

Trickle Research

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



Research Update

Camino Minerals Corporation



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

Report Date: 09/04/20

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

Allocation: 7


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

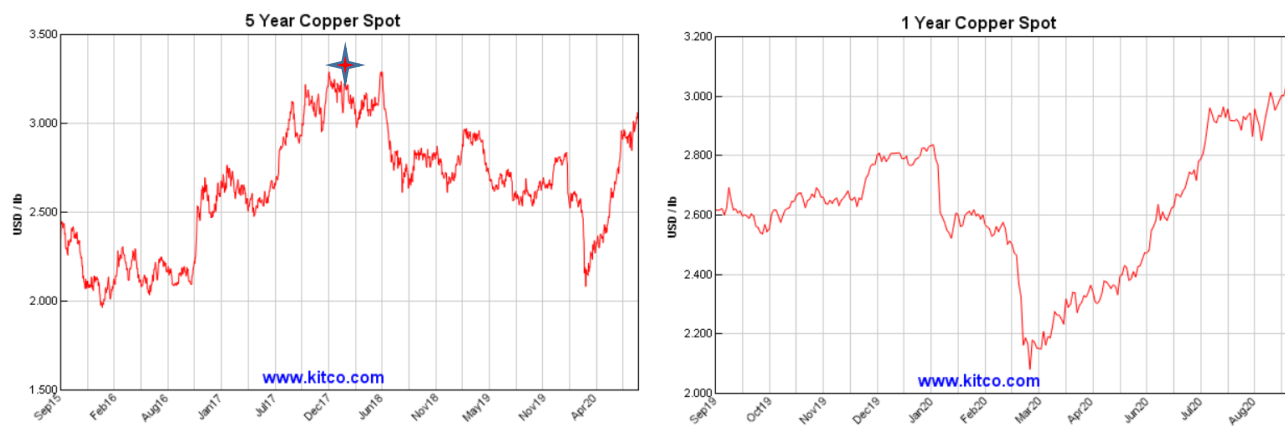
Closing Stock Price at Allocation Increase (Closing Px: 08/07/19): USD\$.094

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

Closing Stock Price at This Update (Closing Px: 09/03/20): USD\$.118

**Prepared By:
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Trickle Research**

As we have noted in prior research, we started covering Camino in April 2018  when copper prices were in the \$3.25 per pound range. Although we recognize this is an early stage project and as such its share price is impacted by any number of issues (capital requirements and associated dilution, general market liquidity etc.) we have suggested that Camino shares have more recently been negatively impacted by falling copper prices, which is predictable and perhaps appropriate. However, since approaching 5 year lows earlier this year, copper prices have turned markedly higher. So then if the price of the shares were negatively impacted by falling copper prices, we think it follows that they should be positively impacted by the inverse. That notion has followed as the shares have firmed some, but in our view, not commensurate with copper prices:



The above said, our goal with this updated is not to lament the current disconnect between Camino shares and copper prices, (although we would add that our price targets get much better when we assume \$3.00+ copper versus our current proxy of around \$2.80). Rather, we want to reiterate a couple of items we think that are perhaps synergistic in terms of the better copper environment.

First, the Company recently completed a meaningful capital raise of (gross) \$3 million. This is an exploration and development story, and it is hard to explore and develop without the capital to do so. While the raise was not inexpensive (\$.10 per share with ½ warrant at .15), we think it provides the runway for additional resource information that will be critical for better valuations. We would add, new management appears to be quite frugal with their overhead and cash burn, so according to our models, the raise should provide them with cash through at least fiscal 2021, (although that will also be predicated on the pace of their exploration).

Second, the Company recently received permits to commence drilling activities, *so we expect to see some additional results through the balance of calendar 2020 and into 2021. Again, we think those results could be topical to the valuation of the Company.* Recall, the project is located on trend with other large and successful Peruvian copper resources, which we think supports our underlying valuation thesis, especially when combined with resource data that reflect positively.

To reiterate something from our prior update, we think our thesis that Camino could represent an extreme risk/reward profile remains accurate. In short, we think their exploration and development efforts have resulted in measurable progress towards identifying an exploitable resource and we think they will continue to do so. At the same time, while we have no idea where copper prices will trade one day to the next, as we have covered in prior research, we think the longer term prospects for copper speak to higher rather than lower prices. In our view, the marked difference between the current market capitalization of Camino and the potential value of a proven resource is substantial and speaks to that risk/reward profile we just noted. We continue to believe that Camino could represent an extraordinary opportunity as their exploration and development efforts continue to evolve.

Projected Operating Model

Projected Operating Model						
Camino Minerals						
By: Trickle Research						
(In Canadian Currency)						
	(actual)	(actual)	(actual)	(estimate)	(estimate)	(estimate)
	1Q 2020	2Q 2020	3Q 2020	4Q 2020		
	<u>10/31/19</u>	<u>1/31/20</u>	<u>4/30/20</u>	<u>7/31/20</u>	<u>Fiscal 2020</u>	<u>Fiscal 2021</u>
Expenses						
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	
Computer Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	
Consulting	\$ 30,000	\$ 15,000	\$ 15,000	\$ 15,075	\$ 75,075	\$ 61,823
General & Administrative	\$ 23,034	\$ 19,689	\$ 18,950	\$ 19,045	\$ 80,718	\$ 78,103
General Exploration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investor Relations	\$ 37,993	\$ 16,614	\$ 19,490	\$ 19,587	\$ 93,684	\$ 80,328
Listing and Filing Fees	\$ 1,836	\$ 2,987	\$ 8,983	\$ 9,028	\$ 22,834	\$ 37,024
Management Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Fees	\$ 11,000	\$ 6,700	\$ 18,394	\$ 18,486	\$ 54,580	\$ 75,811
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Share Based Compensation	\$ -	\$ -	\$ 401,683	\$ 75,000	\$ 476,683	\$ 307,575
Shareholder Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer Agents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss from Operations	\$ (103,863)	\$ (60,990)	\$ (482,500)	\$ (156,221)	\$ (803,574)	\$ (640,663)
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)	\$ (482,500)	\$ (156,221)	\$ (812,613)	\$ (640,663)
Basic Loss Per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Diluted Loss Per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Shares Outstanding						
Basic (Estimated)	57,648,128	64,658,647	72,158,646	102,158,646	74,156,017	102,158,646
Diluted Shares (Estimated)	57,648,128	64,658,647	72,158,646	102,810,820	74,319,060	112,151,338

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Camino has paid fees to attend investor conferences co-sponsored by Trickle Research.

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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.