Management's Discussion and Analysis
Year Ended December 31, 2016

This Management's Discussion and Analysis ("MD&A") of Camrova Resources Inc. (formerly Baja Mining Corp). and its subsidiaries ("Camrova" or the "Company") provides analysis of the Company's financial results for the year ended December 31, 2016. All financial information included in this MD&A, including comparatives, has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The following information should be read in conjunction with the accompanying audited consolidated financial statements for the year ended December 31, 2016, including the notes to those financial statements (the "Financial Statements").

On October 17, 2016, the Company changed its name to "Camrova Resources Inc." from Baja Mining Corp. The Company's Financial Statements are available on the SEDAR website at www.sedar.com under the profile of Camrova Resources Inc.

Financial information is expressed in United States dollars, unless stated otherwise. This MD&A is current as of April 28, 2017.

Caution on Forward-Looking Information

This MD&A contains certain forward-looking statements concerning anticipated developments in Camrova's operations in future periods. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. These forward-looking statements may include statements regarding exploration results, mineral resource estimates, projected liquidity, capital expenditures, available capital resources and the potential availability of short-term and long-term financing, timelines, strategic plans, market prices of base metals or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Baja may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors. Camrova's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from Camrova's expectations include: the impact of the loss of control of the Company's principal asset and related uncertainties regarding decisions on the further development of the Boleo Project (or the "Project"); uncertainties relating to the new MMB shareholders' agreement; uncertainties as to when or if the Company will realize any cash flows from the Boleo Project or generate revenues or cash flow from its own independent operations; uncertainties relating to the Company's ability to continue as a going concern and obtain additional financing to fund its future working capital and/or investment needs, including any cash call in support of the Project to avoid further dilution of the Company's ownership in the Project; uncertainties involved in fluctuations in copper and other commodity prices and currency exchange rates; uncertainty as to timely availability of permits and other governmental approvals; other uncertainties relating to the Boleo Project including it obtaining adequate funding to support working capital needs and the ramp-up of production, achieving sustainable profitability, the need for cooperation of government agencies and local groups in the exploration and development of the Project, and the issuance of required permits; and other risks and uncertainties disclosed in the MD&A for the year ended December 31, 2016, and other information released by Camrova and filed with the appropriate regulatory agencies.

Summarized Financial Results

(*thousands of USD unless otherwise noted*)	December 31, 2016	December 31, 2015
Cash and cash equivalents	66	651
Working capital	855	502
Other receivables – non-current(1)	-	1,000
Shareholder loans receivable(2)	-	17,905
Subordinated debt(3)	-	10,000

1) In December 2016, a settlement was reached relating to the payment of the MMB MSA margin receivable of $1,000 and at December 31, 2016 the amount was reclassified as a current asset (see "*New MMB Shareholders Agreement*" on page 5).
2) As of December 31, 2016, the Company recognized an impairment of $17,905 to bring the carrying value of the shareholder loan to $Nil (see "*Review of Camrova's Operating Results*" on page 13).
3) Pursuant to the New MMB Shareholders' Agreement which modified the terms relating to the $10,000 manganese refundable deposit liability (the "Manganese Refund"), the Company recognized a $Nil fair value for the new financial liability (see "*The New MMB Shareholders Agreement*" on page 5).

	Three months ended December 31		Year ended December	
(*thousands of USD*)	2016	2015	2016	2015
Loss before other items	(7,955)	(380)	(8,562)	(1,304)
Foreign exchange gain (loss)	47	638	(1,006)	3,500
Net (loss) income for the period	(6,367)	258	(8,028)	2,196

Fourth Quarter Highlights and Recent Events

- At the end of the quarter, the Company had working capital of $854,671. The Company will require additional funding in the near-term to cover its operating costs and planned investment activities (see "*Binding LOI for Investment in Small-scale Copper Plant in Chile"* below on page 4, "*Corporate Outlook*" on page 9, and "*Liquidity, Capital Resources and Going Concern*" on page 16);
- The Company reported a net loss during the quarter ended December 31, 2016, of $6,367,245, including the impact of an impairment charge of $17,905,000 to write-down the value of the MMB promissory note, which is partly offset by a gain on debt modification of $10,000,000 upon reaching a final agreement to restructure the manganese refundable deposit liability (see "*Review of Camrova's Operating Results*" on page 13);
- Based on the latest MMB Life-of-Mine Plan, Camrova management does not expect the Company to receive any cash flows from its shareholding in MMB or its shareholder loan, which gives rise to the impairment charge noted above (see "*Boleo Project Operating Update" on* page 11);
- On October 17, 2016, the Company completed a 20-for-1 consolidation of its common shares and the change of its name to "Camrova Resources Inc." (see "*Share Consolidation and Name Change*" on page 4);
- On December 17, 2016, Camrova management attended a meeting of the Board of Directors of Minera y Metalúrgica del Boleo, S.A. P.I. de C.V. ("MMB") at site where they were presented with an update on operations for 2016, the MMB Business Plan and Budget for 2017 and an updated life-of-mine ("LoM") Plan (see "*Boleo Project Operating Update" on* page 10);
- In late December 2016, Camrova management met in Vancouver with one of the owners of a small-scale copper processing plant in Copiapó, Chile to continue discussions initiated earlier in the year in connection with a possible investment in the Virginia Project. On February 1, 2017, the Company executed a binding letter of intent pursuant to which Camrova agreed to provide funding of up to $1,206 to restart the processing

plant, convertible into an interest in the Virginia Project (see "*Binding LOI for Investment in Small-scale Copper Plant in Chile"* below on page 4);

- On January 26, 2017, the Company announced that a new shareholders' agreement had been executed by the shareholders of MMB (the "New MMB Shareholders' Agreement"). Key commercial and governance matters addressed in the New MMB Shareholders' Agreement of particular relevance to Camrova and its shareholders include the $10 million manganese refundable deposit, MMB and Boleo Project funding and related ownership dilution in respect of defaulting shareholders, MMB board representation, MMB's distribution policy and debt repayment (see "*New MMB Shareholders' Agreement*" on page 5);
- Simultaneously, the Company received the first of three payments of $332,000 from MMB in accordance with a formal settlement reached in respect of the margin amount owing to the Company pursuant to the management services agreement between MMB and the Company (the "MSA"), which was terminated by MMB in early 2013. The Company will receive total payments of $996,000, of which $664,000 has now been paid, with the remaining $332,000 to be paid in June 2017 (see "*MMB Management Services Agreement Margin Settlement*" on page 4);
- On October 10, 2016, MMB issued a cash call for $101.7 million for funding planned operations through Q4 2016 and on January 17, 2017 and on April 19, 2017, MMB issued cash calls for $30 million and $33 million to fund operations through Q1 and Q2 2017, respectively. Camrova has indicated to MMB that it will not fund its 10% proportionate share of the cash calls (see "*Boleo Project Development Activities, Boleo Project Funding*" on page 13);
- In accordance with the dilution formula applicable to conversions of loans made by a non-defaulting shareholder on behalf of a defaulting shareholder, if KORES elects to convert the entire amount contributed on behalf of the Company ($40.9 million, inclusive of the 2017 cash calls), the Company's ownership interest in MMB would be reduced from its current level of 10% to approximately 7.4% (see "*New MMB Shareholders' Agreement*" on page 7);
- On April 21, 2017, Camrova management attended a meeting of the Board of Directors of MMB at site and were presented with an update on operations for Q1 2017, including a revised mine plan for 2017 (see "*Boleo Project Operating Update" on* page 12); and
- In addition, on April 21, 2017, the MMB Board adopted a recommendation by MMB management and KORES not to pursue the production of manganese products at Boleo (see "*Manganese Non-production Decision Made by MMB*" on page 9).

Overview

Camrova Resources Inc. (formerly Baja Mining Corp.) was incorporated on July 15, 1985, under the *Company Act* (British Columbia). The Companyhas a minority investment in the Boleo Project, a copper-cobalt-zinc-manganese deposit located near Santa Rosalia, Baja California Sur, Mexico, including its shareholder loan in MMB. The Project achieved the production of first copper in January 2015 and in April 2016, MMB management declared that the commissioning phase of the processing plant operations had been completed.

As at December 31, 2016, the Company owned a 10.0% interest in the MMB. MMB holds all mineral and property rights in the Project. As at December 31, 2016, the remaining 90.0% of MMB was indirectly owned by members of a Korean consortium (the "Korean Consortium"), comprised of KORES, LS-Nikko Copper Inc., Hyundai Hysco Co. Ltd., SK Networks Co. Ltd., and Iljin Materials Co. Ltd., which acquired an initial 30% interest in June 2008.

The Company has now addressed all outstanding matters relating to the change of control in MMB and is working to identify and evaluate alternative project opportunities with potential for near-term cash flow or value creation (see "*Binding LOI for Investment in Small-scale Copper Plant in Chile"* below on page 4).

MMB Management Services Agreement Margin Settlement

On January 26, 2017, the Company announced that it had received the first of three equal payments of $332,000 in accordance with a formal settlement agreement entered into with MMB in respect of the amount and schedule for the payment of the margin owing to the Company pursuant to the management services agreement (the "MSA"), which was terminated by MMB in early 2013. The Company will receive a total payment of $996,000 pursuant to the settlement. The second payment of $332,000 was received in April 2017, with the final payment due in June 2017.

Share Consolidation and Name Change

On October 17, 2016, the Company completed a 20-for-1 consolidation of its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every twenty (20) pre-consolidation common shares and the change of the Company's name from "Baja Mining Corp." to "Camrova Resources Inc.". On that date, the post-consolidation common shares of the Company commenced trading on a post-consolidated basis on the TSX Venture Exchange (the "TSX-V") under the trading symbol "CAV" at market open on Monday, October 17, 2016. Following the share consolidation the Company had 17,010,653 post-consolidation common shares outstanding.

Binding LOI for Investment in Small-scale Copper Plant in Chile

In late December 2016, Camrova management met in Vancouver with one of the owners of a small-scale copper processing plant in Chile to continue discussions in connection with a possible investment in the operation. Negotiations are ongoing.

On February 1, 2017, the Company executed a binding letter of intent (the "Letter of Intent") pursuant to which Camrova agreed to provide funding to Mr. Gubier Marambio, Gubier Marambio H. SpA ("GMH") and Metalex Ltda ("Metalex") to restart an existing copper processing plant comprised of equipment and mining rights owned by GMH and Metalex located in Copiapó, Chile (the "Virginia Project") that has operated only intermittently. The Virginia Project is a heap leach operation with access to a supply of purchased ore mined locally.

It is the intention of the parties to bring the plant back on stream and to achieve continuous production of copper sulphate and cathode copper by providing working capital and investment for equipment purchases and equipment upgrades. Copper sulphate has many applications in agriculture and the copper content in copper sulphate attracts a premium over the market price of cathode copper. The Virginia Project is expected to generate near-term cash flow for the Company as described below.

Pursuant to the Letter of Intent, Camrova will make an initial investment of $304,000 structured as a loan, with the option to make further advances to fund the Project for a total investment of up to $1,206,000, which at Camrova's option may be converted for a 40% equity interest in the Virginia Project. As incentive for Camrova to participate in an investment in the Virginia Project, Camrova will receive a fee equal to 5% of all revenues from product sales (the "5% Fee") in addition to certain rights of repayment or profit sharing as described below.

The parties contemplate the staged development of the Virginia Project will proceed as follows:

- Stage 1: Monthly production and sale of 12.5 tonnes of copper in copper sulphate;
- Stage 2: Monthly production and sale of 12.5 tonnes of copper in copper sulphate and 12.5 tonnes of copper cathode; and
- Stage 3: Monthly production of 25.0 tonnes of copper in copper sulphate and 25.0 tonnes of copper cathode

The initial loan of $304,000 will be used for start-up working capital and equipment purchases required to commence continuous operations (the "Stage 1 Loan"). A first instalment of $50,000 was paid by Camrova upon the signing of the Letter of Intent, and the remaining Stage 1 Loan instalments will be funded by July 31, 2017, with staged payments commencing on the date of the execution of a formal investment agreement (the

"Investment Agreement"). The Stage 1 Loan will be non-interest bearing and will be secured by a shareholding in GMH equal to 10% of the company's shares. The parties anticipate that Stage 1 production will commence within 60 days of executing the Investment Agreement and sustainable Stage 1 production will be achieved by the end of July 2017.

Camrova will have the option to invest a further $190,000 in the Project to fund additional equipment purchases, plant improvements and incremental working capital required to support Stage 2 production (the "Stage 2 Loan"), or to continue to receive repayments of its Stage 1 Loan.

If Camrova elects to advance the Stage 2 Loan, it will continue to receive the 5% Fee, and Camrova will be entitled to receive a share equal to 15% of the Stage 2 profits.

Further, the Letter of Intent provides that Camrova will have the option to invest an additional $712,000 in the Virginia Project to double the production capacity (the "Stage 3 Investment"). If Camrova elects to continue with the Stage 3 Investment, all Camrova advances and loans relating to the Virginia Project (amounting to $1,206,000) will be converted to an equity ownership position that grants Camrova the right to receive 40% of the profits generated by Stage 3, and the 5% Fee will be extinguished.

The Letter of Intent is binding upon the parties who will negotiate in good faith the terms and conditions of an Investment Agreement, which shall supersede the Letter of Intent. Camrova shall be entitled to complete due diligence with respect to the Project. The Letter of Intent shall terminate in the event that (i) Camrova is not satisfied with the results of its due diligence review, (ii) if required, TSX Venture Exchange or any applicable regulatory authority approval is not received, or (iii) the Investment Agreement is not executed by February 28, 2017.

The parties agreed to an extension of the termination date of the Letter of Intent to April 30, 2017. The Company's due diligence is substantially completed but is dependent upon GMH and Metalex finalizing their formal operating agreement, which is required to determine the final transaction structure and completion of the definitive transaction documentation. Negotiations among the parties are ongoing but the Company can provide no assurance a definitive agreement will be reached.

The New MMB Shareholders' Agreement

On January 26, 2017 the Company announced that a new shareholders' agreement (the "New MMB Shareholders' Agreement") had been executed by the shareholders of Minera y Metalúrgica del Boleo S.A. P.I. de CV. ("MMB"), including the Company, Korea Resources Company ("KORES") and certain of its subsidiaries, and Korean Boleo Corporation, S.A. de C.V. (collectively, the "Korean Consortium").

The New MMB Shareholders' Agreement supersedes and replaces the prior shareholders' agreement between the shareholders of MMB dated May 30, 2008, as well as any prior understandings between MMB's shareholders respecting any terms potentially to be included in a new shareholders' agreement. Key commercial and governance matters addressed in the New MMB Shareholders' Agreement of particular relevance to Camrova and its shareholders include a potential $10.0 million manganese deposit repayment to be made by Camrova, MMB and Boleo Project funding and related ownership dilution in respect of defaulting shareholders, MMB board representation, MMB's distribution policy and debt repayment, each as detailed below.

Manganese production decision and payments:

Under the April 17, 2008 share purchase agreement between Camrova and the Korean Consortium (the "2008 SPA"), Camrova is required to repay a $10.0 million purchase consideration deposit to the Korean Consortium (the "Manganese Refund") if a decision is made not to produce manganese at the Boleo Project by the later of the final economic completion date of the Project or three years from the date of the 2008 SPA (the "Manganese Decision Date"). Additionally, the 2008 SPA required the Korean Consortium to pay Camrova $13 million if a decision is made to produce manganese at the Boleo Project by the Manganese Decision Date. No decision respecting the production of manganese was made by the Manganese Decision Date in accordance with the process outlined in the 2008 SPA.

The New MMB Shareholders' Agreement requires that in making a manganese production decision, the MMB Board shall exercise reasonable judgment and shall consider relevant information as to the technical and economic feasibility of manganese production at the Boleo Project. If a decision is made not to produce manganese, (the "Manganese Non-Production Decision"), on the date of such decision, Camrova will then be obligated to repay the Manganese Refund and at that time will issue a promissory note to the Korean Consortium evidencing its obligation to pay the Manganese Refund, which shall bear interest at a rate of 4% per annum commencing from the date of the Manganese Non-Production Decision (the "Manganese Promissory Note"). The Manganese Promissory Note must be repaid within 20 years following its issuance (the "Maturity Date"). While the Manganese Promissory Note remains outstanding, Camrova will be obligated to make or cause payments to be made to the Korean Consortium from time to time limited and equal to 85% of any cash or other liquid and fungible payments received by Camrova from MMB, including payments on account of dividends, interest, and debt principal repayments, net of any related withholdings and/or taxes due or payable.

As continuing collateral security for its obligation to repay the Manganese Refund plus accrued interest, on issuance of the Manganese Promissory Note, Camrova will concurrently execute and deliver to the Korean Consortium a security agreement granting a first-ranking security interest in all present and after-acquired MMB equity securities owned by Camrova, and an assignment of a promissory note held by Camrova and issued by MMB with a $28.2 million principal balance (collectively, the "Security").

Upon payment in full of the Manganese Refund and all interest thereon, or if a decision is subsequently made by the MMB Board to produce manganese (the "Manganese Positive Production Decision") prior to the fourth anniversary of the date the Manganese Non-Production Decision is made, the Security will be terminated and the debt evidenced by the Manganese Promissory Note shall be cancelled.

The Korean Consortium shall be entitled to realize upon the Security upon the occurrence of any of the following events (each, a "Termination Event"), namely (i) the taking of any corporate action or initiation of any other steps or legal proceedings by or against Camrova in conjunction with, or the occurrence of an insolvency, bankruptcy, or related restructuring, other than that not having a material adverse effect on the assets, business or value of Camrova, or (ii) the failure to pay the Manganese Refund and all interest thereon in full by the Maturity Date.

Notwithstanding the occurrence of a Termination Event or the Korean Consortium realizing on the Security, Camrova will remain obligated to pay to the Korean Consortium the outstanding balance of the Manganese Refund together with interest thereon, and the Korean Consortium will have full recourse against Camrova for the full outstanding balance of the Manganese Refund together with interest thereon, following the occurrence of a Termination Event or the transfer of the entire Camrova Security to the Korean Consortium, provided that a cumulative total amount of not less than $2.0 million in cash and other amounts and payments in kind (subject to any payments in kind being liquid and fungible) has been paid to Camrova by MMB on or before the time of such Termination Event (the "Recourse Threshold").

This arrangement restructures and defers a possible near-term obligation to repay the Manganese Refund if a Manganese Non-Production Decision is made and provides that settlement will be funded out of cash flows received from MMB, being subject to the Security and recourse rights (subject to the Recourse Threshold having been met) of the Korean Consortium detailed above. In order to achieve this outcome, the Company agreed to waive the requirement for the Korean Consortium to pay Camrova the $13.0 million in further purchase consideration owing to the Company in the event of a Manganese Positive Production Decision, as set out in the 2008 SPA.

MMB funding and related ownership dilution:

The New MMB Shareholders' Agreement provides that each MMB shareholder must contribute to MMB its pro rata portion, based on each shareholder's holding of shares in MMB at the time the pro rata portion is payable, of the total cost in order to achieve construction completion and to fund operations and ownership and maintenance of the Boleo Project in excess of $1,751.2 million. In respect of funding required in excess of the $1,751.2 million, the MMB shareholders shall be obligated, as and when funds are required by MMB in accordance with a funding notice, to make contributions as specified by MMB by way of either shareholder loans, or subscriptions for additional MMB shares, in either case in proportion to their then respective holdings of MMB shares at the time the pro rata portion is payable.

If an MMB shareholder (the “Defaulting Shareholder”) fails to make a contribution required to be made by way of either subscriptions for shareholder loans or additional MMB shares, the other MMB shareholders (the “Non-defaulting Shareholders”) will be entitled (but not obligated) to elect to make such contributions on behalf of the Defaulting Shareholder giving rise dilution as illustrated below:

i. In respect of cash calls for shareholder loans, contribute the amount of such contribution that was required to be made by the defaulting Shareholder on the same terms that such funds would have been loaned by the Defaulting Shareholder. There is no dilution impact on the Defaulting Shareholder’s ownership interest in MMB in respect of contributions of shareholder loans made on behalf of the Defaulting Shareholder by a Non-defaulting Shareholder.

   However, the Non-defaulting Shareholders who make such loans in respect of the Defaulting Shareholder will have the right to make a one-time election in respect of such loan not later than six months after making such loan to convert all or any part of the loan made by the non-defaulting Shareholders in respect of the defaulting Shareholder into additional MMB shares, other than loans made in respect of cash calls made prior to December 15, 2016, for which such right will extend to June 15, 2017. To the extent a Non-defaulting Shareholder elects to convert such loan in respect of a Defaulting Shareholder into additional MMB shares, the ownership interest of the Defaulting Shareholder will be diluted in accordance with a formula set out in the New MMB Shareholders’ Agreement.

   As at December 31, 2016, MMB has issued cash calls in excess of the $1,751. 2 million amounting to $346.0 million, which have been funded by way of shareholder loans. The Company has not contributed any amount to the cash calls and KORES has funded the Company’s pro rata portion (10%, or $34.6 million). In accordance with the dilution formula applicable to conversions of loans made by a Non-defaulting Shareholder on behalf of a Defaulting Shareholder, if KORES elects to convert the entire amount contributed on behalf of the Company, the Company’s ownership interest in MMB would be reduced from its current level of 10% to approximately 7.7% as at December 31, 2016;

ii. In respect of cash calls for subscriptions of additional MMB shares, contribute to MMB for additional shares the amount of such contribution that was required to be made by the Defaulting Shareholder and the ownership in MMB of the Defaulting Shareholder will be reduced according to a formula set out in the New MMB Shareholders’ Agreement. By way of illustration, had the $346,000 in cash calls been required to be made by way of subscriptions for additional MMB shares, the contributions made by KORES on behalf of the Company, the Company’s ownership interest in MMB would have been reduced from 10% to approximately 6.6%.

On January 17, 2017 and on April 19, 2017, MMB issued cash calls for $30.0 million and $33.0 million to fund operations through Q1 and Q2 2017, respectively. Camrova has indicated to MMB that it will not fund its 10% proportionate share of the cash calls.

In accordance with the dilution formula applicable to conversions of loans made by a non-defaulting shareholder on behalf of a defaulting shareholder, if KORES elects to convert the entire amount contributed on behalf of the Company ($40.9 million, inclusive of the 2017 cash calls), the Company’s ownership interest in MMB would be reduced from its current level of 10% to approximately 7.4%.

It is the Company’s current expectation that it will not contribute to any cash calls made by MMB in 2017, which may result in initial dilution or further dilution of the Company’s ownership in MMB, depending on the funding structure of the cash call (ie subscription of additional MMB shares or shareholder loans) and whether or not KORES has exercised any option to convert any of the loan contributions made on behalf of the Company at such time.

MMB board representation:

For as long as Camrova owns not less than 8% of the total outstanding MMB shares it shall be entitled to nominate one director to the MMB board, which is currently comprised of five directors but may be comprised of up to seven members. If at any time, Camrova owns less than 8% of the total outstanding MMB shares, Camrova will not be entitled to nominate any Directors but, provided it continues to own at least 5% of total outstanding MMB shares, will be entitled to appoint one observer to the Board, who shall have no voting rights but will be entitled to receive all information and documents that the Directors receive with respect to such meetings. If KORES elects to exercise its option to convert the loan contributions made on behalf of the Company pursuant to the MMB cash calls made to date, the Company's ownership position would fall below 8% and the Company would no longer be entitled to its representation on the MMB Board. Mr. Ogryzlo, Camrova's Interim CEO, currently represents Camrova on the MMB Board.

Distribution policy and MMB debt repayment:

The New MMB Shareholders' Agreement provides that excess cash flows from the Boleo Project will be distributed to MMB's shareholders after certain priority debt service and principal repayments have been made.

MMB shall, as soon as reasonably practicable and no less frequently than once every year, after making all other payments required, and after all loans owing to MMB shareholders or to third parties have been repaid to a reasonable extent required pursuant to the terms of the relevant agreements, make a pro rata cash distribution to the MMB shareholders, in proportion to each shareholder's holding of MMB shares at that time, of the amount excess cash funds of MMB (as defined in the New MMB Shareholders' Agreement).

The debts of MMB owing under the following unsecured loans (the "Unsecured Debt") will be repaid in the following order: (a) firstly, the Bonds; (b) secondly, the KORES MMB Loan Agreement and the KORES Lux Loan Agreement; (c) thirdly, the Baja Funding Loan Agreement (owed to the Korean Consortium); (d) fourthly, shareholders loans made pursuant to cash calls for funding in excess of $1,751,190 (the "Other Shareholder Loans"); and (e) lastly, promissory notes to MMB shareholders. MMB may, at its sole discretion, incur indebtedness to one or more third parties (the "Senior Debt") and that the indebtedness of MMB to its shareholders may, pursuant to the terms of such Senior Debt, be subordinate in right of payment. Notwithstanding the order of priority stated above, provided that the MMB Board approves, the Corporation may repay the Other Shareholder Loans in priority to all other Unsecured Debt.

With reference to the Company's news release dated January 13, 2017, the MMB LOM operations as disclosed to the Company in December 2015 are projected to achieve cash flow breakeven, assuming the refinancing of the Bonds. This suggested to Camrova management at that time that distributions or the repayment of the MMB promissory note to Camrova over the LOM may not be possible.

Other governance/minority protections:

Under the New MMB Shareholders' Agreement, the following matters will require the consent of Camrova as long as the Company holds at least 5% of the total outstanding MMB shares:

i. the amendment of the bylaws of MMB as to the corporate or economic rights pertaining to the class of MMB shares held by the Company; and

ii. any related party agreements and related party transactions of MMB with a value in excess of $5.0 million.

In addition, the New MMB Shareholders' Agreement contains certain rights of first refusal, rights of first offer and drag-along and tag-along rights, including if at any time any MMB shareholder owns less than 8% of the outstanding MMB shares, the remaining shareholders may exercise a call right to acquire the shareholding at its fair value as determined in accordance the terms of the New MMB Shareholders' Agreement.

Manganese Non-production Decision Made by MMB

On April 21, 2017, the MMB Board of Directors adopted a formal decision not to produce manganese at Boleo (the "Manganese Non-Production Decision") pursuant to which the US$10 million manganese deposit refund has become payable by Camrova to Korea Boleo Corporation ("KBC"), comprised of the members of the Korean Consortium) (the "Manganese Refund"). However, repayment of principle and interest accruing at 4% is only payable from dividend cash or like-cash distributions received by Camrova from the Boleo Project. If any balance owing is outstanding at the end of 20 years, unless Camrova has received distribution greater than US$2 million (excluding payments pursuant to the management services agreement settlement), the KBC will have no further recourse to enforce collection.

Camrova will grant to KBC a first-ranking security interest in all MMB equity securities owned by Camrova, and an assignment of a promissory note held by Camrova and issued by MMB with a $28,224,000 principal balance (collectively, the "Security"). KBC shall be entitled to realize upon the Security upon the occurrence of any action or proceedings by or against Camrova in conjunction with an insolvency, bankruptcy or related restructuring, or the failure to repay the Manganese Refund and all interest thereon at the end of 20 years.

Mr. Ogryzlo abstained from the MMB board vote on the Manganese Non-Production Decision and is awaiting receipt of further detail of MMB's and KORES' analysis, which the Company will review to satisfy that due process has been observed as is required pursuant to the New MMB Shareholders' Agreement. The promissory note evidencing the Manganese Refund and the Security will be released to KBC when the Company has been afforded that opportunity.

Cinto Colorado Update

The Cinto Option Agreement expired on December 31, 2016, as the Company had not undertaken and delivered a NI 43-101 compliant feasibility study for the development of the tailings in accordance with the terms of the Option Agreement, due to the delay in the ratification of the lease. Cinto Colorado continues to wait for a meeting of the Cabildo (elected municipal governing body of the Municipio of Mulegé, the regional municipality) to be held to ratify the Cinto Colorado lease. Cinto Colorado and the Company have suspended discussions regarding a possible extension of the Option Agreement pending the ratification of the lease.

Corporate Outlook

The Company is working to identify and is selectively evaluating alternative project opportunities, including the Virginia Projects.

The Company does not have sufficient cash resources to fund its operations and the prospective Virginia Project investment for the next 12 months. With completion of the 20-for-1 share consolidation in October 2016, the Company is positioning to raise financing to fund its ongoing overheads and to pursue other potential project opportunities. The size and timing of any fund raising may be influenced by the timing of the finalization of Project Virginia investment.

Boleo Project Operating Update

The latest available NI 43-101 compliant technical report on the Boleo Project is dated March 2, 2010 (the "March 2010 Technical Report"), which is available on the Company's website or on www.sedar.com (the "March 2010 Technical Report"). The Company believes that the preparation of an updated NI 43-101 technical report, that would have otherwise superseded the March 2010 Technical Report, is no longer practical. Readers are cautioned that the Company exerts no control or influence over the Boleo mine plan redesign process or timing, or any decision by MMB or KORES to update the March 2010 Technical Report. Readers are further cautioned that information regarding the Boleo Project set out in the March 2010 Technical Report and its existing public disclosure may no longer be current or accurate, and may not be updated in the foreseeable future, or ever.

The Company has a minority investment in the Boleo Project and a related shareholder loan. Therefore, the Company's management attempts to closely follow, and wherever possible influence, developments at the Project, which are relevant to the Company's investment, and ultimately any recovery it may realize. To the best of the Company's knowledge, the key developments during the period are summarized under the sub-section headings below.

Information presented below is based on or derived from the latest available information provided to the Company by MMB and KORES. The Company ceased to control MMB or be the operator of the Boleo Project on August 27, 2012. Readers are cautioned that while the Company has no reason to believe that the information provided to it by MMB and/or KORES and reflected herein is not materially correct, it has not independently verified the accuracy or completeness of such information and must rely on MMB and/or KORES for the provision of such information.

The Boleo Project is located on the east coast of Baja California Sur, Mexico, near the town of Santa Rosalia, some 900 kilometers south of San Diego, California. The deposit contains seven mineralized seams, called "mantos", stacked within a single formation, all dipping gently to the east towards the Sea of Cortez in a step-like fashion, due to post depositional faulting.

The Project consists of roughly 12,000 hectares of mineral concessions and 7,000 hectares of surface occupancy rights, each assembled as part of a contiguous titled block. The Project is located within the "buffer zone" of the El Vizcaíno Biosphere ("El Vizcaíno"), a Mexican National environmental reserve; and the required Environmental Impact Manifest has been approved by Mexican authorities, allowing the Project to be built and operated in the buffer zone of El Vizcaíno.

On December 17, 2016, Camrova management attended a meeting of the Board of Directors of MMB at site where they were presented with an update on operations for 2016, the MMB Business Plan and Budget for 2017 and an updated LOM Plan containing projections through to 2031, when mining operations are forecast to terminate. Camrova management also went underground to observe the progress that had been made at that time through the application of newly introduced mining methods. The Company provided the following update on developments relating to the mining activities and process plant as extracted from its News Release dated January 13, 2017.

2016 Boleo Operating Highlights

During 2016 MMB management, employees and contractors continued to work diligently to make advances to achieve normalized operations and become profitable. In in December 2016, MMB management reported that operations for the full year 2016 were forecast as follows:

- Copper cathode production of 14,284 tonnes, which is double that of the prior year, but lower than the target of 22,574 tonnes due to unanticipated plant downtime related to unscheduled maintenance, union action, Hurricane Newton and lower grade plant feed material and recovery rates than predicted; the target for 2017 calls for total production in excess of double that achieved in 2016;
- Cathode sales of 14,415 tonnes generating revenues, net of selling costs, of approximately $72,000,000;
- Plant ore feeding volume of 1,978 MT, approximating the targeted throughput, and plant availability improvement to approximately 75%;
- Average copper recovery of 75% with a high of 81% in the month of May. A number of plant modifications were completed during the year to improve plant performance;
- Completion of the commissioning of the cobalt and zinc sulphate circuits and achievement of commercial production of 419 tonnes and 1,444 tonnes, respectively;
- Mining production of 1.4 million tonnes, which is lower than targeted due to the continued testing of underground methods. Surface mining production was increased to partly offset the lower underground mining production;
- Initiated trial mining in October 2016 using semi-shield equipment for roof support to carry out underground shortwall mining. Mobile Roof Support (MRS) retreat mining with modified support

methods was resumed providing improved safety and roof stability for advance areas. New customized equipment was acquired and commissioned for trial application for each mining method, including smaller sized equipment, road headers, a rock grinder and side dump loader.

- During November 2016, underground trial mining achieved average production of 1,000 tonnes per day across the three underground mines.

2017 Boleo Business Plan and Budget Highlights

MMB management presented a Business Plan and Budget for 2017 to the Board of Directors (the "2017 Budget"). The MMB Board gave tentative approval, subject to obtaining the subsequent approval by the KORES Board. The key operational objectives at Boleo for 2017 are to achieve stable ore production, to enhance both plant availability and recovery, and to attain normalized plant operation.

The Mine Plan presented in December 2016 targeted ore production for 2017 of 2.7 million tonnes, with surface mining contributing 2.0 million tonnes and underground contributing 0.7 million tonnes. The Mine Plan was subsequently revised at the end of March 2017 (as described below in "*Revised 2017 Boleo Mine Plan*"). The underground target was expected to be accomplished by using customized semi-shield mining and MRS retreat mining, employing mechanized mining methods to maximize underground production. Efforts will continue to recruit additional skilled underground mining personnel with a targeted maximum workforce of 300 persons during Q4 2017. Tunnel advances in the three underground mines currently in operation and in three new underground mines were targeted to open up over 18,000 metres of haulageways and panels in difficult ground conditions. Surface production in 2017 will include the development of the Purgatorio area targeting higher grade ore production, which will require significant waste removal. Surface operations will work to minimize ore loss and dilution through grade control and selective mining targeting an average copper grade of 1.16%. Surface operations strip ratio is expected to exceed be about 8:1.

Plant operations for 2017 are targeting to produce 30,000 tonnes of cathode copper with monthly production exceeding 2,500 tonnes per month following the annual plant shut-down in January 2017 for planned maintenance and processing upgrades. Plant throughput is targeted at 2.8 million tonnes at an average feed grade of 1.24% copper, and a targeted recovery exceeding 84%. Initiatives are planned to reduce plant operating and maintenance costs in 2017. Monthly production of cobalt and zinc sulphate is targeted to exceed 50 tonnes and 770 tonnes, respectively.

Budgeted capex of $45 million is mainly comprised of expenditures on new equipment for underground and surface mining and planned expansion of the tailings storage facility.

The 2017 Budget projects a cash shortfall of approximately $160 million before funding. Funding of $30 million of the shortfall has previously been approved by KORES. The 2017 Budget and the required balance of funding of $130 million was approved by KORES at the end of January 2017.

LOM Plan

In December 2016, MMB management presented an update to the LOM Plan that was prepared at the end of 2015. The current LOM Plan has a 15 year horizon ending in 2031, during which average annual mine production is projected to be 3.1 million tonnes (underground – 1.9 million tonnes; surface mining – 1.2 million tonnes), equivalent to a total production of 45.9 million tonnes, with projected average grades of 1.3% copper, 0.07% cobalt and 0.5% zinc. LOM average mining cost is projected at US$14.30 per tonne. During the LOM, plant production is projected at approximately 528,000 tonnes of cathode copper, 20,000 tonnes of cobalt and 270,000 tonnes of zinc sulphate, maximizing metal production by increasing processing recoveries. Beyond 2031, feasibility studies will be completed to establish a plan to sustain operations as a refinery. The LOM operations are projected to achieve cash flow breakeven, assuming the refinancing of the MMB senior debt. This suggests that distributions or the repayment of loans to Camrova from the Project over the LOM may not be possible.

Ore stockpiles at the end of December were 667,525 DMT at 0.86% Cu.

Q1 2017 Boleo Operating Highlights

Camrova management attended a meeting of the Board of Directors of MMB at site on April 21, 2017 and were presented with an update on operations for Q1 2017, including a revised mine plan for 2017.

For Q1 2017, MMB management reported that operations achieved the following:

- Copper cathode production of 3,920MT, which reflected the impact of a scheduled plant maintenance shut-down in January and but also lower throughput arising from issues in the thickener and settling circuit, certain mechanical issues, including structural damage from corrosion to rakes in three of the CCD tanks which had to be repaired during the plant shut-down, and a design failure of the gearbox in one of the tailings pumps resulting in reduced spare pump availability;
- Average copper recovery of 76%, which was lower than planned in January and February reflecting the impact of lower feed grade and decreased CCD wash water quantity due to gypsum build-up in the raffinate line that was cleared during maintenance;
- Plant ore feeding volume of 546MT, which was adversely impacted by the throughput issues noted above;
- Plant availability of 78.4%, which was ahead of planned availability;
- Cathode sales of 3,865MT, which generated revenues, net of selling costs, of approximately US$22.5 million;
- Daily copper cathode production of 55 tonnes in February and 54 tonnes in March, which are the highest achieved to date since production commenced;
- Stablization of acid plant operations, with 100% availability in February and negligible unplanned downtime during the quarter;
- Cobalt and zinc sulphate circuit production of 69MT and 436MT, respectively, which were below budget as optimization of the circuits continued during the quarter, including efforts to increase the availability of the iron removal circuit which is required for cobalt and zinc recovery;
- Mining production of 544kDMT, which was lower than budgeted due to underperformance in underground mining (46% of target) resulting from incidents of unstable roof conditions and mining in the conglomerate that slowed advance and production rates. Underground production in February 2017 was less than 600 tonnes per day;
- Surface mining production of 489kDMT, which exceeded budget due to the resumption of mining of the high-grade Purgatorio area (OC3310) and the opening of a new mining area with short haulage distance (OC3275);
- Copper grade mined was 1.2%, which was in line with budget;
- New semi-shields and conveyors for short-wall mining underground were purchased during the quarter. Semi-shields have been modified to extend the length of the roof support to improve safety;
- The preparation of two additional panels in M303C and the opening of a new portal in M312A in March for short-wall mining; and
- A revised mine plan was prepared for 2017 as described below, as result of the continuing challenges with underground mining.

Revised 2017 Boleo Mine Plan

MMB management presented a revised 2017 mine plan, which was approved by the board of directors (the "Revised Mine Plan"). The Revised Mine Plan reflects a decrease in underground production based on the underperformance during Q1 2017 and is in line with what MMB management believes to be feasible for the remainder of the year. The reduction in underground production will be recovered by an increase in surface mining production, with the objective of delivering the annual production target for 2017 set previously (2.7 million tonnes).

The Revised Mine Plan targets production contribution for 2017 from surface mining of 2.3 million tonnes (2.0 million tonnes previously) and underground mining of 0.45 million tonnes (0.72 million tonnes previously). The surface mine plan production expansion will be achieved by maximizing high-grade production in the Purgatorio area (OC3310), strategic mine scheduling, and the purchase of additional equipment, which is expected to be available by mid-June 2017. Surface mining operations are targeting production with an average copper grade of 1.23% and a strip ratio expected to exceed 9:1.

The revised underground mine plan will increase the application of the modified semi-shield mining application on short-wall mining. Additional semi-shield mining equipment has been delivered to site and a second short-wall mining operation is expected to commence from the end of April 2017 in M303C. In addition, mechanized short-wall mining is expected to start from August 2017 with the purchase in March 2017 of a new shearer and conveyor system. Additional shearer equipment is currently under technical and commercial review.

The active recruitment of experienced underground mining managers and supervisors is a continued priority.

The technical and other information in respect of the Boleo operations disclosed herein has been reproduced from reports and presentations provided to the Company by MMB. However, Camrova is a minority 10% shareholder in MMB, a company indirectly controlled by KORES, a Korean state-owned company. Therefore, Camrova does not have direct and independent access to information relating to the operations of MMB customary for a controlling shareholder or project operator. Camrova is dependent upon information provided by MMB and/or KORES either routinely to shareholders, or at specific request. Accordingly, the Company and its representatives have been unable to verify the technical disclosures in the reports containing information relating to current and prospective Boleo mine and process plant production tonnages and operational performance and therefore cannot provide definitive assurance that the technical information disclosed herein is correct

Boleo Project Funding

On October 10, 2016, MMB issued a cash call for $101,700 for funding planned operations through Q4 2016 and, subsequent to the year end, on January 17, 2017 and on April 19, 2017, MMB issued further cash calls for $30,000 and $33,000 to fund operations through Q1 and Q2 2017, respectively. The Company has informed MMB that it would not contribute its 10% share of the cash calls.

The extent of any dilution to Camrova's current 10% shareholding in MMB will be determined in accordance with the New MMB Shareholders' Agreement and the ultimate form of the cash call participation (i.e. shareholder loan or equity) (see "*The New MMB Shareholders' Agreement, MMB funding and related ownership dilution*" on page 7).

Review of Operating Results

Comparison of the three-month period ended December 31, 2016, to the three-month period ended December 31, 2015

For the three-month period ended December 31, 2016 ("Q4 2016"), the Company recorded net loss of $6,367,245 or $0.37 per share (basic) as compared to a net income of $257,218 or $0.02 per share (basic) for the same period in 2015 ("Q4 2015"). The net loss in Q4 2016 includes an impairment charge of $17,905,000 and a gain on debt modification of $10,000,000, in addition to a foreign exchange gain of $47,334 (gain of $637,522 in Q4 2015).

Operating expenses during the quarter ended December 31, 2016, were $7,955,595 compared to $379,996 for Q4 2015. In addition to the impairment charge and gain on debt modification noted above, operating expenses for Q4 2016 include general and administrative expenses of $95,405 ($363,170 in Q4 2015) and an exploration and evaluation expense recovery of $44,810 (Q4 2015 – expense of $16,825). The most significant movements in operating expenses are discussed below:

- Wages, salaries and management fees: $78,259 ($108,853 in Q4 2015) – the decrease relative to Q4 2015 reflects cost savings from the departure of one employee during Q2 2016, and cost savings attributable to the liquidation of the Luxembourg subsidiaries;
- Director fees: $13,450 ($24,588 in Q4 2015) – the decrease relative to Q4 2015 reflects the retirement of one director at the end of Q2 2016 and no further fees being paid in respect of the function of the

Chairman of the Litigation Committee following the settlement of the class action in Q1 2016. With effect on February 1, 2017, the independent directors agreed to a reduction in fees to C$1,000 per annum with no meeting fees;

- Professional and consulting fees: recovery of $12,870 ($153,996 in Q4 2015) – the recovery in Q4 2016 reflects a reversal of an over-provision for costs associated with the Luxembourg restructuring together with the successful recovery of legal expenses relating to the class action under the Company's insurance. The Q4 2015 fees reflect tax advisory fees incurred in connection with the Luxembourg restructuring;
- Office and administration: $13,864 ($54,756, in Q4 2015) – the decrease relative to Q4 2015 reflects cost savings attributable the liquidation of the Luxembourg subsidiaries and to the set up of a virtual office following the expiration of the Company's office lease at the end of April 2016; and
- Exploration and evaluation expenses: recovery of $44,810 ($16,826 in Q4 2015) – the recovery in Q4 2016 reflects the reversal of accrued Cinto Colorado operating costs that the Company has no obligation to settle upon expiration of the option agreement, as well as a write-off of amounts incurred and unpaid in connection with legal due diligence that management believes to be excessive.

Other items

- Impairment charge: $17,905,000 ($Nil in Q4 2015) – as of December 31, 2016, management determined based on the MMB Life-of-Mine ("LOM") Plan presented to the MMB Board in December 2016, which projected operations to achieve only breakeven cash flows over the LOM and assumed the refinancing of the MMB senior debt, that distributions and/or the repayment of the promissory note to Camrova over the LOM are unlikely, and recorded an impairment charge of $17,905,000 to bring the carrying value of the shareholder loan receivable to $Nil;
- Gain on debt modification: $10,000,000 ($Nil in Q4 2015) – as of December 31, 2016, based on the terms of repayment of the Manganese Refund as modified and set out in the New MMB Shareholders' Agreement and management's determination that distributions and/or the repayment of the promissory note to Camrova over the LOM are unlikely, management estimated that the fair value of the potential liability associated with the Manganese Refund is $Nil, and recorded a gain of $10,000,000; and
- Foreign exchange gain: $47,334 (gain of $637,522 in Q4 2016) – during Q4 2016, the Canadian dollar weakened only marginally against the US dollar as compared to more significant weakening against the US dollar in Q4 2015. The foreign exchange gains and losses are primarily a result of Camrova's (Canadian functional currency) US dollar based investment (shareholder loan) in the Boleo Project.
- Tax recovery: $1,541,444 ($Nil in Q4 2016) – as of December 31, 2016, management recorded a reversal of taxes previously recorded on interest accrued on MMB shareholder loans receivable, which based on the LOM, management has determined are unlikely to be paid.

Comparison of the year ended December 31, 2016, to the year ended December 31, 2015

For the year ended December 31, 2016 ("2016"), the Company recorded net loss of $8,027,829 or $(0.47) per share (basic) as compared to income of $2,195,605 or $0.13 per share (basic) for the year ended December 31, 2015 ("2015"). The net loss in 2016 includes the impairment charge of $17,905,000 and the gain on debt modification of $10,000,000, in addition to a foreign exchange loss of $1,005,744 (gain of $3,499,938 in 2015).

Operating expenses during 2016 were $9,569,273 compared to $2,195,605 for 2015. In addition to the impairment charge and gain on debt modification noted above, operating expenses during 2016 were comprised of general and administrative expenses of $607,775 ($1,194,155 in 2015) and exploration and evaluation expenditures of $49,412 (2015 - $110,119). The most significant movements in operating expenses are discussed below:

- Wages, salaries and management fees: $356,459 ($592,563 in 2015) – the decrease relative to 2015 reflects the payment in Q1 2015 of a contractual bonus of $100,000, cost savings in 2016 from the departure of one employee during Q3 2015 and one during Q2 2016, and cost savings attributable the liquidation of the Luxembourg subsidiaries arising in Q1 2016;
- Director fees: $74,285 ($107,916 in 2015) – the decrease reflects in 2016 the retirement of a director at the end of Q2 2016, fewer director meetings held and no further fees being paid in respect of the function of the Chairman of the Litigation Committee following the settlement of the class action in Q1 2016. With effect on February 1, 2017, the independent directors agreed to a reduction in fees to C$1,000 per annum with no meeting fees;
- Professional and consulting fees: $41,637 ($182,887 in 2015) – the decrease relative to 2015 reflects recoveries recorded in Q4 2016, which partly offset legal costs associated with the negotiation of the New MMB Shareholders' Agreement and the share consolidation. The higher costs in 2015 reflect legal and tax advisory fees incurred in connection with the restructuring and liquidation of the Luxembourg subsidiaries;
- Office and administration: $113,272 ($219,724 in 2015) – the decrease relative to 2015 reflects management's efforts during 2016 to reduce costs, and includes specific cost savings attributable the liquidation of the Luxembourg subsidiaries and the set up of a virtual office following the expiration of the Company's office lease at the end of April 2016; and
- Shareholder information: $15,122 ($52,456 in 2015) – the decrease relative to 2015 reflects in 2016 the substantial reduction in the Company's Ontario Security Commission annual filing fee, which is partly offset by the costs incurred in connection with the share consolidation and name change completed in Q4 2016; and
- Exploration and evaluation expenses: of $49,412 ($110,119 in 2015) – the decrease relative to 2015 reflects the reversal of accruals and account payable for Cinto Colorado in Q4 2016;

Other items

- Impairment charge: $17,905,000 ($Nil in 2015) – as described for Q4 2016 above;
- Gain on debt modification: $10,000,000 ($Nil in Q4 2015) – as described for Q4 2016 above;
- Foreign exchange loss: $1,005,744 (gain of $3,499,938 in 2015) – during 2016, the Canadian dollar strengthened against the US dollar as compared to a weakening against the US dollar in 2015. The foreign exchange gains and losses are primarily a result of Camrova's (Canadian functional currency) US dollar based investment (shareholder loan) in the Boleo Project; and
- Tax recovery: $1,541,444 ($Nil in Q4 2016) – as described for Q4 2016 above.

Selected Annual Information

	2016 USD '000s	2015 USD '000s	2014 USD '000s
(Loss) income for the year	(8,028)	2,196	(577)
(Loss) income per share			
- Basic	(0.47)	0.13	(0.03)
- Diluted	(0.47)	0.13	(0.03)
Total assets	1,090	19,784	21,135
Net working capital(2)	855	502	1,788
Total non-current financial liabilities(3)	-	11,541	11,541

(1) The Company's financial results presented above have been derived from the Company's financial statements prepared under IFRS. The Company's presentation currency is USD. The functional currency of Camrova Resources Inc. is the Canadian dollar. In October 2016, the Company effected the consolidation of the Company's common shares on a twenty-old-shares-for-one-new basis. All references to per common share amounts have been retroactively restated to reflect this common share consolidation.

(2) 2015 and 2014 exclude the $1,000 receivable from MMB, which was reclassified as a current asset as at December 31, 2016, pursuant to the MSA margin settlement agreement is payable in 2017.

(3) 2015 and 2014 include (i) $10,000 Manganese Refundable Deposit Liability recorded with a fair value of $Nil in 2016 based on the modified terms of repayment as set out in the New MMB Shareholders' Agreement; and (ii) the provision for foreign withholding tax liability accrued on MMB shareholder loans receivable, which was reversed in 2016.

The income for 2015 reflects a large foreign exchange gain of $3,499,938 during the year as compared with a gain of $1,770,000 in 2014.

The loss for 2016 reflects the impairment charge of $17,905,000 and the gain on debt modification of $10,000,000. The reduction in total assets in 2016 reflects the impairment of the MMB shareholder loan receivable.

Review of Quarterly Results

The eight most recently completed quarters up to December 31, 2016:

	Q1 Mar 31, 2015	**Q2 Jun 30, 2015**	**Q3 Sep 30, 2015**	**Q4 Dec 31, 2015**	**Q1 Mar 31, 2016**	**Q2 Jun 30, 2016**	**Q3 Sep 30, 2016**	**Q4 Dec 31, 2016**
Total Revenues (USD '000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income (loss) for the period attributable to common shareholders of the Company (USD '000)	$ 1,478	$ (680)	$ 1,140	$ 258	$ (1,459)	$ (196)	$ (6)	$ (6,367)
Basic and diluted income (loss) per share for the period(2)	$ 0.09	$ (0.04)	$ 0.07	$ 0.02	$ (0.09)	$ (0.01)	$ -	$ (0.37)

(1) The Company's financial results presented above have been derived from the Company's financial statements that have been prepared in accordance IFRS (applicable to interim financial statements). The Company's presentation currency is USD. The functional currency of Camrova Resources Inc. is the Canadian dollar.

(2) In the quarter ended December 31, 2016, the Company effected the consolidation of the Company's common shares on a twenty-old-shares-for-one-new basis. All references to per common share amounts have been retroactively restated to reflect this common share consolidation.

The fluctuating income (loss) of the Company is primarily impacted by foreign exchange fluctuations between the Canadian and US dollars, with the largest impact attributable to Camrova's (Canadian functional currency) US dollar based investment in the Project. The loss the Q4 2016 reflects the impairment charge of $17,905,000 and the gain on debt modification of $10,000,000.

Liquidity, Capital Resources, and Going Concern

MMB's mineral exploration and development activities have provided the Company with no source of income, and a history of losses, working capital deficiencies and deficit positions. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and, in the near-term, to obtain the necessary financing to meet its obligations, cover overheads, and settle its liabilities from normal operations as they become due. Based on the MMB LOM Plan, the Company does not expect to receive any cash flows from its shareholding in MMB or shareholder loan in the foreseeable future.

As at December 31, 2016, the Company has recorded a receivable from MMB amounting to $1,000,000 (December 31, 2015 - $1,000,000) in respect of the cumulative margin on services provided to MMB since 2009 pursuant to a management services agreement ("MSA"), which was terminated by MMB during Q1 2013. The timing and amount of settlement has been under discussion with KORES and MMB for an extended period of time. On January 26, 2017, the Company announced that MMB and the Company had agreed upon the amount and payment of the margin owing to the Company pursuant to a management services agreement between MMB and the Company (the "MSA"), which was terminated by MMB in early 2013. The Company will receive a total payment of $996,000 pursuant to the settlement. The first of three equal payments of $332,000 over each the first three quarters of 2017 was received in January 2017, and the second payment of $332,000 was received in April 2017 (see "*MMB Management Services Agreement Margin Settlement*" on page 4).

The Company's combined cash and cash equivalents and short-term deposits as at December 31, 2016, totaled $66,433 (December 31, 2015 - $650,684).

The Company has working capital of $854,671 as at December 31, 2016 (December 31, 2015 – $502,000).

During 2016, the Company utilized $592,699 of cash in operations (2015 - $1,209,775). This was measured after taking into account adjustments for non-cash items such as impairments of $17,905,000 (2015 - $Nil), gain on debt modification of $10,000,000 (2015 - $Nil), an unrealized foreign exchange loss of $1,001,000 (2015 - $3,496,000 gain) and cash released from net changes in working capital balances of $63,574 (2015 – $52,011).

The Company did not incur any cash expenditures on property, plant and equipment during 2016 (2015 - $Nil).

The Company did not complete any equity financings during 2016 (2015 - $Nil), nor receive any cash proceeds (2015 - $Nil) through the exercise of stock options.

The Company does not have sufficient cash resources to fund its operations for the next 12 months as well as its prospective investment requirements, and is preparing to raise additional financing to fund its ongoing overheads and to pursue other potential project opportunities. There can be no assurance that the Company would be able to obtain adequate financing in the near future or that such financing would be on terms acceptable to the Company. These factors cast significant doubt on the Company's ability to continue as a going concern.

Commitments, Contingencies and Contractual Obligations

As at December 31, 2016, the Company had the following undiscounted contractual obligations:

Contractual Obligations	**Payments due by period**				
	Total	Less than 1 year	2-3 years	4-5 years	More than 5 years
Accounts payable	$235,313	$235,313	$nil	$nil	$nil

Off-Balance Sheet Arrangements

In 2012, the Company entered into a lease assignment for offices no longer 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 fulfil its obligation to the landlord. The lease expires September 30, 2020.

The future aggregate minimum lease payments by the assignee to the landlord covered by this indemnity agreement are as follows:

	December 31, 2016
Not later than one year	505,920
Later than one year and not later than five years	1,391,280
	1,897,200

No amount has been accrued for this indemnity as of December 31, 2016, as management has assessed that it is not probable that the Company will be required to cover any amounts under the indemnity.

The Company does not have any other material off-balance sheet arrangements, including guarantee contracts, contingent interests in assets transferred to an entity, or other derivative instruments obligations not already described herein.

Transactions with Related Parties

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 paid or payable to key management, or to companies in common with key management personnel, for services provided is shown below.

	Years ended December 31,	
	2016	**2015**
Short-term employee benefits(1)	328,051	469,358
Stock-based compensation	4,910	24,108
	332,961	493,466

(1) 2015 includes $100,000 bonus paid to the Interim CEO pursuant to a contract effective from May 2012.

Accounts payable and accrued liabilities

As at December 31, 2016, the accounts payable and accrued liabilities balance includes $134,341 owing to key management personnel (2015 - $Nil).

Share Capital Information

The Company did not grant any stock options to employees or directors of the Company during the quarter. On October 17, 2016, the Company completed a twenty-for-one share consolidation. As at the date of this MD&A the Company had an unlimited amount of common shares authorized for issuance, with 17,010,653 issued and outstanding and 1,600,625 stock options outstanding.

On February 8, 2017, the Company granted a total of 1,363,750 stock options to directors, officers, employees and consultants of the Company, exercisable at a price of $0.215 for a period of five years. The Company has received TSX Venture Exchange approval (and in the case of insiders of the Company, subject to disinterested shareholder approval) for the repricing of an aggregate the 236,875 previously issued stock options, exercisable at a new exercise price of $0.215 per common share.

Changes in Accounting Standards

Adoption of new or revised IFRS pronouncements during the year

The Company did not adopt any new accounting standard during the year.

Adoption of new or revised IFRS pronouncements not yet effective

New and revised IFRS pronouncements that have been issued but are not yet effective, and that may have an impact on the disclosures and financial position of the Company, are disclosed below. The Company intends to adopt these new or revised standards and interpretations, if applicable, when they become effective.

(i) IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers*, ("IFRS 15") replacing IAS 11 *Construction Contracts*, IAS 18 *Revenue*, and the related revenue-related interpretations. IFRS 15 introduces a single, principle based, five-step model for the recognition of revenue when control of a good or service is transferred to the customer. IFRS 15 also requires expanded disclosures to help investors better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers and to improve the comparability of revenue from contacts with customers. IFRS will be effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of adopting IFRS 15 on the consolidated financial statements.

(ii) IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*, to replace IAS 39, *Financial Instruments: Recognition and Measurement,* and ("IAS 39). IFRS 9 introduces a single approach to determine whether a financial asset is measured at fair value through profit and loss, fair value through other comprehensive income, or at amortized cost. Measurement and classification of financial assets is dependent on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

For financial liabilities, IFRS 9 retains most of the IAS 39 requirements; however, where the fair value option is applied to financial liabilities, the change in fair value resulting from an entity's own credit risk is recorded in other comprehensive income rather than net earnings, unless this creates an accounting mismatch.

In addition, a new expected credit loss model for calculating impairment on financial assets replaces the incurred loss impairment model used in IAS 39. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure about expected credit losses and credit risk.

IFRS 9 is effective for years beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of adopting IFRS 9 on the consolidated financial statements.

(iii) IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16, Leases, ("IFRS 16") replacing IAS 17, Leases, ("IAS 17"). For lessees applying IFRS 16, all leases are considered finance leases and will be recorded on the balance sheet. The only exemptions to this classification will be for leases that are twelve months or less in duration or for leases of low-value assets. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for years beginning on or after January 1, 2019, with early adoption permitted if the entity is also applying IFRS 15. The Company is currently evaluating the impact of adopting IFRS 16 on the consolidated financial statements.

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements requires that the Company's management make assumptions and estimates of effects of various future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates.

Estimates are reviewed on an ongoing basis using historical experience and other factors that are considered relevant given the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty at the end of the reporting period are as follows:

a) **Impairment of amounts due from MMB**

The Company exercises judgment when evaluating the evidence of impairment for amounts due from MMB, including the shareholder loan receivable and long-term other receivable. Where such evidence exists, estimates of future cash flows and the recoverable amount are required to determine the amount of any impairment. Management's judgment and estimates in these areas are based on information available from internal and external resources at that time. In assessing impairment for the shareholder loans receivable, management has considered a number of factors relating to the Boleo Project, including project funding, latest available capital cost estimates and project schedules, preliminary mine and operating plans, future taxes and other market indicators. Actual results could differ from these estimates and judgments, as additional information becomes known (Financial Statements notes 4 and 5).

b) **Measurement of the refundable deposit liability**

A refundable deposit liability of $10,000,000 was included in the cash proceeds received from the sale of 30% of the Company's interest in MMB to the Consortium in 2008. The terms of this refundable deposit liability were modified in the new shareholders' agreement dated December 15, 2016.

It is management's judgment that the amendments constituted a substantial modification of the terms requiring the extinguishment of the original financial liability and the recognition of a new financial liability under IAS 39.

In considering the fair value of the new financial liability as of December 15, 2016, management considered that the refundable deposit liability becomes payable only if the MMB board decides not to produce manganese from the Boleo Project, and that the Company cannot accurately predict the outcome or timing of this decision as it outside of its control.

If MMB decides not to produce manganese, the Company will be obligated to issue a promissory note to the Consortium (the "Manganese Promissory Note") of which repayment will be made from any dividend, interest and debt repayment received by the Company from MMB. The Company will provide an assignment of its shares in MMB and its promissory note receivable from MMB with a principal balance of $28,224,121 as security, with 85% of any cash and other amounts and payments in kind (subject to any payments being liquid and fungible), including on account of dividends, interest and principle debt repayments, received by Camrova from MMB (net of any withholdings and/or taxes due) to be applied as repayment against the Manganese Promissory Note.

In the event of termination (as defined in the agreement), the Company is obligated to repay any outstanding balance due under the Manganese Promissory Note only if the Company had received a minimum cumulative total of $2,000,000 in cash and other amounts and payments in kind (subject to any payments being liquid and fungible), including on account of dividends, interest and principle debt repayments, from MMB.

Management considered that the cash flows for the refundable deposit liability are linked to the expected cash flows from the shareholder loan receivable, and that a full impairment was taken against the shareholder promissory note (Financial Statements note 3(a)), and attributed a nil fair value for the new financial liability (Financial Statements note 6).

c) **Income taxes**

Foreign withholding taxes are payable when interest from shareholder loans are received. The accrued withholding tax is estimated at each reporting period based on management's assessment of ultimate future tax obligations, and the portion attributable to the current reporting period.

As a result of recognizing a full impairment on the shareholder loan receivable, management reversed the related foreign tax withholding provision of $1,541,444 recognizing a tax recovery in the consolidated statements of operations (Financial Statements note 11).

Financial Risk Management

The Company's financial instruments are exposed to the following credit, liquidity and market risks:

a) **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 exposure to credit risk is primarily on its cash and cash equivalents, other receivables (Financial Statements note 4), and shareholder loans receivable (Financial Statements note 5). The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Cash and cash equivalents are substantially invested with highly rated financial institutions with a minimum rating of "A".

b) **Liquidity risk**

Liquidity risk is 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 as outlined in note 16 to these consolidated financial statements.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. The contractual maturities of the Company's financial liabilities as of December 31, 2016 are as follows:

	Total	Contractual Maturity
Accounts payable and accrued liabilities	235,313	Due within 1 year

c) **Foreign exchange risk**

The Company incurs expenditures primarily in Canadian and United States (U.S.) dollars. Corporate expenditures are incurred primarily in Canadian dollars. Activities relating to the Company's investment in the Boleo Project and other exploration and evaluation expenditures are incurred primarily in the U.S. dollar.

As the functional currency of Camrova is the Canadian dollar, foreign exchange gains and losses arise in converting Camrova's U.S. dollar-based monetary assets and liabilities to Canadian dollars. These foreign exchange gains or losses are included in the consolidated statements of operations. Currency translation adjustments are recognized in other comprehensive loss arising from the translation of the net assets of Camrova in Canadian dollars into the presentation currency of U.S. dollars (Financial Statements note 2(d)).

A significant change in the currency exchange rate of the U.S. dollar relative to the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not entered into foreign currency contracts to hedge its risk against foreign currency fluctuations.

As at December 31, 2016, U.S. dollar financial instruments subject to foreign exchange risk are as follows:

	Foreign currency amount
	USD
Cash and cash equivalents	27,339
Receivables	1,000,000
Accounts payable and accrued liabilities	(27,004)
Net U.S. assets (liabilities) exposed	1,000,335

A 1% appreciation or depreciation in the CAD/USD foreign exchange rate would result in an additional foreign exchange gain or loss of approximately $10,000 and an opposite currency translation gain or loss in other comprehensive loss of $10,000.

Risk Factors

Readers should carefully consider the risks and uncertainties described below before deciding whether to invest in shares of the Company's common stock.

The Company's failure to successfully address the risks and uncertainties described below would have a material adverse effect on Camrova's business, financial condition and/or results of operations, and the trading price of Camrova's common stock may decline and investors may lose all or part of their investment. We cannot assure you that we will successfully address these risks or other unknown risks that may affect Camrova's business.

Estimates of mineralized material are inherently forward-looking statements and subject to error. Although resource estimates require a high degree of assurance in the underlying data when the estimates are made, unforeseen events and uncontrollable factors can have significant adverse or positive impacts on the estimates. Actual results will inherently differ from estimates. The unforeseen events and uncontrollable factors include: geologic uncertainties including inherent sample variability, metal price fluctuations, variations in mining and processing parameters, and adverse changes in environmental or mining laws and regulations and decisions made by other MMB shareholders pursuant to the New MMB Shareholders' Agreement impacting the Company. The timing and effects of variances from estimated values cannot be accurately predicted.

Certain descriptions or information relating to the Boleo Project in connection with risk factors described herein are based in part upon information set out in the March 2010 Technical Report. The preparation of an updated NI 43-101 compliant technical report that would supersede the March 2010 Technical Report is unlikely to be prepared by MMB. Readers are cautioned that the Company exerts no control or influence over the Boleo mine plan redesign process or timing, or the preparation of other information that may be relevant for the preparation of an updated NI 43-101 technical report. Therefore it is not possible or feasible currently for the Company to prepare an updated NI 43-101 compliant technical report on the Boleo Project, nor can it provide any guidance as to when or if an updated NI 43-101 Technical Report will ever become available. Additionally, readers are further cautioned that the information regarding the Boleo Project in the March 2010 Report and existing public disclosure may no longer be current or accurate, and may differ significantly from actual technical information relating to the Boleo Project.

The Company has limited financial resources and is a going concern risk

At December 31, 2016, the Company had working capital of $854,671. Camrova's current working capital is not sufficient to meet its planned business objectives, including the identification, evaluation and acquisition of or investment in new project opportunities. Camrova will need to generate additional financial resources in the near-term in order to cover its operating overheads and meet its planned business objectives. There can be no assurance that Camrova will be able to obtain additional financial resources and/or achieve profitability or positive cash flows. If Camrova is unable to obtain adequate additional financing, the Company may be required to curtail operations and/or its planned exploration and development and/or investment activities.

The Company and MMB have no history of generating revenues from operations; the Company may never generate any revenues or cash flows from operations

The Company's interest in MMB (currently 10%, but subject to significant potential dilution) and its shareholder loan to MMB are its principal assets. Production at Boleo is currently in the ramp-up phase, and normalized and profitable production has not yet been achieved. The Company and MMB have never recorded any revenues from mining operations. The Company expects to continue to incur losses, and will continue to do so until such time as the Project generates sufficient positive cash flows to support the payment of shareholder loan interest and/or any principal repayment or other distribution of cash to the Company, or the Company develops an alternative project opportunity generating cash flow for the Company.

As at December 31, 2016, MMB reported indebtedness of a nominal value of $1.69 billion that must be serviced and repaid by MMB in priority over interest paid on and principle repayment of indebtedness to MMB shareholders, and before any dividend distributions. MMB may not generate sufficient cash flows from the Project, and therefore the Company may not, in the foreseeable future or ever, generate any interest revenues or receive any dividends or repayment of loan principal from the Boleo Project. The promissory notes issued by MMB (a portion of which are held by the Company) are subordinate to all other debt issued by MMB. In the event that on the maturity date of December 31, 2018, the priority debt in MMB is still outstanding, the maturity date of the promissory note will be extended automatically for successive one-year terms as required.

There can be no assurance that the Company would be able to raise any additional funding required to finance its operations before such time as the Boleo Project generates sufficient positive cash flows for the Company.

The Company may not receive all amounts owing to it by MMB pursuant to the management services agreement margin settlement

As at December 31, 2016, the Company has recorded a receivable from MMB amounting to $1.00 million in respect of the cumulative margin on services provided to MMB since 2009 pursuant to a management services agreement ("MSA"), which was terminated by MMB during Q1 2013. The timing and amount of settlement has been under discussion with KORES and MMB for an extended period of time, and a settlement agreement was announced on January 26, 2017 pursuant to which the Company will be paid $996,000. Since that time, the Company has been paid $664,000. Third and final installment payment of $332,000 is payable in June 2017.

Payment by MMB and receipt by the Company of the final installment is dependent upon KORES continuing to fund the operations of MMB. If the final instalment is not paid or payment is delayed, the Company's ability to fund any prospective investments, maintain its interest in any prospective investments and/or continue as a going concern in the near-term may be put at risk.

A Manganese Non-production Decision has been made by MMB and, pursuant to the New MMB Shareholders' Agreement, the Company will be required to contribute a substantial portion of any cash flows received from the Boleo Project toward the repayment of the Manganese Refund

On April 21, 2017, the MMB Board of Directors adopted a formal decision not to produce manganese at Boleo (the "Manganese Non-Production Decision") pursuant to which the $10 million manganese refundable deposit has become payable by Camrova to Korea Boleo Corporation ("KBC"), comprised of the members of the Korean Consortium) (the "Manganese Refund"). However, repayment of principle and interest accruing at 4% is only payable from cash or like-cash distributions received by Camrova from the -Boleo Project. If any balance owing is outstanding at the end of 20 years, unless Camrova has received distribution greater than $2 million (excluding payments pursuant to the management services agreement settlement), the KBC will have no further recourse to enforce collection.

While the Manganese Promissory Note remains outstanding, Camrova will be obligated to make or cause payments to be made to the Korean Consortium from time to time limited and equal to 85% of any cash or other liquid and fungible payments received by Camrova from MMB, including payments on account of dividends, interest, and debt principal repayments, net of any related withholdings and/or taxes due or payable. This may impact the Company's ability to continue as a going concern.

The Company has pledged its shareholding in MMB and shareholder loan receivable as security to the Korean Consortium in respect of the Manganese Refund

Camrova has granted to Korean Consortium (KBC) a first-ranking security interest in all MMB equity securities owned by Camrova, and an assignment of the shareholder loan receivable (promissory note) held by Camrova and issued by MMB with a $28,224,000 principal balance (collectively, the "Security"). KBC shall be entitled to realize upon the Security upon the occurrence of any action or proceedings by or against Camrova in conjunction with an insolvency, bankruptcy or related restructuring, or the failure to repay the Manganese Refund and all interest thereon at the end of 20 years (a "Termination Event").

Notwithstanding the occurrence of a Termination Event or the Korean Consortium realizing on the Security, Camrova will remain obligated to pay to the Korean Consortium the outstanding balance of the Manganese Refund together with interest thereon, and the Korean Consortium will have full recourse against Camrova for the full outstanding balance of the Manganese Refund together with interest thereon, following the occurrence of a Termination Event or the transfer of the entire Camrova Security to the Korean Consortium, provided that a cumulative total amount of not less than $2.0 million in cash and other amounts and payments in kind (subject to any payments in kind being liquid and fungible) has been paid to Camrova by MMB on or before the time of such Termination Event (the "Recourse Threshold").

Further dilution of ownership in MMB is expected as total Project capital costs have exceeded $1,751 million and further funding from MMB shareholders is required for Boleo's operations before the Project is self-sustaining from a cash flow perspective

The total costs to complete the Boleo Project have exceeded $1,751 million and the Project is not yet self-sustaining from a cash flow perspective. The Project has required further external debt financing to complete construction and for working capital requirements during the commissioning, start-up and ramp-up phases of operations.

Camrova and KORES have agreed in principle that the New MMB Shareholders' Agreement will provide that if Camrova is asked to make a contribution pursuant to a future cash call in connection with new funding and Camrova does not make its proportionate contribution, the non-defaulting MMB shareholders will have the right to contribute on behalf of Camrova, in which case Camrova's current 10% ownership in MMB may be diluted, and such dilution could be material.

MMB management have projected a cash short fall of approximately US$160 million for 2017 based on the 2017 MMB Budget. It is unclear at this time to what extent this cash short fall will be covered by new equity and/or new shareholder or third-party loans.

To date, MMB has issued cash calls for an aggregate funding of $409.0 million, including $63.0 million in 2017 expected to fund operations through Q2 2017. The Company informed MMB that it would not participate in and contribute its 10% share in each of the cash calls and KORES has funded MMB proportionate share. In accordance with the dilution formula in the New MMB Shareholders' Agreement as applicable to conversions of loans made by a non-defaulting shareholder on behalf of a defaulting shareholder, if KORES elects to convert the entire amount contributed on behalf of the Company ($40.9 million), the Company's ownership interest in MMB would be reduced from its current level of 10% to approximately 7.4%.

It is the Company's current expectation that it will not contribute to any cash calls made by MMB in 2017, which may result in initial dilution or further dilution of the Company's ownership in MMB, depending on the funding structure of the cash call (ie subscription of additional MMB shares or shareholder loans) and whether or not KORES has exercised any option to convert any prior loan contributions made on behalf of the Company at such time.

Further cash calls are anticipated during 2017 to fund the projected cash short fall for the year, which may give rise to further dilution. There can be no assurance that MMB will not require further funding in 2017, or beyond, and issue further cash calls to fund operations, resulting in even further dilution of Camrova ownership in MMB.

The Company's ownership in MMB may be diluted below 8% and it will no longer be entitled to representation on the MMB board

The New MMB Shareholders' Agreement provides for the Company to be entitled to have one representative on the MMB Board so long as its ownership interest in MMB does not fall below 8%. As noted above, the Company has not contributed its proportionate share of any MMB cash calls to date and KORES has contributed in its behalf. Based on cash call contributions made by KORES on the Company's behalf to date, pursuant to the New MMB Shareholders' Agreement, KORES could elect to convert those shareholder loans to equity and dilute the Company's ownership in MMB below 8%, in which case the Company may no longer maintain any representation on the MMB board.

Under such circumstances, the Company's already limited influence on operating decision making and access to the Project and Project information may be limited even further.

The Boleo Project may struggle to achieve profitability and maintain the continued financial support of KORES and/or to attract further external funding

MMB has relied upon external debt financing backed by a KORES guarantee to fund the completion of the Boleo construction and additional working capital requirements for commissioning, start-up and ramp-up of operations. MMB management have projected a cash short fall of approximately $160 million for 2017 based on the 2017 MMB Budget. Should MMB require further funding for its operations in 2017, or if the Boleo Project does not achieve the 2017 operating targets and/or profitability in the foreseeable future, the continued financial support of KORES and, therefore, the continued viability of the Boleo Project and MMB are uncertain. Should KORES no longer support the Project financially, the Boleo Project may be shut down indefinitely.

Whether the Project ultimately will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and cost of mining; metal prices, which are highly cyclical; metallurgical recoveries under actual conditions and reagent costs (particularly the price of sulphur, which has fluctuated dramatically in the past few years); and government regulations, including those relating to prices, taxes, royalties (currently there are no royalties against the Project), land tenure, land use, importing and exporting of minerals, and environmental protection.

The Boleo Project is facing mining difficulties and may prove to be uneconomic

The Project represents a predominantly soft-rock, ore-body, spread amongst seven flat-lying ore beds (or “mantos”). MMB was planning to apply a mechanized room-and-pillar mining method for most of the mining, utilizing a fleet of continuous miners, mobile roof support and mobile haulage equipment for the purpose of advance and retreat mining.

However, underground, soft-rock mining presents a number of significant challenges including (but not limited to) safe and efficient ground control, geotechnical complexities aggravated by the presence of historic underground mine excavations (some filled and some unfilled), attracting and retaining suitably skilled personnel, operating specialized mining equipment and associated maintenance support.

MMB continues to evaluate a number of potential mining methods and alternative mine plans, including increasing the proportion of open pit mine production. There is no assurance that MMB will be able to achieve the mining production levels required and at reasonable cost to ensure the economic viability of the Project.

Camrova no longer has complete and timely access to material or relevant information concerning MMB and the Boleo Project

As the Company no longer controls MMB or is the operator of the Boleo Project, the Company is dependent on MMB and/or KORES providing the Company with relevant and accurate technical and financial information regarding MMB and the Boleo Project (“Material Information”) for it to ensure that its shareholders and the markets are appropriately informed and updated in accordance with the Company’s continuous reporting and other regulatory requirements. As the members of the Consortium and KORES may have differing internal and/or external informational reporting requirements, the Company may not always have, or be granted access to, on a timely basis, all Material Information. While the Company is working with MMB and KORES to ensure that it receives timely access to all such Material Information the Company may not receive or be aware of such Material Information to enable it to disclose to its shareholders and the markets on a timely and complete basis.

Camrova may experience difficulties with its Boleo partners

As a non-controlling partner, Camrova is subject to the risks normally associated with such arrangements. These risks include disagreement with a partner on how to develop, operate and finance a project and possible litigation between Camrova and any partner regarding contractual arrangements. Such circumstances may have an adverse effect on the Company’s relationship with the Korean Consortium and its ability to maximize any financial returns to Camrova shareholders from the Boleo Project.

Potential future litigation and regulatory investigations

Following the Company’s announcement of the forecast Project cost overruns on April 23, 2012, the Company was subject to legal proceedings and litigation, including a class action lawsuit initiated by a shareholder seeking among other relief, damages in the amount of Cdn$250 million. While a settlement was reached between the parties and the class action lawsuit has been dismissed, the Company may become subject to other legal proceedings in the ordinary course of conducting its business. In general, litigation claims can be expensive and time consuming to bring or defend against, and could result in settlements or damages that could significantly affect the Company’s financial position. The Company intends to contest any such litigation claims to the extent of any available defences. Currently, the Company is not subject to any legal proceedings or litigation..

The Company has entered into a letter of intent in connection with a prospective investment in a small-scale copper processing plant in Chile, but has not yet executed definitive documentation

The Company may be unable finally to conclude to its satisfaction the due diligence on the Virginia Project, nor be able to finalize the definitive investment agreement documentation. There can be no assurance that the Company will be successful in completing the investment and participate in the restart and expansion of the processing plant generating near-term cash flow for the Company as anticipated.

In addition, the Company would need to raise funding to complete the final stage of the contemplated buy-in option in the Virginia Project.

The Virginia Project is located in Chile and is subject to country risks that may affect Camrova's ability to complete development work on or operate the Project

Camrova's prospective investment in the Virginia Project activities will be exposed to various levels of political, economic and other risks and uncertainties. These risks include but are not limited to fluctuations in currency exchange rates, high rates of inflation, excessive import duties and taxes on the importation of equipment, expropriation and nationalization, possible future restrictions on foreign exchange and repatriation, changes in taxation, labour and mining regulations and policies, and changing political conditions, currency controls, and government regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ local citizens.

Changes, if any, in mining or investment policies, or shifts in political attitude in Chile, may adversely affect Camrova's operations or profitability. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes (including mining duties), expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications, and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted, and could have an adverse effect on Camrova's operations or future profitability.

The Company has allowed the Cinto Colorado option agreement to expire

Should MMB or some other third party express interest in acquiring or otherwise developing the Cinto tailings, there can be no assurance that the Company would be successful in renegotiating any agreement with Cinto Colorado to participate in the project economics.

Cinto Colorado has been unsuccessful in securing ratification of its lease of the tailings and slags. There is no guarantee that title to the Cinto tailings and/or slags will not be challenged or impugned. Cinto Colorado's rights pursuant to its lease may be subject to prior unrecorded agreements or transfers or the claims of local people, and title may be affected by undetected defects. There may be valid challenges to the Cinto lease which, if successful, could impair development and/or operations. Other than the ongoing discussions with the Municipio regarding the ratification of the Cinto lease, there are currently no known or threatened challenges to the Cinto lease of which Camrova is aware.

The Company may never declare dividends

The Company has never declared or paid dividends on the common shares of Camrova. The Company currently expects to retain earnings, if any, to finance growth and development of its business, and does not expect to pay cash dividends on the common shares in the near future. The declaration of dividends is within the discretion of the Company's board of directors and will depend upon the board's assessment of the Company's earnings, capital requirements, operating and financial conditions and other relevant factors, including the commencement of profitable operations at the Boleo Project and the prospect for interest income or other distributions of earnings from the Project.

The price of Camrova's securities, the ability to raise any additional financing that may be needed in the future, any future exploration or development activities and its investment in the Boleo Project may be adversely affected by fluctuations in copper and other metal prices

The value and price of Camrova's common shares, its financial results, and the results of its exploration activities may be significantly adversely affected by declines in the price of copper and other metals. Copper, cobalt and zinc sulphate prices fluctuate widely and are affected by numerous factors beyond its control such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of copper, cobalt and zinc producing countries throughout the world. The prices for copper, cobalt and zinc fluctuate in response to many factors beyond anyone's ability to predict. These fluctuations if adverse either individually or cumulatively could render the prospective Virginia Project, the Boleo Project or any other future project uneconomic, or if placed into commercial production could cause fluctuations in earnings including possible reductions in revenues, net income and possible losses.

The prices used in determining resource estimates are disclosed and differ from daily prices quoted in the news media. The percentage change in the prices of metals cannot be directly related to the estimated resource quantities, although it affects the resultant cash flow, if any, and may result in a significant change in the amount of resources. Because mining occurs over a number of years, it may be prudent to continue mining for some periods during which cash flows are temporarily negative for a variety of reasons including a belief that the low price is temporary, to retain staff, to maintain social license to operate, or to defer permanent closure costs.

In addition to adversely affecting MMB's or another project's mineralized material estimates and its financial condition, declining metal prices can impact operations by requiring a reassessment of the commercial feasibility of a particular project. Such a reassessment may be the result of a management decision related to a particular project. The need to conduct such a reassessment may cause substantial delays in development or may interrupt operations, if any, until the reassessment can be completed.

Changes to the Board and/or management may adversely affect the Company

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on Camrova's business and prospects. There is no assurance Camrova can maintain the services of its directors, officers or other qualified personnel required to operate its business. Any Board or management changes may present potential issues with continuity.

Any failure by the Company's Interim CEO, any successor CEO or other member of senior management, or the Company's management team to perform as expected may have a material adverse effect on Company's business, results of operations and financial condition.

Camrova is subject to foreign currency risk

The Company operates internationally but maintains an office and operations in Canada, which gives rise to the risk that its financial instruments may be adversely impacted by exchange rate fluctuations. A portion of the Company's expenses are incurred in US dollars and to a lesser extent other foreign currencies.

A significant change in the currency exchange rate between the US dollar and the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not entered into foreign currency contracts to hedge its risk against foreign currency fluctuations. The functional currency of Camrova is the Canadian dollar, thus foreign exchange gains or losses may arise in converting any US dollar-based investments to Canadian dollars.

Corruption and Bribery

Camrova is required to comply with anti-corruption and anti-bribery laws. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on Camrova resulting in a material adverse effect on the Company.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and Camrova may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of Camrova.

Currently, Camrova does not have liability and property insurance in place given the inactivity at its Cinto Colorado Project in the Mexico. However, historically, Camrova has maintained liability and property insurance where reasonably available, in such amounts it then considered prudent. Camrova may become subject to liability for hazards against which it cannot insure, or which it may elect not to insure against due to high premium costs or other reasons.

The Company may not be able to maintain a listing of its common shares

The Company may face further financial difficulties in the foreseeable future, which could cause it not to be able to maintain its current listing on the TSX-V. If the Company is unable to maintain the listing of its common shares on an exchange, it will make it difficult for shareholders to sell their shares.

For further risk factors more specific to MMB in which the Company holds a 10% shareholding as at December 31, 2016, the reader is referred to other risks and uncertainties disclosed in Camrova's (formerly Baja's) Annual Information Form for the year ended December 31, 2013, filed with the Canadian securities regulatory authorities and available on the SEDAR website at www.sedar.com.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Interim Financial Statements and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with its filings on SEDAR at www.sedar.com.