



Camrova Resources Inc.

Financial Statements

March 31, 2020

(expressed in United States dollars)

Camrova Resources Inc.
Statement of Financial Position
As at March 31, 2020 and December 31, 2019

(expressed in United States dollars)

	March 31, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	881	9,756
Prepayments and other assets (note 3)	9,651	10,184
Total assets	10,532	19,940
LIABILITIES AND EQUITY		
Accounts payable	503,280	484,262
Promissory Notes	172,128	159,479
Current liabilities (note 7)	675,408	643,741
Total liabilities	675,408	643,741
Share capital	291,804,541	291,804,541
Contributed surplus	144,309,860	144,309,860
Deficit	(443,395,740)	(443,296,939)
Accumulated other comprehensive income	6,616,463	6,558,737
Total shareholders' equity (note 4)	(664,876)	(623,801)
Total liabilities and shareholders' equity	10,532	19,940

Nature of operations and going concern (note 1)

Guarantees and commitments (note 9)

Approved by the Board and authorized for issue on April 27, 2020.

s/ C. Thomas Ogryzlo _____ Director

/s/ Wolf Seidler _____ Director

The accompanying notes form an integral part of these financial statements

Camrova Resources Inc.

Statement of Operations and Statement of Comprehensive Loss As at March 31, 2020 and December 31, 2019

(expressed in United States dollars)

Statement of Operations

	March 31,2020	December 31,2019
Expenses		
General and administration (note 5)	97,411	610,518
Non-Recoverable from MMB – Doubtful Receivable	-	162,300
Loss before other items	(97,411)	(772,818)
Foreign exchange gain (loss)	4,495	(8,538)
Finance (expense) income	(5,883)	(1,472)
Loss for the year	(98,799)	(782,828)
Loss per share		
Basic and diluted	(0.004)	(0.034)
Weighted average number of shares outstanding		
Basic and diluted	22,608,427	22,608,427

Statement of Comprehensive Loss

	March 31, 2020	December 31, 2019
Loss for the year	(98,799)	(782,828)
Other comprehensive income (loss)		
Items that may be reclassified subsequent to profit or loss		
Currency translation adjustment	57,726	(10,724)
Total comprehensive loss	(41,073)	(793,552)

The accompanying notes form an integral part of these financial statements

Camrova Resources Inc.

Statement of Changes in Equity

(expressed in United States dollars)

	Share capital		Contributed surplus	Deficit	Accumulated other comprehensive income	Total
	Number	Amount				
Balance – January 01, 2019	21,795,093	291,749,966	144,307,323	(442,514,111)	6,565,732	108,910
Loss for the year	-	-	-	(782,828)	-	(782,828)
Currency translation adjustment	-	-	-	-	(6,995)	(6,995)
Stock Based Comp	-	-	2,537	-	-	2,537
Private Placement	1,216,667	54,575	-	-	-	54,575
Stock issued debt settlement	-	-	-	-	-	-
Balance – December 31, 2019	23,011,760	291,804,541	144,309,860	(443,296,941)	6,558,737	(623,803)
Loss for the year	-	-	-	(98,799)	-	(98,799)
Currency translation adjustment	-	-	-	-	57,726	57,726
Stock-based compensation expense	-	-	-	-	-	-
Private Placement	-	-	-	-	-	-
Balance – March 31, 2020	23,011,760	291,804,541	144,309,860	(443,395,740)	6,616,463	(664,876)

The accompanying notes form an integral part of these financial statements

Camrova Resources Inc.

Statement of Cash flows

As at March 31, 2020 and December 31, 2019

(expressed in United States dollars)

	March 31, 2020	December 31, 2019
Cash flows from operating activities		
Loss for the year	(98,799)	(782,828)
Items not affecting cash		
Stock-based compensation expense	-	2,537
Write off of receivable from MMB	-	162,300
Unrealized foreign exchange		
	(98,799)	(617,991)
Net changes in working capital balances		
Prepayments and other assets	(2,372)	16,822
Accounts payable and accrued liabilities	68,872	372,421
	(32,299)	(228,748)
Cash flow from financing activities		
Private Placement	-	54,575
Promissory notes	21,959	159,479
	21,959	214,054
Net change in cash and cash equivalents	(10,340)	(14,694)
Effect of exchange rate changes on cash and cash equivalents	1,465	(6,995)
Increase (decrease) in cash and cash equivalents	(8,875)	(21,689)
Cash and cash equivalents - beginning of year	9,756	31,445
Cash and cash equivalents - end of year	881	9,756

The accompanying notes form an integral part of these financial statements

Camrova Resources Inc.

Notes to the Financial Statements

As at March 31, 2020 and December 31, 2019

(expressed in United States dollars, unless stated otherwise)

1 NATURE OF OPERATIONS AND GOING CONCERN

Camrova Resources Inc. (the “Company” or “Camrova”) was incorporated on July 15, 1985, under the Company Act of British Columbia. The Company has a minority investment in the El Boleo copper-cobalt-zinc-manganese deposit (the “Boleo Mine” or the “Mine”) located near Santa Rosalia, Baja California Sur, Mexico. Minera y Metalúrgica del Boleo, S.A.P.I. de C.V. (“MMB”) holds the mineral property rights to the Boleo Mine. In addition, the Company intends to investigate and potentially pursue alternative project opportunities (note 9). The Company is domiciled in Canada and its registered office is 600 – 890 West Pender Street, Vancouver, British Columbia, V6C 1J9.

The Company is a reporting issuer in Canada and trades on the TSX Venture Exchange, the Frankfurt Stock Exchange, the OTC market and the Santiago Stock Exchange (SSE).

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of operations. The Company’s ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or obtain the necessary financing to meet its obligations and repay its liabilities from normal operations when they become due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least but not limited to twelve months from the end of the reporting period.

As at March 31, 2020, the Company had cash and cash equivalents of \$881, working capital deficiency of \$664,876 and an accumulated deficit of (\$443,395,740)

The Company had cash outflows from operating activities of \$8,875 for the period ended March 31, 2020. The Company expects to incur further losses in the development of its business. Based on the Company’s cash flow forecasts, it will require additional financing within the next 12 months in order to meet its ongoing corporate overhead, and to continue its discretionary evaluation programs. Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or will be able to raise additional future funding when required. These factors cast significant doubt on the Company’s ability to continue as a going concern.

These financial statements do not include the adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

At this time COVID 19 poses an immeasurable and indefinable uncertainty to MMB and Camrova’s operations.

Camrova Resources Inc.

Notes to the Financial Statements

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(expressed in United States dollars, unless stated otherwise)

2 BASIS OF PREPARATION AND NEW ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board

(“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s most recent annual consolidated financial statement, and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2019 which were prepared in accordance with IFRS as issued by the IASB.

3 PREPAYMENTS AND OTHER ASSETS

	March 31, 2020	December 31, 2019
Prepaid expenses	7,746	7,744
Other receivables, advances, and deposits	1,905	2,440
	9,651	10,184

4 SHAREHOLDERS’ EQUITY

a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued

On May 1, 2019 the TSX Venture approved a Private Placement of 1,216,667 Common Shares at Cdn\$0.06 per share realizing \$54,575 along with Warrants for the number of Common Shares at the exercise price of Cdn\$0.010 per share with an expiry date of May 1, 2021. (Press Release #7 dated May 1, 2019).

On May 30, 2018 the TSXV Exchange approved a Private Placement of 2,830,000 Common Shares at Cdn\$0.08 per share realising \$171,929 along with Warrants for the same number of Common Shares at the exercised price of Cdn\$0.15 per share with an expiry date of May 30, 2020. On September 21, 2018 (News Release 4/2018) final approval was received from the TSXV Exchange with respect to converting \$111,037 of indebtedness to certain arm’s length and non-arm’s length creditors to 1,954,440 Common Shares valued at Cdn\$0.075.

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Notes to the Financial Statements

As at March 31, 2020 and December 31, 2019

(expressed in United States dollars, unless stated otherwise)

4 SHAREHOLDERS' EQUITY (CONTINUED)

c) Stock options

Details of the Company's outstanding stock options are as follows:

	Number of options	Wtd. Average Exercise price (Cdn \$ per option)
Balance, December 31, 2019	1,713,750	\$0.193
Granted during the year	-	-
Expired during the year	-	-
Balance, March 31, 2020	1,713,750	\$0.184

The following table summarizes information about stock options outstanding and exercisable at March 31, 2020:

Range of prices (Cdn\$ per option)	Number of outstanding options	Weighted average years to expiry for outstanding options	Weighted average exercise price for outstanding options (Cdn\$)	Number of exercisable options	Weighted average exercise price for exercisable options (Cdn\$)
0.06-0.215	1,713,750	1.66	0.184	1,613,750	0.184

The Company's stock option plan (the "Plan") allows the Company to grant stock options up to a maximum of 10% of the number of issued shares of the Company. Stock options granted under the Plan will vest with the right to exercise one-quarter of the options upon conclusion of every six months subsequent to the grant date, unless otherwise specified by the board of directors at the time the particular options are granted.

There were 250,000 stock options at \$0.065 per share for a period of one year granted in 2019 (2018- none issued).

The model inputs for the valuation of the stock options issued in the year ended March 31, 2020 are as follows:

	2020	2019
Volatility	100%	100%
Risk-free interest rate	1.4%	1.4%
Expected life	1 year	1 year
Expected volatility	100%	100%

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4 SHAREHOLDERS' EQUITY (CONTINUED)

The total stock-based compensation recorded during the first quarter of 2020 was \$Nil (2019 - \$2,537). This has been recognized in general and administration expense and contributed surplus.

At March 31, 2020, there were no (2019 – nil) potentially dilutive shares related to stock options that have been included in the diluted earnings per share calculation for the year presented because their effect is anti-dilutive.

5 GENERAL AND ADMINISTRATION EXPENSES

	March 31, 2020	March 31, 2019
Wages, salaries, and management fees	47,791	48,554
Directors fees	5,582	5,642
Professional and consulting fees	17,464	78,317
Office and administration	7,654	16,798
Shareholders information	6,825	8,977
Due Diligence	-	10,605
Business and Capital Advisory Services	12,095	12,937
	97,411	181,830

6 RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel of the Company include executive officers and directors.

The compensation accrued but not paid to key management, or to companies in common with key management personnel, for services provided is shown below.

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(expressed in United States dollars, unless stated otherwise)

6 RELATED PARTY TRANSACTIONS (CONTINUED)

	Quarter ended March 31,	
	2020	2019
Short-term employee benefits/Key Personnel salary	53,373	54,196
Stock-based compensation	-	-
	53,373	54,196

Included in accounts payable at March 31, 2020 is an amount of \$53,373 (2019 -\$54,196) due to related parties. These amounts are non-interest bearing and have no specific terms of repayment. In addition to the above certain related parties loaned US\$39,150 which is part of the US \$172,128 to the company to assist with the Bridge Financing. These amounts are interest bearing at a rate of 15% per annum.

7 CURRENT LIABILITIES-ACCOUNTS PAYABLE

As at March 31, 2020, the Company had the following undiscounted contractual obligations:

Contractual Obligations	Payments due by period				
	Total	Less than 1yr	1-3 yrs	4-5 yrs	5 yrs
Accounts payable and Accruals	\$503,280	\$447,857	\$55,423	\$ -	\$ -
Promissory Notes	172,128	172,128	-	-	-
	\$675,408	\$619,985	\$55,423	\$ -	\$ -

The promissory notes of \$172,128 accrued to related (\$39,150) and non-related parties (\$132,978) are unsecured, due in July 2020 and bear interest at an annual rate of 15%.

8 SEGMENTED INFORMATION

Operating Segments

The Company currently operates in one business segment, being the acquisition, exploration and development of resource properties.

No revenues were earned from external customers in either 2019 or 2018.

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(expressed in United States dollars, unless stated otherwise)

9 GUARANTEES AND COMMITMENTS

In 2012, the Company entered into a lease assignment for offices no longer being used by the Company. In order to induce the landlord to approve the assignment, the Company provided an indemnity agreement to the landlord. The Company will remain liable during the balance of the lease term in the event the assignee does not fulfill its obligations to the landlord. The lease expires September 30, 2020.

At March 31, 2020, total future aggregate minimum lease payments over the remaining lease term by the assignee to the landlord covered by this indemnity agreement is \$256,458.

No amount has been accrued for this indemnity as of March 31, 2020, as management has assessed that it was not probable that the Company will be required to cover any amounts under the indemnity.

10 SUPPLEMENTAL CASH FLOW INFORMATION

	March 31, 2020	March 31, 2019
Cash in bank	881	11,041
Cash equivalents	-	-
	881	11,041