

# **CAMINO MINERALS CORPORATION.**

Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 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 months ended October 31, 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  | October 31<br>2022  | July 31<br>2022     |
|--|---------------------|---------------------|
| <b>Assets</b>                                  |                     |                     |
| Current  |                     |                     |
| Cash and cash equivalents                      | \$ 1,583,747        | \$ 2,197,608        |
| Goods and services tax receivable              | 9,764               | 14,403              |
| Prepayments and deposits                       | 50,213              | 142,743             |
|  | <u>1,643,724</u>    | 2,354,754           |
| Exploration and evaluation properties (note 4) | 5,478,233           | 5,478,233           |
| Fixed assets                                   | 83,717              | 86,900              |
| Right-of-use asset (note 8)                    | 169,198             | 190,348             |
|  | <u>\$ 7,374,872</u> | <u>\$ 8,110,235</u> |
| <b>Liabilities</b>                             |                     |                     |
| Current  |                     |                     |
| Accounts payable and accrued liabilities       | \$ 102,863          | \$ 108,387          |
| Payroll liabilities                            | 99,511              | 75,866              |
| Current portion of lease liability (note 8)    | 91,983              | 81,872              |
|  | <u>294,357</u>      | 266,125             |
| Long-term portion of lease liability (note 8)  | 79,267              | 108,850             |
|  | <u>373,624</u>      | 374,975             |
| Equity   |                     |                     |
| Share capital (note 5)                         | 39,654,219          | 39,654,219          |
| Reserves                                       | 16,600,462          | 16,600,462          |
| Option and warrant reserve                     | 7,637,297           | 7,637,297           |
| AOCI   | 6,930               | 6,930               |
| Deficit  | (56,897,660)        | (56,163,648)        |
|  | <u>7,001,248</u>    | 7,735,260           |
|  | <u>\$ 7,374,872</u> | <u>\$ 8,110,235</u> |

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 financial statements*

## CAMINO MINERALS CORPORATION.

## Consolidated Condensed Interim Statements of Loss and Comprehensive Loss

*(unaudited)*

| <b>For the three months ended</b>   | <b>October 31<br/>2022</b> | <b>October 31<br/>2021</b> |
|---|----------------------------|----------------------------|
| <b>Expenses</b>   |                            |                            |
| Exploration and evaluation expenditures (note 4)  | 541,366                    | 802,551                    |
| Investor relations  | 21,320                     | 26,780                     |
| Management and consulting fees (note 7)   | 96,250                     | 96,250                     |
| Office and administration (note 7)  | 60,194                     | 67,655                     |
| Professional fees   | 33,860                     | 31,861                     |
| Regulatory and filing fees  | 1,391                      | 1,620                      |
| Share-based compensation (note 7)   | -                          | 651,750                    |
|   | <u>(754,381)</u>           | <u>(1,678,467)</u>         |
| <b>Other</b>  |                            |                            |
| Foreign exchange gain (loss)  | 5,777                      | (10,890)                   |
| Interest income   | 14,592                     | 8,195                      |
|   | <u>14,592</u>              | <u>8,195</u>               |
| <b>Net and comprehensive loss</b>   | <u>\$ (734,012)</u>        | <u>\$ (1,681,162)</u>      |
| <b>Basic and diluted loss per common share</b>  | <u>\$ (0.00)</u>           | <u>\$ (0.01)</u>           |
| <b>Basic and diluted weighted average number of common shares outstanding</b><br>(note 5) | <u>173,330,067</u>         | <u>173,330,067</u>         |

*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 | Reserves      | Option<br>and<br>warrant<br>reserves | Accumulated<br>currency<br>translation<br>difference | Deficit         | Total<br>equity |
|------------------------------------|---------------|---------------|--------------------------------------|--|-----------------|-----------------|
| <b>Balance at July 31, 2021</b>    | \$ 39,654,219 | \$ 15,602,477 | \$ 7,986,532                         | \$ 6,930   | \$ (51,042,754) | \$ 12,204,404   |
| Options issued (note 5)            | -             | -             | 651,750                              | -  | -               | 651,750         |
| Warrants expired                   | -             | 79,074        | (79,074)                             | -  | -               | -               |
| Net loss                           | -             | -             | -                                    | -  | (1,681,162)     | (1,681,162)     |
| <b>Balance at October 31, 2021</b> | \$ 39,654,219 | \$ 15,681,551 | \$ 8,556,208                         | \$ 6,930   | \$ (52,723,916) | \$ 11,174,992   |
| Options issued                     | -             | -             | -                                    | -  | -               | -               |
| Warrants expired                   | -             | 918,911       | (918,911)                            | -  | -               | -               |
| Net loss                           | -             | -             | -                                    | -  | (3,439,732)     | (3,439,732)     |
| <b>Balance at July 31, 2022</b>    | \$ 39,654,219 | \$ 16,600,462 | \$ 7,637,297                         | \$ 6,930   | \$ (56,163,648) | \$ 7,735,260    |
| Net loss                           | -             | -             | -                                    | -  | (734,012)       | (734,012)       |
| <b>Balance at October 31, 2022</b> | \$ 39,654,219 | \$ 16,600,462 | \$ 7,637,297                         | \$ 6,930   | \$ (56,897,660) | \$ 7,001,248    |

*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<br>2021  | October 31<br>2021  |
|--|---------------------|---------------------|
| <b>Cash provided by (used in):</b>                           |                     |                     |
| <b>Operating activities</b>                                  |                     |                     |
| Net loss for the period                                      | \$ (734,012)        | \$ (1,681,162)      |
| Items not affecting cash:                                    |                     |                     |
| Amortization   | 3,658               | 4,092               |
| Interest income  | (14,592)            | (8,195)             |
| Depreciation – Right-of-use asset                            | 21,150              | -                   |
| Interest on lease liability                                  | 4,607               | -                   |
| Share-based compensation                                     | -                   | 651,750             |
| Changes in non-cash working capital:                         |                     |                     |
| Receivables  | 4,639               | 8,890               |
| Prepaid expenses   | 92,530              | (65,091)            |
| Accounts payable and accrued liabilities                     | (10,131)            | (200,959)           |
| Payroll liabilities  | 23,645              | 18,413              |
| Cash used in operating activities                            | <u>(608,506)</u>    | <u>(1,272,262)</u>  |
| <b>Investing activities</b>                                  |                     |                     |
| Exploration and evaluation property acquisition expenditures | -                   | -                   |
| Interest income  | 14,592              | 8,195               |
| Purchase of equipment  | (475)               | (13,951)            |
| Cash used in investing activities                            | <u>14,117</u>       | <u>(5,756)</u>      |
| <b>Financing activities</b>                                  |                     |                     |
| Principal portion of lease liability                         | <u>(19,472)</u>     | -                   |
| Cash provided by financing activities                        | <u>(19,472)</u>     | -                   |
| <b>Net decrease in cash</b>                                  | <b>(613,861)</b>    | <b>(1,278,018)</b>  |
| Cash, beginning of period                                    | <u>2,197,608</u>    | <u>6,712,507</u>    |
| <b>Cash, end of period</b>                                   | <b>\$ 1,583,747</b> | <b>\$ 5,434,489</b> |

*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, 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 1780, 555 West Hastings Street, Vancouver, BC, Canada, V6B 4N6. 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 October 31, 2022, the Company had working capital of \$1,349,367 (2021 - \$5,668,322) and an accumulated deficit of \$56,897,660 (2021 - \$52,723,916). 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, 2022, 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 30, 2022.

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.

| <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                 |
| 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.

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2022 and 2021

(unaudited)

**2. Basis of presentation (continued)**

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.

**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, 2022, unless otherwise stated.

**4. Exploration and Evaluation Properties**

Exploration and evaluation assets deferred to the statements of financial position at October 31, 2022 and 2021 are as follows:

|  | Los<br>Chapitos   | Maria<br>Cecilia | Plata<br>Dorado   | Total               |
|--|-------------------|------------------|-------------------|---------------------|
| <b>Balance, July 31 and October 31, 2021</b> | \$ 873,729        | \$ 3,976,895     | \$ 563,489        | \$ 5,414,113        |
| Additions                                    | 64,120            | -                | -                 | 64,120              |
| <b>Balance, July 31 and October 31, 2022</b> | <b>\$ 937,849</b> | <b>3,976,895</b> | <b>\$ 563,489</b> | <b>\$ 5,478,233</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 \$3,976,948.

## CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2022 and 2021

*(unaudited)***4. Exploration and Evaluation Properties (continued)**

Exploration and evaluation expenditures recorded in the statements of loss and comprehensive loss for three months ended October 31, 2022 and 2021 are as follows:

**Three months ended October 31, 2022**

|                        | <b>Los<br/>Chapitos</b> | <b>Maria<br/>Cecilia</b> | <b>Plata<br/>Dorado</b> | <b>Total</b>      |
|------------------------|-------------------------|--------------------------|-------------------------|-------------------|
| Amortization           | 3,346                   | 56                       | 561                     | 3,963             |
| Assaying and analysis  | 21,341                  | 8,031                    | -                       | 29,372            |
| Community relations    | 6,359                   | 4,934                    | -                       | 11,293            |
| Fieldwork and support  | 157,852                 | 99,669                   | 1,856                   | 259,377           |
| Geological consulting  | 40,837                  | 13,547                   | -                       | 54,384            |
| Mining rights and fees | 135,680                 | -                        | -                       | 135,680           |
| Permits                | -                       | 14,531                   | -                       | -                 |
| Travel                 | 13,609                  | 537                      | -                       | 14,146            |
| Exploration costs      | 379,024                 | 141,305                  | 2,417                   | 522,746           |
| Value-added tax        | 16,443                  | 2,081                    | 96                      | 18,620            |
| <b>Total</b>           | <b>\$ 395,467</b>       | <b>\$ 143,386</b>        | <b>\$ 2,513</b>         | <b>\$ 541,366</b> |

**Three months ended October 31, 2021**

|                        | <b>Los<br/>Chapitos</b> | <b>Maria<br/>Cecilia</b> | <b>Plata<br/>Dorado</b> | <b>Total</b>      |
|------------------------|-------------------------|--------------------------|-------------------------|-------------------|
| Amortization           | 2,486                   | -                        | 1,541                   | 4,027             |
| Assaying and analysis  | 5,211                   | -                        | -                       | 5,211             |
| Community relations    | 20,881                  | 42,517                   | -                       | 63,398            |
| Drilling               | 254,943                 | -                        | -                       | 254,943           |
| Fieldwork and support  | 323,473                 | -                        | 1,674                   | 325,147           |
| Geological consulting  | 16,225                  | -                        | -                       | 16,225            |
| Mining rights and fees | 903                     | -                        | -                       | 903               |
| Travel                 | 30,839                  | 3,619                    | -                       | 34,458            |
| Exploration costs      | 654,961                 | 46,136                   | 3,215                   | 704,312           |
| Value-added tax        | 98,239                  | -                        | -                       | 98,239            |
| <b>Total</b>           | <b>\$ 753,200</b>       | <b>\$ 46,136</b>         | <b>\$ 3,215</b>         | <b>\$ 802,551</b> |

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2022 and 2021

(unaudited)

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<br>shares | Amount               |
|--|---------------------|----------------------|
| <b>Balance at July 31 and October 31, 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 three months ended October 31, 2022 is \$nil (2021 - \$651,750) and is recognized in profit and loss.

The fair value of stock options granted in the three months ended October 31, 2021 was estimated based on the Black-Scholes option pricing model using a share price of \$0.14, volatility of 133%, risk free interest rate of 0.79%, expected life of 5 years, and expected dividend yield of nil. The weighted average fair value of options granted 2021 was \$0.12.

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

|  | Number of<br>options | Weighted<br>average<br>exercise price |
|--|----------------------|---------------------------------------|
| <b>Outstanding options, July 31 and October 31, 2022</b> | <b>13,650,000</b>    | <b>\$ 0.16</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 months ended October 31, 2022 and 2021

(unaudited)

5. Share capital (continued)

b) Stock options (continued)

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

| October 31, 2022 |                   |                                    | July 31, 2022  |                   |                                    |
|------------------|-------------------|------------------------------------|----------------|-------------------|------------------------------------|
| Exercise Price   | Number of options | Remaining contractual life (years) | Exercise Price | Number of options | Remaining contractual life (years) |
| \$ 0.15          | 2,500,000         | 1.6                                | \$ 0.15        | 2,500,000         | 1.9                                |
| 0.16             | 2,250,000         | 2.3                                | 0.16           | 2,250,000         | 2.5                                |
| 0.16             | 225,000           | 2.5                                | 0.16           | 225,000           | 2.7                                |
| 0.25             | 125,000           | 0.5                                | 0.25           | 125,000           | 0.7                                |
| 0.15             | 3,050,000         | 2.8                                | 0.15           | 3,050,000         | 3.0                                |
| 0.18             | 5,500,000         | 3.8                                | 0.18           | 5,500,000         | 4.1                                |
| <b>\$ 0.16</b>   | <b>13,650,000</b> | <b>2.9</b>                         | <b>\$ 0.16</b> | <b>13,650,000</b> | <b>3.2</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 and October 31, 2022</b> | <b>25,381,642</b>  | <b>\$ 0.25</b>                  |

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

| October 31, 2022 |                    |                                    | July 31, 2022  |                    |                                    |
|------------------|--------------------|------------------------------------|----------------|--------------------|------------------------------------|
| Exercise Price   | Number of warrants | Remaining contractual life (years) | Exercise Price | Number of warrants | Remaining contractual life (years) |
| \$ 0.25          | 22,058,821         | 0.6                                | \$ 0.25        | 22,058,821         | 0.8                                |
| 0.25             | 1,470,588          | 0.7                                | 0.25           | 1,470,588          | 1.0                                |
| 0.25             | 1,852,233          | 0.6                                | 0.25           | 1,852,233          | 0.8                                |
| <b>\$ 0.25</b>   | <b>25,381,642</b>  | <b>0.6</b>                         | <b>\$ 0.25</b> | <b>25,381,642</b>  | <b>0.8</b>                         |

## 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 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 October 31, 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.

**6. 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 \$5,434,489 (July 31, 2022 - \$2,197,608).

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

As at October 31, 2022, the Company had a working capital of \$1,349,367 (July 31, 2022 - \$2,088,629). As at October 31, 2022, the Company has long term lease liability of \$79,267 (July 31, 2022 - \$108,850). 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, 2022 and 2021

(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:

| <b>For the three months ended</b>  | <b>October 31<br/>2022</b> | <b>October 31<br/>2021</b> |
|--|----------------------------|----------------------------|
| Management and consulting fees   | \$ 96,250                  | \$ 96,250                  |
| Office and admin fees paid to a corporation controlled by key management | 15,000                     | 15,000                     |
| Share-based payments   | -                          | 482,295                    |
|  | <u>\$ 111,250</u>          | <u>\$ 593,545</u>          |

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 October 31, 2022, \$nil (2021 - \$15,576) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

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

On October 1, 2021 the Company entered into a three-year office lease. The Company is required to pay operating costs at \$21.28 per sq foot per annum plus rent of \$29 per sq foot for the first year, \$30 per sq foot for the second year, and \$31 per sq foot for the final year of the lease. The total aggregate lease payments, excluding operating costs, under the agreement are \$178,650. The incremental rate of borrowing for this lease was estimated by management to be 10% per annum.

(a) Right-of-Use Assets

As at October 31, 2022, \$169,198 of right-of-use assets are recorded as follows:

|                        |                   |
|------------------------|-------------------|
| As at July 31, 2022    | \$ -              |
| Inception of lease     | 190,348           |
| Depreciation           | (21,250)          |
| As at October 31, 2022 | <u>\$ 169,198</u> |

(b) Lease Liabilities

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

|   |                  |
|---|------------------|
| Undiscounted minimum lease payments:    |                  |
| Less than one year                      | \$ 97,744        |
| Two to three years                      | 91,198           |
|   | <u>188,942</u>   |
| Effect of discounting                   | (17,692)         |
| Present value of minimum lease payments | 171,250          |
| Less current portion                    | (91,983)         |
| Long-term portion                       | <u>\$ 79,267</u> |

CAMINO MINERALS CORPORATION.

Notes to the Consolidated Condensed Interim Financial Statements

For the three months ended October 31, 2022 and 2021

*(unaudited)*

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

(c) Lease Liability Continuity

The lease liability continuity is as follows:

|                     |                   |
|---------------------|-------------------|
| As at July 31, 2021 | \$ -              |
| Inception of lease  | 190,722           |
| Cash flows:         |                   |
| Principal payments  | <u>(19,472)</u>   |
| As at July 31, 2022 | <u>\$ 171,250</u> |

During the three months ended October 31, 2022, interest of \$4,607 is included in office and administration expenses.