

Trickle Research

Every raging river, every great lake, every
deep blue sea starts ... with a trickle



Allocation Increase & Target Decrease

Report Date: 04/30/20

12- 24 month Price Target: *USD\$.55

Allocation: **7

Closing Stock Price at Initiation (Closing Px: 04/05/18): USD\$.26

Closing Stock Price at Date of Allocation Increase (Closing Px: 08/07/19): USD\$.094

Closing Stock Price at this Allocation Increase (Closing Px: 04/29/20): USD\$.092

Camino Minerals Corporation



(Stock Symbols – TSXV: COR.V; OTC: CAMZF)

www.CaminoMinerals.com

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We initiated coverage of Camino in April 2018. At that time our thesis was relatively straightforward; and there were a few primary points to our conclusions therein. We reiterated that thesis in an allocation update from August 2019, when we also raised our allocation of the stock largely based on a decline in the price of the shares. However, *there have been* some notable changes to the Company since our original initiation and subsequent allocation upgrade. In addition, there have also been some marked macro headwinds that we think have impacted the stock as well. We will cover some of that below. That said, we think much of our basis for the long-term view of the Company remains intact.

We will address that as well.

First, in August 2018, the Company brought in some new management, however, we were first introduced to the Company through founder Kenneth McNaughton, who remains on the Company's board and is a major shareholder, who is clearly financially invested. (In addition to his prior ownership, Mr. McNaughton recently purchased just under C\$900,000 worth of the stock at C\$.15) We think that is important to note because in our initial coverage we suggested that early stage (mining) exploration/development deals often amount to "betting on the jockey" and we think Mr. Naughton's pedigree and continued presence at the Company and on its board keeps that attribute intact. However, in January (2020), the Company again shuffled the management deck by adding Keith Peck as Chairman, and Jay Chmelauskas as CEO and Director. Their respective Bio's are as follows:

Mr. Peck is a Chartered Business Valuator (CBV) and was a founder of Centenario Copper Corporation, a Chilean copper company that was acquired by Quadra Mining Ltd. in 2009. He has over 30 years of investment banking experience including Vice-President and Director of RBC Dominion Securities Inc., Haywood Securities Inc. and Vice-Chairman of Yorkton Securities Inc. Mr. Peck has a broad business background that includes financings in public and private markets, mergers and acquisitions, corporate restructurings and business valuations.

Mr. Chmelauskas was the CEO of TSX listed Jinshan Gold Mines. Jinshan built one of China's largest gold mines, the CSH mine, in Inner Mongolia, China, and China National Gold Corporation acquired a controlling interest in the company in 2008. He is a seasoned CEO and Director of development stage Toronto Stock Exchange listed mining companies and has over 25 years of experience as an executive and geological engineer in the mining and industrial sectors. Mr. Chmelauskas is the former CEO and Director of TSX listed Western Lithium Corporation, that merged with Argentina based Lithium Americas Corporation, to become one of the leading developers in the lithium sector.

We won't belabor the management appointments, but we *will* add this. We think Keith Peck's background in the mine development space largely from the financial side is a considerable benefit to Camino. As most who follow the space even generally are aware, resource development can be a cash intensive endeavor. While the ultimate viability of a project's resource is perhaps the most important attribute of these types of endeavors, access to capital is paramount in identifying and delineating the resource in the first place. To be sure, we have seen many promising resource projects fail because they could not be properly funded. Moreover, those funding failures often involve the approach to financing as much as simply a lack of available funding. We think Mr. Peck's involvement should prove beneficial on multiple fronts.

Further, we have spent some time now with new CEO/director Jay Chmelauskas. On the face, Mr. Chmelauskas' resume certainly fits Camino's needs. In addition to that, we have found him to be refreshingly responsive and available, which at times has been a frustration for our research process of Camino. Just to qualify that, as we noted, our original correspondence with the Company was with Mr. McNaughton, who was very helpful and accessible at the front end of our coverage. However, we did not find the management group between that of our initial coverage and this, as particularly responsive. Thus, from our perspective the management additions/changes have to this point proven to be quite positive. That said, keep in mind, this is an early stage exploration/development deal, so it is not like there is a constant stream of germane information that requires

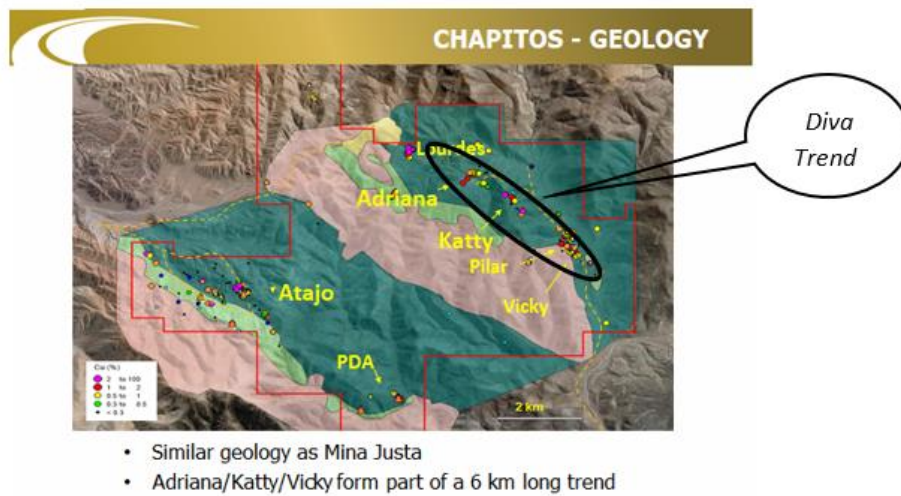
updating. But again, we will stand by our view that the new management additions are positive from our vantage point.

Management aside, despite the compression in the stock since our initiation, the Company has managed to mark some progress that we think may be counterintuitive to the stock price. Here are some milestones achieved since our initiation. (We addressed some of these in our 8/19 update and we would urge people to revisit that report).

To edify, Exhibit 1 and 1A below are iterations of an illustration from company presentations prior to our coverage and it was included in our initial coverage.

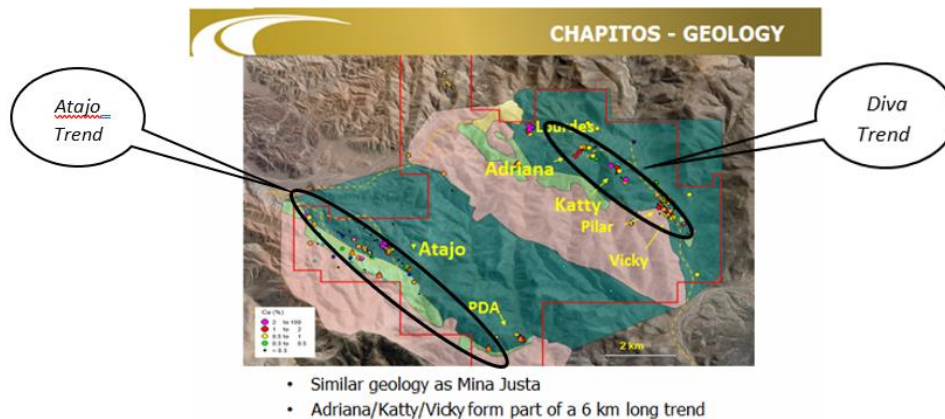
To refresh the history a bit, prior to 2H 2017, all of the drill development on the property occurred in Adriana and Katy zones. There are additional zones in that trend (“Vicky” and “Pilar” below). Collectively, these zones are referred to as the “Diva Trend”, presumably a reference to their female inclusions.

EXHIBIT 1.



In September 2017, the Company received notice that its “*Declaración de Impacto Ambiental ("DIA"), or Environmental Assessment, has been approved for a drill program on the Atajo Zone.... The DIA was completed as part of the permit application for 20 drill platforms...* ”. In December (2017), the Company released the results for the first eight diamond drill holes completed on the Atajo Zone.

EXHIBIT 1A.



The Company spent much of 2018 raising money for continued exploration, which generally encompassed additional drilling on Diva and to a lesser extent Atajo, as well as an extensive soil sampling program along the Diva trend.

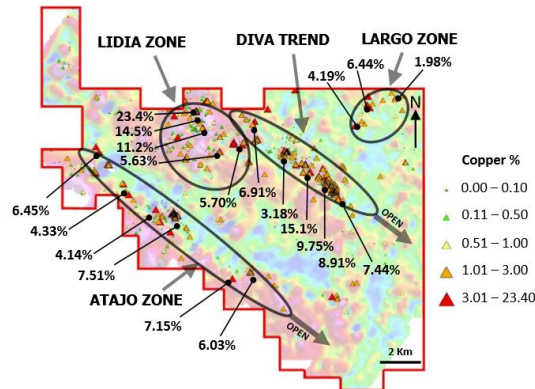
In March and June of 2019, as a result of ongoing exploration and development work, the Company announced the discovery of two **new zones** in their Chapitos concessions. These zones are now referred to as the “Lidia Zone” and the “Largo Zone” respectively. Again, these new zones are the result of exploration efforts **since the time of our initial coverage**.

The two illustrations below are from the Company’s most recent presentation, and they provide a good overview of some of the results they have collected thus far on each of the four respective zones. While there is certainly nothing definitive about any of these, we think they do illustrate the potential of Chapitos as well as the potential of the new exploration data that has been added since the time of our initial coverage. Our point here is that while we certainly don’t think this progress has been reflected in the (declining) price of the stock, the fact is, from an exploration and development point, they have, in our view, made **considerable progress** towards their goal of delineating the project’s potential to become a measurable copper (and perhaps gold) project in the future and by extension creating better visibility in terms of its value therein.

LOS CHAPITOS – ROCK GEOCHEMISTRY



| | |
|-------------------|---|
| DIVA TREND | 851 ROCK SAMPLES AVERAGE 0.69 % Cu UP TO 15 % Cu 6.8 Km x 1.8 Km |
| ATAJO ZONE | 391 ROCK SAMPLES AVERAGE 0.83 % Cu UP TO 7.5 % Cu 8 Km x 1.5 Km |
| LIDIA ZONE | 238 ROCK SAMPLES AVERAGE 0.78 % Cu UP TO 23 % Cu 11.1, 4.65, & 2.17 g/t Au 3 Km x 4 Km |
| LARGO ZONE | 27 ROCK SAMPLES AVERAGE 1.55 % Cu UP TO 6.44 % Cu 2.8 Km x 1.8 Km |



LOS CHAPITOS – SOIL GEOCHEMISTRY



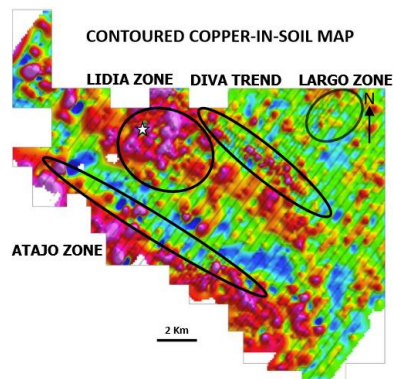
Four discrete anomalous zones identified:
 1. DIVA TREND 2. LIDIA ZONE 3. ATAJO ZONE 4. LARGO ZONE

Newly identified Lidia copper-gold zone
 Copper in-soil up to 4764 ppm ☆

SOIL ANOMALIES
 Elevated copper values in soil samples associated with the Late Cretaceous intrusions

The Atajo zone has a similar signature to the Diva Trend

Soil anomalies correspond with drilling and rock samples



In addition to the above, we would add that in June (2019) Camino announced that “the Peruvian Ministry of Energy and Mines (MINEM) approved the company’s EIA (Estudio de Impacto Ambiental) permit, which allows for expansion of drilling activities along the Diva Trend...The 200-drill pad permit allows for a maximum of 908 drill holes or 445,200 m of drilling over a 3.6-year period. The drilling will further define and potentially expand on the copper mineralized zones at Adriana, Katty, and Vicky, but also include drilling designed to evaluate the potential for additional zones of copper mineralization along the Diva Trend. This will enable the Company to further its understanding of the geology and mineralization as it works towards gathering information for a future resource estimation effort”. Referencing back to EXHIBIT 1. above, this will allow for the extension of the 2017 drilling program the Company along/down the Diva Trend. Additionally, in November (2019) the Company was granted a two-year extension of the 2017 permit that cleared the way for the 2017 drilling on Atajo. Just to translate, they have cleared the regulatory hurdles to continue exploration on the project through 2021.

As we alluded to above, Camino’s share price has not performed well since our initiation and certainly some of that, (which we will address below) is a function of macro issues that have negatively impacted mining valuations in general. Specifically, since our initiation in April 2018, the price of copper has declined sharply losing nearly 24% of its value:



The miners have collectively fared even worse:



- **Camino Minerals Corporation (CAMZF)**
- **Freeport-McMoRan Inc. (FCX)**
- **Glencore plc (GLNCY)**
- **Southern Copper Corporation (SCCO)**

Succinctly, we didn't see that coming when we initiated this coverage. On the other hand, this is not the first ugly side of a commodity cycle we have seen so we are also not particularly surprised. In fact, if we extend the chart above back another two years (starting April 2016), the case for copper looks far better.

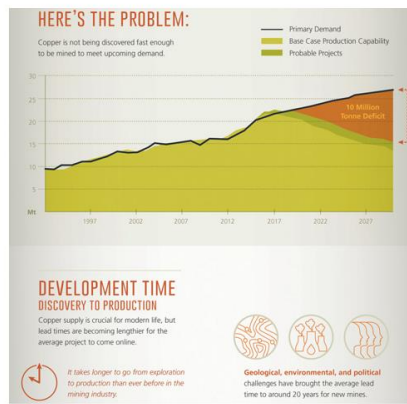
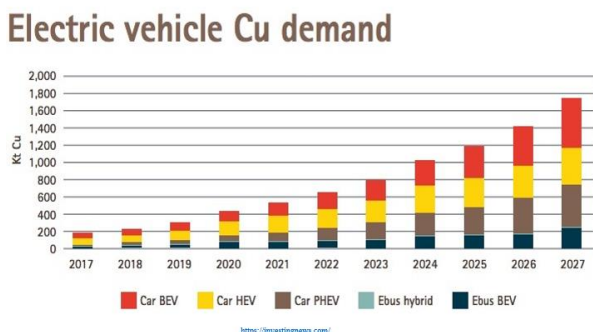


The above said, we continue to believe that the longer-term trajectory for copper is higher rather than lower and we believe that for many of the same reasons we noted in the initial coverage. While even a cursory overview of the past, present and future copper markets is beyond the scope of this update, here are a few things to consider.

- Demand

Base demand for copper is likely to continue. Copper is often viewed as a good proxy for the world's economic health because it is used in a wide variety of industrial applications. From that perspective, while copper demand has certainly ebbed and flowed between period of stronger and weak economic activity, its general trajectory has been that base demand from one year to the next is generally higher. Industry estimates suggest that worldwide copper demand/consumption between 2008 and 2018 increased and a compounded annual rate of about 3.2%. Put another way, over the same decade, by the 2018 the world was consuming roughly 37% more copper than it did in 2008.

Obviously, the trajectory of the “base” copper demand is not what has some copper industry experts excited about the prospects of copper over the next decade. Rather, the buzz around the potential for marked increases in future copper demand comes from the notion that the “electrification” of the world is going to require a lot more copper. That is, emerging green technologies, from wind turbines to solar panels to electric cars are going to require more electrical components and that includes, perhaps preponderantly, copper. To that end, the two illustrations below are from our initiating coverage:

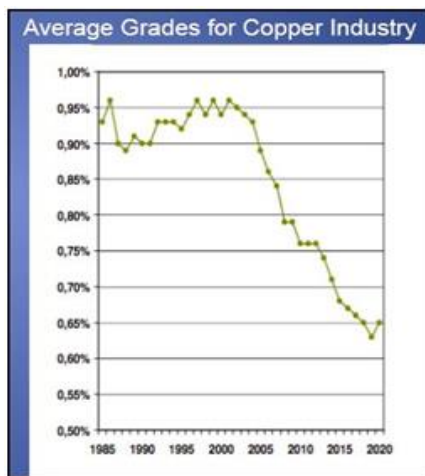


We submit, nobody really knows where copper demand is headed, in part because nobody knows the trajectory of the world economy especially at the present time given the uncertainty surrounding the current COVID-19 pandemic. Further, we don't know what new technologies may arise around emerging markets like green energy that might negatively impact copper demand. That said, we feel confident that copper demand will continue to grow, and it will likely grow at a faster pace than recent decades because the net impact of emerging technologies will drive that greater marginal demand.

- **Supply**

While we feel like there is a strong case for increasing marginal demand for copper, at the same time, copper supply may also entail some fundamental issues that may make keeping up with that rising demand more difficult. Here again, these are issues we addressed in the initial coverage, and those issues remain cogent today. For instance:

*As we noted, through the years copper miners have managed to develop reserves at a rate that has allowed them to maintain a healthy ratio of reserves to production. However, industry data suggest that challenge is becoming more acute. For instance, as the chart below illustrates, grades for copper production have been falling for the better part of the past two decades, and that decline has not been subtle. On the face, that suggests that high quality (high grade) resources are getting harder to find, which generally means it takes more work to uncover the same amount of copper today than it did 20 years ago (or 10 years ago). This is another one of those issues that we think favors Chapitos if they can in fact identify a resource with grades in the .70% to .75% range. We submit, this grade issue while topical, is not as draconian as the steep decline in grades below might portend on the face. Certainly, some of the industry's declining grades are also associated with elements like better technology and techniques that make lower grade resources more economical, or perhaps even larger overall projects that are able to spread certain portions of capex over greater production (another reason we view it paramount for Camino to expand the size of the Chapitos resource to make it more attractive to a potential partner or suitor). **However, all other things being equal, higher grades are better than lower grades, and the industry has been in the midst of lower average grades for some time now.***



<http://www.aqmcopper.com/CopperFundamentals.html>

To reiterate, the prior paragraph is from our initial coverage, but the notion remains germane today. To edify, we don't think declining copper grades *necessarily* portend something draconian regarding future supply. Specifically, while we do think it is likely that grades are declining because higher grade projects have been depleted over time and are probably getting more difficult to find, we also think technology advances have made

lower grade deposits more scalable and thus economical, which has contributed to the declining grade statistics. Moreover, recognize that recycling has provided and will continue to provide a significant addition to ongoing copper supplies. However, in terms of grades, we would note that exploration results at Chapitos to this point *may* indicate that the project could yield better than average grades.

- COVID-19

It is hard to prepare a piece of research at this particular point in time without addressing the current pandemic and its impact on both the macro and the micro elements of the companies we cover. In the case of Camino, we think there are some notable angles around the pandemic worth covering.

First, the pandemic's initial impact of economic activity is deafening. Further, there is very little visibility around when that might improve and/or how robust that "improvement" might be. As we noted above, copper is often viewed as a proxy for economic activity. Succinctly, copper prices from January 1, 2020 through March 1, 2020 and then March 1, 2020 through the present, have gone from bad to worse. That seems to reflect the overall view of the economy as well, so lower copper prices should be no surprise. Again, the bigger question of course involves when economic activity may once again return to some sort of normalcy and what that might portend for improving copper demand and subsequent pricing.

On the other hand, while the pandemic has negatively impacted demand, it has also curtailed copper production. We know of several copper projects that have ceased production in response to government edicts and/or concerns over worker safety. That lack of production will most certainly impact supply, but again, the extent and the duration of that is not clear to us. We do however believe, that at some point the impact of the virus will diminish and improved economic activity will follow, which in turn should be good for copper prices and copper producers/projects in general.

From another perhaps less obvious perspective, we believe that coming out of this crisis, copper's use as an antimicrobial may represent a considerable emerging market for the metal. Copper's antimicrobial properties are well understood and documented, and frankly some of that understanding reaches back over centuries. This is a bit voluminous, but we think it is important to touch on copper's unique properties in this regard, and perhaps consider that it may be included in efforts to mitigate the impact of future potential outbreaks.

A recent study: *Montero, D.A., Arellano, C., Pardo, M. et al. **Antimicrobial properties of a novel copper-based composite coating with potential for use in healthcare facilities.** *Antimicrob Resist Infect Control* 8, 3 (2019). <https://doi.org/10.1186/s13756-018-0456-4> addresses some of the benefits of copper as an antimicrobial solution in hospitals.*

Here is an overview of that study and some of its conclusions:

Healthcare-associated infections (HAIs) are the most frequent adverse event threatening the life of hospitalized patients worldwide. HAIs have a major impact on public health, as they increase the average length of hospital stays, morbidity and mortality, and cause a significant increase in healthcare costs.

*Multiple factors contribute to the incidence of HAIs, including intrinsic patient conditions (e.g. their individual pathologies) and risk factors associated with the hospital environment. Specifically, medical devices and hospital surfaces contaminated with pathogenic microorganisms are often the origin of both sporadic cases and outbreaks of HAIs. Pathogens, such as methicillin-resistant *Staphylococcus aureus* (MRSA), vancomycin-resistant *Enterococcus* spp. (VRE) and *Clostridium difficile*, are able to colonize hospital surfaces, and both spores and the vegetative form can persist on these surfaces for months.*

Therefore, hand hygiene and routine and terminal cleaning of surfaces in contact with the patients are useful strategies to limit intra-hospital propagation of infectious agents. At present, the microbiological standard used to evaluate and monitor terminal cleaning of hospital surfaces is a count of 250–500 aerobic colony-forming units (cfu) per 100 cm². However, while deep cleaning may remove the majority of microorganisms present on hospital surfaces, they are susceptible to recontamination, which in some cases occurs in a very short period of time.

In 2008, the United States Environmental Protection Agency (US EPA) recognized copper as the first antimicrobial metal. In vitro assays, solid copper surfaces killed 99.9% of microorganisms within two hours of contact. The rate of this antimicrobial activity has a magnitude of 7 to 8 logarithms per hour and generally no microorganisms are recovered after longer incubation periods. Likewise, copper particles exhibit potent antimicrobial activity. The bactericidal activity of copper is mainly attributed to the release of ions, which affect the integrity of the membrane and/or the bacterial wall, generate intracellular oxidative stress and are genotoxic, resulting in the death of microorganisms. One advantage of copper as a bactericidal agent is the low level of resistance among clinically relevant microorganisms. Copper-resistant mechanisms are primarily found in environmental microorganisms living in copper-rich niches, such as marine sediments and mines.

Healthcare-associated infections (HAIs) have a major impact on public health worldwide. Particularly, hospital surfaces contaminated with bacterial pathogens are often the origin of both sporadic cases and outbreaks of HAIs. It has been demonstrated that copper surfaces reduce the microbial burden of high touch surfaces in the hospital environment. Here we report the antimicrobial characterization of a novel composite coating with embedded copper particles, named Copper Armour™.

Copper Armour™ is a composite material that is embedded with copper particles in a methyl methacrylate resin (matrix) evenly distributed in the matrix, so that copper particles are always partially exposed on the surface. To achieve this effect, at least four types of copper particles are used; as these particles differ in shape, apparent densities (with a range of < 1–8 g/cm³; Fig. 1a, b) and capacity to be compacted among themselves, when mixed together in a polymeric matrix they can be distributed homogeneously in the entire thickness of the composite structure.

The Copper Armour™ bactericidal activity was evaluated in in vitro assays against several bacterial pathogens, including Staphylococcus aureus, Pseudomonas aeruginosa, Escherichia coli O157:H7 and Listeria monocytogenes. Additionally, its antimicrobial properties were also evaluated in a pilot study over a nine-week period at an adult intensive care unit. For this, four high touch surfaces, including bed rails, overbed table, bedside table and IV Pole, were coated with Copper Armour™, and its microbial burden was determined over a nine-week period. Copper Armour™ coated samples showed an in vitro reduction in bacterial burden of > 99.9% compared to control samples. Moreover, pilot study results indicate that Copper Armour™ significantly reduces the level of microbial contamination on high-touch surfaces in the hospital environment, as compared with standard surfaces.

Based on its antimicrobial properties, Copper Armour™ is a novel self-sanitizing coating that exhibits bactericidal activity against important human pathogens and significantly reduces the microbial burden of hospital surfaces. This composite could be used as a self-sanitizing coating to complement infection control strategies in healthcare facilities.

More specifically, a recent article from Smithsonian Magazine regarding copper and COVID-19 adds some further color: (<https://www.smithsonianmag.com/science-nature/copper-virus-kill-180974655/>).

When researchers reported last month that the novel coronavirus causing the COVID-19 pandemic survives for days on glass and stainless steel but dies within hours after landing on copper, the only thing that surprised Bill Keevil was that the pathogen lasted so long on copper.

Keevil, a microbiology researcher at the University of Southampton (U.K.), has studied the antimicrobial effects of copper for more than two decades. He has watched in his laboratory as the simple metal slew one bad bug after another. He began with the bacteria that causes Legionnaire's Disease and then turned to drug-resistant killer infections like Methicillin-resistant Staphylococcus aureus (MRSA). He tested viruses that caused worldwide health scares such as Middle East Respiratory Syndrome (MERS) and the Swine Flu (H1N1) pandemic of 2009. In each case, copper contact killed the pathogen within minutes. "It just blew it apart," he says.

In 2015, Keevil turned his attention to Coronavirus 229E, a relative of the COVID-19 virus that causes the common cold and pneumonia. Once again, copper zapped the virus within minutes while it remained infectious for five days on surfaces such as stainless steel or glass.

"One of the ironies is, people [install] stainless steel because it seems clean and in a way, it is," he says, noting the material's ubiquity in public places. "But then the argument is how often do you clean? We don't clean often enough." Copper, by contrast, disinfects merely by being there.

Keevil's work is a modern confirmation of an ancient remedy. For thousands of years, long before they knew about germs or viruses, people have known of copper's disinfectant powers. "Copper is truly a gift from Mother Nature in that the human race has been using it for over eight millennia," says Michael G. Schmidt, a professor of microbiology and immunology at the Medical University of South Carolina who researches copper in healthcare settings.

The first recorded use of copper as an infection-killing agent comes from Smith's Papyrus, the oldest-known medical document in history. The information therein has been ascribed to an Egyptian doctor circa 1700 B.C. but is based on information that dates back as far as 3200 B.C. Egyptians designated the ankh symbol, representing eternal life, to denote copper in hieroglyphs.

As far back as 1,600 B.C., the Chinese used copper coins as medication to treat heart and stomach pain as well as bladder diseases. The sea-faring Phoenicians inserted shavings from their bronze swords into battle wounds to prevent infection. For thousands of years, women have known that their children didn't get diarrhea as frequently when they drank from copper vessels and passed on this knowledge to subsequent generations. "You don't need a medical degree to diagnose diarrhea," Schmidt says.

And copper's power lasts. Keevil's team checked the old railings at New York City's Grand Central Terminal a few years ago. "The copper is still working just like it did the day it was put in over 100 years ago," he says. "This stuff is durable and the anti-microbial effect doesn't go away."

What the ancients knew, modern scientists and organizations such as the Environmental Protection Agency have confirmed. The EPA has registered about 400 copper surfaces as antimicrobial. But how exactly does it work?

Heavy metals including gold and silver are antibacterial, but copper's specific atomic makeup gives it extra killing power, Keevil says. Copper has a free electron in its outer orbital shell of electrons that easily takes part in oxidation-reduction reactions (which also makes the metal a good conductor). As a result, Schmidt says, it becomes a "molecular oxygen grenade." Silver and gold don't have the free electron, so they are less reactive.

Copper kills in other ways as well, according to Keevil, who has published papers on the effect. When a microbe lands on copper, ions blast the pathogen like an onslaught of missiles, preventing cell respiration and punching holes in the cell membrane or viral coating and creating free radicals that accelerate the kill, especially on dry surfaces. Most importantly, the ions seek and destroy the DNA and RNA inside a bacteria or virus, preventing the mutations that create drug-resistant superbugs. "The properties never wear off, even if it tarnishes," Schmidt says.

Schmidt has focused his research on the question of whether using copper alloys in often-touched surfaces reduces hospital infections. On any given day, about one in 31 hospital patients has at least one healthcare-associated infection, according to the Centers for Disease Control, costing as much as \$50,000 per patient. Schmidt's landmark study, funded by the Department of Defense, looked at copper alloys on surfaces including bedside rails, tray tables, intravenous poles, and chair armrests at three hospitals around the country. That 43-month investigation revealed a 58 percent infection reduction compared to routine infection protocols.

Further research stalled when the DOD focused on the Zika epidemic, so Schmidt turned his attention to working with a manufacturer that created a copper hospital bed. A two-year study published earlier this year compared beds in an intensive care unit with plastic surfaces and those with copper. Bed rails on the plastic surfaces exceeded the accepted risk standards in nearly 90 percent of the samples, while the rails on the copper bed exceeded those standards on only 9 percent. "We again demonstrated in spades that copper can keep the built environment clean from microorganisms," he says.

Schmidt is also a co-author of an 18-month study led by Shannon Hinsaleasure, an environmental microbiologist at Grinnell College, that compared the bacterial abundance in occupied and unoccupied rooms at Grinnell Regional Medical Center's 49-bed rural hospital. Again, copper reduced bacterial numbers. "If you're using a copper alloy that's always working," Hinsaleasure says, "you still need to clean the environment, but you have something in place that's working all the time (to disinfect) as well."

Keevil and Schmidt have found that installing copper on just 10 percent of surfaces would prevent infections and save \$1,176 a day (comparing the reduced cost of treating infections to the cost of installing copper). Yet hospitals have been slow to respond. "I've been surprised how slow it has been to be taken up by hospitals," Hinsaleasure adds. "A lot of it has to do with our healthcare system and funding to hospitals, which is very tight. When our hospital redid our emergency room, we installed copper alloys in key places. So it makes a lot of sense when you're doing a renovation or building something that's new. It's more expensive if you're just changing something that you already have."

The Sentara Hospital system in North Carolina and Virginia made copper-impregnated surfaces the standard across 13 hospitals in 2017 for overbed tables and bed rails after a 2016 clinical trial at a Virginia Beach hospital reported a 78 percent reduction in drug-resistant organisms. Using technology pioneered in Israel, the hospital has also moved to copper-infused bedding. Keevil says France and Poland are beginning to put copper alloys in hospitals. In Peru and Chile, which produce copper, it's being used in hospitals and the public transit systems. "So it's going around the world, but it still hasn't taken off," he says.

While there are countless articles and other studies that address the antimicrobial power of copper, it begs the question, "if it works so well why is there not more of it in hospitals, restaurants, recreational centers and any other place where the spread of pathogens through surface exposure is prevalent"? The answer to that, much like the answer to many questions around how we got here with COVID19, are not simple or straightforward.

However, an article from [www.theconversation.com](https://www.theconversation.com/copper-is-great-at-killing-superbugs-so-why-dont-hospitals-use-it-73103) (<https://theconversation.com/copper-is-great-at-killing-superbugs-so-why-dont-hospitals-use-it-73103>) notes the following:

“When doctors are asked to name an antimicrobial metal used in healthcare, the most common reply is silver – but little do they know that silver does not work as an antimicrobial surface when dry – moisture needs to be present and so silver would have an antibacterial effect, like copper does, on hand rails and surfaces which have frequent hand contact....Cost could also be a factor. Hospitals may perceive hand-gel dispensers as cheaper options, despite the fact that these gels do not all kill all microbes – including the norovirus. Yet an independent study by University of York’s Health Economics Consortium has shown that, taking the reduced costs of shorter patient stay and treatment into consideration, the payback time for installing copper fittings is only two months”.

There is no question that the current pandemic will change the way we work, play and otherwise interact well into the future and perhaps forever. Coming out of this there will most certainly be many discussions and ultimately actions around those discussions that involve the future mitigation of events of this nature. We think the use of copper as antimicrobial surface could very well be part of that discussion. Obviously, that sort of focus could be positive for the copper industry. Opportunities of that nature could be additive to some of the assumption around the coming “electrification” demand we noted above.

To summarize, Camino is an exploration/development story, which on the face, creates some challenges for the stock. Specifically, given that deals in this stage are pre-revenue, they burn cash and as such are typically dependent on the capital markets to periodically fund that burn. Those capital events often create headwinds for the appreciation of the stock in the marketplace as financiers with the upper hand seek to create favorable financing terms for themselves. Moreover, companies in this stage don’t have a stream of consistent metrics (earnings releases for instance) to help frame the valuation of the company. Further, as we attempted to delineate above, sometimes the milestones/progress of the projects although significant, are not easy to recognize or again to rationalize in that valuation framework. For Camino, those challenges have been magnified by the generally weak pricing environment for copper for what has now been that past two years. In that context, it is not hard to understand why the stock has performed poorly.

On the other hand, Camino also has some attributes that may differentiate it from others in the space that also face similar challenges. For example, Camino has no debt and minimal overhead. As such a reasonable portion of its financing activities generally end up “in the ground” in the form exploration and development costs. As a result, its inability to raise additional capital at any given point in time may slow down its drilling and exploration plans but it won’t likely put them out of business or otherwise force them to do an onerous financing to keep the doors open. We think that notion provides a favorable risk profile to the Company vis-a-vis many other exploration stage junior mining companies with more leveraged capital structures. To translate, being unleveraged during tough industry environments is typically a better place to be than the alternative.

Looking ahead, copper may continue to struggle as the world economy seeks direction. By extension, that notion is not favorable for Camino. That said, if our math is accurate, the Company has spent something around \$10 million on property exploration expenditures for fiscal 2017 thru 2019, which we believe has largely been spent at Chapitos. As we laid out above, although it may not be obvious to the street, we think they have made marked progress in terms of delineating a resource that could someday prove bankable. At the same time the Company trades at a market cap this represents about ½ of those exploration expenditures. We submit, there is much that remains to be done here in terms of ultimately proving up a resource that could attract the capital necessary to get it to production. Further, that path will likely continue to be predicated on copper prices. However, given the modest market capitalization in the context of the idea that if they can delineate the resource(s) we believe they can, we think the current stock price represents a marked risk/reward profile. As we have alluded to in the past regarding the trajectory Camino’s neighbor, Mina Justa, successfully identifying a commercial grade deposit could result in 9-digit valuations or at least valuations many multiples higher than the current market capitalization portends.

Lastly, assuming the resource proves to be what the Company believes it could be, the progress of exploration and development will largely determine the pace at which that resource is eventually delineated. In conjunction,

the pace of the exploration and development will be predicated on their ability to raise the funds along the way to keep the drilling and exploration programs on schedule. We have made some assessments in the new model regarding exploration budgets and capital raises as well as the associated dilution to support them. We will make modifications to the model as more data points become available. That said, in recognition of the risk/reward profile we noted above, we are raising our Allocation of Camino shares from 6 to ****7** and establishing a new (lower) 12 - 24 month Price Target of ***US\$.55**. The lower target reflects both lower forward copper price assumptions than our initial model initially reflected, as well as additional dilution as a result of raises subsequent to the initiation that was greater than our original model reflected. Just to edify, our typical valuation approach is to project those (successful) assumptions and then apply marked discounts to the projections in an attempt to price in the various risks associated with potential failure or at least lesser degrees of success than we are modeling. Here again, we will likely make adjustments to the approach as macro and/or micro visibility improves. As an extension, we will revisit our target and allocation assessments as that visibility dictates. We continue to believe the project has the potential to be worth considerably more than current valuations suggest.

Projected Operating Model

| Camino Minerals Corporation | | | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|--------------------|--------------------|
| Projected Operating Model | | | | | | |
| By: Trickle Research | | | | | | |
| | (actual) | (actual) | (estimate) | (estimate) | (estimate) | (estimate) |
| | 1Q 2020 | 2Q 2020 | 3Q 2020 | 4Q 2020 | | |
| | <u>10/31/19</u> | <u>01/31/20</u> | <u>04/30/20</u> | <u>07/31/20</u> | <u>Fiscal 2020</u> | <u>Fiscal 2021</u> |
| Expenses | | | | | | |
| Investor Relations | \$ 37,993 | \$ 16,614 | \$ 27,304 | \$ 27,440 | \$ 109,351 | \$ 112,532 |
| Management and Consulting Fees | \$ 30,000 | \$ 15,000 | \$ 22,500 | \$ 22,613 | \$ 90,113 | \$ 92,734 |
| Office and Administration | \$ 23,034 | \$ 19,689 | \$ 21,362 | \$ 21,468 | \$ 85,553 | \$ 88,042 |
| Professional Fees | \$ 11,000 | \$ 6,700 | \$ 8,850 | \$ 8,894 | \$ 35,444 | \$ 36,475 |
| Regulatory and Filing Fees | \$ 1,836 | \$ 2,987 | \$ 2,412 | \$ 2,424 | \$ 9,658 | \$ 9,939 |
| Share Based Compensation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Loss from Operations | \$ (103,863) | \$ (60,990) | \$ (82,427) | \$ (82,839) | \$ (330,118) | \$ (339,722) |
| Other Items | | | | | | |
| Foreign Exchange Loss (gain) | \$ (4,918) | \$ (4,807) | \$ - | \$ - | \$ (9,725) | \$ - |
| Interest Income | \$ 549 | \$ 137 | \$ - | \$ - | \$ 686 | \$ - |
| Gain on Disposal of Assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Loss For Period | \$ (108,232) | \$ (65,660) | \$ (82,427) | \$ (82,839) | \$ (339,157) | \$ (339,722) |
| Basic Loss Per share | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.01) | \$ (0.00) |
| Diluted Loss Per share | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.00) | \$ (0.01) | \$ (0.00) |
| Shares Outstanding | | | | | | |
| Basic (Estimated) | 57,648,128 | 64,658,647 | 72,158,647 | 72,158,647 | 66,656,017 | 82,730,658 |
| Diluted Shares (Estimated) | 57,648,128 | 64,658,647 | 72,158,647 | 72,158,647 | 66,656,017 | 82,730,658 |

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Rating System Overview:

There are no letters in the rating system (Buy, Sell Hold), only numbers. The numbers range from 1 to 10, with 1 representing 1 "investment unit" (for my performance purposes, 1 "investment unit" equals \$250) and 10 representing 10 investment units or \$2,500. Obviously, a rating of 10 would suggest that I favor the stock (at respective/current levels) more than a stock with a rating of 1. As a guideline, here is a suggestion on how to use the allocation system.

Our belief at Trickle is that the best way to participate in the micro-cap/small cap space is by employing a diversified strategy. In simple terms, that means you are generally best off owning a number of issues rather than just two or three. To that point, our goal is to have at least 20 companies under coverage at any point in time, so let's use that as a guideline. Hypothetically, if you think you would like to commit \$25,000 to buying micro-cap stocks, that would assume an investment of \$1000 per stock (using the diversification approach we just mentioned, and the 20-stock coverage list we suggested and leaving some room to add to positions around allocation upgrades. We generally start initial coverage stocks with an allocation of 4. Thus, at \$1000 invested per stock and a typical starting allocation of 4, your "investment unit" would be the same \$250 we used in the example above. Thus, if we initiate a stock at a 4, you might consider putting \$1000 into the position ($\$250 * 4$). If we later raise the allocation to 6, you might consider adding two additional units or \$500 to the position. If we then reduce the allocation from 6 to 4 you might consider selling whatever number of shares you purchased with 2 of the original 4 investment units. Again, this is just a suggestion as to how you might be able to use the allocation system to manage your portfolio.

For those attached to more traditional rating systems (Buy, Sell, Hold) we would submit the following guidelines.

A Trickle rating of 1 thru 3 would best correspond to a "Speculative Buy" although we would caution that a rating in that range should not assume that the stock is necessarily riskier than a stock with a higher rating. It may carry a lower rating because the stock is trading closer to a price target we are unwilling to raise at that point. This by the way applies to all of our ratings.

A Trickle rating of 4 thru 6 might best (although not perfectly) correspond to a standard "Buy" rating.

A Trickle rating of 7 thru 10 would best correspond to a "Strong Buy" however, ratings at the higher end of that range would indicate something that we deem as quite extraordinary..... an "Extreme Buy" if you will. You will not see a lot of these.