

# Camrova Resources Inc. Announces Positive Technical Economic Due Diligence Report on Proposed Chilean Slag Processing Project

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TORONTO, July 30, 2019 - [Camrova Resources Inc.](#) ("Camrova" or the "Company") (TSX-V: CAV; OTC: BAJFF; SSE :CAVCL.CAV US\$ - Chile) wishes to announce the successful completion of internal and third-party due diligence for its proposed acquisition of the Las Vacas flotation plant ("Las Vacas Plant" or "Las Vacas") owned by Compañía Minero Don Alberto S.A. ("Don Alberto").

The Las Vacas Plant is located near Illapel, Chile approximately 160 km north of the El Chagres Smelter owned by Anglo American Sur S.A. ("Anglo"), that has a long operating history. Upon closing of the proposed acquisition, Camrova intends to undertake minor capital expenditures for upgrading the Las Vacas Plant. It is Camrova's intention that Las Vacas will commence processing slag material at a rate of approximately 5.0 ktpm within 3 months of acquisition, ramping up to approximately 9.5 ktpm two months later.

To assist it with its technical and economic due diligence on Las Vacas, Camrova engaged WS Ingenieria Ltda ("WSI"), Santiago, Chile. WSI recently delivered extensive studies to Camrova. These studies demonstrate the proposed acquisition and operation of the Las Vacas flotation Plant to be commercially attractive for processing El Chagres slag.

A contract to remove slag material from the Chagres Smelter was entered into between Anglo and ASESORIA y INVERSIONES MAYG SpA (MAYG) in 2018. Camrova previously announced, (see news release dated May 1, 2019) the signing of an asset purchase agreement with MAYG to acquire MAYG's rights to remove and process the El Chagres slag. Since 2018, by way of a temporary arrangement, more than 100,000t of Anglo's slag has been processed by flotation by a third party. WSI has referenced results from this flotation operation for confirming metallurgical characteristics and costs at Las Vacas. The WSI report discloses that the copper content of the El Chagres slag runs approximately 1.0%, with recoveries at about 70% when producing a 20% copper concentrate.

The WSI report goes on to state that by early 2020, subject to obtaining additional permitting for increased production and with an incremental additional capital expenditure of US\$500,000, production at Las Vacas can be increased to 18 ktpm and eventually in the future to 30 ktpm, thus matching the monthly slag currently generated by the Chagres Smelter.

Total capital costs including acquisition are estimated by WSI to be US\$5.4 million, and operating costs including \$1.00/t for loading and \$9.00 for transport costs are estimated to be US \$36.90/t. There is no cost for acquiring the slag from Anglo Sur. Using projected published concentrate pricing and a copper price of US\$ 2.80/lb., WSI reports the annualized production rate at 9.5 ktpm with 70% recovery results in approximately 1.8 million lb. of equivalent fine copper. WSI's report states that the project shows positive cash flow in a relatively short period, with an after tax IRR of 29%, an NPV of US\$6.6 million and a payback of 4.4 years.

The WSI report also discloses that with respect to the Las Vacas acquisition there are no permitting, environmental, legal or technical issues of significance.

Based on the WSI report, its own due diligence review and its extensive experience in processing, Management believes the project risks are unusually low.

To fund further activities related to completing the acquisition of the Las Vacas Plant the Company

announces it has borrowed an aggregate of Cdn\$192,390 principal amount from certain lenders, of which Cdn\$27,000 was advanced by two directors of the Company (the "Loan Financing"). In connection with the Loan Financing, the Company issued a series of unsecured, non-convertible promissory notes bearing interest at the rate of 15% per annum, compounded monthly, with all principal and interest being due and payable 12 months from the date of issuance provided that the Company may repay any amount due early without penalty. Combined with funds from private equity placements earlier this year (see news release dated May 1, 2019) to total Cdn\$265,390, the Company believes that it now has adequate working capital available until the Concurrent Financing (defined below) is required for closing the slag project transaction.

Certain directors of the Company (the "Related Parties") participated in the Loan Financing. This transaction constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 "Protection of Minority Security Holders in Special Transactions" ("MI 61-101"). The Loan Financing is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the Related Parties nor the consideration being paid by the Related Parties exceeded 25% of the Company's market capitalization. A material change report in respect of this related party transaction will be filed by the Company but could not be filed at least 21 days prior to the closing of the Loan Financing due to the fact that the Company wished to close the transaction as soon as practicable to enable it to use the proceeds of the Loan Financing in an expeditious manner to bolster the Company's financial position.

To fund the acquisition of the Las Vacas plant, the acquisition of the right to remove slag from the Chagres Smelter pursuant to the Anglo Agreement and for general working capital requirements, the Company intends to conduct a concurrent financing of Cdn\$9.0 million (US\$6.7 million) (the "Concurrent Financing"). Camrova has had discussions with various interested financing partners, but no decision has yet been made as to structure or timing for such contemplated financing. Further disclosure will be made when the terms of the Concurrent Financing are determined.

The Company also wishes to announce that it has granted, pursuant to the terms of the Company's stock option plan, a total of 250,000 stock options to certain consultants of the Company, with each such stock option entitling the holder to purchase one common share of the Company at a price of Cdn\$0.065 for a period of two years.

Regulatory and shareholder approval may be required for some of the transactions described above.

About Camrova Resources Inc.

Camrova is a Canadian mining company whose common shares are listed on the TSX-V. Camrova owns a 7.24% interest in the Boleo copper-cobalt-zinc mine located in Baja California Sur, Mexico.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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*Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect",*

"believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Camrova's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to, among other things, that the Company has adequate funds available to complete its due diligence and technical/economic studies in respect of the proposed Alag Processing Project and for general working capital purposes, the ability of the Company to successfully complete the acquisition of the Anglo slag contract from MAYG, the ability of the Company to complete the proposed acquisition of the Las Vacas Plant from Don Alberto, the ability of the Company to complete the Cdn\$9 million Concurrent Financing,, the projected processing recoveries of Cu and the estimated capital and operating costs, economic viability of the Slag Processing Project as contained in the WSI report. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Camrova. Although such statements are based on management's reasonable assumptions, there can be no assurance that the proposed transactions will occur, or that if the proposed transactions do occur, will be completed on the terms described above.

The forward-looking information contained in this release is made as of the date hereof and Camrova is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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