CAMINO MINERALS CORPORATION
(the "Company")

Management Discussion & Analysis
For the year ended July 31, 2016

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of our Company and compares our year ended July 31, 2016 financial results with those of the comparable period of the previous year and is current as of November 28, 2016.

In order to better understand the MD&A, it should be read in conjunction with the latest audited annual consolidated financial statements of Camino Minerals Corporation and related notes as well as the consolidated interim financial statements for the year ended July 31, 2016. Camino Minerals Corporation's accounting policies are described in note 2 of the Company's annual audited consolidated financial statements.

We prepare and file with various Canadian regulatory authorities our consolidated financial statements and MD&A in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS"). Additional information relating to the Company is available on SEDAR at www.sedar.com.

Caution on Forward-Looking Information

This MD&A may include forward-looking statements and forward-looking information, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements and forward-looking information addresses future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

The Company's shares are listed on the TSX Venture Exchange under the symbol COR.

OUR BUSINESS

We are a discovery-orientated mineral exploration company originally formed in connection with Goldcorp Inc.'s C$300-million acquisition of Canplats Resources Corp. The Company is focused on the acquisition and development of high grade copper, silver and gold projects.

Operations

On November 18, 2014, the Company announced that it has entered into an agreement (the "Agreement") to acquire all of the issued and outstanding shares of Minquest Peru SAC ("Minquest"), a private Peruvian corporation that has been conducting grassroots exploration in Peru for three years and holds a database of a number of other prospects resulting from its exploration programs.

Under the terms of the Agreement, the Company acquired all the issued and outstanding shares of Minquest. The Company issued 5,000,000 shares of the Company to the founders of Minquest. The transaction completed on January 22, 2015.

The ongoing exploration activities in Peru will continue to be managed by Ken Konkin and Jorge Arevalo, who together with Ken McNaughton and Joe Ovsenek, directors of the Company, are the founders of Minquest.

Exploration

Peruvian Properties

Los Chapitos

On July 19, the Company announced the signing of the final agreement with Minas Andinas SA (the "Vendor"), pursuant to which Camino could acquire through a wholly owned subsidiary, Camino Resources SAC, a 100% interest in the Los Chapitos project. The property has been expanded by the Company and now consists of 12 claims, totaling 6,000 hectares (14,700 acres), and is located 15 kilometers north of the coastal city of Chala, Department of Arequipa, Peru.

Los Chapitos is located 8 hours' drive south of Lima along the Pan American highway, in the Peruvian Iron Oxide Copper Gold belt (IOCG). The project is covered by rolling hills with elevations between 500 masl and 1,250 masl. It is crossed by numerous gravel roads and trails which connect back to the Pan American Highway about 15 kilometers from the project, between the towns of Chala and Tanaka. Regionally, the project is located along the major Treinta Libras structural lineament, which hosts the Mina Justa IOCG deposit 100 kilometers to the northwest. Mina Justa is reported to contain a resource of 374 million tonnes averaging 0.71% copper and 9.0 gpt silver.

On the western side of the property, small scale mining was active in the 1940's and 50's which produced high grade copper oxide mineralization from the Atajo Zone. These historical surface workings define a strike length of at least 400 meters. The Company completed two chip sample lines across the middle of the zone which returned average values of 2.10% copper over 38 meters, and 1.57% copper across 64 meters. The Atajo Zone is open along strike and at depth.

Approximately six kilometers to the east are numerous showings which outcrop along a 2.5 kilometer trend, of which the Adriana and Katty Zones are the principle exploration targets. The Adriana Zone is exposed over an area measuring 75 meters by 150 meters. Recent work included chip sample lines across exposed mineralization that averaged 1.28% copper over 68 meters, and a second line averaging 0.60% copper over 120 meters. Modeling of the ground magnetic data indicates the surface exposure is near the apex of a conical shaped anomaly that extends at least 800 meters below surface. IP results suggest the surface oxide mineralization is likely to transition into sulphides starting around 250 meters below surface. The Katty Zone is located about 1 kilometer to the southeast, along the projection of a bounding fault of the Adriana Zone. Katty mineralization is in a shear hosted breccia with surface values up to 3.23% copper across 10 meters.

In late October, 2016, an environmental assessment report was prepared and filed as part of the drill permit application, and included consultation with the local Community of Atequipa. On November 22, 2016, the Company announced that it had signed a 5 year access agreement with the Community of Atequipa whose lands cover the western half of the Los Chapitos project. This agreement allows all exploration activities by Camino, including trenching, road building, and drilling. There are no community lands currently covering the eastern half of the property, host of the Adriana and Katty zones.

Under the terms of the option agreement, Camino 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 Camino as follows:

Date for Option Payment	**Amount USD**	**Shares**
On execution of the option agreement (the "Effective Date") (paid)	$50,000	50,000
12 months after Effective Date	$75,000	75,000
24 months after Effective Date	$100,000	100,000
36 months after Effective Date	$125,000	125,000
48 months after Effective Date	$150,000	150,000
Total	$500,000	500,000

The 1.5% NSR is payable up to a maximum of US$10 million. Camino retains the right of first offer to purchase the NSR. Advance royalty payments of US$500,000 will be payable for each 500 million pounds of copper equivalent ("CuEQ") incremental increase in measured and indicated resources. For the purposes 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 resource.

Plata Dorado

The Plata Dorado property is located in the Department of Cuzco, Peru. Minquest purchased 100% interest in the Hithza II, and IV claims in late 2012 for the sum of US$25,000. These claims covered the known showings in the area, and totaled 300 hectares. Shortly after acquisition, Minquest expanded the property by staking 3 additional claims, totalling 1,500 hectares. In December 2014, subsequent to announcing the Company's acquisition of Minquest, one additional claim was staked, totalling 300 hectares. The Company acquired the Plata Dorado Property when it acquired Minquest in November, 2014.

Plata Dorado now consists of 6 claims totalling 2,100 hectares (5,190 acres), and is located 158 kilometers east of the city of Cuzo, approximately 2.5 hours drive on paved highway. The property is underlain by Ordovician age continental sediments of the Sandia Formation. These include argillites, sandstones and shales, which have undergone weak regional metamorphism to slates and schists. Immediately south-east of the property lies a large granitic intrusion which is Triassic-Permean in age.

The mineralization found to date consists of structurally hosted, meso-thermal quartz sulphide veins. Two poly-metallic veins have been located to date which strike roughly north-south, dip to the east between 45 degrees and 85 degrees, and have exposed strike length of the veins varying from 150 to 400 metres, and widths ranging from 0.5 to 1.5 metres. The mineralization consists of quartz, massive pyrite, argentiferous galena, chalcopyrite, bornite, stibnite, and arsenopyrite. Limited surface sampling to date has returned metal values from 0.3% to 8.7% copper, 70 ppm to +1,500 ppm silver, and trace to 2.1 ppm gold.

Red Beds

On January 26, 2015, the Company announced that it had entered into an option agreement pursuant to which the Company can acquire a 100% interest in the Red Beds copper and silver project ("Red Beds") located in the Department of Cuzco, Peru. Under an option agreement with Messrs. Máximo Roger Barrios, Carlos Eduardo Barrios, and Roger Alejandro Barrios (collectively the "Vendors"), the Company can acquire a 100% interest in Red Beds located in the Department of Cuzco, Peru.

Red Beds consists of three mineral concessions covering 2,500 hectares (6,175 acres) and is located approximately 150 kilometers south-east of the city of Cuzco, about 2.5 hours' drive on paved highway. Subsequent to signing the option agreement, the company has located an additional 7 claims totaling 2,800 hectares (6,919 acres). The property now consists of 10 claims totalling 5,300 hectares (13,097 acres). The region is covered by hematite rich marine sediments, locally consisting of dolomitic mudstone, siltstone and sandstone. On the Property, there are at least 12 sub-parallel mineralized beds, ranging in thickness from 0.4 meters to 3.0 meters which are exposed over lengths of 1 to 5 kilometers. The mineralized beds are visually distinct from the surrounding rocks due to their bleached apple green color resulting from moderate to intense albite-quartz-chlorite alteration. Within these beds, aggregates of primary chalcocite and secondary malachite mineralization are intergrown with the albite-quartz alteration. Prospecting along strike of the mineralization has returned values ranging from 0.5% copper to 11.3 % copper, and from 7.0 gpt silver to 106 gpt silver.

Under the terms of the option agreement, the Company has agreed to pay a total of US$280,000 in staged cash payments as follows:

Date for Option Payment	**Amount USD**
On execution of the option agreement (paid)	$40,000
Upon final registration of the claims (paid)	$40,000
12 months after the date of the final registration of the claims	$100,000
24 months after the date of the final registration of the claims	$100,000

In March, 2015, field crews were mobilized and identified nine additional beds of high grade copper-silver mineralization; five in the northeast portion of the property, and four in the south. Of the five beds found in the northeast, three have been traced on surface for between 1.0 and 1.5 kilometers before the mineralization disappears under cover to the west. Copper values generally ranged between 1.0 % and 4.0% over exposed widths of 0.4 meters to 1.5 meters. These beds appear to correlate with some of the previously located beds that cross a ridge lying 3 kilometers to the west.

In the southern section of the property, sampling along the crest of the central ridge located four relatively closely spaced beds, which returned copper values between 2.5% and 4.0%. Sampling at the base of the ridge two kilometers to the east, located blocks of mineralization with similar characteristics and grades. Additional sampling across the project has been ongoing and results will be reported when they are available. A plan showing the location of the surface sampling is available on the Company website.

Other Properties

On February 5, 2015, the Company announced that it had signed an option agreement with La Cuesta International Inc., pursuant to which the Company could acquire a 100% interest in the Lost Cabin Project, ("Lost Cabin") located in the state of Oregon.

Lost Cabin is located north east of Lakeview, Oregon, with excellent access. On surface, steeply dipping, shear-hosted quartz stockwork cut areas of widespread clay and propylitic alteration in volcanic rocks. The large alteration zone is on the SE margin of a mid-Tertiary stratovolcano and associated domes. Favorable structures show linear zones of clay±sericite±FeOx±quartz alteration along with elevated values in arsenic.

Anomalous gold values were returned from isolated grab samples collected along the trend, including 38.0 gpt and 2.8 gpt gold at the western end of the zone, as well as 5.5 gpt and 1.9 gpt gold in the east. The geology at Lost Cabin has been interpreted to be the high-level expression of a low-to-intermediate sulfidation epithermal vein system. The exploration target at Lost Cabin will be the discovery of high-grade gold, silver (+base metals) mineralization at depth.

On August 9, 2016, the Company announced that it has received regulatory approval to drill at the Lost Cabin. The Company has received notice from the US Bureau of Land Management (BLM) that it has accepted the plan of operation, described in the Notice for Exploration Drilling, submitted September, 2015.
The terms of option agreement stated that Camino has the right to earn 100% interest in the Lost Cabin, subject to a 1.5% Net Smelter Royalty ("NSR), by issuing 200,000 common shares of Camino (issued), and by making staged advanced NSR payments as follows:

Date for Option Payment	Amount USD
On execution of the option agreement (the "Effective Date") (paid)	$1,500
12 months after Effective Date (paid)	$5,000
18 months after Effective Date (paid)	$5,000
24 months after Effective Date	$10,000
30 months after Effective Date	$10,000
36 months after Effective Date	$15,000
40 months after Effective Date	$20,000
48 months after Effective Date and every 6 months thereafter	$20,000

When the aggregate NSR payments, including advance and productions payments, exceeds US$5,000,000, the payable NRS will reduce from 1.5% to 0.75%. For each of the Properties, Camino has agreed to issue 200,000 common shares of Camino, within 4 months of the Effective Date of the agreements. The issued shares will be subject to a 4 month hold period beginning on the date of issue.

On November 24, 2015, the Company issued 200,000 common shares as part of the property payment for the Lost Cabins property.

Mexico Properties

The Company has no further exploration plans in Mexico. On May 19, 2015, the Company received proceeds of MXP $1,472,889 for sale of certain assets to a private Mexican Company. In addition, the Company also sold Rojo Resources, a wholly owned Mexican subsidiary to a private mining syndicate for total consideration of MXP $5,949,135 in monthly installments through December 22, 2015. These two transactions had a combined value of approximately $592,000.

Selected Annual Information

The following is selected annual financial information for the Company's three most recently completed years:

	2016 **$**	**2015** **$**	**2014** **$**
Total revenues	Nil	Nil	Nil
General exploration	22,268	75,121	115,012
Operating expenses	336,986	457,181	882,127
Gain (Loss) for the year	(327,892)	387,120	(8,894,188)
Gain (Loss) per share – basic & diluted	(0.01)	0.03	(0.92)
Total assets	2,794,703	2,633,095	349,780
Total liabilities	582,304	165,598	56,990
Cash dividends declared	Nil	Nil	Nil

Review of Financial Results

Selected Quarterly Financial Data

	7/31/16	**4/30/16**	**1/31/16**	**10/31/15**
Net income (loss) for the quarter	$73,700	$(163,456)	$(127,954)	$(110,182)
Loss per share - basic & diluted	0.00	(0.01)	(0.01)	(0.00)
Cash and cash equivalents	$791,638	$577,709	$689,159	$917,278

	7/31/15	**4/30/15**	**1/31/15**	**10/31/14**
Net loss for the quarter	$771,649	$(184,385)	$(109,967)	$ (90,177)
Loss per share - basic & diluted	0.04	(0.01)	(0.01)	(0.01)
Cash	$943,310	$217,763	$489,010	$208,753

During the three months ended July 31, 2016; the Company recognized income of $73,700 compared to income of $771,649 for the three months ended July 31, 2015.

Significant items making up the change for the three months ended July 31, 2016 as compared to the three months ended July 31, 2015 were as follows:

- No subsidiaries were disposed of during fiscal 2016, which resulted in an accounting gain of $nil (2015 - $592,014).
- Salaries decreased by $1,096 due to our efforts to conserve cash by reducing amounts paid to management and the elimination of full-time staff.
- Share-based compensation decreased by $78,301 due to no new options being granted.
- Rent has decreased by $2,228 in the current period due to streamlining of operations in the Company and no longer requiring designated office space.
- The Company recognized a foreign exchange gain of $80,991 for the period ended July 31, 2016 (2015 - $254,300).

During the year ended July 31, 2016; the Company recognized a loss of $327,892 compared to income of $387,120 for the year ended July 31, 2015.

Significant items making up the change in net loss for the year ended July 31, 2016 as compared to the year ended July 31, 2015 were as follows:

- Salaries decreased by $39,465 due to our efforts to conserve cash by reducing amounts paid to management and the elimination of full-time staff.
- Rent has decreased by $38,018 in the current period as the Company no longer requires designated office space.
- Share-based compensation decreased by $78,439 due no new options being issued.
- No subsidiaries were disposed of during fiscal 2016, which resulted in an accounting gain of $nil (2015 - $592,014).
- The Company recognized a foreign exchange loss of $9,327 for the year ended July 31, 2016 compared to a $243,523 foreign exchange gain in the comparative year.

FINANCIAL POSITION AND LIQUIDITY

A summary and discussion of our cash inflows and outflows for the year ended July 31, 2016 and 2015 are as follows:

Operating Activities

The Company spent $339,223 in operating activities for the year ended July 31, 2016, which is less than the $415,157 spent for the year ended July 31, 2015 primarily due to a decrease in share-based compensation and the reduction of activity in the Mexican subsidiary.

Investing Activities

The Company used $336,549 in investing activities for the year ended July 31, 2016 and used $179,559 for the year ended July 31, 2015. Expenditure on mineral interests increased to $634,948 for 2016 as compared to $488,320 for 2015 due to the acquisition of Los Chapitos. The Company's exploration expenses for 2016 were offset by proceeds received on the sale of subsidiaries of $300,761 which was outstanding at the end of the prior year and received in the current year.

Financing activities

The Company received $524,100 in financing during the year ended July 31, 2016 compared to $1,288,189 for the year ended July 31, 2015. The Company also received a $500,000 payable on demand loan from the CEO of the Company at 3% interest per annum.

Cash Resources and Going Concern

At July 31, 2016, the Company has working capital of $252,177 (2015 - $1,163,193), an accumulated deficit of $30,617,081 (2015 - $30,289,189) and has incurred losses since inception. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of mineral interest, secure and maintain title to properties and upon future profitable production. There can be no assurance that the Company will be able to raise additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations, exploration and evaluation activities. These uncertainties raise substantial doubt about the Company's ability to continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

ADDITIONAL DISCLOSURE

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Related Party Transactions

Key management personnel compensation

Compensation	2016 $	2015 $
Management fees (i)	2,500	-
Share-based payments (ii)	15,469	118,283
	$17,969	$ 118,283

(i) Management fees are compensation paid to an officer of the Company.
(ii) Share-based payment is the fair value of options granted and vested.

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

During the year ended July 31, 2016, the Company incurred $nil (2015 - $102,327) in expense reimbursements to the Company's CEO in relation to the acquisition of Minquest. These costs were classified as part of transaction costs. As at July 31, 2016, $nil (2015 - $50,925) of expense reimbursements remain in accounts payable.

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 CDN$500,000 as a demand loan with an annual interest rate of 3%. During the year, interest expense of $1,808 was incurred. As at July 31, 2016, no payments have been made on the loan or the accrued interest thereon.

Critical accounting estimates

The Company's accounting policies are described in detail in note 2 of the consolidated financial statements for the fiscal year ended July 31, 2016. The Company considers the following policies to be most critical in understanding its financial results:

Mineral property costs

Expenditures on mineral exploration or evaluation incurred in respect of a property before the acquisition of a license to explore are expensed, as incurred, to general mineral exploration. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and evaluation assets and classified as a non-current asset.

Mineral property acquisition costs are included in exploration and evaluation and include any cash consideration and advance royalties paid, and the fair market value of shares issued, if any, on the acquisition of the mineral property interest. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made.

Exploration expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to property, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

Significant Changes in Accounting Policies

New standards, amendments and interpretations to existing standards not adopted by the Company:

Accounting policies adopted during the current year

Effective August 1, 2015, the Company has applied the following new accounting standards or amendments which were issued by the IASB:

- Amendments to IFRS 2, Share-based Payment
- Amendments to IFRS 8, Operating Segments

- Amendments to IFRS 13, Fair Value Measurement
- Amendments to IAS 16, Property, Plant and Equipment
- Amendments to IAS 24, Related Party Disclosures

The adoption of these new standards or amendments had no material impact on the Company's consolidated financial statements.

Accounting standards issued but not yet effective

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 August 1, 2016 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.

FINANCIAL RISK MANAGEMENT

(a) Overview

The Company has exposure to credit risk, liquidity risk and interest rate risk from its use of financial instruments.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets recorded in the financial statements (excluding cash) represents the Company's maximum exposure to credit risk

The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions.

None of the financial assets of the Company are either past due or impaired.

(c) *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company seeks to ensure that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents.

(d) *Interest Rate Risk*

The Company is subject to interest rate risk with respect to its investments in cash and cash equivalents. The Company’s current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned. As at the statement date, a 1% change in interest rates would not be material to the financial statements.

(e) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, which comprises of share capital, net of accumulated deficit. The Company manages its capital structure through the preparation of operating budgets, which are approved by the Board of Directors. From time to time the Company may issue additional equity to meet its capital requirements.

(f) *Fair Value*

The carrying value of the Company’s financial assets and liabilities approximate their fair value due to their short-term maturity or capacity of prompt liquidation.

(g) *Foreign Currency Risk*

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates. 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, Mexican Pesos, and Peruvian Pesos and are therefore subject to fluctuation in exchange rates. As at July 31, 2016, a 1% change in the exchange rate between the Canadian and U.S. dollar, the Canadian dollar and Mexican Peso, and the Canadian dollar and Peruvian Peso would not be material.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, amounts receivable and accounts payable. They are designed as follows:

- Loans and receivables: cash and cash equivalents, amounts receivable
- Other financial liabilities: accounts payable

Fair value hierarchy

Financial instruments recognized at fair value on the consolidated balance sheets must be classified into one of the three following fair value hierarchy levels:

Level 1 – measurement based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – measurement based on inputs other than quoted prices included in Level 1, that are observable for the asset or liability;

Level 3 – measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

The Company currently does not have any financial instruments recorded at fair value. The carrying value of cash, accounts receivable and accounts payable approximate fair value.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Corporation's general and administrative expenses and mineral property costs is provided in the Financial Statements and related notes that are available on the SEDAR web site www.sedar.com.

Outstanding Share Data

The authorized capital consists of an unlimited number of common shares without par value. As of November 28, 2016, the following common shares and stock options were issued and outstanding:

	Number of Shares	Exercise Price $	Expiry Date
Common shares	25,529,009	-	-
Stock Options	27,000	1.00	January 24, 2018
	44,000	0.70	November 26, 2018
	1,425,000	0.20	April 20, 2020
	925,000	0.20	September 7, 2021
Warrants	4,002,500	0.25	January 17, 2017
Fully diluted	31,952,509		

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

There have been no changes in the Company's internal control over financial reporting during the year ended July 31, 2016, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

RISKS AND UNCERTAINTIES

Our exploration programs may not result in a commercial mining operation.

Mineral exploration involves significant risk because few properties that are explored contain bodies of ore that would be commercially economic to develop into producing mines. Our mineral properties are without a known body of commercial ore and our proposed programs are an exploratory search for ore. We do not know whether our current exploration programs will result in any commercial mining operation. If the exploration programs do not result in the discovery of commercial ore, we will be required to acquire additional properties and write-off all of our investments in our existing properties.

We may not have sufficient funds to complete further exploration programs.

We have limited financial resources, do not generate operating revenue and must finance our exploration activity by other means. We do not know whether additional funding will be available for further exploration of our projects or to fulfill our anticipated obligations under our existing property agreements. If we fail to obtain additional financing, we will have to delay or cancel further exploration of our properties, and we could lose all of our interest in our properties.

Factors beyond our control may determine whether any mineral deposits we discover are sufficiently economic to be developed into a mine.

The determination of whether our mineral deposits are economic is affected by numerous factors beyond our control. These factors include market fluctuations for precious metals; metallurgical recoveries associated with the mineralization; the proximity and capacity of natural resource markets and processing equipment; costs of access and surface rights; and government regulations governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

We have no revenue from operations and no ongoing mining operations of any kind.

We are a mineral exploration Company and have no revenues from operations and no ongoing mining operations of any kind. If our exploration programs successfully locate an economic ore body, we will be subject to additional risks associated with mining.

We will require additional funds to place the ore body into commercial production. Substantial expenditures will be required to establish ore reserves through drilling, develop metallurgical processes to extract the metals from the ore and construct the mining and processing facilities at any site chosen for mining. We do not know whether additional financing will be available at all or on acceptable terms. If additional financing is not available, we may have to postpone the development of, or sell, the property.

The majority of our property interests are not located in developed areas and as a result may not be served by appropriate road access, water and power supply and other support infrastructure. These items are often needed for development of a commercial mine. If we cannot procure or develop roads, water, power and other infrastructure at a reasonable cost, it may not be economic to develop properties, where our exploration has otherwise been successful, into a commercial mining operation.

In making determinations about whether to proceed to the next stage of development, we must rely upon estimated calculations as to the mineral reserves and grades of mineralization on our properties. Until ore is actually mined and processed, mineral reserves and grades of mineralization must be considered as estimates only. Any material changes in mineral reserve estimates and grades of mineralization will affect the economic viability of the placing of a property into production and a property's return on capital.

Mining operations often encounter unpredictable risks and hazards that add expense or cause delay. These include unusual or unexpected geological formations, changes in metallurgical processing requirements; power outages, labour disruptions, flooding, explosions, rockbursts, cave-ins, landslides and inability to obtain suitable or adequate machinery, equipment or labour. We may become subject to liabilities in connection with pollution, cave-ins or hazards against which we cannot insure against or which we may elect not to insure. The payment of these liabilities could require the use of financial resources that would otherwise be spent on mining operations.

Mining operations and exploration activities are subject to national and local laws and regulations governing prospecting, development, mining and production, exports and taxes, labour standards, occupational health and mine safety, waste disposal, toxic substances, land use and environmental protection. In order to comply, we may be required to make capital and operating expenditures or to close an operation until a particular problem is remedied. In addition, if our activities violate any such laws and regulations, we may be required to compensate those suffering loss or damage, and may be fined if convicted of an offence under such legislation.

Our profitability and long-term viability will depend, in large part, on the market price of gold. The market price for gold is volatile and is affected by numerous factors beyond our control, including global or regional consumption patterns, supply of, and demand for gold, speculative activities, expectations for inflation and political and economic conditions. We cannot predict the effect of these factors on gold prices.

Our properties may be subject to uncertain title.

We cannot provide assurance that title to our properties will not be challenged. We own, lease or have under option, unpatented and patented mining claims, mineral claims or concessions which constitute our property holdings. The ownership and validity, or title, of unpatented mining claims and concessions are often uncertain and may be contested. We also may not have, or may not be able to obtain, all necessary surface rights to develop a property. Title insurance is generally not available for mineral properties and our ability to ensure that we have obtained a secure claim to individual mining properties or mining concessions may be severely constrained. We have not conducted surveys of all of the claims in which we hold direct or indirect interests. A successful claim contesting our title to a property will cause us to lose our rights to explore and, if warranted, develop that property. This could result in our not being compensated for our prior expenditures relating to the property.

Land reclamation requirements for our exploration properties may be burdensome.

Although variable depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance. Reclamation may include requirements to control dispersion of potentially deleterious effluents and reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out reclamation obligations imposed on us in connection with our mineral exploration, we must allocate financial resources that might otherwise be spent on further exploration programs.

Political or economic instability or unexpected regulatory change in the countries where our properties are located could adversely affect our business.

Certain of our properties are located in countries, provinces and states more likely to be subject to political and economic instability, or unexpected legislative change, than is usually the case in certain other countries, provinces and states. Our mineral exploration activities could be adversely affected by political instability and violence; war and civil disturbance; expropriation or nationalization; changing fiscal regimes; fluctuations in currency exchange rates; high rates of inflation; underdeveloped industrial and economic infrastructure; and unenforceability of contractual rights; any of which may adversely affect our business in that country.

We may be adversely affected by fluctuations in foreign exchange rates.

We maintain our accounts in Canadian dollars. Any appreciation in the Peruvian currency against the Canadian dollar will increase our costs of carrying out such exploration activities.

We face industry competition in the acquisition of exploration properties and the recruitment and retention of qualified personnel.

We compete with other exploration companies, many of which have greater financial resources than us or are further along in their development, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. If we require and are unsuccessful in acquiring additional mineral properties or personnel, we will not be able to grow at the rate we desire or at all.

Potential conflicts of interest

Certain of our directors and officers are directors or officers of other natural resource or mining-related companies. These associations may give rise to conflicts of interest from time to time. In particular, our directors who also serve as directors of other companies in the same industry may be presented with business opportunities which are made available to such competing companies and not to us. As a result of these conflicts of interest, we may miss the opportunity to participate in certain transactions, which may have a material, adverse effect on our financial position.