,2]	**8,838**	7,139	**1,099**	804
Reclamation and closure accretion	**339**	331	**42**	37
Sustaining capital expenditures and exploration	**4,394**	2,898	**546**	326
All-in sustaining cash costs	**41,061**	32,894	**5,104**	3,703
Foreign exchange adjustment	**(11,310)**	(9,246)	**(1,406)**	(1,041)
All-in sustaining USD cash costs	**$ 29,751**	$ 23,648	**$ 3,698**	$ 2,662
Total equivalent ounces sold	**8,045**	8,882		

[1] *Excludes non-cash depletion and depreciation of $3,347 from cost of sales and from corporate and administration costs for the year ended April 30, 2026 (April 30, 2025: $3,453).*
[2] *Includes share-based compensation of $3,528 for the year ended April 30, 2026 (April 30, 2025: $663).*

The AISC of US$3,698/EqOz is higher than the prior year comparable amount of US$2,662 /EqOz due mainly to the higher tonnes milled and costs of production coupled with higher sustaining exploration costs (as discussed in ***Sections 4.3 and 4.1*** above). Overall mine costs were also higher averaging US$103/t, compared to US$87/t in the prior year due mainly to higher development costs per meter, albeit at higher tonnes mined.

Cash Flows

Cash inflow from operating activities was $10,722 during the year ended April 30, 2026, compared to a cash inflow of $2,349 for the comparative year ended April 30, 2025. Cash flows from operating activities were determined by removing non-cash expenses from income (loss) and adjusting for non-cash working capital amounts. Financing activities resulted in an inflow of $5,844 (April 30, 2025: outflow of $243). Cash outflow from investing activities was $6,797 (April 30, 2025: outflow of $4,247) due to the Company spending $4,553 on investment in mining interest, plant and equipment, $1,226 on investment in exploration and evaluation assets, and $501 on a loan advanced to EU Gold. Overall cash increased during the year ended April 30, 2026 by $9,224 after accounting for the effect of foreign exchange on cash.

Investor Relations Activities

During the year ended April 30, 2026, the Company responded directly to investor inquiries.

Buy-back's, Financings, Principal Purposes & Milestones

On September 26, 2025, the Company completed Tranche 1 of a non-brokered private placement for gross proceeds of $2,662, and on October 28, 2025, the Company completed Tranche 2 for gross proceeds of $2,338 (collectively, the "2025 Financings"). The private placement consisted of 20,000,000 units at a price of $0.25 per Unit. Each Unit comprised of one common share and one-half common share purchase warrant, with each whole Warrant exercisable for a period of two years from the date of issue to purchase one common share of Starcore at a price of $0.35 per share. If, after the expiry of all resale restrictions, the closing price of the Company's shares is equal to or greater than $0.50 per share for 10 consecutive trading days, the Company may, by notice to the warrant holders (which notice may be by way of general news release), reduce the remaining exercise period of the warrants to not less than 30 days following the date of such notice. No such notice was issued during the year. The fair value of the warrants issued as part of the units was determined to be $nil using the residual value method.

Aggregate compensation of $122 was paid by the Company as finders' fees for a portion of the Financing, as well as 368,399 finders' warrants, with similar features as the Warrants but expiring within one year from date of issue.

On June 7, 2024, the Company completed a non-brokered private placement for gross proceeds of $500. The private placement consisted of 3,333,333 units (the "Units") at a price of $0.15 per Unit. Each Unit comprised of one common share and one common share purchase warrant (the "Warrants"), each whole Warrant exercisable for a period of two years from the date of issue to purchase one common share of Starcore at a price of $0.25 per share.

During the year ended April 30, 2024, the Company issued 8,666,667 common shares pursuant to the Kimoukro Option at a fair value of $0.085 per share for a total fair value of $737. On September 24, 2024, the Company repurchased the 8,666,667 common shares previously issued as partial consideration for the Option. The Company acquired the Shares from the sole shareholder of K Mining at $0.10 per share, payable in 12 equal tranches over 33 months. Using a discount rate of 8%, $269 is recorded as a current liability under Trade and other payables and the remaining $71 is classified as non-current.

5. Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q4 30-Apr-26	Q3 31-Jan-26	Q2 31-Oct-25	Q1 31-Jul-25
Total Revenue	$ 11,435	$ 13,528	$ 10,698	$ 8,636
Income (loss) from mining operations	$ 3,211	$ 6,168	$ 2,363	$ 1,897
Income (loss) from continuing operations before taxes	$ 2,929	$ 1,423	$ (680)	$ 549
Income (loss) for the year	$ 5,490	$ 1,302	$ (710)	$ 927
Income (loss) per share – basic	$ 0.06	$ 0.01	$ (0.01)	$ 0.01
Income (loss) per share – diluted	$ 0.05	$ 0.01	$ (0.01)	$ 0.01

	Q4 30-Apr-25	Q3 31-Jan-25	Q2 31-Oct-24	Q1 31-Jul-24
Total Revenue	$ 9,368	$ 9,014	$ 4,900	$ 8,877
Income (loss) from mining operations	$ 2,454	$ 2,125	$ (380)	$ 2,133
Income (loss) before taxes	$ (196)	$ 340	$ (1,972)	$ 712
Income (loss) for period after taxes	$ 1,612	$ 294	$ (2,087)	$ 396
Income (loss) per share – basic and diluted	$ 0.02	$ 0.00	$ (0.03)	$ 0.01

Discussion

The Company reports income of $5,490 for the quarter ending April 30, 2026 compared to income of $1,612 in the comparative quarter ended April 30, 2025. For more detailed discussion on the quarterly production results and financial results for the quarter ended April 30, 2026, please refer to ***Sections 4.1 and 4.3 under "Results of Operations"***.

6. Liquidity and Commitments

The Company expects to continue to receive income and cash flows from the mining operations at San Martin (***section 4.1***). Management expects that this will result in sufficient working capital and liquidity for the Company for the next twelve months.

In addition to commitments disclosed elsewhere in this MD&A, as at April 30, 2026, the Company had the following commitments:

a) The Company has a land rental commitment with respect to the land at the San Martin mine site, for $20 per month. The Company also has ongoing concession commitments on the San Martin mine site and on exploration and evaluation assets of approximately $838 per year.

b) The Company has management contracts to officers and directors totaling US$915 per year, payable monthly, expiring by April 2029.

Obligations due within twelve months of April 30,	2026	2027	2028	2029 and beyond
Trade and other payables	$ 8,938	$ -	$ -	$ -
Rehabilitation and closure obligations (undiscounted)	$ -	$ -	$ -	$ 4,076
Share buyback (undiscounted)	$ 289	$ 72	$ -	$ -
Lease liabilities (undiscounted)	$ 314	$ 119	$ 106	$ 81

During the year, the Company's wholly-owned Mexican subsidiary, CMPB, became subject to administrative proceedings initiated by the Mexican General Directorate of Mines ("DGM") relating to the alleged failure to notify the DGM within the prescribed 72-hour period following a fatal workplace accident that occurred in August 2024.

The DGM's original administrative resolution issued in December, 2025 was subsequently revoked by the Ministry of Economy on administrative grounds, and the DGM issued a revised administrative resolution subsequent to April 30, 2026. The revised resolution again imposed an administrative fine under the Mexican Mining Law of approximately MXN$ 11 million ($900), on which CMPB filed a further administrative appeal challenging the revised decision. External legal counsel has advised management that CMPB has strong legal grounds to continue contesting the matter through the available administrative and judicial processes.

Management has assessed the proceedings and concluded that it was not probable that an outflow of economic benefits will be required to settle the matter. Accordingly, no amount has been recognized at April 30, 2026.

7. Capital Resources

The capital resources of the Company are the mining interests, plant and equipment, with an amortized historical cost of $31,445 as at April 30, 2026. The Company is committed to further expenditures of capital required to maintain and to further develop the San Martin mine which management believes will be funded directly from the operating cash flows of the mine.

8. Off Balance Sheet Arrangements

The Company has no off-balance sheet transactions.

9. Transactions with Related Parties

The Company incurred 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 year ended April 30,	2026	2025
Short-term employee benefits	**$ 1,485**	$ 1,616
Share-based payments	**3,329**	662
Total	**$ 4,814**	$ 2,278

Based on the fair value at April 30, 2026 of $0.70 (April 30, 2025 - $0.26) per share, the Company has recorded a liability of $3,192 (April 30, 2025 - $758) for DSUs and $493 (April 30, 2025 - $95) for RSU's owed to key management personnel and directors under Trades and Other Payable on the Statement of Financial Position.

During the year ended April 30, 2026, the Company reimbursed certain office and administration expenses totaling $142 (April 30, 2025 – $125) from a company controlled by an officer and director of the Company, for shared office space and administrative support. During the year, the Company incurred legal fees of $3 (2025 – $3) payable to a law firm of which the Company's former Corporate Secretary is a principal. The services related to corporate and securities law matters and were provided in the ordinary course of business at amounts agreed between the parties. As at April 30, 2026, the Company had amounts payable to officers and directors $10 (April 30, 2025 – $10).

10. Fourth Quarter

Due to mine operating activity of the San Martin mine discussed throughout this MD&A and as detailed in ***Section 4.1***, the operations and activities are similar to previous quarters, which are discussed in ***Section 4.3 – Results of Operations***.

11. Proposed Transactions

N/A

12. Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements 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 it affects both.

Information about critical judgements 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 current financial period are discussed below:

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) 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 consider 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 and market risk rates applied to estimated future rehabilitation and closure costs is 3.65% (April 30, 2025: 3.65%) and 7.04% (2025 – 7.04%), respectively. The discount rate currently applied in the calculation of the net present value of the provision is 9.57% (April 30, 2025: 9.57%).

c) Impairments

The Company assesses its mining interest, plant and equipment 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.

d) 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 that it is probable that taxable profit will be available against which the deductible taxable temporary differences relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized.

Deferred tax assets are recognized for unused tax losses and other deductible temporary differences only to the extent that it is probable that future taxable income will be available against which they can be applied.

The Company assesses the recoverability of deferred tax assets based on projected future taxable income and the availability of taxable temporary differences. Recognition also depends on the ability of the taxable entity to satisfy certain continuity and other tax tests at the time the losses are utilized.

e) 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 tax assets and depreciation and amortization charges.

f) 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.

13. Changes in Accounting Policies

a) New and Revised Accounting Standards

Recently adopted accounting standards

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2024 which includes Amendments to IAS 1 – Presentation of Financial Statements. The Company adopted these amendments, there was no material effect on the Company's consolidated financial statements.

Recently issued but not yet effective accounting standards

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements. IFRS 18 will replace IAS 1 Presentation of Financial Statements but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's consolidated statements of profit or loss and other comprehensive income (loss), disclosure of any management-defined performance measures related to the statement of profit or loss and other comprehensive income (loss) and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the consolidated financial statements.

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to clarify that a financial liability is derecognized on the "settlement date" and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG linked features, non-recourse loans and contractually linked instruments. The amendments are effective for annual periods beginning on or after January 1, 2026. Upon adoption of the amendments, the Company intends not to apply the optional accounting policy permitting the derecognition of qualifying financial liabilities prior to the settlement date. Accordingly, financial liabilities will continue to be derecognized on the settlement date. The Company has completed its assessment of the amendments and does not expect their adoption to have a material impact on its consolidated financial statements.

14. Financial and Other Instruments

All significant financial assets and financial liabilities of the Company are either recognized or disclosed in the audited consolidated financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

In the normal course of business, the Company's assets, liabilities and forecasted 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.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The primary currency the Company exposed to is the United States dollar which is also the functional currency of the San Martin Mine. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At April 30, 2026 the Company had the following financial assets and liabilities denominated in Canadian dollars (CAD$), US dollars (USD$) and Mexican Pesos (MXN$ or MP):

In '000 of		**CAD$**		**USD$**		**MXN$**
Cash	$	2,904	$	6,718	MP	4,713
Other working capital amounts – net	$	(571)	$	(10)	MP	(21,806)

At April 30, 2026, US dollar amounts were converted at a rate of $1.3611 Canadian dollars to $1 US dollar and Mexican Peso amounts were converted at a rate of MP12.8708 Mexican Pesos to $1 Canadian dollar.

15.1 Disclosure of Outstanding Share Capital as at July 24, 2026

	Number		Book Value
Common Shares	**96,377,350**	**$**	**58,385**

There are *no options outstanding at nor any granted subsequent to April 30, 2026.*

A summary of the Company's outstanding share purchase warrants at April 30, 2026 and April 30, 2025 and the changes during the years ended is presented below:

	Number of warrants		**Weighted average exercise price**	**Expiry**
Outstanding at April 30, 2024	3,000,000	$	0.30	July 15, 2026
Granted	3,333,333		0.25	June 7, 2026
Outstanding at April 30, 2025	6,333,333	$	0.27	June 7 to July 15, 2026

Granted	10,368,398		0.35	September 26, 2027 to October 28, 2027
Exercised	(6,180,500)		0.33	July 15, 2026 to October 28, 2027
Outstanding at April 30, 2026	**10,521,231**	**$**	**0.32**	**June 7, 2026 to October 28, 2027**
Exercised	(3,333,333)		0.25	June 7, 2026
Outstanding at July 24, 2026	**7,187,898**	**$**	**0.35**	**September 26, 2027 to October 28, 2027**

During the year ended April 30, 2026, 5,323,577 warrants were issued that are exercisable at $0.35 per share expiring September 26, 2027, and 4,676,422 warrants were issued that are exercisable at $0.35 per share expiring October 28, 2027. During the year ended April 30, 2025, 3,333,333 warrants were issued that are exercisable at $0.25 per share expiring June 7, 2026. These were exercised prior to expiry after year end.

In connection with the 2025 Financings, the Company granted 183,680 finders' warrants that are exercisable at $0.35 per share expiring September 26, 2026, and 184,719 finders' warrants that are exercisable at $0.35 per share expiring October 28, 2026. The issuance of the finders' warrants are recorded to share capital and net against equity reserve.

The fair value of $94 for the finders' warrants was estimated at each grant date using the Black Scholes model, with the following assumptions:

Assumption	Value
Share price at grant date	$0.48 to $0.50
Exercise price	$0.35
Expected volatility	108.18% to 110.90%
Risk-free interest rate	2.36% to 2.51%
Expected life of warrants	1 year
Expected dividend yield	0%
Fair value per warrant granted	$0.2457 to $0.2655

During the year ended April 30, 2026, 3,000,000 warrants, exercisable at $0.30 per share, were exercised for total gross proceeds of $900 and 3,180,500 warrants, exercisable at $0.35 per share, were exercised for total gross proceeds of $1,113. 1,500,000 of these warrants were exercised, for proceeds of $450, by officers and directors of the Company.

Subsequent to the year ended April 30, 2026, 3,333,333 warrants, exercisable at $0.25 per share, were exercised for total gross proceeds of $833.

15.2 Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based upon the results of that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods and forms.

Internal Controls Over Financial Reporting

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the

Chief Financial Officer, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of audited consolidated financial statements for external purposes in accordance with IFRS. The Company's controls include policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with IFRS; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual consolidated financial statements or interim financial statements.

There has been no material change in the Company's internal control over financial reporting during the Company's year ended April 30, 2026.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.