



Camino, Nittetsu and Denham Capital Sign Definitive Agreement for Acquisition of the Puquios Copper Project in Chile

Vancouver, October 7, 2024 – **Camino Minerals Corporation** (TSXV: COR) (OTC: CAMZF) (“**Camino**” or the “**Company**”) is pleased to announce that, further to its news release on June 27, 2024, it has entered into a definitive share purchase agreement dated October 4, 2024 (“**Agreement**”) with Nittetsu Mining Co., Ltd. (“**Nittetsu**”) and Santiago Metals Investment Holdings II SL and Santiago Metals Investment Holdings II-A LLC (together, the “**Vendors**”), pursuant to which Camino and Nittetsu will jointly acquire (through a Chilean entity co-owned 50/50 by Camino and Nittetsu) all of the issued and outstanding shares of Cuprum Resources Chile SpA (“**Cuprum**”), a Chilean incorporated company and the owner of the Puquios Project (“**Puquios**” or the “**Project**”), a construction-ready copper project located in Chile (the “**Transaction**”).

In connection with the Transaction, and subject to approval of the TSX Venture Exchange (the “**Exchange**”), Camino intends to undertake a private placement of common shares to close prior to, or concurrently with, closing of the Transaction, for gross proceeds of up to \$2 million for working capital purposes. The terms, timing, and pricing of such financing have not been finalized and will be detailed in a subsequent news release. The Vendors have agreed to participate in the financing, directly or indirectly, in the amount of \$500,000.

The Vendors are companies owned by a fund advised by Denham Capital Management LP (“**Denham**”) and are non-arm’s length parties to Camino under the policies of the Exchange. Separate Denham-advised funds hold a shareholder interest in Camino of approximately 15% and Justin Machin, a Managing Director of Denham, is also a member of the Camino board of directors.

The Transaction will constitute a non-arm’s length “Reverse Takeover” for Camino as that term is defined in Policy 5.2 of the Exchange. The Company will be seeking an exemption from the Exchange with respect to any sponsorship requirements in respect of the Transaction.

All dollar amounts in this news release are in Canadian Dollars unless otherwise stated.

Highlights:

- Production from conventional SXEW copper heap leach mine
- Technology upside with the potential to economically process the underlying sulphide resource
- Production and resource upside with new exploration (>13,000 hectare land package), locally sourced oxide ore from third parties and potential development of sulphide resources
- Operational and development synergies to apply to “next in line” Los Chapitos, Peru
- More exploration at Los Chapitos IOCG copper and Maria Cecilia copper porphyry in Peru

The Company views the Puquios Project as one of the premier construction-ready copper assets currently available, and one that is well-suited for Camino's financing and development capabilities. By adding copper production assets to its portfolio, Camino aims to strengthen its exploration strategy, with a broader vision to become a consolidator in the copper sector, driving value through cashflow generation via the acquisition of the Puquios Project in Chile, and new copper discoveries and potential development at its Los Chapitos copper project and continued exploration drilling at its Maria Cecilia project in Peru. Camino has been actively pursuing a corporate acquisition strategy, carefully evaluating numerous projects over the past several years to build a robust copper portfolio in anticipation of favorable macro-economic conditions for higher copper prices.

"We are pleased to expand our collaboration with Camino through the acquisition of the Puquios Project in Chile" said Shinichiro Mita, General Manager of Nittetsu Mining Co., Ltd. "This opportunity aligns with Nittetsu's commitment to expanding our footprint in the copper sector by utilizing our extensive operational experience and technical expertise. Our presence and experience in Chile, including the producing Atacama Kozan mine and the construction of the Arqueros copper mine in the La Serena district, where the Puquios Project is located, will be complementary assets to this venture. We believe Puquios holds significant potential for near-term copper production, and alongside Camino, we are dedicated to unlocking value for all stakeholders through efficient project development and long-term success. This opportunity also extends to our investment in, and exploration at, the Los Chapitos copper project in Peru."

"The Puquios Project acquisition marks a pivotal step in our strategy to become a mid-tier copper producer, with production and cashflow at the core of our business plan," said Jay Chmelauskas, Chief Executive Officer of Camino. "The Puquios Project offers the potential for a long-life mine, in a high-quality prospective jurisdiction, aligning with our goal of building a long-term copper business. Together with our partners at Nittetsu, we believe that our business and copper portfolio will not only drive significant value for our shareholders but also position Camino as a key player in the copper sector, alongside our ongoing exploration efforts at Los Chapitos and Maria Cecilia in Peru."

"This is a good time in the copper cycle to bring Puquios, one of the few shovel-ready copper projects in the Americas, to the public markets and continue Denham's partnership with Camino that started in 2021" said Justin Machin, Managing Director of Denham. "We look forward to working closely with Camino and Nittetsu to progress Puquios through construction and into production."

Description of Cuprum

Cuprum, headquartered in Santiago, Chile, has been engaged in the exploration and development of mineral resources, the nature of which will not change upon completion of the Transaction. Cuprum has advanced the Puquios Project to its current Definitive Feasibility Stage, following the completion of a NI 43-101 technical report in January 2022, authored by Ausenco.

Pursuant to the audited financial statements of Cuprum as at December 31, 2023, Cuprum had US\$47.95 million in total assets, including intangible assets of US\$43.46 million, representing the cumulative costs of exploring and developing Puquios, and net cash of US\$2.35 million. At that same time, Cuprum held US\$432,970 in liabilities, with no external debt outside of trade payables, for a net asset balance of US\$47.52 million. Cuprum, as an exploration and development company, has not generated revenues.

Key Terms:

- **Initial Cash Payment:** CAD \$10 million cash payment funded by Nittetsu (less the CAD \$100,000 exclusivity payment already made and any applicable Chilean withholding tax) on closing of the Transaction ("**Closing**").
- **Initial Equity Consideration:** CAD \$10.5 million in Camino shares on Closing, with the number of shares issued calculated based on the lesser of CAD \$0.075 per share and the price per share or unit of any Camino shares or Camino units issued pursuant to a private placement or public equity financing of Camino that closes on or before Closing for gross proceeds of more than \$2 million; provided that if the issue price of the consideration shares is required, by the

Exchange or otherwise, to be greater than \$0.075 per Camino share, the Vendors will receive such number of additional Camino shares, issued at no cost, as would have been issuable if the consideration shares had been issued at \$0.075 per Camino share, as a means of price protection. Furthermore, in the event that Camino completes an equity financing within 12 months after Closing at a price per share/unit that is less than CAD \$0.075, the Vendors will receive such number of additional Camino shares, issued at no cost, as would have been issuable if the consideration shares had been issued at the price of such subsequent equity financing. In the case of a unit financing prior to or following Closing, the Vendors will also receive warrants or securities underlying the units in such financing, in an amount equal to the number of consideration shares issued to the Vendors.

- First Contingent Payment: CAD \$5 million cash payment (less any applicable Chilean withholding tax) on the receipt of the earlier of: (i) (A) the applicable environmental approval for the ~26ha expansion of the waste dump and other project infrastructure for Puquios or (B) the environmental permit or permits for alternative site layouts that achieve the same objective for advancement of the Project as the receipt of the applicable environmental approval referenced in subclause (A) above would have or (ii) the date the obligation to make the Second Contingent Payment below is triggered.
- Second Contingent Payment: CAD \$5 million cash payment (less any applicable Chilean withholding tax) on the earlier of: (i) 3 months after the date the obligation to make the First Contingent Payment is triggered, (ii) the date of a binding agreement evidencing any loan facility or other financing arrangement provided for the purpose of financing all or a portion of the cost of developing, expanding, constructing or operating the Project, including any refinancing thereof ("**Project Financing**"), or (iii) the date the obligation to make the Third Contingent Payment below is triggered.
- Third Contingent Payment: CAD \$5 million cash payment (less any applicable Chilean withholding tax) on the earlier of: (i) one month after the date the obligation to make the Second Contingent Payment is triggered; or (ii) the commencement date of earthworks (other than preparatory earthworks with a budgeted cost of less than \$10 million) associated with the construction of a mine, processing plant or related infrastructure of the Project.
- Fourth Contingent Payment: CAD \$5 million cash payment (less any applicable Chilean withholding tax) on the earlier of: (i) 20 months after the obligation to make the Third Contingent Payment is triggered; or (ii) the date the Project's processing plant has operated at greater than 80% of nameplate capacity for a period of 60 consecutive days.
- Fifth Contingent Payment: CAD \$5 million cash payment (less any applicable Chilean withholding tax) 12 months after the date the obligation to make the Fourth Contingent Payment is triggered.
- Contingent Payments Generally: At the election of either the Vendors or Camino and Nittetsu (with the Vendors having the deciding vote), up to 50% of all contingent payments described above may be satisfied in Camino shares based on the 20-day VWAP prior to payment date. In addition, the contingent payments will be secured by a share pledge of the acquired shares of Cuprum.
- NSR Royalty: NSR royalty payable to Santiago Metals II Upper Holdco LLC quarterly on all sales of products derived from minerals extracted from all concessions currently held by Cuprum, regardless of where the minerals are processed. The NSR royalty: (i) will not be capped by time, commodity, production amount or royalty paid; and (ii) will be freely transferable / saleable by the Vendors. The NSR royalty will be 1.25% on all sales less allowable deductions.

- Investor Rights Agreement: To be entered into at Closing, and provides Denham, via its interests in Stellar Investment Holdings LLC and Santiago Metals Holdings II SLU, with (i) participation rights to maintain its percentage ownership in Camino (so long as its percentage ownership in Camino is then at least 9.9%), (ii) board representation rights – one nominee if its percentage ownership in Camino is between 9.9%-19.9%, two nominees if its percentage ownership in Camino is between 19.9%-24.9%, three nominees if percentage ownership in Camino is between 24.9%-29.9%, and four nominees, and the right to nominate the chair of the board, if percentage ownership in Camino is at least 29.9%, and (iii) after the earlier of the first anniversary date of Closing and the closing date of Project Financing, and for as long as the Denham’s percentage interest in Camino is at least 9.9%, qualification rights to have its Camino shares included in any prospectus offering of Camino, subject to certain limitations. Until all contingent payments are made, the Camino board of directors cannot be larger than seven directors without the Vendors’ approval.
- Conditions to Closing: In addition to the entering of the Investor Rights Agreement and royalty agreement in respect of the NSR royalty and the provision of the share pledge referenced above, Closing is conditional upon obtaining (i) disinterested Camino shareholder approval in respect of the Transaction (currently expected to be presented to the Camino shareholders at a special meeting of shareholders to be held by no later than December 15, 2024), and (ii) Exchange approval of the Transaction.
- Principals and Insiders of Camino after Closing: As of the date hereof, there are 209,251,638 Camino shares issued and outstanding. Assuming (i) no equity financing is completed prior to Closing, (ii) 140,000,000 Camino shares are issued to the Vendors at Closing (which assumes a price per share of CAD \$0.075), and (iii) no Camino shares are issued to satisfy any contingent payments, upon completion of the Transaction, Denham will indirectly (through the Vendors) exercise control or direction over approximately 169,467,607 Camino shares (47.5%). Denham’s director nominees and the composition of the directors and officers of Camino generally post-Closing have not yet been confirmed. Camino will provide further details regarding such individuals and their biographies once available.
- Shareholders Agreement between Camino and Nittetsu: Camino and Nittetsu have agreed to enter into a shareholders agreement with respect to their 50/50 investment in the Project. The shareholders agreement is in settled form and, among other things, provides for the following:
 - Equal board representation of the Chilean purchaser entity, with the initial board consisting of four directors. So long as the proportionate interest of each shareholder is at least 40%, each shareholder will have the right to appoint two directors. If the proportionate interest of one shareholder falls below 40%, then such shareholder shall only have the right to nominate one out of four directors and the other shareholder shall have the right to nominate three out of four directors. If the proportionate interest of a shareholder shall fall below 15% they lose the right to representation on the board. For so long as any contingent payments remain outstanding, the board shall allow one nominee of the Vendors to act as a non-voting observer.

- The shareholder who is serving as the operator of the Project shall have the right to appoint the chairman of the board, who shall have a casting vote on certain specified matters that are to be considered by the shareholders.
- Camino will act as the initial operator until there has been a project financing commitment and a construction commencement date, whereupon Nittetsu shall act as the operator.
- The sale of products from the Project will be managed by the operator and each shareholder will be entitled to purchase a percentage of available product equal to its proportionate interest.
- Shareholders will be required to contribute to programs and budgets as well as emergency and unexpected expenditures pro rata or become subject to straight line dilution. At such time as the ownership interests of a shareholder dilute to less than 10%, the other shareholder has the right to purchase the ownership interests for a purchase price equal to the fair market value thereof.
- If a shareholder shall seek to sell its ownership interest, the other shareholder has tag along rights so long as it holds a proportionate interest of between 40% and 50%.

About the Puquios Copper Project

The Project is located in the La Serena district, Region IV, Chile. The Project demonstrates excellent infrastructure with paved highways to Punta Colorada and well maintained 45-kilometer gravel road to the site. Foundation earthworks have been started for the process plant and the Project is in a ready state for construction, with major permits in place. Multiple water wells, owned by Cuprum, are available to adequately supply the mine and a 23KV power sub-station has been contracted at the nearby Barrick power facility.

About Nittetsu Mining Co., Ltd.

Nittetsu is a Japanese corporation listed on the Tokyo Stock Exchange with an 85-year history as a mining and trading company. Nittetsu is the operator of the Atacama Kozan mine located in the prolific Candelaria-Punta del Cobre copper district which is known to host iron-oxide-copper-gold type ore deposits. In addition, Nittetsu has made a decision to start construction of its 80% owned Arqueros copper mine in Chile. Nittetsu has expertise in processing, distributing, importing, and exporting copper and other mineral products. Other businesses include: purchasing and distributing coal and petroleum products; developing and distributing equipment, machinery and environment-related products; real estate; power generation using renewable energy; the supply and sale of electricity; and mining and distributing industrial minerals including limestone.

About Camino Minerals Corporation

Camino is a discovery and development stage copper exploration company with a portfolio of projects located in Peru. The Company is focused on advancing its high-grade Los Chapitos copper project through to resource delineation, new discoveries and development. Camino has also permitted the Maria Cecilia copper porphyry project for copper and gold exploration drilling. In addition, the Company has increased its land position at its copper and silver Plata Dorada project. The Company seeks to acquire a portfolio of advanced copper assets that

have the potential to deliver copper into an electrifying copper intensive global economy. For more information, please refer to Camino's website at www.caminocorp.com.

ON BEHALF OF THE BOARD

/s/ "Jay Chmelauskas"
President and CEO

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Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Camino should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward Looking Statements: *Certain disclosures in this release constitute forward-looking information. In making the forward-looking disclosures in this release, the Company has applied certain factors and assumptions that are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company. Forward-looking information in the release includes statements with respect to the proposed acquisition of the Project; the closing of the Transaction and satisfaction of the related conditions to close; the anticipated synergies between Nittetsu and Camino in respect of the Project; the equity financing; the nature of Cuprum's business following Closing; and the Company's aims, goals and growth plans. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release is subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking information. Such risk factors include, among others, risk that the Transaction will not be completed as anticipated, or at all; risk that the Company will not obtain from the Exchange a waiver of the sponsorship requirement in respect of the Transaction; risk that the equity financing will not be approved by the Exchange or otherwise completed on terms acceptable to Camino; risk that the Company will not receive requisite regulatory and shareholder approvals or satisfy the customary conditions in respect of the Transaction as anticipated, or at all; risk that the anticipated synergies between Nittetsu and Camino in respect of the Project will not be realized as contemplated, or at all; risk that actual results of the Company's exploration activities may be different than those expected by management; risk that the Company may be unable to obtain or will experience delays in obtaining any required authorizations and approvals; and risks related to the state of equity and*

commodity markets. Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.