



December 14, 2018

TSX: SAM

Starcore Reports Q2 Results

Vancouver, B.C. – Starcore International Mines Ltd. (TSX :SAM) (the “Company” or “Starcore”) has filed the results for the second quarter ended October 31, 2018 for the Company and its mining operations in Queretaro, Mexico and toll processing operations in Matehuala, Mexico. The full version of the Company's Financial Statements and Management's Discussion and Analysis can be viewed on the Company's website at www.starcore.com, or SEDAR at www.sedar.com. *All financial information is prepared in accordance with IFRS and all dollar amounts are expressed in thousands of Canadian dollars unless otherwise indicated.*

Financial Highlights for the three-month period ended October 31, 2018 (unaudited):

- Cash and short-term investments on hand is \$4.0 million at October 31, 2018;
- Gold and silver sales of \$8.7 million;
- Loss of \$8.1 million, or \$(0.16) per share, which includes a non-cash impairment charge of \$5.9 million against the Altiplano concentrate processing facility assets;
- EBITDA⁽¹⁾ of \$651;

The following table contains selected highlights from the Company's unaudited consolidated statement of operations for the three and six months ended October 31, 2018 and 2017:

<i>(in thousands of Canadian dollars)</i> <i>(Unaudited)</i>	Three Months ended October 31,		Six Months ended October 31,	
	2018	2017	2018	2017
Revenues	\$ 8,711	\$ 6,407	\$ 19,334	\$ 14,502
Cost of Sales	(9,092)	(7,761)	(19,042)	(16,235)
Earnings (Loss) from mining operations	(381)	(1,354)	292	(1,733)
Administrative expenses	(771)	(1,311)	(1,836)	(1,831)
Allowance for receivables	(441)	-	(441)	-
Impairment of plant and equipment	(5,943)	-	(5,943)	-
Disposal of E&E assets	(82)	-	(82)	-
Income tax (expense) recovery	(508)	720	(497)	1,405
Net income (Loss)	\$ (8,126)	\$ (1,945)	\$ (8,507)	\$ (2,159)
(i) Income (Loss) per share – basic	(0.16)	(0.04)	\$ (0.17)	\$ (0.04)
(ii) Income (Loss) per share – diluted	(0.16)	(0.04)	\$ (0.17)	\$ (0.04)

Reconciliation of Net income to EBITDA⁽¹⁾

For the six months ended October 31,	2018	2017
Net loss	\$ (8,507)	\$ (2,159)
Allowance for receivables	441	-
Disposal of E&E assets	82	-
Impairment of plant and equipment	5,943	-
Income tax expense (recovery)	587	(1,405)
Interest	126	-
Depreciation and depletion	1,979	2,418
EBITDA	\$ 651	\$ (1,146)
EBITDA MARGIN⁽²⁾	3.4%	(7.90)%

- (1) EBITDA (“Earnings before Interest, Taxes, Depreciation and Amortization”) 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 Corporation. The Corporation uses this non-GAAP measure which can also be helpful to investors as it provides a result which can be compared with the Corporation’s 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 Corporation. The Corporation uses this non-GAAP measure which can also be helpful to investors as it provides a result which can be compared with the Corporation’s market share price.

Production Highlights for the three month period ended October 31, 2018:

- Equivalent gold production of 4,050 ounces;
- Mine operating cash cost of US\$1,075/EqOz;
- All-in sustaining costs of US\$1,247/EqOz for the six months ended October 31, 2018;

The following table is a summary of mine production statistics for the San Martin mine for the three and six months ended October 31, 2018 and for the previous year ended April 30, 2018:

		Actual Results for		
	Unit of measure	3 months ended October 31, 2018	6 months ended October 31, 2018	12 months ended April 30, 2018
Mine Production of Gold in Dore	thousand ounces	3.2	6.6	11.9
Mine Production of Silver in Dore	thousand ounces	67.9	140.7	102.1
Gold equivalent ounces	thousand ounces	4.1	8.3	13.2
Silver to Gold equivalency ratio		82.4	80.4	78.2
Mine Gold grade	grams/tonne	1.42	1.47	1.62
Mine Silver grade	grams/tonne	43.5	46.2	21.3
Mine Gold recovery	percent	86.8%	87.5%	84.5%
Mine Silver recovery	percent	58.7%	59.2%	55.2%
Milled	thousands of tonnes	81.4	158.8	269.6
Mine operating cash cost per tonne milled	US dollars	53	54	61
Mine operating cash cost per equivalent ounce	US dollars	1,075	1,035	1,237

About Starcore

Starcore International Mines is engaged in precious metals production with focus and experience in Mexico. This base of producing assets is complemented by exploration and development projects throughout North America. The company is a leader in Corporate Social Responsibility and advocates value driven decisions that will increase long term shareholder value. You can find more information on the investor friendly website here: www.starcore.com.

**ON BEHALF OF STARCORE INTERNATIONAL
MINES LTD.**

Signed "Gary Arca"

Gary Arca, Chief Financial Officer and Director

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