CAMINO MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED APRIL 30, 2015
(Expressed in Canadian Dollars)
(Unaudited)

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NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

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

	Notes	April 30, 2015	July 31, 2014 (audited)
ASSETS			
Current assets			
Cash and cash equivalents		$ 217,763	$ 249,837
Receivables		45,561	10,585
Deposits and prepaid expenses		34,800	55,196
Total current assets		298,124	315,618
Non-current assets			
Fixed assets		70,011	34,161
Mineral interests	4	779,575	1
		849,586	34,162
Total Assets		$ 1,147,710	$ 349,780
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 143,784	$ 56,990
Total liabilities		143,784	56,990
EQUITY			
Share capital	5	17,398,451	16,388,981
Reserves	5	12,220,615	12,220,615
Share based payment reserves	5	1,757,877	1,662,116
Warrant reserves	5	458,836	458,836
Accumulated other comprehensive income (loss)	5	228,913	238,551
Deficit		(31,060,766)	(30,676,309)
Total equity		1,003,926	292,790
Total Equity and Liabilities		$ 1,147,710	$ 349,780

Subsequent events 7

These condensed consolidated interim financial statements are authorized for issuance by the Board of Directors on June 26, 2015.

On behalf of the Board:

Gordon Davis
Gordon Davis
(Director)

Guillermo Lozano
Guillermo Lozano
(Director)

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

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

	Notes	Three months ended April 30, 2015	Three months ended April 30, 2014	Nine months ended April 30, 2015	Nine months ended April 30, 2014
EXPENSES					
Amortization		$ 430	$ 2,732	$ 1,567	$ 8,195
Consulting		11,226	-	14,226	-
General and administrative		3,848	10,191	16,976	31,720
General exploration		18,119	29,365	54,077	68,690
Insurance		5,669	8,380	27,034	25,159
Investor relations		19,040	18,034	19,793	49,169
Listing and filing fees		5,200	17,540	11,999	22,455
Professional fees		11,716	20,672	38,082	68,957
Rent		2,029	32,892	35,790	98,707
Salaries		4,484	83,807	42,086	259,051
Share based compensation	5	89,808	4,061	95,761	31,032
Shareholder relations		900	4,523	7,743	5,992
Transfer agents		11,674	2,885	18,995	9,103
Travel		-	-	-	120
Loss before other items		184,143	235,082	384,129	678,350
OTHER ITEMS					
Foreign exchange loss (gain)		242	(18,501)	10,777	(7,872)
Interest income		-	(1,139)	(326)	(6,184)
Write-off of mineral interests		-	7,886,310	-	7,886,310
Gain on disposal of assets		-	-	(10,051)	-
Net loss for the period		$ 184,385	$ 8,101,752	$ 384,529	$ 8,550,604
Basic and diluted loss per common share	5	$ (0.01)	$ (0.84)	$ (0.03)	$ (0.89)

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

CAMINO MINERALS CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
Expressed in Canadian dollars

	Three months ended April 30, 2015	Three months ended April 30, 2014	Nine months ended April 30, 2015	Nine months ended April 30, 2014
Net loss for the period	$ 184,385	$ 8,101,752	$ 384,529	$ 8,550,604
Other comprehensive loss for the period:				
Currency translation difference	34,658	(35,726)	9,638	(329,381)
Net comprehensive loss for the period	$ 219,043	$ 8,066,026	$ 394,167	$ 8,221,223

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

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

	Notes	Nine months ended April 30, 2015	Nine months ended April 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period from operations		$ (384,457)	$ (8,550,604)
Items not affecting cash:			
Amortization		1,567	8,195
Share-based compensation	5	95,761	31,032
Mineral property write-off		-	7,886,310
Foreign exchange		50,910	(13,722)
Gain on sale of capital assets		(10,051)	
Change in non-cash working capital items:			
Receivables		(27,479)	19,047
Prepaid expenses		20,396	(2,779)
Accounts payable and accrued liabilities		13,128	(17,424)
Net cash used in operating activities		(240,225)	(639,945)
CASH FLOWS FROM INVESTING ACTIVITIES			
VAT receivable		-	(40,328)
Expenditures on mineral interests	4	(349,438)	(424,053)
Proceeds on sale of property, plant and equipment		41,516	-
Net cash from (used in) investing activities		(307,922)	(464,381)
CASH FLOWS FROM INVESTING ACTIVITIES			
Shares issued	5	565,000	-
Share issue costs	5	(55,530)	-
Cash received on acquisition of Minquest	3	6,603	-
Net cash from financing activities		516,073	-
Change in cash and cash equivalents for the period		(32,074)	(1,104,326)
Cash and cash equivalents, beginning of period		249,837	4,538,966
Cash and cash equivalents, end of period		$ 217,763	$ 434,640

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

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

	Common shares							
	Number of shares	Amount	Reserves	Share-based payments reserve	Warrant reserves	Accumulated currency translation difference	Deficit	Total
Balance – August 1, 2014	9,626,509	$ 16,388,981	$ 12,220,615	$ 1,662,116	$ 458,836	$ 238,551	$ (30,676,309)	$ 292,790
Value assigned to options granted	-	-	-	95,761	-	-	-	95,761
Private placement	5,650,000	565,000	-	-	-	-	-	565,000
Share issuance costs	-	(55,530)	-	-	-	-	-	(55,530)
Acquisition of Minquest (Note 3)	5,000,000	500,000	-	-	-	-	-	500,000
Other comprehensive loss	-	-	-	-	-	(9,638)	-	(9,638)
Loss for the period	-	-	-	-	-	-	(384,457)	(384,457)
Balance – April 30, 2015	20,276,509	$ 17,398,451	$ 12,220,615	$ 1,757,877	$ 458,836	$ 228,913	$ (31,060,766)	$ 1,003,926

	Common shares							
	Number of shares	Amount	Reserves	Share-based payments reserve	Warrant reserves	Accumulated currency translation difference	Deficit	Total
Balance – August 1, 2013	9,626,509	$ 16,388,981	$ 12,220,615	$ 1,620,256	$ 458,836	$ (83,259)	$ (21,782,121)	$ 8,823,308
Value assigned to options granted	-	-	-	43,822	-	-	-	43,822
Other comprehensive income	-	-	-	-	-	329,381	-	329,381
Loss for the period	-	-	-	-	-	-	(8,550,604)	(8,550,604)
Balance – April 30, 2014	**9,626,509**	**$ 16,388,981**	**$ 1,664,078**	**$ 1,658,307**	**$ 458,836**	**$ 246,122**	**$ (30,332,725)**	**$ 645,907**

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

Expressed in Canadian dollars

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Camino Minerals Corporation ("Camino Minerals" or "the Company") is an exploration stage company that is engaged directly in the exploration and development of mineral properties in Mexico. The Company is incorporated and domiciled in British Columbia, Canada. The address of its registered and head office is Suite 601, 570 Granville Street, Vancouver, B.C., V6C 3P1.

On June 16, 2014, the Company completed a 10 for 1 common share consolidation. The share consolidation has been retroactively applied to all common shares, options, warrants, weighted average common shares, and income (loss) per common share disclosures.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board. Accordingly, these condensed consolidated interim financial statements do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete financial statements for year-end reporting purposes. These condensed consolidated interim financial statements should be read in conjunction as our annual consolidated financial statements for the year ended July 31, 2014 as they follow the same accounting policies under IFRS.

b) Basis of Consolidation

These consolidated interim financial statements include the accounts of the Company, and its wholly owned subsidiaries Minquest Peru SAC, Rojo Resources S.A. de C.V. ("RRE") and Recursos Mineros Rojo S.A. de C.V. ("RMR"). All intercompany transactions and balances have been eliminated.

These consolidated interim financial statements also include the accounts of Compania Minera El Secreto S.A, de C.V. ("CMES"), a Company formed for the purposes of holding the El Secreto property. At present, the Company exercises control over CMES as a result of its option to earn up to an 80% interest. Management applies IFRS 10 - *Consolidation* to determine whether the Company has control over CMES through examining factors such as power, rights to variable returns, and influence. Based on assessment of these factors, management has concluded that the Company has control over CMES and therefore has consolidated CMES in its consolidated financial statements for the current period.

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
Minquest Peru SAC	Peru	100%	Holds interest in mineral interests in Peru
Rojo Resources S.A. de C.V.	Mexico	100%	Holds interest in mineral interests in Mexico
Recursos Mineros Rojo S.A. de C.V.	Mexico	100%	Performs payroll function in Mexico
Minera El Secreto S.A. de C.V.	Mexico	100%	Performs work on El Secreto property

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

c) Significant Accounting Estimates and Judgments

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

Critical accounting estimates

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

i. the recoverability of Peru VAT receivable, Management uses all relevant facts available, such as the development of VAT policies in Peru, past collectability, and the general economic environment of Peru to determine if the VAT is impaired.
ii. the recoverability of the carrying value of the investment in mineral interests. The estimation of the impairment indicators involves the application of a number of significant judgments and estimates to certain variables including metal price trends, plans for properties and the results of exploration to date.

Significant Changes in Accounting Policies

New standards, amendments and interpretations adopted by the Company

The Company adopted certain new standards, amendments and interpretations to existing standards, which have been published and are only effective for accounting periods beginning on or after January 1, 2014 or later periods. The adoption of these changes had minimal impact on the Company's financial statements.

The following standards were adopted for the Company's annual reporting period beginning August 1, 2014 unless otherwise noted:

Effective for annual periods beginning on or after January 1, 2014:

i. Amendments to IAS 32, *Financial Instruments: Presentation,* provide clarification on the application of offsetting rules.
ii. Amendments to IAS 36, *Impairment of Assets,* clarify the recoverable amount disclosure for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal.
iii. Amendments to IFRS 8, *Operating segments,* to require disclosure of judgments made by management in aggregating operating segments

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

Effective for annual periods beginning on or after January 1, 2018

i. New standard IFRS 9, *Financial Instruments, Classification and Measurement,* addresses classification and measurement of financial assets.

Expressed in Canadian dollars

3. ACQUISITION OF MINQUEST

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"). Minquest is a private Peruvian corporation that owns the Plata Dorada copper, gold, silver property in the Department of Cuzco, Peru.
Under the terms of the Agreement, Camino will acquire all the shares of Minquest and as consideration Camino will issue 5,000,000 shares of Camino. The transaction completed on January 22, 2015 and was treated as an asset acquisition of the Plata Dorado property.

The total purchase price of the 5,000,000 shares of Camino was valued at $500,000 and has been allocated as follows:

Cash and cash equivalents	$	6,603
Accounts receivable and prepaids		7,497
VAT receivable		59,723
Equipment		62,834
Plata Dorada property		437,009
Accounts payable		(73,666)
Purchase price	$	500,000

4. MINERAL INTERESTS

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

Nine months ended April 30, 2015

	Plata Dorado	Red Beds	Los Cabins	Rodeo	Total
Balance, July 31, 2014	$ -	$ -	$ -	$ 1	$ 1
Acquisition	437,009	44,633	1,630	-	485,272
Amortization	2,612	8,206	-	-	10,818
Assaying	-	2,350	-	-	2,350
Community relations	2,694	-	-	-	17,521
Consulting	16,400	14,827	-	-	16,400
Equipment and supplies	1,000	1,000	-	-	2,000
Field and office supplies	-	5,284	-	-	5,284
Field work	-	33,837	-	-	33,837
Geology and prospecting	18,088	15,548	-	-	33,636
Mining rights and fees	-	88,743	-	-	88,743
Salaries	37	37	-	-	74
Other	4,897	61,396	-	-	66,293
Travel	10,533	16,516	-	-	27,049
Exploration costs for the period	56,261	247,744	-	-	304,005
Value-added tax	14,695	53,016	-	-	67,711
Currency translation difference	(63,876)	(13,538)	-	-	(77,414)
Balance, April 30, 2015	$444,089	$ 333,855	1,630	$ 1	$ 779,575

Valued-added tax includes tax credits receivable from the Government of Peru and is deferred as mineral interests as recoverability is uncertain.

Expressed in Canadian dollars

4. MINERAL INTERESTS (Cont'd)

Year ended July 31, 2014

	Rodeo	Mecatona	Maijoma	El Secreto	Total
Balance, July 31, 2013	$ 3,427,342	$ 786,550	$ 990,252	$ 2,011,996	$ 7,216,140
Acquisition	-	-	-	-	-
Assaying	-	-	15,880	14,350	30,230
Amortization	2,022	1,310	12,699	1,970	18,001
Claim taxes	27,307	17,691	24,055	653	69,706
Consulting	-	-	21,485	4,330	25,815
Drilling	-	-	86,639	-	86,639
Engineering and drafting	-	-	210	-	210
Field and office supplies	-	-	17,601	6,524	24,125
Finder fees	5,300	5,300	5,426	-	16,026
Geology and prospecting	-	-	799	-	799
Salaries	-	-	31,837	677	32,514
Share-based compensation	1,478	958	9,284	1,440	13,160
Subsidiary overhead allocation	4,447	2,881	27,929	8,690	43,947
Travel	-	-	10,116	5,105	15,221
Exploration costs for the period	40,554	28,140	263,960	43,739	376,393
Currency translation difference	123,655	29,362	77,836	63,266	294,119
Write-off of mineral properties	(3,591,550)	(844,052)	(1,332,048)	(2,119,001)	(7,886,651)
Balance, July 31, 2014	$ 1	$ -	$ -	$ -	$ 1

Expressed in Canadian dollars

4. MINERAL INTERESTS (Cont'd)

Plata Dorada

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"). Minquest is a private Peruvian corporation that owns the Plata Dorada copper, gold, silver property in the Department of Cuzco, Peru. The transaction completed on January 22, 2015.

As consideration, Camino issued 5,000,000 common shares to acquire Minquest. Please see Note 3.

Red Beds

On January 26, 2015, the Company 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 the terms of the option agreement, Camino 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		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
TOTAL:	$	280,000

Saddleback and Los Cabin

On February 3, 2015, the Company signed option agreements with La Cuesta International Inc., pursuant to which the Company can acquire a 100% interest in the Saddleback Project ("Saddleback") located in the states of Arizona and New Mexico, and the Lost Cabin Project, ("Lost Cabin") located in the state of Oregon. The terms of the individual property option agreements are the same for both Saddleback and Lost Cabins. Under the terms of the agreements, the Company has the right to earn 100% interest in the Properties, subject to a 1.5% Net Smelter Royalty ("NSR"), by issuing 200,000 common shares of the Company, and by making staged advanced NSR payments as follows:

Date for option payment	**Amount USD**
On execution of the option agreement ("effective date") (paid)	$ 1,500
12 months after effective date	$ 5,000
18 months after effective date	$ 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 after	$ 20,000

When the aggregate NSR payments, including advance and productions payments exceed US$5,000,000, the payable NSR 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.

See note 7.

Expressed in Canadian dollars

5. CAPITAL AND RESERVES

Authorized Share Capital

At April 30, 2015, the authorized share capital consisted of an unlimited number of common shares without par value and an unlimited number of preferred shares with no par value.

On January 22, 2015, the Company completed a non-brokered private placement consisting of 5,650,000 common shares of the Company at $0.10 per share, for aggregate gross proceeds of $565,000. Share issuance costs of $55,530 were paid in connection with this private placement.

Basic and diluted loss per share

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

	Three months ended April 30, 2015	Three months ended April 30, 2014	Nine months ended April 30, 2015	Nine months ended April 30, 2014
Loss attributable to common shareholders	$ (184,385)	$ (8,101,752)	$ (384,529)	$ (8,550,604)
Weighted average number of common shares outstanding for calculation of loss per share	20,276,509	9,626,543	13,463,641	9,626,543

Share Option Plan

The Company has a share option plan for its employees, directors, officers and consultants. The plan provides for the issuance of incentive options to acquire up to a total of 10% of the issued and outstanding common shares of the Company. The exercise price of each option shall not be less than the minimum prescribed amount allowed under the TSX. The options can be granted for a maximum term of 5 years with vesting provisions determined by the Company.

Continuity of share purchase options for the nine months ended April 30, 2015 is as follows:

	Options Outstanding	Weighted Average Exercise Price
At July 31, 2014	558,500	$ 1.90
Granted	1,575,000	$ 0.20
Expired	(112,500)	$ 0.53
At April 30, 2015	2,021,000	$ 0.62

During the nine months ended April 30, 2015, the Company granted 1,575,000 (2014- 252,000) stock options at an exercise price of $0.20 (2014- $0.70) to employees, directors and consultants for a life of 5 years and a vesting term of 1.5 years, with 25% vesting immediately and 25% vesting every six months from the date of grant.

The total stock based compensation for the nine month period ended April 30, 2015 is $95,761 (2014- $31,032), which arises from the granting and vesting of stock options granted in the fiscal period.

Expressed in Canadian dollars

5. CAPITAL AND RESERVES (Cont'd)

Share Option Plan (Cont'd)

The fair value of stock options granted in 2014 was estimated based on the Black-Scholes option pricing model using a weighted average share price of $0.20 (2014- $0.20), volatility of 157.95% (2014 - 120.18%) risk free interest rate of 0.59% (2014- 1.53%), expected life of 5 years (2014 - 5 years) and expected dividend yield of nil (2014 – nil). The weighted average fair value of options granted in 2015 was $0.18 (2014- $0.0139).

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

The following table summarizes information about stock options outstanding and exercisable at April 30, 2015:

Exercise Price $	Option Outstanding	Weighted Average Remaining Life (years)	Expiry Dates (mm/dd/yyyy)	Options exercisable
0.20	1,575,000	4.89	4/20/2020	393,750
0.70	177,000	4.33	11/26/2018	132,750
1.00	107,000	3.48	1/24/2018	107,000
1.80	62,000	2.26	11/3/2016	62,000
3.60	15,000	1.11	9/9/2015	15,000
5.30	85,000	1.34	11/30/2015	85,000
At April 30, 2015	2,021,000	4.33		795,500

Continuity of share purchase warrants for the nine months ended April 30, 2015 is as follows:

	Warrants Outstanding	Weighted Average Exercise Price
At July 31, 2014	1,561,000	$ 1.00
Expired	(1,561,000)	$ 1.00
At April 30, 2015	-	-

Expressed in Canadian dollars

6. RELATED PARTIES

Key management personnel compensation

	Nine months ended April 30	
	2015	2014
Compensation		
Salaries and benefits	$ -	$ 222,549
Share-based payments (i)	66,551	35,354
	$ 66,551	$ 257,903

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

7. SUBSEQUENT EVENTS

Subsequent to the quarter ended April 30, 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 have a combined value of approximately $592,000.

Subsequent to the quarter ended April 30, 2015, the Company determined that it will not be proceeding with the Saddleback property option.

On May 26, 2015, the Company announced its intent to raise up to $1,000,000 to fund a diamond drill program at its Red Beds project in Peru. The non-brokered private placement will consist of up to 5,000,000 units at a price of $0.20 per unit for aggregate proceeds of up to $1,000,000.

Each unit will consist of one common share of the Company and one non-transferable share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at a price of $0.25 per common share for a period of 18 months after the closing date of the private placement. The warrants will be subject to an acceleration right in favour of the Company: should the closing price of the common shares of the Company on the TSX Venture Exchange be $0.35 or higher for ten consecutive trading days, the Company will be entitled to accelerate the expiry of the warrants to the date that is 30 business days from the date of the issuance of a news release by the Company announcing the exercise of the acceleration right.

CAMINO MINERALS CORPORATION
(the "Company")

Management Discussion & Analysis
For the nine months ended April 30, 2015

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of our Company and compares our nine months ended April 30, 2015 unaudited interim financial results with those of the comparable period of the previous year and is current as of June 29, 2015.

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 quarter ended April 30, 2015. 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

<u>Plata Dorado</u>

The Plata Dorada 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 Dorada now consists 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.

The Company has signed an access agreement with the local community that covers the known mineral showings. Over the next few months, work will focus on improving the road access to the mineralization in preparation for a diamond drill program later in the year.

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	$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.

As part of the surface sampling program, a man portable drill was used to diamond drill the exposed mineralization. The drill produced the equivalent of BQ thin wall sized core and was able to drill to a depth of up to 5 meters. Assays will be reported when available.

The Company has signed an access agreement with the local community that covers the majority of the Red Beds Property.

Other Properties

On February 5, 2015, the Company announced that it had signed option agreements with La Cuesta International Inc. Pursuant to which the Company can acquire a 100% interest in the Saddleback Project ("Saddleback") located in the states of Arizona and New Mexico, and the Lost Cabin Project, ("Lost Cabin") located in the state of Oregon.

Saddleback lies in the northwestern sector of the historic Steeple Rock mining district, New Mexico and Arizona, south west of the Morenci open-pit copper mine operated by Freeport McMoRan. The area of interest covers a very large zone of intense low-pH hydrothermal alteration situated in a geological setting considered to be prospective for epithermal precious metal mineralization of economic importance. The exploration target at Saddleback will be the discovery of high-grade, epithermal Au-Ag ± base metals (polymetallic) vein deposits at depth along multiple highly-altered, and locally-gold-silver anomalous fault structures.

Lost Cabin is located north east of Lakeview, Oregon, with excellent access. On surface, steeply dipping, fault-hosted vein structures 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 highly anomalous gold and silver, arsenic values. 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.

The terms of the individual property option agreements are the same for both Saddleback and Lost Cabins. Under the terms of the agreements, Camino has the right to earn 100% interest in the Properties, subject to a 1.5% Net Smelter Royalty ("NSR), by issuing 200,000 common shares of Camino, and by making staged advanced NSR payments as follows:

Date for Option Payment	**Amount USD**
On execution of the option agreement (the "Effective Date")	$1,500
12 months after Effective Date	$5,000
18 months after Effective Date	$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.

The completion of the option remains subject to receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

In May 2015, the Company determined that it will not be proceeding with the Saddleback property option.

Mexico Properties

The Company has no further exploration plans on the properties 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 has 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 have a combined value of approximately $592,000.

Changes to management and board

On March 17, 2015, the Company announced changes to the Board of Directors and Management. Gordon Davis resigned as Chief Executive Officer and Chairman of the Board however, he will remain on the Board of Directors of the Company. David Watkins resigned from the Board of Directors.

Messrs. Ken McNaughton and Guillermo Lozano were appointed to the Board of Directors. Mr. McNaughton was also appointed as the President and Chief Executive Officer of the Company.

Mr. McNaughton is a professional geological engineer with over 30 years of global experience developing and leading mineral exploration programs. Prior to becoming Vice President, Exploration for Pretium Resources Inc. in 2011, he was Senior Vice President, Exploration for Silver Standard Resources Inc. where he had been responsible for all exploration programs since 1991. These programs included the discovery and delineation of the Camino Rojo deposit for Canplats Resources Corp. in Mexico, as well as several other notable projects in Mexico, Argentina, and Peru.

Mr. Lozano is a professional geologist with over 30 years of experience managing exploration programs in Mexico and the United States. He was Director of Exploration, Mexico for Silver Standard and Canplats from 2003 through 2010, and managed both companies' activities in Mexico.

On April 8, 2015, the Company announced that Joseph Ovsenek had been appointed to the Board of Directors and that James Tutton had resigned from the Board of Directors.

Mr. Ovsenek has over 20 years of management and legal experience leading the growth of public resource companies. He is currently the President of Pretivm Resources Inc., and in this role oversees a broad scope of strategic corporate functions, including financing and project permitting. Prior to joining Pretivm in 2011, Mr. Ovsenek served for 15 years in senior management roles for Silver Standard Resources Inc., most recently as Senior Vice President, Corporate Development.

Selected Annual Information

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

	2014 **$**	**2013** **$**	**2012** **$**
Total revenues	Nil	Nil	Nil
General exploration	115,012	40,666	32,647
Operating expenses	767,115	1,043,264	1,333,437
Loss for the year	8,894,188	1,983,788	3,348,016
Loss per share – basic & diluted	0.92	0.26	0.513

	2014 $	2013 $	2012 $
Total assets	349,780	9,007,284	8,147,964
Total liabilities	56,990	183,976	44,326
Cash dividends declared	Nil	Nil	Nil

Review of Financial Results

Selected Quarterly Financial Data (unaudited)

	4/30/15	**1/31/15**	**10/31/14**	**7/31/14**
Net loss for the quarter	(184,385)	$(109,967)	$(90,177)	$(343,584)
Loss per share - basic & diluted	(0.01)	(0.01)	(0.01)	(0.04)
Cash	$217,763	$489,010	$208,753	$249,837

	4/30/14	**1/31/14**	**10/31/13**	**7/31/13**
Net loss for the quarter	$(8,101,752)	$(213,346)	$ (235,506)	(1,522,141)
Loss per share - basic & diluted	(0.84)	(0.05)	(0.02)	(0.02)
Cash	$434,640	$766,653	$1,155,469	$1,538,966

During the three months ended April 30, 2015; the Company incurred a loss of $184,385 compared to a loss of $8,101,752 for the three months ended April 30, 2014.

Significant items making up the change in net loss for the three months ended April 30, 2015 as compared to the three months ended April 30, 2014 were as follows:

- Salaries decreased by $79,323 due to our efforts to conserve cash by reducing amounts paid to management and the elimination of full-time staff.

- Share-based compensation increased by $85,747 due to a higher valuation of new options granted during the period.

- Rent has decreased by $30,863 in the current period as the Company had moved to a new office space with lower rent.

- The Company did not have a write-off of mineral interests as compared to a write-off of mineral interests of $7,886,310 in the comparative period.

During the nine months ended April 30, 2015; the Company incurred a loss of $384,529 compared to a loss of $8,550,604 for the nine months ended April 30, 2014.

Significant items making up the change in net loss for the nine months ended April 30, 2015 as compared to the nine months ended April 30, 2014 were as follows:

- Salaries decreased by $216,965 due to our efforts to conserve cash by reducing amounts paid to management and the elimination of full-time staff.

- Rent has decreased by $62,917 in the current period as the Company moved to a new office space with lower rent.

- Professional fees decreased by $30,875 as the Company decreased payments for accounting services and had lower auditing expenses.

- Share based compensation increased by $64,729 due to a higher valuation of new options granted during the period.

- The Company did not have a write-off of mineral interests as compared to a write-off of mineral interests of $7,886,310 in the comparative period.

FINANCIAL POSITION AND LIQUIDITY

A summary and discussion of our cash inflows and outflows for the quarter ended April 30, 2015 and 2014 is as follows:

Operating Activities

The Company spent $240,225 for the nine months ended April 30, 2015, which is less than the $639,945 spent for the nine months ended April 30, 2014 primarily due to a decrease in salary and rent paid.

Investing Activities

The Company used $307,922 for the nine months ended April 30, 2015 and used $464,381 for the nine months ended April 30, 2014. This difference is attributed to the differences in property expenditures as the Company began to focus exploration efforts in Peru rather than in Mexico and on the proceeds received on the sale of property, plant and equipment in Mexico.

Financing activities

The Company received $516,073 during the nine months ended April 30, 2015 compared to $nil for the nine months ended April 30, 2014. On January 22, 2015, the Company completed a non-brokered private placement consisting of 5,650,000 common shares of the Company at $0.10 per share, for aggregate gross proceeds of $565,000. Share issuance costs of $55,530 were paid on in relation to the private placement.

Subsequent to the quarter end, on May 26, 2015, the Company announced a non-brokered private placement of up to 5,000,000 units at a price of $0.20 per unit for aggregate proceeds of up to $1,000,000. Each unit will consist of one common share of the Company and one non-transferable share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at a price of $0.25 per common share for a period of 18 months after the closing date of the private placement. The warrants will be subject to an acceleration right in favour of the Company: should the closing price of the common shares of the Company on the TSX Venture Exchange be $0.35 or higher for ten consecutive trading days, the Company will be entitled to accelerate the expiry of the warrants to the date that is 30 business days from the date of the issuance of a news release by the Company announcing the exercise of the acceleration right.

The securities issued under the offering will be subject to a hold period of four months and finders' fees may be payable in connection with the issuance of the securities. The private placement is subject to applicable regulatory approvals, including the approval of the TSX Venture Exchange. Net proceeds of the private placement will be used to fund ongoing exploration, including a diamond drill program at the Red Beds Project, and for general working capital.

Cash Resources and Going Concerns

At April 30, 2015, the Company had $217,763 in cash and working capital of $154,340. To continue to develop its properties in the future, the Company will have to raise additional equity or form strategic partnerships; however there cannot be any certainty that additional financing can be raised or strategic partnerships can be found.

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	Nine months ended April 30 2015	2014
Salaries and benefits	$ -	$ 222,549
Share-based payments (i)	66,551	35,354
	$ 66,551	$ 257,903

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

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

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, 2014. 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 adopted by the Company

The Company adopted certain new standards, amendments and interpretations to existing standards, which have been published and are only effective for accounting periods beginning on or after January 1, 2014 or later periods. The adoption of these changes had minimal impact on the Company's financial statements.

The following standards were adopted for the Company's annual reporting period beginning August 1, 2014 unless otherwise noted:

(i) Effective for annual periods beginning on or after January 1, 2014

- Amendments to IAS 32, *Financial Instruments: Presentation,* provide clarification on the application of offsetting rules.
- Amendments to IAS 36, *Impairment of Assets,* clarify the recoverable amount disclosure for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal.
- Amendments to IFRS 8, *Operating segments,* to require disclosure of judgments made by management in aggregating operating segments

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

(ii) 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.

FINANCIAL RISK MANAGEMENT

(a) Overview

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

This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

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 April 30, 2015, 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 June 26, 2015, the following common shares and stock options were issued and outstanding:

	Number of Shares	Exercise Price $	Expiry Date
Common shares	20,276,509	-	-
Stock options	15,000	3.60	September 9, 2015
	85,000	5.30	November 30, 2015
	62,000	1.80	November 3, 2016
	107,000	1.00	January 24, 2018
	177,000	0.70	November 26, 2018
	1,575,000	0.20	April 20, 2020
Fully diluted	22,297,509		

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 nine months ended April 30, 2015, 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.