



March 25, 2011

TSX: SAM

Starcore Arranges \$2.5 million Financing

Vancouver, B.C. – Starcore International Mines Ltd. (the “Company”) announces that it has arranged a non-brokered financing for gross proceeds of up to \$2,530,000. The financing will be in the form of:

- (1) 18,300,000 Units at \$0.11 per Unit (a “Unit”), each Unit comprised of one common share of the Company (a “Common Share”) and one-half of one transferable share purchase warrant (a “Warrant”). Each whole Warrant will entitle the holder to acquire one common share of the Company (the “Warrant Shares”) at a price of \$0.15 for a period of 24 months following the closing date. Pursuant to TSX policies, the exercise of the Warrants will be subject to shareholder approval.
- (2) 4,700,000 Special Warrants at \$0.11 per Special Warrant, each Special Warrant entitling the holder to receive, at no additional cost, one Unit (a “Unit”) of the Company. Each Unit will consist of one common share of the Company (a “Common Share”) and one-half of one transferable common share (a “Warrant”) each whole Warrant entitling the holder to acquire one common share of the Company (the “Warrant Shares”) at a price of \$0.15 for a period of 24 months following the closing date. Pursuant to TSX policies, the exercise of the Special Warrants will be subject to shareholder approval. The Special Warrants will be deemed to be exercised on the date which is two business days after the receipt of shareholder approval for the exercise of the Special Warrants.

Where permitted by law, the Company may pay finder’s fees in accordance with regulatory policies. Warrants may be issued to registered dealers, each warrant entitling the holder to acquire one common share of the Company at a price of \$0.15 per share for a period of 12 months from the date of closing. The proceeds from this private placement will be added to working capital and will be used for ongoing mine exploration and development of San Martin, the Company’s gold and silver producing mine located 50 km east of the City of Queretaro in Queretaro State, Mexico.

In addition to shareholder approval for certain portions of the financing, the private placement is subject to Toronto Stock Exchange acceptance and required regulatory approvals. All of the securities issued pursuant to this offering will have a hold period expiring four months after the closing date.

This press release is not an offer or a solicitation of an offer of securities for sale in the United States. The common shares of Starcore have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration.

For more information on the Company visit our website at www.starcore.com.

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

Signed "Robert Eadie"

Robert Eadie, Chief Executive Officer

FOR FURTHER INFORMATION PLEASE CONTACT:

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The Toronto Stock Exchange has not reviewed nor does it accept responsibility for the adequacy or accuracy of this press release.