

# **CAMINO MINERALS CORPORATION.**

Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

Expressed in Canadian Dollars

To the shareholders of Camino Minerals Corporation:

The consolidated condensed interim financial statements of Camino Minerals Corporation. (the "Company") for the three and nine months ended April 30, 2022 and 2021 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	April 30 2022	July 31 2021 <i>(Restated)</i>
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 3,807,289	\$ 6,712,507
Goods and services tax receivable	9,800	15,632
Prepayments and deposits	284,196	393,553
	<b>4,101,285</b>	7,121,692
Exploration and evaluation properties (note 3,5)	5,414,113	5,414,113
Fixed assets	89,922	82,698
Right-of-use asset (note 9)	211,498	-
	<b>\$ 9,816,818</b>	<b>\$12,618,503</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 445,448	\$ 355,645
Payroll liabilities	110,986	58,454
Current portion of lease liability (note 9)	86,438	-
	<b>642,872</b>	414,099
Long-term portion of lease liability (note 9)	123,122	-
	<b>765,994</b>	414,099
Equity		
Share capital (note 6)	39,654,219	39,654,219
Reserves	15,914,718	15,602,477
Option and warrant reserve	8,323,041	7,983,532
AOCI	6,930	6,930
Deficit (note 3)	(54,848,084)	(51,042,754)
	<b>9,050,824</b>	12,204,404
	<b>\$ 9,816,818</b>	<b>\$12,618,503</b>

Approved by the Board of Directors

Director (signed by) *"Jim Greig"*

Director (signed by) *"Keith Peck"*

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

## CAMINO MINERALS CORPORATION.

## Consolidated Condensed Interim Statements of Loss and Comprehensive Loss

*(unaudited)*

For the	three months ended April 30		nine months ended April 30	
	2022	2021	2022	2021
<b>Expenses</b>				
Exploration and evaluation expenditures (note 3, 5)	<b>833,206</b>	313,148	<b>2,468,025</b>	1,640,664
Investor relations	<b>38,208</b>	34,021	<b>106,914</b>	123,460
Management and consulting fees (note 8)	<b>96,250</b>	71,250	<b>288,750</b>	213,750
Office and administration (note 8)	<b>65,334</b>	40,581	<b>220,274</b>	101,361
Professional fees	<b>44,014</b>	52,122	<b>105,641</b>	86,615
Regulatory and filing fees	<b>9,323</b>	7,892	<b>15,491</b>	18,644
Share-based compensation (note 8)	-	-	<b>651,750</b>	484,745
	<b>(1,086,335)</b>	(519,014)	<b>(3,856,845)</b>	(2,669,239)
<b>Other</b>				
Foreign exchange gain (loss)	<b>44,510</b>	(6,626)	<b>28,744</b>	(28,324)
Interest income	<b>7,975</b>	488	<b>22,771</b>	9,599
<b>Net and comprehensive loss</b>	<b>\$ (1,033,850)</b>	\$ (525,152)	<b>\$ (3,805,330)</b>	\$ (2,687,964)
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	\$ (0.00)	<b>\$ (0.02)</b>	\$ (0.03)
<b>Basic and diluted weighted average number of common shares outstanding</b>	<b>173,330,067</b>	102,602,578	<b>173,330,067</b>	102,534,600

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

## CAMINO MINERALS CORPORATION.

## Consolidated Condensed Interim Statements of Changes in Equity

*(unaudited)*

	Share capital	Reserves	Option and warrant reserves	Accumulated currency translation difference	Deficit	Total equity
<b>Balance at July 31, 2020</b>	\$ 30,112,971	\$ 15,372,891	\$ 5,781,970	\$ 6,930	\$ (47,334,493)	\$ 3,940,269
Share issue costs	(47,095)	-	-	-	-	(47,095)
Options issued	-	-	484,745	-	-	484,745
Options exercised	52,048	-	(20,928)	-	-	31,120
Warrants exercised	58,885	-	(13,885)	-	-	45,000
Net loss	-	-	-	-	(2,687,964)	(2,687,964)
<b>Balance at April 30, 2021</b>	\$ 30,176,809	\$ 15,372,891	\$ 6,231,902	\$ 6,930	\$ (50,022,457)	\$ 1,766,075
Private placement	6,176,485	-	1,823,515	-	-	8,000,000
Share issue costs	(206,865)	-	(75,405)	-	-	(282,270)
Finders' warrants	(242,457)	-	242,457	-	-	-
Warrants exercised	39,351	-	(9,351)	-	-	30,000
Warrants expired	-	229,586	(229,586)	-	-	-
Shares issued for mineral property	3,710,896	-	-	-	-	3,710,896
Net loss	-	-	-	-	(1,020,297)	(1,020,297)
<b>Balance at July 31, 2021</b>	\$ 39,654,219	\$ 15,602,477	\$ 7,983,532	\$ 6,930	\$ (51,042,754)	\$ 12,204,404
Options issued (note 6)	-	-	651,750	-	-	651,750
Warrants expired (note 6)	-	312,241	(312,241)	-	-	-
Net loss	-	-	-	-	(3,805,330)	(3,805,330)
<b>Balance at April 30, 2022</b>	\$ 39,654,219	\$ 15,914,718	\$ 8,323,041	\$ 6,930	\$ (54,848,084)	\$ 9,050,824

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

CAMINO MINERALS COPORATION.  
Consolidated Condensed Interim Statements of Cash Flows

(unaudited)

<b>For the nine months ended</b>	<b>April 30 2022</b>	<b>April 30 2021</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss for the period	\$ (3,805,330)	\$ (2,687,964)
Items not affecting cash:		
Amortization	13,281	11,476
Interest income	(22,771)	(9,599)
Share-based compensation	651,750	484,745
Changes in non-cash working capital:		
Receivables	5,832	(33,309)
Prepaid expenses	109,357	(97,503)
Accounts payable and accrued liabilities	140,397	(95,721)
Cash used in operating activities	<u>(2,907,484)</u>	<u>(2,427,875)</u>
<b>Investing activities</b>		
Exploration and evaluation property acquisition expenditures	-	(58,867)
Interest income	22,771	9,599
Purchase of equipment	(20,505)	(28,192)
Cash provided by (used in) investing activities	<u>2,266</u>	<u>(77,460)</u>
<b>Financing activities</b>		
Options exercised	-	31,120
Warrants exercised	-	45,000
Share issue costs	-	(47,095)
Cash provided by financing activities	<u>-</u>	<u>29,025</u>
<b>Net decrease in cash</b>	<b>(2,905,218)</b>	<b>(2,476,310)</b>
Cash, beginning of period	<u>6,712,507</u>	<u>2,697,898</u>
<b>Cash, end of period</b>	<b>\$ 3,807,289</b>	<b>\$ 221,588</b>

The accompanying notes form an integral part of these condensed interim financial statements.

# CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

(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 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.

These consolidated condensed financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations for the foreseeable future. There are significant uncertainties related to certain adverse conditions and events that may cast doubt on the validity of this assumption. As at April 30, 2022, the Company had working capital of \$3,458,413 (July 31, 2021 - \$6,707,593) and an accumulated deficit of \$54,848,084 (July 31, 2021 - \$37,785,158). The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future, which indicate the existence of a material uncertainty that may cast significant doubts about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

## 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, 2021, 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 June 29, 2022.

These consolidated condensed interim 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
Minera Maria Cecilia SAC	Peru	100%	Holds mineral interests in Peru
Minera Maria Cecilia Ltd	BVI*	100%	Holding company
Recursos Mineros Rojo S.A. de C.V.	Mexico	100%	Holding company

\*British Virgin Islands

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, 2021, unless otherwise stated.

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

(unaudited)

3. Significant Accounting Policies

Change in accounting policy

During the nine months ended April 30, 2022, the Company changed its policy under IFRS 6 – Exploration for and Evaluation of Mineral Resources. The Company originally elected to capitalize all costs incurred relating to its exploration and evaluation properties. The Company has changed its policy under IFRS 6 to expense all costs relating to the exploration and evaluation of its properties as it felt that this policy provides superior presentation of costs incurred while the Company’s mineral property interests are at a pre-feasibility stage of development.

The Company will continue to capitalize and include mineral property acquisition costs in exploration and evaluation properties. Acquisition costs include any cash consideration and advance royalties paid, option payments and the fair market value of shares issued, if any, on the acquisition of the mineral property interest.

The Company has applied the change in accounting policy on a retrospective basis and has therefore restated its July 31, 2021 comparative Statement of Financial Position and the April 30, 2021 comparatives, as follows:

Statement of Financial Position as at July 31, 2021

	Reference	Previously reported	Effect of change	Restated
<b>Assets</b>				
Current				
Cash and cash equivalents		\$ 6,712,507	\$ -	\$ 6,712,507
Goods and services tax receivable		15,632	-	15,632
Prepayments and deposits		393,553	-	393,553
		<u>7,121,692</u>	-	<u>7,121,692</u>
Exploration and evaluation properties (note 4)	(i)	18,671,709	(13,257,596)	5,414,113
Fixed assets		82,698	-	82,698
		<u>\$25,876,099</u>	<u>(13,257,596)</u>	<u>\$12,618,503</u>
<b>Liabilities</b>				
Current				
Accounts payable and accrued liabilities		\$ 355,645	-	\$ 355,645
Payroll liabilities		58,454	-	58,454
		<u>414,099</u>	-	<u>414,099</u>
Equity				
Share capital (note 5)		39,654,219	-	39,654,219
Reserves		15,602,477	-	15,602,477
Option and warrant reserve		7,983,532	-	7,983,532
AOCI		6,930	-	6,930
Deficit	(i)	(37,785,158)	(13,257,596)	(51,042,754)
		<u>25,462,000</u>	<u>(13,257,596)</u>	<u>12,204,404</u>
		<u>\$25,876,099</u>	<u>\$(13,257,596)</u>	<u>\$12,618,503</u>

(i) Expensing of current and historical exploration and evaluation expenditures as incurred per change in accounting policy.



## CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

*(unaudited)***3. Significant Accounting Policies (continued)****Change in accounting policy (continued)****Statement of Comprehensive Loss for the nine months ended April 30, 2021**

	Reference	Previously reported	Effect of change	Restated
<b>Expenses</b>				
Exploration and evaluation expenditures	(ii)	\$ -	\$ 1,640,664	\$ 1,640,664
Investor relations		123,460	-	123,460
Management and consulting fees		213,750	-	213,750
Office and administration		101,361	-	101,361
Professional fees		86,615	-	86,615
Regulatory and filing fees		18,644	-	18,644
Share-based compensation		484,745	-	484,745
		(1,028,575)	(1,640,664)	(2,669,239)
<b>Other</b>				
Foreign exchange loss		(28,324)	-	(28,324)
Interest income		9,599	-	9,599
<b>Net and comprehensive loss</b>		<b>\$ (1,047,300)</b>	<b>(1,640,664)</b>	<b>\$ (2,687,964)</b>

**Statement of Comprehensive Loss for the three months ended April 30, 2021**

	Reference	Previously reported	Effect of change	Restated
<b>Expenses</b>				
Exploration and evaluation expenditures	(ii)	\$ -	\$ 313,148	\$ 313,148
Investor relations		34,021	-	34,021
Management and consulting fees		71,250	-	71,250
Office and administration		40,581	-	40,581
Professional fees		52,122	-	52,122
Regulatory and filing fees		7,892	-	7,892
		(205,866)	(313,148)	(519,014)
<b>Other</b>				
Foreign exchange loss		(6,626)	-	(6,626)
Interest income		488	-	488
<b>Net and comprehensive loss</b>		<b>\$ (212,004)</b>	<b>(313,148)</b>	<b>\$ (525,152)</b>

*(ii) Expensing of net current exploration and evaluation expenditures as incurred per change in accounting policy.*

## CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

*(unaudited)***3. Significant Accounting Policies (continued)****Change in accounting policy (continued)****Statement of Cash Flows for the nine months ended April 30, 2021**

	Reference	Previously reported	Effect of change	Restated
<b>Cash provided by (used in):</b>				
<b>Operating activities</b>				
Net loss for the period	(iii)	\$ (1,047,300)	\$ (1,640,664)	\$ (2,687,964)
Items not affecting cash:				
Amortization	(iii)	60	11,416	11,476
Interest income		(9,599)	-	(9,599)
Share-based compensation		484,745	-	484,745
Changes in non-cash working capital:				
Receivables		(33,309)	-	(33,309)
Prepaid expenses		(97,503)	-	(97,503)
Accounts payable and accrued liabilities	(iii)	(165,723)	70,002	(95,721)
Cash used in operating activities		<u>(868,629)</u>	<u>(1,559,246)</u>	<u>(2,427,875)</u>
<b>Investing activities</b>				
Exploration and evaluation property expenditures	(iii)	(1,618,113)	1,559,246	(58,867)
Interest income		9,599	-	9,599
Purchase of equipment		(28,192)	-	(28,192)
		<u>(1,636,706)</u>	<u>1,559,246</u>	<u>(77,460)</u>
<b>Financing activities</b>				
Options exercised		31,120	-	31,120
Warrants exercised		45,000	-	45,000
Share issue costs		(47,095)	-	(47,095)
Cash provided by financing activities		<u>29,025</u>	<u>-</u>	<u>29,025</u>
<b>Net decrease in cash</b>		<u>(2,476,310)</u>	<u>-</u>	<u>(2,476,310)</u>
Cash, beginning of period		<u>2,697,898</u>	<u>-</u>	<u>2,697,898</u>
<b>Cash, end of period</b>		<u>221,588</u>	<u>-</u>	<u>221,588</u>

*(iii) Exploration and evaluation expenditures are now considered to be operating activities instead of investing activities.*

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

(unaudited)

**4. 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, 2021, unless otherwise stated.

**5. Exploration and Evaluation Properties**

Exploration and evaluation assets deferred to the statements of financial position at April 30, 2022 and 2021 are as follows:

	Los Chapitos	Maria Cecilia	Plata Dorado	Total
<b>Balance, July 31, 2020</b>	<b>\$ 814,863</b>	<b>\$ -</b>	<b>\$ 563,489</b>	<b>\$ 1,378,352</b>
Additions	58,866	3,976,895	-	4,035,761
<b>Balance, July 31, 2021 and April 30, 2022</b>	<b>\$ 873,729</b>	<b>\$ 3,976,895</b>	<b>\$ 563,489</b>	<b>\$ 5,414,113</b>

Maria Cecilia

On July 13, 2021, the Company completed an agreement (the "Share Purchase Agreement") with Stellar Investment Holdings LLC ("Stellar"), an affiliate of Denham Capital, to purchase all of the shares of Minera Maria Cecilia Ltd. ("MMC BVI"), a British Virgin Islands company that owns the mineral rights and titles comprising the Maria Cecilia Porphyry and Skarn Complex ("Maria Cecilia") located in Ancash, Peru.

As consideration for Camino's acquisition of all of the shares of MMC BVI under the Share Purchase Agreement, Camino issued 23,193,098 common shares in the capital of Camino to Stellar at a fair value \$0.16 per share for accounting purposes, representing the Company's share price on the date of issuance. In addition, the Company incurred exploration costs prior to acquisition and other costs related to legal, administrative and filing fees of \$265,999, for an aggregate purchase price of \$3,976,895.

## CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

*(unaudited)***5. Exploration and Evaluation Properties (continued)**

Exploration and evaluation expenditures recorded in the statements of loss and comprehensive loss for nine months ended April 30, 2022 and 2021 are as follows:

**Nine months ended April 30, 2022**

	<b>Los Chapitos</b>	<b>Maria Cecilia</b>	<b>Plata Dorado</b>	<b>Total</b>
Amortization	8,803	-	4,477	13,280
Assaying and analysis	45,141	24,649	-	69,790
Community relations	60,982	115,654	-	176,636
Drilling	235,918	-	-	235,918
Fieldwork and support	959,422	34,677	3,928	998,027
Geological consulting	212,829	21,074	-	233,903
Geology	68,096	46,811	-	114,907
Mining rights and fees	237,347	126,599	5,060	369,006
Permits	-	8,222	-	8,222
Travel	59,383	14,315	-	73,698
Exploration costs	<u>1,887,921</u>	<u>392,001</u>	<u>13,465</u>	<u>2,293,387</u>
Value-added tax	<u>158,924</u>	<u>15,714</u>	<u>-</u>	<u>174,638</u>
<b>Total</b>	<b><u>\$ 2,046,845</u></b>	<b><u>\$ 407,715</u></b>	<b><u>\$ 13,465</u></b>	<b><u>\$ 2,468,025</u></b>

**Nine months ended April 30, 2021**

	<b>Los Chapitos</b>	<b>Maria Cecilia</b>	<b>Plata Dorado</b>	<b>Total</b>
Amortization	5,971	-	5,445	11,416
Assaying and analysis	76,134	-	-	76,134
Community relations	28,378	-	14,462	42,840
Drilling	394,308	-	-	394,308
Fieldwork and support	567,762	-	24,008	591,770
Geological consulting	308,217	-	18,497	326,714
Mining rights and fees	13,585	-	8,776	22,361
Travel	23,588	-	2,298	25,886
Exploration costs	<u>1,417,943</u>	<u>-</u>	<u>73,486</u>	<u>1,104,130</u>
Value-added tax	<u>148,329</u>	<u>-</u>	<u>906</u>	<u>149,235</u>
<b>Total</b>	<b><u>\$ 1,566,272</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 74,392</u></b>	<b><u>\$ 1,640,664</u></b>

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

(unaudited)

6. 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
<b>Balance at July 31, 2021 and April 30, 2022</b>	<b>173,330,067</b>	<b>\$ 39,654,219</b>

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 nine months ended April 30, 2022 is \$651,750 (2021 - \$484,745) and is recognized in profit and loss.

The fair value of stock options granted in the nine months ended April 30, 2021 was estimated based on the Black-Scholes option pricing model using a share price of \$0.14 (2020 - \$0.16), volatility of 133% (2020 - 147%), risk free interest rate of 0.79% (2020 - 0.40%), expected life of 5 years (2020 - 5 years), and expected dividend yield of nil (2020 - nil). The weighted average fair value of options granted 2021 was \$0.12 (2020 - \$0.14).

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

	Number of options	Weighted average exercise price
<b>Outstanding options, July 31, 2021</b>	<b>8,350,000</b>	<b>\$ 0.16</b>
Issued	5,500,000	0.18
Expired	(200,000)	0.23
<b>Outstanding options, April 30, 2022</b>	<b>13,650,000</b>	<b>\$ 0.17</b>

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

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements  
For the three and nine months ended April 30, 2022 and 2021

(unaudited)

6. Share capital (continued)

b) Stock options (continued)

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

April 30, 2022			July 31, 2021		
Exercise Price	Number of options	Remaining contractual life (years)	Exercise Price	Number of options	Remaining contractual life (years)
\$ -	-	-	\$ 0.20	150,000	0.1
-	-	-	0.31	50,000	0.6
0.15	2,250,000	2.1	0.16	2,250,000	2.9
0.16	2,500,000	2.8	0.15	2,500,000	3.5
0.16	225,000	3.0	0.16	225,000	3.7
0.25	125,000	1.0	0.25	125,000	1.7
0.15	3,050,000	3.3	0.15	3,050,000	4.1
0.18	5,500,000	4.3	-	-	-
<b>\$ 0.17</b>	<b>13,650,000</b>	<b>3.4</b>	<b>\$ 0.16</b>	<b>8,350,000</b>	<b>3.4</b>

c) Warrants

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

	Number of warrants	Weighted average exercise price
<b>Outstanding warrants, July 31, 2021</b>	<b>49,411,968</b>	<b>\$ 0.20</b>
Expired	(9,355,326)	0.14
<b>Outstanding warrants, April 30, 2022</b>	<b>40,056,642</b>	<b>\$ 0.21</b>

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

April 30, 2022			July 31, 2021		
Exercise Price	Number of warrants	Remaining contractual life (years)	Exercise Price	Number of warrants	Remaining contractual life (years)
\$ -	-	-	\$ 0.25	2,105,326	0.1
-	-	-	0.105	7,250,000	0.5
0.15	14,675,000	0.2	0.15	14,675,000	1.0
0.25	22,058,821	1.1	0.25	23,911,054	1.8
0.25	1,470,588	1.2	0.25	1,470,588	2.0
0.25	1,852,233	1.1	-	-	-
<b>\$ 0.21</b>	<b>40,056,642</b>	<b>0.7</b>	<b>\$ 0.20</b>	<b>49,411,968</b>	<b>1.3</b>

## 7. 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 operates projects in more than one country. As a result, a portion of the Company's cash, accounts receivable, accounts payable and accruals are denominated in U.S. Dollars and Peruvian Soles and are therefore subject to fluctuation in exchange rates. As at April 30, 2022, a 1% change in the exchange rate between the Canadian and U.S. dollar or the Canadian dollar and Peruvian Soles would not be material.

#### *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.

**7. Financial instruments and risk management (continued)**

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 \$3,807,289 (July 31, 2021 - \$6,712,507).

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 maintains sufficient cash to allow it to meet its liabilities when they become due.

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 April 30, 2022, all of the Company's financial liabilities are due within one year.

As at April 30, 2022, the Company had a working capital of \$3,458,413 (July 31, 2021 - \$6,707,593) 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 and nine months ended April 30, 2022 and 2021

(unaudited)

**8. 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:

<b>For the nine months ended</b>	<b>April 30 2022</b>	<b>April 30 2021</b>
Management and consulting fees	\$ 288,750	\$ 213,750
Office and admin fees paid to a corporation controlled by key management	45,000	36,000
Share-based payments	<u>482,295</u>	<u>334,474</u>
	<b>\$ 816,045</b>	<b>\$ 584,224</b>

Related party amounts are unsecured, non-interest bearing and due on demand. These transactions are measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related parties. As at April 30, 2022, \$4,415 (2021 - \$24,864) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

**9. Right-of-Use Asset/Lease Liability**

As at April 30, 2022 the Company was the lessee to a premise lease. The incremental rate of borrowing for this lease was estimated by management to be 10% per annum.

(a) Right-of-Use Assets

As at April 30, 2022, right-of-use assets are recorded as follows:

	<u>2022</u>
As at July 31, 2021	\$ -
Inception of lease	253,797
Depreciation	<u>(42,299)</u>
As at April 30, 2022	<u>\$ 211,498</u>

(b) Lease Liabilities

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	<u>2022</u>
Undiscounted minimum lease payments:	
Less than one year	\$ 96,793
Two to three years	<u>140,150</u>
	236,943
Effect of discounting	<u>(27,383)</u>
Present value of minimum lease payments	209,560
Less current portion	<u>(86,438)</u>
Long-term portion	<u>\$ 123,122</u>

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three and nine months ended April 30, 2022 and 2021

*(unaudited)*

**9. Right-of-Use Asset/Lease Liability (continued)**

(c) Lease Liability Continuity

The lease liability continuity is as follows:

	2022
As at July 31, 2021	\$ -
Inception of lease	253,797
Principal payments	(36,299)
As at April 30, 2022	\$ 217,498