

CAMINO MINERALS CORPORATION.

Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2018 and 2017

To the shareholders of Camino Minerals Corporation:

The consolidated condensed interim financial statements of Camino Minerals Corporation. (the "Company") for the three months ended October 31, 2018 and 2017 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

CAMINO MINERALS CORPORATION.
 Consolidated Condensed Interim Statements of Financial Position

(unaudited)

As at	October 31 2018	July 31 2018
Assets		
Current		
Cash and cash equivalents	\$ 438,194	\$ 639,061
Goods and services tax receivable	8,396	9,935
Prepayments and deposits	129,233	163,569
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	575,823	235,878
Fixed assets		
Exploration and evaluation properties (note 4)	104,312	109,633
	11,313,646	11,245,662
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	\$ 11,993,781	\$12,167,860
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Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 92,130	\$ 108,694
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Equity		
Share capital (note 5)	26,744,626	26,744,626
Reserves	12,549,150	12,549,150
Option and warrant reserve	6,615,796	6,542,319
AOCI	-	6,930
Deficit	(34,007,921)	(33,783,859)
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	11,901,651	12,059,166
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	\$ 11,993,781	\$12,167,860
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Approved by the Board of Directors

Director (signed by) "Peter de Visser"

Director (signed by) "John Williamson"

The accompanying notes form an integral part of these financial statements

CAMINO MINERALS CORPORATION.

Consolidated Condensed Interim Statements of Loss and Comprehensive Loss

(unaudited)

For the three months ended	October 31 2018	October 31 2017
Expenses		
Amortization	100	4,069
Computer expenses	833	567
General and administrative	5,033	2,483
General exploration	-	13,403
Insurance	7,272	5,348
Investor relations	46,384	39,275
Management and consulting fees (note 7)	36,625	49,257
Professional fees	4,339	2,500
Rent	10,050	-
Regulatory and filing fees	2,331	-
Salaries and wages	1,741	-
Share-based compensation (note 5)	70,525	115,684
Shareholder relations	280	20,285
Transfer agents	4,224	6,252
Travel	29,052	13,420
	(218,789)	(272,543)
Other		
Foreign exchange loss	(5,531)	(80,477)
Interest income	258	(6,911)
Net loss and comprehensive loss	\$ (224,062)	\$ (185,155)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)
Basic and diluted weighted average number of common shares outstanding	57,623,980	49,669,946

The accompanying notes form an integral part of these financial statements

CAMINO MINERALS CORPORATION.

Consolidated Condensed Interim Statements of Changes in Equity

(unaudited)

	Share capital	Obligation to issue shares	Reserves	Option and warrant reserves	Accumulated currency translation difference	Deficit	Total equity
Balance at July 31, 2017	\$22,601,354	\$ 62,500	\$12,549,150	\$ 6,025,375	\$ 6,930	\$ (32,522,490)	\$ 8,722,819
Options issued	-	-	-	190,584	-	-	190,584
Warrants exercised	3,162,001	(62,500)	-	(755,726)	-	-	2,343,775
Options exercised	7,653	-	-	(3,778)	-	-	3,875
Net loss	-	-	-	-	-	(185,155)	(185,155)
Balance at October 31, 2017	\$25,771,008	-	\$12,549,150	5,456,455	6,930	\$ (32,707,645)	\$11,075,898
Options issued	-	-	-	524,436	-	-	524,436
Private placement	919,870	-	-	596,190	-	-	1,516,060
Share issue costs	(33,987)	-	-	(22,027)	-	-	(56,014)
Finders warrants	(27,750)	-	-	27,750	-	-	-
Options exercised	95,485	-	-	(40,485)	-	-	55,000
Shares issued for mineral property	20,000	-	-	-	-	-	20,000
Net loss	-	-	-	-	-	(1,076,214)	(1,076,214)
Balance at July 31, 2018	\$26,744,626	-	\$12,549,150	6,542,319	6,930	\$ (33,783,859)	\$12,059,166
Options issued (note 5)	-	-	-	73,477	-	-	73,477
Net loss	-	-	-	-	(6,930)	(224,062)	(230,992)
Balance at October 31, 2018	\$	-	\$			\$	\$

The accompanying notes form an integral part of these financial statements

CAMINO MINERALS COPORATION.
Consolidated Condensed Interim Statements of Cash Flows

(unaudited)

For the three months ended	October 31 2018	October 31 2017
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (224,062)	\$ (185,155)
Items not affecting cash:		
Amortization	100	4,069
Share-based compensation	70,525	115,684
Interest income	(258)	(6,911)
Foreign exchange loss	(6,930)	-
Changes in non-cash working capital:		
Receivables	1,539	(630)
Prepaid expenses	34,336	(198,310)
Accounts payable and accrued liabilities	(16,564)	(61,303)
Cash used in operating activities	<u>(141,314)</u>	<u>(332,556)</u>
Investing activities		
Exploration and evaluation property exploration expenditures (note 4)	(59,811)	(2,412,723)
Interest income	258	6,911
Purchase of property, plant and equipment	-	(501)
Cash used in investing activities	<u>(59,553)</u>	<u>(2,406,313)</u>
Financing activities		
Warrants exercised	-	2,343,775
Options exercised	-	3,875
Cash provided by financing activities	<u>-</u>	<u>2,347,650</u>
Net decrease in cash	(200,867)	(391,219)
Cash, beginning of period	<u>639,061</u>	<u>4,255,681</u>
Cash, end of period	\$ 438,194	\$ 3,864,462

As at October 31, 2018, \$37,374 (2017 – \$201,467) of exploration and evaluation property expenditures are included in accounts payable.

The accompanying notes form an integral part of these financial statements

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2018 and 2017

(unaudited)

1. Nature of operations

Camino Minerals Corporation (“Camino” or “the Company”) is an exploration stage company that is engaged in the exploration and development of mineral properties. The Company is incorporated and domiciled in British Columbia, Canada. The address of its registered and head office is Suite 300, 250 Southridge, Edmonton, A.B., Canada, T6H 4M9. The Company is focused on evaluating and acquiring exploration projects with significant potential for advancement from discovery through to production, in Canada and abroad.

2. Basis of presentation

These consolidated condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended July 31, 2018, prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These financial statements were authorized for issue by the Audit Committee of the Company on December 24, 2018.

These consolidated condensed financial statements include the accounts of the Company, and its wholly owned subsidiaries Minquest Peru SAC (“Minquest”), Recursos Mineros Rojo S.A. de C.V. (“RMR”), Camino Resources SAC (“CRM”), and Mining Activities SAC (“MinAc”). All intercompany transactions and balances have been eliminated.

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
Minquest Peru SAC	Peru	100%	Holds mineral interests in Peru
Camino Resources SAC	Peru	100%	Holds mineral interests in Peru
Mining Activities SAC	Peru	100%	Holding company
Recursos Mineros Rojo S.A. de C.V.	Mexico	100%	Holding company

These consolidated condensed interim financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis. The Canadian dollar is the functional and presentation currency of the Company.

The accounting policies applied in preparation of these condensed interim financial statements are consistent with those applied and disclosed in the Company’s consolidated financial statements for the year ended July 31, 2018, unless otherwise stated.

3. Management estimates and judgments

The preparation of these consolidated condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the amounts reported and disclosed in its condensed interim financial statements and related notes. Those include estimates that, by their nature, are uncertain and actual results could differ materially from those estimates. The impacts of such estimates may require accounting adjustments based on future results. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

The areas which require management to make significant estimates, judgments and assumptions in determining carrying values are consistent with those applied and disclosed in the Company’s financial statements for the year ended July 31, 2018, unless otherwise stated.

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2018 and 2017

(unaudited)

4. Exploration and Evaluation Properties

Expenditures on the Company's mineral exploration properties are summarized as follows:

	Plata Dorado	Los Chapitos	Villa Hermosa	Lost Cabins	Total
Balance, July 31, 2018	\$ 946,205	\$ 10,004,817	\$ 123,749	\$ 170,891	\$ 2,861,676
Amortization		2,727	2,495	-	5,222
Assaying		10,696	3,008	-	13,704
Community relations		(7,443)	6,848	-	(595)
Consulting		54,149	28	-	54,177
Field and office supplies	56	10,576	2,845	-	13,477
Fieldwork		17,843	-	-	17,843
Geological consulting		79,320	-	-	79,320
Mining rights and fees		8	-	-	8
Salaries		5,265	-	-	5,265
Share-based payments		2,952	-	-	2,952
Subsidiary overhead		111,306	-	-	111,306
Travel		31,247	4,076	-	35,323
Exploration costs for the period	56	318,646	19,300	-	338,002
Value-added tax	-	(272,752)	2,734	-	(270,018)
Balance, October 31, 2018	\$ 946,261	\$ 10,050,711	\$ 145,783	\$ 170,891	\$ 11,313,646

During the three months ended October 31, 2018, the Company received a value-added tax recovery of \$272,752 from the Government of Peru on eligible expenditures previously capitalized to exploration and evaluation properties. Subsequent to the period the Company an additional value-added tax recovery of \$481,500.

5. Share capital

a) Common shares

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

A summary of changes in common share capital in the period is as follows:

	Number of shares	Amount
Balance at July 31, 2018 and October 31, 2018	57,623,980	\$ 26,744,626

During the three months ended October 31, 2017, the Company issued the following shares:

- 9,625,100 shares were issued pursuant to the exercise of warrants granted February 14, 2017 and exercisable at \$0.25 (see note 4(d)).
- 12,500 shares were issued pursuant to the exercise of 12,500 stock options exercisable at \$0.31 expiring March 2, 2022 (see note 4(c)).

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2018 and 2017

(unaudited)

b) Stock options

The Company's has a stock option plan (the "Plan") for directors, officers, employees, and consultants. The Plan provides for the issuance of incentive options to acquire up to a total of 10% of the issued and outstanding common shares of the Company. The exercise price of each option shall not be less than the minimum prescribed amount allowed under the TSX. The options can be granted for a maximum term of 5 years with vesting provisions determined by the Company.

The total share-based compensation for the three month period ended October 31, 2018 is \$73,477 (2017- \$190,584), of which \$2,952 (2017 - \$74,900) is capitalized to mineral interests and \$70,525 (2017 - \$115,684) is recognized in profit and loss.

During the three months ended October 31, 2017, 12,500 options granted March 2, 2017 were exercised at \$0.31 per share. The fair value of the options was \$3,778 and was reallocated from share-based payment reserves to share capital.

During the three months ended October 31, 2017, the Company cancelled 25,000 unvested options that were exercisable at \$0.31 and expiring March 2, 2022.

A summary of stock option activity in the period is as follows:

	Number of options	Weighted average exercise price
Outstanding options, July 31, 2018	4,807,000	0.41
Issued	900,000	0.16
Outstanding options, October 31, 2018	4,707,000	\$ 0.37

The fair value of stock options granted in the three month period ending October 31, 2018 was estimated based on the Black-Scholes option pricing model using a share price of \$0.16 (2017- \$nil), volatility of nil% (2017 – nil%) risk free interest rate of 1.16% (2017 – nil%), expected life of nil years (2017– nil years) and expected dividend yield of nil (2017 – nil). The weighted average fair value of options granted in 2018 was \$nil (2017 - \$nil).

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements
For the three months ended October 31, 2018 and 2017

(unaudited)

A summary of the options outstanding and exercisable is as follows:

October 31, 2018			July 31, 2018		
Exercise Price	Number of options	Remaining contractual life (years)	Exercise Price	Number of options	Remaining contractual life (years)
\$ 0.20	1,200,000	1.5	\$ 0.20	1,200,000	1.7
0.20	813,000	2.9	0.20	813,000	3.1
0.31	650,000	3.3	0.31	650,000	3.6
0.38	200,000	1.3	0.38	200,000	1.5
0.45	1,050,000	1.2	0.45	1,050,000	1.4
0.70	44,000	0.1	0.70	44,000	0.3
0.90	850,000	0.6	0.90	850,000	0.9
0.16	450,000	1.8	-	-	-
\$ 0.38	5,257,000	1.7	\$ 0.41	4,807,000	2.0

• At October 31, 2018 450,000 options exercisable at \$0.16 share remain unvested.

c) Warrants

During the three months ended October 31, 2017, 9,625,000 warrants expiring September 11, 2017 were exercised at \$0.25 per share for gross proceeds of \$2,406,250. The fair value of the warrants exercised was \$755,726, which was reallocated from warrant reserves to share capital.

A summary of share purchase warrant activity in the periods is as follows:

	Number of warrants	Weighted average exercise price
Outstanding warrants, July 31, 2018 and October 31, 2018	10,019,789	\$ 0.41

A summary of the warrants outstanding and exercisable is as follows:

October 31, 2018			July 31, 2018		
Exercise Price	Number of warrants	Remaining contractual life (years)	Exercise Price	Number of warrants	Remaining contractual life (years)
\$ 0.45	4,465,400	0.8	\$ 0.45	4,465,400	1.1
1.35	254,389	0.6	1.35	5,554,389	0.8
0.20	5,300,000	0.6	-	-	-
\$ 0.55	10,019,789	0.8	\$ 0.59	10,019,789	1.0

- i) On October 12, 2018, the Company amended the exercise price of 5,300,000 warrants expiring May 30, 2019 to \$0.20 per share. Should the closing price of the common shares of the Company on the TSX Venture Exchange be \$0.27 or higher for ten consecutive trading days, the Company may accelerate the expiry of the warrants to the date that is 30 business days from the date of the issuance of a news release by the Company announcing the exercise of the acceleration right.

6. Financial instruments and risk management

The Company is exposed to the following financial risks:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian Dollars. The Company's currency risk is limited to its future payments denominated in foreign currency for its Orogrande Property and Comet Joint Venture.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities, therefore interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

Credit risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada. The Company is not exposed to any material credit risk. The Company's maximum exposure to credit risk is \$438,194 (2017 - \$3,864,462).

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at October 31, 2018, all of the Company's financial liabilities are due within one year.

As at October 31, 2018, the Company's working capital was \$483,693 (2017 - \$3,877,158) and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Determination of fair value

The statements of financial position carrying amounts for cash, accounts receivable, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2018 and 2017

(unaudited)

7. Related party transactions

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the three months ended	October 31 2018	October 31 2017
Management and consulting fees	\$ 35,700	\$ 48,489
Investor relations fees paid to a director	15,300	-
Office and admin fees paid to a corporation controlled by key management	4,339	-
Share-based payments	<u>70,525</u>	<u>89,160</u>
	<u>\$ 125,864</u>	<u>\$ 137,649</u>