Camino Minerals Corporation

CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2010
(Expressed in Canadian Dollars)

#1510 – 999 West Hastings Street, Vancouver, B.C. CANADA V6C 2W2

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Management's Responsibility for the Financial Statements

The preparation and presentation of the accompanying consolidated financial statements, Management Discussion and Analysis ("MD&A") and all financial information in the Annual Report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Financial statements, by nature, are not precise since they include certain amounts based upon estimates and judgments. When alternative methods exist, management has chosen those it deems to be the most appropriate in the circumstances. The financial information presented elsewhere in the Annual Report is consistent with that in the consolidated financial statements.

The Audit Committee is appointed by the Board of Directors and reviews the consolidated financial statements and MD&A; considers the report of the external auditors; examines the fees and expenses for audit services; and recommends to the Board the independent auditors for appointment by the shareholders. The independent auditors have full and free access to the Audit Committee and meet with it to discuss their audit work, our internal control over financial reporting and financial reporting matters. The Audit Committee reports its findings to the Board for consideration when approving the consolidated financial statements for issuance to the shareholders.

"R.E. Gordon Davis"

R.E. Gordon Davis

Chairman and Chief Executive Officer

"Peter De Visser"

Peter DeVisser

Chief Financial Officer

November 26, 2010

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Auditors' Report

To the Shareholders of
Camino Minerals Corporation

We have audited the consolidated balance sheets of Camino Minerals Corporation as at July 31, 2010 and 2009 and the consolidated statements of loss, comprehensive loss and deficit, shareholder's equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at July 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(signed) PricewaterhouseCoopers LLP

Chartered Accountants
Vancouver, British Columbia

November 26, 2010

Camino Minerals Corporation

(An Exploration Stage Company)

Consolidated Balance Sheets as at

(Expressed in Canadian Dollars)

	July 31, 2010 $	July 31, 2009 $
ASSETS		
Current		
Cash	8,599,734	-
Receivables	270,880	-
Prepaid expenses and deposits	106,999	-
	8,977,613	-
Value added tax recoverable	151,492	-
Property and equipment (note 4)	111,884	66,000
Mineral properties (note 3)	4,606,429	5,807,420
	13,847,418	5,873,420
LIABILITIES		
Accounts payable and accrued liabilities	41,575	-
	41,575	-
Future income tax liability (note 8)	960,402	1,629,420
	1,001,977	1,629,420
SHAREHOLDERS' EQUITY		
Share capital	15,944,870	-
Contributed surplus	10,881,745	15,776,906
Deficit	(13,981,174)	(11,532,906)
	12,845,441	4,244,000
	13,847,418	5,873,420

Commitments (note 5)

APPROVED BY THE BOARD OF DIRECTORS

"James Tutton" Director

"R.E. Gordon Davis" Director

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

Camino Minerals Corporation

(An Exploration Stage Company)

Consolidated Statements of Loss, Comprehensive Loss and Deficit for the years ended

(Expressed in Canadian Dollars)

	July 31, 2010 $	July 31, 2009 $
EXPENSES		
Amortization	14,179	-
General and administrative expenses (note 1)	1,491,942	350,703
General exploration	23,285	-
LOSS BEFORE OTHER ITEMS	1,529,406	350,703
OTHER ITEMS		
Foreign exchange loss (gain)	(8,026)	-
Loss on sale of property (note 7)	1,334,246	-
NET LOSS BEFORE TAX	2,855,626	350,703
Future income tax recovery (note 8)	(407,358)	-
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	2,448,268	350,703
DEFICIT - BEGINNING OF YEAR	11,532,906	11,182,203
DEFICIT - END OF YEAR	13,981,174	11,532,906
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	(0.04)	-
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	64,265,432	-

Camino Minerals Corporation

(An Exploration Stage Company)

Consolidated Statements of Cash Flows for the years ended

(Expressed in Canadian Dollars)

	July 31, 2010 $	July 31, 2009 $
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Loss for the year	(2,448,268)	(350,703)
Amortization of property and equipment	14,179	-
Foreign exchange on foreign income tax liability	(53,478)	-
Loss on sale of property (note 7)	1,334,246	-
Future income tax recovery (note 8)	(407,358)	-
Change in non-cash working capital items (note 9)	(86,303)	-
	(1,646,982)	(350,703)
INVESTING ACTIVITIES		
Expenditures on mineral properties	(761,438)	(340,000)
Proceeds received on sale of property (note 7)	250,000	-
Expenditures on property and equipment	(60,063)	(5,000)
Change in value added tax recoverable	(231,492)	-
	(802,993)	(345,000)
FINANCING ACTIVITIES		
Funding provided by Canplats Resources Corp. (note 1)	1,049,709	695,703
Cash received from Goldcorp pursuant to the Plan of Arrangement (note 1)	10,000,000	-
	11,049,709	695,703
INCREASE IN CASH	8,599,734	-
CASH - BEGINNING OF YEAR	-	-
CASH - END OF YEAR	8,599,734	-

Supplemental cash flow information (note 9)

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

Camino Minerals Corporation

(An Exploration Stage Company)

Consolidated Statement of Shareholders' Equity

(Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital Issued $	Contributed Surplus $	Deficit $	Total Shareholders' Equity $
Balance, July 31, 2008	-	-	15,081,203	(11,182,203)	3,899,000
Funding provided by Canplats Resources Corp.	-	-	695,703	-	695,703
Loss for the year	-	-	-	(350,703)	(350,703)
Balance, July 31, 2009	-	-	15,776,906	(11,532,906)	4,244,000
Funding provided by Canplats Resources Corp. (note 1)	-	-	1,049,709	-	1,049,709
Issuance of common shares and transfer of assets pursuant to the Plan of Arrangement (note 1)	64,265,432	15,944,870	(5,944,870)	-	10,000,000
Loss for the year	-	-	-	(2,448,268)	(2,448,268)
Balance, July 31, 2010	64,265,432	15,944,870	10,881,745	(13,981,174)	12,845,441

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

1. NATURE OF OPERATIONS

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 recoverability of the amounts shown for mineral property assets is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and the ability of the Company to obtain the necessary financing to continue the exploration and future development of its mining properties, or realizing the carrying amount through a sale. Due to market fluctuations and the inherent risks in the exploration industry, there can be no assurance that management's future actions will be successful.

On February 3, 2010, Goldcorp Inc. ("Goldcorp") acquired Canplats Resources Corporation ("Canplats"), the predecessor corporation to the Company through a Plan of Arrangement ("the Arrangement"). As part of the Arrangement, Camino Minerals received cash in the amount of $10 million, office equipment relating to Canplats' corporate office, and Canplats' existing interests in precious and base metal properties located in Mexico, other than the Camino Rojo Project, through a newly-incorporated, wholly-owned Mexican subsidiary. The consolidated financial statements have been presented under the continuity of interests basis of accounting with balance sheet amounts based on the amounts recorded by Canplats.

Camino Minerals Corporation began operations on February 4, 2010. Financial statement information prior to this date reflects the financial position, statements of loss, comprehensive loss and deficit and cash flows of the related Camino Minerals Business of Canplats. This information has previously been reported as the Camino Minerals Business. The statements of loss, comprehensive loss and deficit for the year ended July 31, 2010 includes an allocation of Canplats' general and administrative expenses incurred in each period up to February 3, 2010 and expenses incurred directly by Camino Minerals thereafter. The consolidated schedule of mineral property costs for the year ended July 31, 2010 includes the direct exploration expenses related to the Camino Business properties.

General and administrative expense was calculated to the Camino Minerals Business on the basis of the ratio of costs deferred on the Camino Business properties in each year presented as compared to the costs incurred on all mineral properties in each of these years. Management cautions readers of these financial statements, that the allocation of expenses does not necessarily reflect future general and administrative expenses.

Carrying value of assets transferred and acquired pursuant to the Plan of Arrangement on February 3, 2010 consisted of the following:

	$
Cash	10,000,000
Property and equipment	66,000
Office deposits and prepaids	107,000
Mineral properties	4,433,000
Future income tax liability	1,338,870
Total assets transferred	5,944,870
Total assets transferred and acquired	15,944,870

The Company initially assumed a tax base of nil upon the transfer of its properties. At the date of closing of the Arrangement however, the Company established a tax basis of $1 million for its mineral interests in Mexico. The future income tax liability assumed and related mineral interests acquired from the Camino Business were adjusted to reflect the existence of this tax basis on closing of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company, Rojo Resources SA. de C.V. (100%) and Recursos Mineros Rojo S.A. de C.V. (100%). All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Significant areas where management's judgment is applied are the determination of stock-based compensation and future income tax balances. Actual results may differ from these estimates.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment when changes in circumstances suggest their carrying value has become impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows to result from the operation of the asset and its eventual disposition. If impairment is deemed to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis. Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether the carrying value can be recovered. If impairment is identified, the carrying value of the property interest is written down to its estimated fair value.

Mineral property costs

The Company records its interests in mineral properties at cost. The costs of acquiring mineral properties and related exploration and development expenditures and, holding costs to maintain a property are deferred and would be amortized against future earnings following the commencement of production or written-off if the properties are sold, allowed to lapse or abandoned. General exploration, overhead and administration costs unrelated to the properties are expensed in the period incurred.

Option payments received are treated as a reduction of the carrying value of the related mineral property and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Management's estimates of future mineral prices, recoverable resources, initial and operating capital and reclamation costs are subject to certain risks and uncertainties that may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur that could adversely affect management's estimate of the net cash flows to be generated from its properties.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Translation of foreign currency

The Company's subsidiaries are considered integrated foreign operations and their results and financial positions are translated into Canadian dollars using the temporal method. Monetary assets and liabilities are translated into Canadian dollars using year-end exchange rates. Non-monetary items are translated at rates prevailing at acquisition or transaction dates. Expense items are translated into Canadian dollars at the rate of exchange in effect at the date of the related transaction. Foreign exchange translation gains and losses are recorded in net income.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated amortization. Amortization is calculated over the useful life of the asset at rates ranging from 15% to 30% per annum once the asset is available for use. Leasehold improvements are amortized over the shorter of their economic lives and the lease term plus lease renewals, if any, only when such renewals are reasonably assured. Amortization charges on assets that are directly related to mineral properties are allocated to that mineral property.

Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are recognized for temporary differences between tax and accounting basis of assets and liabilities. Future income tax assets or liabilities are calculated using the tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized.

Financial instruments

Financial assets and liabilities held for trading are measured at fair value with gains and losses recognized in net income. Financial assets held-to maturity, loans and receivables and financial liabilities other than those held for trading are measured at amortized cost, which approximates the fair value of the instrument. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

The Company's financial instruments have been designated as follows:

- Held-for-trading: cash
- Loans and receivables: amounts receivable and refundable taxes
- Other financial liabilities: accounts payable and accrued liabilities

Stock based compensation

Compensation expense for stock options granted to employees and warrants issued are measured at their fair value at the grant date. Compensation expense for stock options granted to consultants are initially measured at their fair value at the grant date and are revalued on each balance sheet date until they are fully vested. Stock options and warrants are measured using the Black-Scholes valuation model and are recognized over the vesting period of the options and warrants granted using the graded method. In situations where stock options are granted in exchange for services related to specific mineral properties, the cost is capitalized to that mineral property. The value assigned to stock options and warrants within shareholders' equity is subsequently reduced if the options and warrants are exercised with the amount recorded credited to share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Loss per common share

Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the year. The Company follows the treasury stock method in the calculation of diluted earnings per share. Under this method, the weighted average number of shares includes the potential net issuances of common shares for "in-the-money" options and warrants assuming the proceeds are used to repurchase common shares at the average market price during the period, if dilutive. The effect of potential issuances of shares under options and warrants would be anti-dilutive if a loss is reported, and therefore basic and diluted losses per share are the same.

Adoption of New Accounting Standards

Goodwill and Intangible Assets (CICA 3064)
The CICA issued the new Handbook Section 3064, "Goodwill and Intangible Assets", which will replace Section 3062, "Goodwill and Intangible Assets". The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The new standard applies to annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008 and therefore the Company has implemented it as of August 1, 2009. The adoption of this statement did not have an impact on the consolidated financial statements.

Financial Instruments Disclosures
In May 2009, the CICA amended Section 3862, Financial Instruments – Disclosures to include additional disclosure requirements about the fair market value measurements for financial instruments and liquidity risk disclosures. These amendments require a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The Company adopted this standard on August 1, 2009. The new disclosure requirements are addressed in note 12.

3. MINERAL PROPERTY COSTS

	Rodeo	Yerbabuena	El Rincon	Mecatona	Maijoma	Total
	$	$	$	$	$	$
Balance, July 31, 2009	1,950,170	1,790,320	353,060	713,070	1,000,800	5,807,420
Acquisition	5,000	16,000	1,000	5,000	16,000	43,000
Assaying	6,297	-	-	-	16,346	22,643
Claim taxes	37,823	16,000	17,000	3,000	52,000	125,823
Engineering and drafting	2,000	-	4,584	-	-	6,584
Finders fees	-	-	5,001	5,001	15,403	25,405
Future income tax arising in period	35,852	33,015	22,104	7,899	82,947	181,817
Geology salaries and consulting	15,774	-	1,183	-	3,825	20,782
Geophysics ground	50,591	-	50,591	50,591	101,182	252,955
Licenses and government fees	5,384	-	16,621	3,760	44,313	70,078
Living cost and travel	4,139	-	8,512	2,760	3,056	18,467
Maps	1,434	-	441	1,059	2,372	5,306
Miscellaneous	1,088	-	2,184	1,088	1,418	5,778
Rent - vehicle	-	-	-	-	463	463
Remote sensing	2,681	-	2,681	2,681	3,606	11,649
Salaries	-	-	1,161	-	2,475	3,636
Subsidiary overhead allocation	22,156	16,887	19,568	8,530	81,728	148,869
Exploration costs for the year	185,219	65,902	151,631	86,369	411,134	900,255
Establishment of tax basis on completion of the Arrangement (note 1)	(128,534)	(117,976)	(24,986)	(46,011)	(72,493)	(390,000)
Sale of property (note 7)	-	(1,754,246)	-	-	-	(1,754,246)
Balance July 31, 2010	2,011,855	-	480,705	758,428	1,355,441	4,606,429

PRINCIPAL PROPERTIES

Rodeo, Mexico

In fiscal 2003, the Company entered into a lease with an option to purchase agreement for a 100% interest in the Rodeo property located 150 kilometers north of Durango, Mexico. Under the terms of the agreement with La Cuesta International Inc. ("LCI"), owner of the Rodeo property, the Company may make staged payments of US$5,000 (paid on acquisition); the greater of US$5,000 or 2% of all direct exploration expenditures payable every six months (paid to date) thereafter and a 0.25% net smelter royalty. The maximum amount payable in respect of this agreement is US$500,000. The property is also subject to a right of first offer.

3. MINERAL PROPERTY COSTS (continued)

Yerbabuena, Mexico

In fiscal 2003, the Company entered into a lease with an option to purchase agreement for a 100% interest in the Yerbabuena epithermal gold prospect located approximately 150 kilometres north-northwest of Durango, Mexico. The property is subject to a 2% net smelter royalty.

Under the terms of the agreement with LCI, owner of the Yerbabuena property, the Company may make staged payments totaling US$62,500 over three years and US$30,000 annually thereafter, plus applicable taxes, to lease the property (paid to date). On commencement of commercial production on the property, the Company is to pay the greater of US$25,000 per quarter and a 2% net smelter royalty. The Company may purchase the property for a total consideration of US$2,000,000 less all lease payments paid under the agreement. The property is also subject to a right of first offer.

In fiscal 2010, the property was sold to Silver Standard Resources (“Silver Standard”). Refer to note 7.

El Rincon, Mexico

In fiscal 2004, the Company acquired, by staking, the El Rincon gold project in Durango, Mexico, subject to a finder’s fee to LCI.

Under the terms of the agreement with LCI, the Company is required to pay LCI: US$5,000 on signing the agreement (paid); every six months commencing May 3, 2004, the greater of US$5,000 and 2% of direct exploration expenditures made for the benefit of the property (paid to date); and, on commencement of commercial production on the property, a 0.25% net smelter return royalty; provided that the maximum amount payable to LCI for the El Rincon property is US$2,000,000.

On and prior to the Company expending US$1.5 million on the property, Silver Standard Resources Inc. (“Silver Standard”) can earn a 51% interest in El Rincon by incurring expenditures equal to two times the Company’ accrued acquisition and exploration expenditures.

Mecatona, Mexico

In fiscal 2006, the Company acquired, by a combination of option agreements and staking, four claim blocks for a 100% interest in the Mecatona property located in the Mecatona gold/silver district in the state of Chihuahua, Mexico, south of Parral.

For two claims, the Company agreed to pay, under separate option agreements, two private owners an aggregate of US$15,000 on signing (paid). Subsequent option payments for one of these claim blocks are US$10,000 on November 25, 2006 (paid), US$20,000 on November 25, 2007 (paid), US$215,000 on November 25, 2008 (paid) and 1% net smelter return capped at US$250,000. The Company acquired the remaining two claim blocks that comprise the Mecatona property by staking and will continue with the exploration of these two claim blocks.

3. MINERAL PROPERTY COSTS (continued)

Mecatona, Mexico (continued)

Under the terms of the agreement with LCI, the Company is required to pay LCI: US$5,000 on acquisition of the property (paid); every six months, the greater of US$5,000 and 2% of direct exploration expenditures made for the benefit of the property (paid to date); and, on commencement of commercial production on the property, a 0.25% net smelter return royalty; provided that the maximum amount payable to LCI for the Mecatona property is US$2,000,000.

On and prior to the Company expending US$1.5 million on the property, Silver Standard can earn a 51% interest in Mecatona by incurring expenditures equal to two times the Company accrued acquisition and exploration expenditures.

Maijoma, Mexico

In fiscal 2006, the Company acquired by staking a 100% interest in the Maijoma Prospect located in Chihuahua State, Mexico, subject to the payment of a finder's fee to LCI.

Under the terms of the agreement with LCI, the Company is required to pay LCI: US$5,000 on acquisition of the property (paid); every six months, the greater of US$5,000 and 2% of direct exploration expenditures made for the benefit of the property (paid to date); and, on commencement of commercial production on the property, a 0.25% net smelter return royalty; provided that the maximum amount payable to LCI for the Maijoma property is US$2,000,000.

In fiscal 2006, the Company acquired by staking a 100% interest in the El Alamo Prospect located in Chihuahua State, Mexico, subject to the payment of finder's fees to LCI. The El Alamo prospect is considered to be part of the Maijoma property.

Under the terms of the agreement with LCI, the Company is required to pay LCI for the El Alamo claim block: US$5,000 on acquisition of the property (paid); every six months, the greater of US$5,000 and 2% of direct exploration expenditures made for the benefit of the property (paid to date); and, on commencement of commercial production on the property, a 0.25% net smelter return royalty; provided that the maximum amount payable to LCI for the El Alamo claim block is US$2,000,000. For the Agua Loca claim block, the Company is also required to pay LCI US$5,000 on acquisition of the property (paid); every six months, the greater of US$5,000 and 2% of direct exploration expenditures made for the benefit of the property (paid to date); and, on commencement of commercial production on the property, a 0.25% net smelter return royalty; provided that the maximum amount payable to LCI for the Agua Loca claim block is US$2,000,000.

4. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment are as follows:

	July 31, 2010			July 31, 2009		
	Cost $	Accumulated Amortization $	Net Book Value $	Cost $	Accumulated Amortization $	Net Book Value $
Computer equipment	25,038	(16,219)	8,819	21,000	(9,000)	12,000
Furniture and office equipment	46,230	(15,878)	30,352	34,000	(9,000)	25,000
Leasehold improvements	41,583	(14,237)	27,346	38,000	(9,000)	29,000
Vehicles	45,367	-	45,367	-	-	-
	158,218	(46,334)	111,884	93,000	(27,000)	66,000

5. COMMITMENTS

As at July 31, 2010, the Company has committed to payments under contractual obligations as follows:

	Less than 1 year $	1-3 years $	4-5 years $	Total $
Office lease obligations	118,000	354,000	10,000	482,000

6. SHAREHOLDER'S EQUITY

a) Shares authorized

Unlimited number of common shares, no par value

b) Stock Options

The Company has a share option plan for its employees, directors, officers and consultants pending shareholder approval at the annual general meeting. The plan, if approved, 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.

During the year ended July 31, 2010, 2,300,000 stock options were granted to employees, directors and consultants for a life of 5 years, and vesting terms of 2 years. The Company amortizes the fair value of stock options using the graded method over the respective vesting period of the stock options.

These options are not exercisable until shareholder approval of the stock option plan at the annual general meeting. Accordingly, no stock based compensation has been recorded.

A summary of the Company's options granted, subject to shareholder approval, is summarized in the following table:

6. SHAREHOLDER'S EQUITY (continued)

b) Stock Options (continued)

	Options Outstanding	Weighted Average Exercise Price $
At July 31, 2008		
Granted	-	-
Exercised	-	-
Expired	-	-
At July 31, 2009	-	-
Granted	2,300,000	0.2023
Exercised	-	-
Expired	-	-
At July 31, 2010	**2,300,000**	0.2023

The following table summarizes information about stock options outstanding and exercisable at July 31, 2010:

Exercise Price $	Options Outstanding	Weighted Average Remaining Life	Options Exercisable
0.2	2,225,000	4.52	-
0.27	75,000	4.75	-
	2,300,000	**4.53**	**-**

7. SALE OF PROPERTY

In May 2010, Silver Standard purchased the Yerbabuena property from the Company for total consideration of $500,000. The amount payable is $250,000 upon execution of the agreement and an additional $250,000 on the first anniversary of the agreement.

The loss on the sale of Yerbabuena has been calculated as follows:

	$
Total consideration received	500,000
Carrying value of property	(1,754,246)
VAT payable on sale	(80,000)
Loss on sale of property	(1,334,246)

8. INCOME TAXES

(a) The income taxes shown on the Consolidated Statements of Loss, Comprehensive Loss and Deficit differ from the amounts obtained by applying statutory rates due to the following:

	2009 **$**
Statutory tax rate	29%
Loss for the year before taxes	(2,855,626)
Provision for income taxes based on statutory rates	(828,132)
Non deductible expenses	210,835
Change in valuation allowance	209,939
Future income tax recovery	(407,358)

As at July 31, 2010, the Company has accumulated non-capital losses available for carry-forward of approximately $807,456, which will expire in 2030. In addition, the Company's Mexican subsidiaries have accumulated tax balances that may give rise to future tax benefits. No future tax benefit has been recognized in the accounts for these losses or accumulated tax balances. Camino Minerals Corporation was incorporated on November 26, 2009 and, as such, there are no income tax figures for periods prior to incorporation.

(b) Future income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's future tax assets and liabilities as of July 31 are as follows:

	2010 **$**	**2009** **$**
Future tax asset (liabilities)		
Operating loss carry-forward	209,939	-
Mineral properties	(960,402)	(1,629,420)
Valuation allowance	(209,939)	-
Net future tax liability	(960,402)	(1,629,420)

The realization of income tax benefits related to these future potential tax deductions is uncertain and cannot be viewed as more likely than not. Accordingly, no future income tax asset has been recognized for accounting purposes.

9. SUPPLEMENTAL CASH FLOW INFORMATION

The following information pertains to the changes in non-cash working capital items:

	July 31, 2010 $	July 31, 2009 $
Change in non-cash working capital		
Accounts receivable and prepaid expenses	(127,878)	-
Accounts payable and accrued liabilities	41,575	-
	(86,303)	-

10. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are:

- to safeguard the ability to continue as a going concern in order to pursue the exploration of mineral properties
- to provide an adequate return to shareholders
- to maintain a flexible capital structure which optimizes the cost of capital

In order to facilitate the management of our capital requirements, management prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flow. The annual and updated budgets are approved by the Board of Directors.

To maintain the capital structure, the Company may, from time to time, attempt to issue new shares or dispose of non-core assets. Management expects the Company's current capital resources will be sufficient to carry its exploration and development plans through the current operating period. At July 31, 2010, the Company is not subject to any externally imposed capital requirements.

11. RELATED PARTY TRANSACTIONS

Subsequent to the transaction described in note 1, the company was billed $45,347 for external accounting and related fees provided by a Private Company controlled by an officer of the Company. As at July 31, 2010, $8,960 was due to this Private Company which is included in accounts payable. Any amounts payable to related parties are non-interest bearing and without specific terms of repayment. These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount established and agreed to by the related parties.

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, amounts receivable, refundable taxes and accounts payable and accrued liabilities.

The fair value of the Company's financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation, including the amounts receivable from the Yerbabuena property sale (see note 7).

13. MANAGEMENT OF FINANCIAL RISK

Value of Financial Instruments

During 2009, CICA handbook section 3862 "Financial Instruments – Disclosures" was amended to require enhanced disclosure of financial instrument fair value measurements and liquidity risks. Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

The carrying values, fair market values, and fair value hierarchal classification of the Company's financial instruments as at July 31, 2010 are as follows:

Cash as shown in the consolidated balance sheet at July 31, 2010 is measured using level 2. The Company does not have any financial instruments that are measured using level 1 or level 3 inputs.

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. There can be no assurance that steps taken by the Company to address foreign currency fluctuations will eliminate all adverse effects and, accordingly, the Company may suffer losses due to adverse foreign currency fluctuations.

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, and future income taxes are denominated in U.S. Dollars and Mexican Pesos and are therefore subject to fluctuation in exchange rates. As at July 31, 2010 approximately $ (276,596) in net assets were held in U.S. dollars and Mexican pesos. A 1% change in the exchange rate between the Canadian and U.S. dollar or the Canadian dollar and Mexican Peso would have an insignificant impact on the Company's net loss.

13. MANAGEMENT OF FINANCIAL RISK (continued)

Liquidity risk

This refers to the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in note 10 to the consolidated financial statements.

Commodity price risk

The value of the Company's mineral properties is related to the price of the related commodities. The prices of these commodities historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, levels of worldwide production, short-term changes in supply and demand related to speculative activities, central bank lending, forward sales by producers and speculators, and other factors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is mainly held through large Canadian financial institutions.

The Company's receivables consist of general sales tax due from the Federal Governments of Mexico and Canada, advances to vendors, and a receivable from Silver Standard Resources. The carrying amount of financial assets recorded in the financial statements (excluding cash) represents the Company's maximum exposure to credit risk.

Interest rate risk

The interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Despite the fact that all short-term deposits are accruing interest at fixed rates, the risk that the Company will suffer a decline in the fair value of the short-term deposits as a result of increases in global interest rates is limited because these investments are realizable within 30 days of year-end. At the statement date, a 1% change in interest rates would change net loss by approximately $86,000.

14. SEGMENTED INFORMATION

The Company operates in one industry segment which is the acquisition and exploration of mineral properties. Losses for the period and segment assets by geographic location are as follows:

	Loss for the year ended		**Total assets at**	
	July 31, 2010 $	July 31, 2009 $	July 31, 2010 $	July 31, 2009 $
Canada	1,498,095	350,703	8,306,959	66,000
Mexico	950,173	-	5,540,459	5,807,420
Total	2,448,268	350,703	13,847,418	5,873,420

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