



## **CAMINO MINERALS CORPORATION**

### **CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS NINE MONTHS ENDED APRIL 30, 2018**

*(Expressed in Canadian Dollars)  
(Unaudited)*

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsections 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

**CAMINO MINERALS CORPORATION**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
Expressed in Canadian dollars

|  | Notes | April 30,<br>2018<br>\$ | July 31,<br>2017<br>(audited)<br>\$ |
|--|-------|-------------------------|-------------------------------------|
| <b>ASSETS</b>                            |       |                         |                                     |
| <b>Current assets</b>                    |       |                         |                                     |
| Cash and cash equivalents                |       | 1,732,441               | 4,255,681                           |
| Receivables                              |       | 13,745                  | 8,006                               |
| Deposits and prepaid expenses            |       | 235,377                 | 76,667                              |
| Total current assets                     |       | 1,981,563               | 4,340,354                           |
| <b>Non-current assets</b>                |       |                         |                                     |
| Fixed assets                             |       | 117,358                 | 87,525                              |
| Mineral interests                        | 3     | 10,181,711              | 4,827,201                           |
| Total non-current assets                 |       | 10,299,069              | 4,914,726                           |
| <b>Total Assets</b>                      |       | <b>12,280,632</b>       | <b>9,255,080</b>                    |
| <b>LIABILITIES</b>                       |       |                         |                                     |
| <b>Current liabilities</b>               |       |                         |                                     |
| Accounts payable and accrued liabilities |       | 117,827                 | 532,261                             |
| Total liabilities                        |       | 117,827                 | 532,261                             |
| <b>EQUITY</b>                            |       |                         |                                     |
| Share capital                            | 4(a)  | 26,724,626              | 22,601,354                          |
| Obligation to issue shares               |       | -                       | 62,500                              |
| Subscription receivable                  | 4(a)  | (15,750)                | -                                   |
| Reserves                                 | 4(d)  | 12,549,150              | 12,549,150                          |
| Share based payment reserves             | 4(c)  | 3,223,567               | 2,588,985                           |
| Warrant reserves                         | 4(d)  | 3,282,577               | 3,436,390                           |
| Accumulated other comprehensive income   |       | 6,930                   | 6,930                               |
| Deficit                                  |       | (33,608,295)            | (32,522,490)                        |
| Total equity                             |       | 12,162,805              | 8,722,819                           |
| <b>Total Equity and Liabilities</b>      |       | <b>12,280,632</b>       | <b>9,255,080</b>                    |

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

These condensed consolidated interim financial statements are authorized for issuance by the Board of Directors on June 28, 2018.

**On behalf of the Board:**

Peter de Visser  
Peter de Visser  
(Chairman of Audit Committee)

Ken McNaughton  
Ken McNaughton  
(Director)

**CAMINO MINERALS CORPORATION**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS**  
Expressed in Canadian dollars  
(unaudited)

| Notes  | Three months<br>ended<br>April 30,<br>2018<br>\$ | Three months<br>ended<br>April 30,<br>2017<br>\$ | Nine months<br>ended<br>April 30,<br>2018<br>\$ | Nine months<br>ended<br>April 30,<br>2017<br>\$ |
|--|--|--|---|---|
| <b>EXPENSES</b>                                    |  |  |   |   |
| Amortization                                       | 1,834  | -  | 6,345   | -   |
| Computer expenses                                  | 625  | -  | 1,816   | -   |
| Consulting   | 31,246   | 47,049   | 106,499   | 50,242  |
| General and administrative                         | 1,676  | 2,805  | 5,394   | 8,676   |
| General exploration                                | 4,606  | -  | 18,009  | -   |
| Insurance  | 6,822  | 5,349  | 17,519  | 16,295  |
| Interest expense                                   | -  | 1,150  | -   | 8,712   |
| Investor relations                                 | 200,621  | 23,875   | 373,544   | 51,742  |
| Listing and filing fees                            | 7,100  | 13,287   | 24,912  | 17,722  |
| Management fees                                    | 1,750  | 1,500  | 9,750   | 4,500   |
| Professional fees                                  | 2,500  | 3,504  | 7,500   | 13,304  |
| Rent   | 600  | 1,099  | 600   | 1,099   |
| Salaries and benefits                              | -  | -  | 7,634   | -   |
| Share based compensation                           | 97,946   | 101,078  | 471,884   | 206,932   |
| Shareholder relations                              | 19,872   | 10,140   | 45,944  | 13,233  |
| Transfer agents                                    | 7,066  | 2,299  | 15,827  | 3,878   |
| Travel   | 12,401   | 6,321  | 31,456  | 6,927   |
| <b>Loss from operations</b>                        | <b>396,665</b>                                   | <b>219,456</b>                                   | <b>1,144,633</b>                                | <b>403,262</b>                                  |
| <b>OTHER ITEMS</b>                                 |  |  |   |   |
| Foreign exchange loss (gain)                       | (6,752)  | 51,039   | (39,627)  | (1,084)   |
| Interest income                                    | (4,479)  | (1,938)  | (19,201)  | (2,691)   |
| Gain on disposal of assets                         | -  | -  | -   | -   |
| <b>Net loss for the period</b>                     | <b>385,434</b>                                   | <b>268,557</b>                                   | <b>1,085,805</b>                                | <b>399,487</b>                                  |
| <b>Basic and diluted loss per<br/>common share</b> | <b>(0.01)</b>                                    | <b>(0.01)</b>                                    | <b>(0.01)</b>                                   | <b>(0.01)</b>                                   |

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

**CAMINO MINERALS CORPORATION**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
Expressed in Canadian dollars  
(unaudited)

|   | Notes | Nine months ended<br>April 30, 2018<br>\$ | Nine months ended<br>April 30, 2017<br>\$ |
|---|-------|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |       |   |   |
| Net loss for the period                                   |       | (1,085,805)                               | (399,487)                                 |
| Items not affecting cash:                                 |       |   |   |
| Amortization  |       | 6,345                                     | 20,011                                    |
| Interest accrued on loan                                  |       | -   | 8,712                                     |
| Share-based compensation                                  | 4(c)  | 471,884                                   | 206,932                                   |
| Interest income   |       | (19,201)                                  | -   |
| Foreign exchange  |       | -   | (1,084)                                   |
| Change in non-cash working capital items:                 |       |   |   |
| Receivables   |       | (5,739)                                   | 3,966                                     |
| Prepaid expenses  |       | (158,710)                                 | 6,643                                     |
| Accounts payable and accrued liabilities                  |       | (66,924)                                  | (1,429)                                   |
| Net cash used in operating activities                     |       | (858,150)                                 | (155,736)                                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |       |   |   |
| Expenditures on mineral interests                         | 3     | (5,487,922)                               | (1,287,483)                               |
| Interest income   |       | 19,201                                    | -   |
| Purchase of property, plant and equipment                 |       | (43,315)                                  | (24,272)                                  |
| Net cash used in investing activities                     |       | (5,512,036)                               | (1,311,755)                               |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |       |   |   |
| Shares issued   |       | 1,516,060                                 | 2,100,000                                 |
| Subscription receivable                                   | 4(a)  | (15,750)                                  | -   |
| Share issue costs   |       | (56,014)                                  | (104,474)                                 |
| Warrants exercised  | 4(d)  | 2,343,775                                 | -   |
| Options exercised   | 4(c)  | 58,875                                    | -   |
| Net cash from financing activities                        |       | 3,846,946                                 | 1,995,526                                 |
| <b>Change in cash and cash equivalents for the period</b> |       | <b>(2,523,240)</b>                        | <b>528,035</b>                            |
| <b>Cash and cash equivalents, beginning of period</b>     |       | <b>4,255,681</b>                          | <b>791,638</b>                            |
| <b>Cash and cash equivalents, end of period</b>           |       | <b>1,732,441</b>                          | <b>1,319,673</b>                          |

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

As at April 30, 2018, \$53,998 (July 31, 2017 - \$401,508) of mineral property expenditures are included in accounts payable.

**CAMINO MINERALS CORPORATION**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
Expressed in Canadian dollars  
(unaudited)

|                                   | Common Shares       |                   |                            | Reserves          | Share-based<br>payments<br>reserve | Warrant<br>reserves | Accumulated<br>currency<br>translation<br>difference | Deficit             | Total             |
|-----------------------------------|---------------------|-------------------|----------------------------|-------------------|------------------------------------|---------------------|--|---------------------|-------------------|
|                                   | Number<br>of shares | Share capital     | Subscription<br>receivable |                   |                                    |                     |  |                     |                   |
|                                   |                     | \$                | \$                         |                   |                                    |                     |  |                     |                   |
| <b>Balance – August 1, 2017</b>   | 43,279,780          | 22,601,354        | 62,500                     | 12,549,150        | 2,588,985                          | 3,436,390           | 6,930  | (32,522,490)        | 8,722,819         |
| Value assigned to options granted | -                   | -                 | -                          | -                 | 678,845                            | -                   | -  | -                   | 678,845           |
| Private placement                 | 4,331,600           | 919,870           | (15,750)                   | -                 | -                                  | 596,190             | -  | -                   | 1,500,310         |
| Share issue costs                 | -                   | (33,987)          | -                          | -                 | -                                  | (22,027)            | -  | -                   | (56,014)          |
| Finders' warrants                 | -                   | (27,750)          | -                          | -                 | -                                  | 27,750              | -  | -                   | -                 |
| Warrants exercised                | 9,625,100           | 3,162,001         | (62,500)                   | -                 | -                                  | (755,726)           | -  | -                   | 2,343,775         |
| Options exercised                 | 287,500             | 103,138           | -                          | -                 | (44,263)                           | -                   | -  | -                   | 58,875            |
| Loss for the year                 | -                   | -                 | -                          | -                 | -                                  | -                   | -  | (1,085,805)         | (1,085,805)       |
| <b>Balance – April 30, 2018</b>   | <b>57,523,980</b>   | <b>26,724,626</b> | <b>(15,750)</b>            | <b>12,549,150</b> | <b>3,223,567</b>                   | <b>3,282,577</b>    | <b>6,930</b>   | <b>(33,608,295)</b> | <b>12,162,805</b> |

|                                   | Common Shares       |                   |                            | Reserves          | Share-based<br>payments<br>reserve | Warrant<br>reserves | Accumulated<br>currency<br>translation<br>difference | Deficit             | Total            |
|-----------------------------------|---------------------|-------------------|----------------------------|-------------------|------------------------------------|---------------------|--|---------------------|------------------|
|                                   | Number<br>of shares | Share<br>capital  | Subscription<br>receivable |                   |                                    |                     |  |                     |                  |
|                                   |                     | \$                | \$                         |                   |                                    |                     |  |                     |                  |
| <b>Balance – August 1, 2016</b>   | 24,529,009          | 17,897,236        | -                          | 12,220,615        | 1,917,329                          | 787,370             | 6,930  | (30,617,081)        | 2,212,399        |
| Value assigned to options granted | -                   | -                 | -                          | -                 | 259,532                            | -                   | -  | -                   | 259,532          |
| Private placements                | 10,500,000          | 1,304,123         | -                          | -                 | -                                  | 795,877             | -  | -                   | 2,100,000        |
| Share issue costs                 | -                   | (26,049)          | -                          | -                 | -                                  | (78,925)            | -  | -                   | (104,974)        |
| Finders' warrants                 | -                   | (104,028)         | -                          | -                 | -                                  | 104,028             | -  | -                   | -                |
| Shares for debt settlement        | 1,500,000           | 510,500           | -                          | -                 | -                                  | -                   | -  | -                   | 510,500          |
| Expiry of warrants                | -                   | -                 | -                          | 328,534           | -                                  | (328,534)           | -  | -                   | -                |
| Share returned to treasury        | (16,129)            | -                 | -                          | -                 | -                                  | -                   | -  | -                   | -                |
| Loss for the year                 | -                   | -                 | -                          | -                 | -                                  | -                   | -  | (399,487)           | (399,487)        |
| <b>Balance – April 30, 2017</b>   | <b>36,512,880</b>   | <b>19,581,782</b> | <b>-</b>                   | <b>12,549,149</b> | <b>2,176,861</b>                   | <b>1,279,816</b>    | <b>6,930</b>   | <b>(31,016,568)</b> | <b>4,577,970</b> |

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

**CAMINO MINERALS CORPORATION****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the nine months ended April 30, 2018

Expressed in Canadian dollars

(unaudited)

**1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION**

Camino Minerals Corporation (“Camino Minerals” or “the Company”) is an exploration stage company that is engaged directly in the exploration and development of mineral properties in Peru. The Company is incorporated and domiciled in British Columbia, Canada. The address of its registered and head office is Suite 500, 666 Burrard Street, Vancouver, B.C., Canada, V6C 3P6.

**2. SIGNIFICANT ACCOUNTING POLICIES****a) Statement of Compliance**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board. Accordingly, these condensed consolidated interim financial statements do not include all of the information and footnotes required by International Financial Reporting Standards (“IFRS”) for complete financial statements for year-end reporting purposes. These condensed consolidated interim financial statements should be read in conjunction as our annual consolidated financial statements for the year ended July 31, 2017 as they follow the same accounting policies under IFRS.

**b) Basis of Consolidation**

These consolidated 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.

| <b>Name of Subsidiary</b>          | <b>Place of Incorporation</b> | <b>Proportion of Ownership Interest</b> | <b>Principal Activity</b>       |
|------------------------------------|-------------------------------|---|---------------------------------|
| 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                 |

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**c) Significant Accounting Estimates and Judgments**

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believe to be reasonable under the circumstances.

**Critical accounting estimates**

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period relate to, but are not limited to, the following:

- i. *Impairment of Mineral Interests* - The assessment of impairment indicators involves the application of a number of significant judgments and estimates to certain variables including metal price trends, plans for properties and the results of exploration to date.

*New standards, amendments and interpretations adopted by the Company*

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after July 1, 2017 or later periods.

- i. Effective for annual periods beginning on or after January 1, 2018
  - New standard IFRS 9, *Financial Instruments, Classification and Measurement*, addresses classification and measurement of financial assets and will replace IAS 39, "*Financial Instruments: Recognition and Measurement*." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise, it is at fair value through profit and loss.

The Company plans to adopt these standards as soon as they become effective for the Company's. Adoption of this standard is expected to have minimal impact on the Company's financial statements.

**d) Change in Accounting Policy**

Effective August 1, 2016, the functional currency of all of the Company's subsidiaries was assessed to be the Canadian dollar. This change in policy is accounted for prospectively, with all non-monetary assets and liabilities of these entities denominated in other currencies presented using the historical exchange rates applicable to the underlying transactions comprising such amounts, commencing with their July 31, 2016 balances. Monetary assets and liabilities, of both the parent company and its subsidiaries, continue to be translated at period end rates; however, all such unrealized amounts will now be reported in current operations.

This change is due to the following changes in the subsidiaries' conditions and transactions: i) the subsidiaries now utilize contractors instead of employees; ii) the Company incurs expenses on behalf of the subsidiaries that were previously incurred in the local currency; iii) the Company pays vendors and contractors of each subsidiary directly, iv) the subsidiaries are wholly dependent on the parent Company for financing; and v) the Company directly influences and determines the events and activities of the subsidiaries.



**CAMINO MINERALS CORPORATION****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the nine months ended April 30, 2018

Expressed in Canadian dollars

(unaudited)

**3. MINERAL INTERESTS**

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

**Nine months ended April 30, 2018**

|                                  | <b>Plata<br/>Dorado</b> | <b>Red Beds</b> | <b>Los<br/>Chapitos</b> | <b>Villa<br/>Hermosa</b> | <b>Lost<br/>Cabins</b> | <b>Total</b>      |
|----------------------------------|-------------------------|-----------------|-------------------------|--------------------------|------------------------|-------------------|
|                                  | \$                      | \$              | \$                      | \$                       | \$                     | \$                |
| Balance, July 31, 2017           | 883,018                 | 1               | 3,838,215               | -                        | 105,967                | 4,827,201         |
| Acquisition                      | -                       | -               | -                       | 63,754                   | 18,681                 | 82,435            |
| Amortization                     | 2,373                   | -               | 4,764                   | -                        | -                      | 7,137             |
| Assaying                         | -                       | -               | 530,286                 | -                        | -                      | 530,286           |
| Community relations              | 22,664                  | -               | 7,704                   | -                        | -                      | 30,368            |
| Consulting                       | -                       | -               | 443,996                 | -                        | -                      | 443,996           |
| Drilling                         | -                       | -               | 2,245,348               | -                        | -                      | 2,245,348         |
| Equipment and supplies           | -                       | -               | 3,539                   | -                        | -                      | 3,539             |
| Field and office supplies        | 3,577                   | -               | 34,873                  | -                        | -                      | 38,450            |
| Field work                       | -                       | -               | 330,824                 | -                        | -                      | 330,824           |
| Geology and prospecting          | -                       | -               | 193,599                 | -                        | -                      | 193,599           |
| Mining rights and fees           | -                       | -               | 58,474                  | -                        | 9,694                  | 68,168            |
| Salaries                         | 543                     | -               | 44,175                  | -                        | -                      | 44,718            |
| Share-based compensation         | -                       | -               | 206,961                 | -                        | -                      | 206,961           |
| Subsidiary overhead allocation   | 14,854                  | -               | 330,998                 | -                        | -                      | 345,852           |
| Travel                           | 8,324                   | -               | 120,804                 | -                        | -                      | 129,128           |
| Exploration costs for the period | 52,335                  | -               | 4,556,345               | 63,754                   | 28,375                 | 4,700,809         |
| Valued-added tax                 | -                       | -               | 653,701                 | -                        | -                      | 653,701           |
| <b>Balance April 30, 2018</b>    | <b>935,353</b>          | <b>1</b>        | <b>9,048,261</b>        | <b>63,754</b>            | <b>134,342</b>         | <b>10,181,711</b> |

**CAMINO MINERALS CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
For the nine months ended April 30, 2018  
Expressed in Canadian dollars  
(unaudited)

**3. MINERAL INTERESTS (Cont'd)**

**Year ended July 31, 2017**

|                                | <b>Plata<br/>Dorado</b> | <b>Red Beds</b> | <b>Los<br/>Chapitos</b> | <b>Lost<br/>Cabins</b> | <b>Total</b>     |
|--------------------------------|-------------------------|-----------------|-------------------------|------------------------|------------------|
|                                | \$                      | \$              | \$                      | \$                     | \$               |
| Balance, July 31, 2016         | 830,604                 | 913,509         | 113,970                 | 52,178                 | 1,910,261        |
| Acquisition                    | -                       | -               | 155,096                 | 39,131                 | 194,227          |
| Amortization                   | -                       | 19,982          | 1,057                   | -                      | 21,039           |
| Assaying                       | -                       | -               | 195,125                 | -                      | 195,125          |
| Community relations            | -                       | 8,338           | 1,975                   | -                      | 10,313           |
| Consulting                     | -                       | 3,716           | 300,770                 | 4,378                  | 308,864          |
| Drilling                       | -                       | -               | 1,122,306               | -                      | 1,122,306        |
| Equipment and supplies         | -                       | -               | 20,068                  | -                      | 20,068           |
| Field and office supplies      | -                       | 49              | 89,957                  | -                      | 90,006           |
| Field work                     | -                       | -               | 173,805                 | -                      | 173,805          |
| Geology and prospecting        | -                       | 774             | 465,555                 | -                      | 466,329          |
| Mining rights and fees         | 26,747                  | 11,129          | 205,156                 | 10,280                 | 253,312          |
| Salaries                       | -                       | 473             | 39,941                  | -                      | 40,414           |
| Share-based compensation       | 2,714                   | 21,835          | 200,570                 | -                      | 225,119          |
| Subsidiary overhead allocation | 13,424                  | 51,934          | 234,856                 | -                      | 300,214          |
| Travel                         | -                       | 7,884           | 140,306                 | -                      | 148,190          |
| Exploration costs for the year | 42,885                  | 126,114         | 3,346,543               | 53,789                 | 3,569,331        |
| Impairment                     | -                       | (1,039,622)     | -                       | -                      | (1,039,622)      |
| Valued-added tax               | 9,529                   | -               | 377,702                 | -                      | 387,231          |
| <b>Balance, July 31, 2017</b>  | <b>883,018</b>          | <b>1</b>        | <b>3,838,215</b>        | <b>105,967</b>         | <b>4,827,201</b> |

**3. MINERAL INTERESTS (Cont'd)**

**Villa Hermosa, Peru**

On April 26, 2018, the Company entered into an option agreement with Compania Mineral Villa Hermosa JV RR S.A.C. (the "Vendor"), pursuant to which it has the right to earn 100% interest in the Villa Hermosa gold project.

Under the terms of the option agreement, the Company has the right to earn a 100% interest in the Project by making staged option payments as follows:

| <b>Date for option payment</b>                       | <b>Amount USD</b> |
|--|-------------------|
|  | \$                |
| On the effective date of the option agreement (paid) | 50,000            |
| 12 months after effective date                       | 50,000            |
| 24 months after effective date                       | 100,000           |
| 36 months after effective date                       | 150,000           |
| 48 months after effective date                       | 200,000           |
| 60 months after effective date                       | 4,500,000         |
|  | <b>5,050,000</b>  |

The Vendor retains the right to continue mining on the project during the option period. Completion of the option remains subject to receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

**Los Chapitos, Peru**

On July 19, 2016, the Company entered into an option agreement with Minas Andinas SA, pursuant to which it may acquire a 100% interest in the Los Chapitos copper, gold and silver project located in the Department of Arequipa, Peru.

Under the terms of the option agreement, the Company has the right to earn 100% interest in the Project, subject to a 1.5% Net Smelter Royalty ("NSR"), by making staged option payments and issuing common shares of the Company as follows:

| <b>Date for option payment</b>                                  | <b>Amount USD</b> | <b>Shares</b>  |
|---|-------------------|----------------|
|   | \$                |                |
| On the effective date of the option agreement (paid and issued) | 50,000            | 50,000         |
| 12 months after effective date (paid and issued)                | 75,000            | 75,000         |
| 24 months after effective date (paid and issued)                | 100,000           | 100,000        |
| 36 months after effective date                                  | 125,000           | 125,000        |
| 48 months after effective date                                  | 150,000           | 150,000        |
| <b>TOTAL:</b>   | <b>500,000</b>    | <b>500,000</b> |

The 1.5% NSR is payable up to a maximum of US\$10 million. The Company retains the right of first offer to purchase the NSR. Advance royalty payments of US\$500,000 will also be payable for each 500 million pounds of copper equivalent ("CuEQ") related to any incremental increase in measured and indicated resources. For the purpose of this agreement, CuEQ will be based on the contained pounds of copper, contained ounces of gold and silver, and the LME closing spot price on the date of release of each applicable resource estimate.

**3. MINERAL INTERESTS (Cont'd)**

**Plata Dorada, Peru**

On January 22, 2015, the Company completed the acquisition of all of the issued and outstanding share capital of Minquest Peru SAC, a private Peruvian company, the principal assets of which was the Plata Dorado copper, gold, silver property located in the Department of Cuzco, Peru.

**Red Beds, Peru**

On January 26, 2015, the Company entered into an option agreement pursuant to which the Company may acquire a 100% interest in the Red Beds copper and silver project ("Red Beds") located in the Department of Cuzco, Peru.

Under the terms of the option agreement, the Company has agreed to pay a total of US \$280,000 (US\$40,000 paid) in staged cash payments.

On January 10, 2017, the Company decided to reduce its holdings in the Red Beds project, and returned the claims under option to the vendor. The Company will retain the four claims it originally staked. At July 31, 2017, the property has been written down to \$1 due to limited exploration activities.

**Lost Cabin, U.S.A**

On February 3, 2015, the Company signed an option agreement with La Cuesta International Inc., pursuant to which it may acquire a 100% interest in the Lost Cabin Project ("Lost Cabin") located in the state of Oregon. Under the terms of the agreement, the Company has the right to earn 100% interest in the Property, subject to a 1.5% NSR, by issuing 200,000 common shares of the Company (issued) and by making staged advance NSR payments as follows:

| <b>Date for option payment</b>                          | <b>Amount USD</b> |
|---|-------------------|
|   | \$                |
| On the effective date of the option agreement (paid)    | 1,500             |
| 12 months after effective date (paid)                   | 5,000             |
| 18 months after effective date (paid)                   | 5,000             |
| 24 months after effective date (paid)                   | 10,000            |
| 30 months after effective date (paid)                   | 10,000            |
| 36 months after effective date (paid)                   | 15,000            |
| 40 months after effective date                          | 20,000            |
| 48 months after effective date and every 6 months after | 20,000            |
|   | <b>86,500</b>     |

When the aggregate advance payments exceed US\$5,000,000, the NSR payable will reduce from 1.5% to 0.75%.

#### **4. CAPITAL AND RESERVES**

##### **a) Authorized Share Capital**

At April 30, 2018, the authorized share capital consisted of an unlimited number of common shares without par value and an unlimited number of preferred shares with no par value.

*During the nine months ended April 30, 2018, the Company issued the following shares:*

- On February 27, 2018, the Company completed a non-brokered private placement for gross proceeds of \$1,516,060. The private placement consisted of 4,331,600 units at a price of \$0.95 per unit, each unit being comprised of one common share and one non-transferable share purchase warrant. The common shares, warrants, and any shares issued on the exercise of warrants are subject to a four month hold period expiring July 1, 2018. Each warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.45 per common share until August 27, 2019 and are subject to an acceleration clause. The Company paid \$49,980 in cash, and issued 133,800 warrants (“Finders’ Warrants”) subject to the same terms and conditions as the private placement warrants. Subscriptions totaling \$15,750 were received subsequent to April 30, 2018.
- 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 (see note 4(c)).
- 275,000 shares were issued pursuant to the exercise of 275,000 stock options exercisable at \$0.20 (see note 4(c)).

*During the nine months ended April 30, 2017, the Company had the following changes to share capital:*

- On March 7, 2017, the Company entered into a debt settlement agreement (the “Agreement”) with the President and CEO of the Company, a creditor of the Company. Pursuant to the agreement, the Company issued an aggregate of 1,500,000 common shares (the “Shares”) at a deemed price of \$0.34 per share, which are subject to a four month hold period. The amount of indebtedness settled by the Agreement was \$510,500, representing the principal loan of \$500,000, plus accrued interest of \$10,500 (see note 5). The Company chose to settle the debt with shares in order to preserve cash for operations.
- On February 28, 2017, the Company completed a non-brokered private placement for gross proceeds of \$2,100,000. The private placement consisted of 10,500,000 units at a price of \$0.20 per unit, each unit being comprised of one common share and one non-transferable share purchase warrant. The common shares, warrants, and any shares issued on the exercise of warrants are subject to a four month hold period expiring June 15, 2017. Each warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.25 per common share until February 14, 2019. The Company paid \$94,700 in cash and issued 473,500 warrants to finders in respect of the placement, and are subject to the same terms and restrictions as the private placement units.
- On December 21, 2016, 16,129 common shares were returned to Treasury as provided for in the Plan of Arrangement between Canplats Resources and Goldcorp completed February 4, 2010. These shares were not claimed by the former shareholders of Canplats in that transaction.

**4. CAPITAL AND RESERVES (Cont'd)**

**b) Basic and diluted loss per share**

The calculation of basic and diluted loss per share is based on the following:

|  | <b>Three months<br/>ended<br/>April 30, 2018</b> | Three months<br>ended<br>April 30, 2017 | <b>Nine months<br/>ended<br/>April 30, 2018</b> | Nine months<br>ended<br>April 30, 2017 |
|--|--|---|---|--|
| Loss attributable to common shareholders   | <b>\$ (385,434)</b>                              | \$ (268,557)                            | <b>\$ (1,085,805)</b>                           | \$ (399,487)                           |
| Weighted average number of common shares outstanding for calculation of loss per share | <b>56,209,899</b>                                | 36,512,880                              | <b>52,902,436</b>                               | 27,592,757                             |

**c) Share Option Plan**

The Company has a share option plan for its employees, directors, officers 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.

During the nine months ended April 30, 2018, the Company granted 1,250,000 (2017 – 925,000) stock options at an exercise price of \$0.38-0.45 (2017 - \$0.20) to employees, directors and consultants for a life of 2 years (2017 - 5 years) and a vesting period of 1 year (2017 - 1.5 years), with 50% vesting immediately, and 50% vesting six months from the date of grant.

The total stock based compensation for the nine month period ended April 30, 2018 is \$678,845 (2017- \$259,532), of which \$206,961 (2017 - \$52,600 ) is capitalized to mineral interests and \$471,884 (2017 - \$206,932) is recognized in profit and loss.

During the nine months ended April 30, 2018, the following options were exercised:

- 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.
- 200,000 options granted April 20, 2015 were exercised at \$0.20 per share. The fair value of the options was \$22,500 and was reallocated from share-based payment reserves to share capital.
- 75,000 options granted September 7, 2016 were exercised at \$0.20 per share. The fair value of the options was \$17,985 and was reallocated from share-based payment reserves to share capital.

During the nine months ended April 30, 2018, the Company cancelled 25,000 unvested options that were exercisable at \$0.31 and expiring March 2, 2022.

During the nine months ended April 30, 2018, the following options expired:

- 25,000 options exercisable at \$0.20 granted to a former director on September 7, 2016.
- 50,000 options exercisable at \$0.20 granted to a former director on June 15, 2017.
- 27,000 options exercisable at \$1.00 expired on January 24, 2018.

**CAMINO MINERALS CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
For the nine months ended April 30, 2018  
Expressed in Canadian dollars  
(unaudited)

**4. CAPITAL AND RESERVES (Cont'd)**

Continuity of share purchase options for the nine months ended April 30, 2018 is as follows:

|                          | Options<br>Outstanding | Weighted Average<br>Exercise Price |
|--------------------------|------------------------|------------------------------------|
|                          |                        | \$                                 |
| <b>At July 31, 2017</b>  | 3,971,500              | 0.39                               |
| Granted                  | 1,250,000              | 0.44                               |
| Exercised                | (287,500)              | 0.20                               |
| Expired                  | (102,000)              | 0.75                               |
| Forfeited                | (25,000)               | 0.31                               |
| <b>At April 30, 2018</b> | <b>4,807,000</b>       | <b>0.41</b>                        |

The fair value of stock options granted in the nine month period ending April 30, 2018 was estimated based on the Black-Scholes option pricing model using a share price of \$0.38-\$0.45 (2017- \$0.20), volatility of 163.74-165.46% (2017 –177.46%) risk free interest rate of 1.50-1.84% (2017 – 1.16%), expected life of 2 years (2017 – 5 years) and expected dividend yield of nil.

Option pricing models require the input of subjective assumptions including the expected price volatility, and expected option life. Changes in these assumptions may have a significant impact on the fair value calculation.

The following table summarizes information about stock options outstanding and exercisable at April 30, 2018:

| Exercise Price        | Option<br>Outstanding | Weighted<br>Average<br>Remaining<br>Life<br>(years) | Expiry<br>Dates<br>(mm/dd/yyyy) | Options<br>exercisable |
|-----------------------|-----------------------|---|---------------------------------|------------------------|
| \$                    |                       |   |                                 |                        |
| 0.20                  | 1,200,000             |   | 4/20/2020                       | 1,200,000              |
| 0.20                  | 813,000               |   | 9/7/2021                        | 606,750                |
| 0.31                  | 650,00                |   | 3/2/2022                        | 325,000                |
| 0.70                  | 44,000                |   | 11/26/2018                      | 44,000                 |
| 0.90                  | 850,000               |   | 6/16/2019                       | 850,000                |
| 0.45                  | 1,050,000             |   | 12/13/2019                      | 525,000                |
| 0.38                  | 200,000               |   | 01/29/2020                      | 100,000                |
| <b>April 30, 2018</b> | <b>4,807,000</b>      | <b>2.21</b>   |                                 | <b>3,650,750</b>       |

**d) Warrants**

During the nine months ended April 30, 2018, 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. No warrants were expired during the comparative period.

**4. CAPITAL AND RESERVES (Cont'd)**

Continuity of share purchase warrants for the nine months ended April 30, 2018 is as follows:

|                          | Warrants<br>Outstanding | Weighted Average<br>Exercise Price |
|--------------------------|-------------------------|------------------------------------|
|                          |                         | \$                                 |
| <b>At July 31, 2017</b>  | 15,179,489              | 0.65                               |
| Exercised                | (9,625,100)             | 0.25                               |
| <b>At April 30, 2018</b> | <b>5,554,389</b>        | <b>1.35</b>                        |

**5. RELATED PARTIES**

**Key management personnel compensation**

| Compensation              | Nine months ended April 30, |         |
|---------------------------|-----------------------------|---------|
|                           | 2018                        | 2017    |
|                           | \$                          | \$      |
| Management fees (i)       | 9,750                       | 4,500   |
| Consulting fee (ii)       | 95,109                      | -       |
| Share-based payments (ii) | 342,580                     | 134,356 |
|                           | <b>447,439</b>              | 138,856 |

(i) Management fees are compensation paid to an officer of the Company.

(ii) Fees paid to Pretium Resources Inc. for consulting services provided by the President of the Company, fees paid to Primary Capital Inc. for consulting services provided by a director of the Company, and fees paid to the corporate secretary of the Company for consulting services.

(iii) Share-based payment is the fair value of options granted and vested.

Key management personnel include the Company's directors and officers.

**Loan Payable**

During the year ended July 31, 2016, the President of the Company entered into a loan agreement with the Company. Under the terms of the agreement, the President provided the Company with \$500,000 as a demand loan with an annual interest rate of 3%. On March 7, 2017, the Company entered into a debt settlement agreement with the President whereby the Company issued an aggregate of 1,500,000 common shares (the "Shares") at a price of \$0.34 per share, subject to a four month hold period, to settle aggregate indebtedness of \$510,500, inclusive of accrued interest of \$10,500.

**6. COMMITMENTS**

On October 17, 2017, the Company entered into a financial advisory services agreement at a rate of \$5,000 per month plus applicable taxes, for a term of 12 months. As of April 2018, the Company no longer required advisory services and thereby terminated the agreement.

**7. SUBSEQUENT EVENTS**

Subsequent to the quarter, the Company issued 100,000 common shares and paid US\$100,000 pursuant to the Los Chapitos option agreement (see note 3).