



ANGKOR GOLD CORP.

Management's Discussion and Analysis

For the Six Month Period Ended January 31, 2014

Angkor Gold Corp.

Management's Discussion and Analysis of Financial Position and Results of Operations for the six month period ended January 31, 2014

BACKGROUND

This Management's Discussion & Analysis ("MD&A") of Angkor Gold Corp. ("Angkor Gold" or the "Company") is dated as of March 31, 2014, which is the date of filing this document. It provides a review of our financial results, from the viewpoint of management, for the six month period ended January 31, 2014. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended July 31, 2013. This discussion includes the accounts of the Company and its wholly-owned subsidiaries, PPMC Canada, a corporation existing under the provincial laws of Alberta; Angkor Gold Corp. (Cambodia) Co. Ltd. ("PPMC Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia; Liberty Mining International Pty Ltd. ("Liberty"), a corporation existing under the laws of Australia; Transol Mining and Exploration Pty Ltd. ("Transol Australia"), a corporation existing under the laws of Australia; Liberty Mining (Cambodia) Ltd. ("LMC Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia; Liberty Mining International Pty Ltd. ("LMI Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia; and Transol Mining and Exploration Pty Ltd. ("Transol Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia.

BUSINESS UPDATE

On February 20, 2013, the Company signed a Definitive Agreement ("DA") with Mesco Gold Ltd. ("Mesco") pursuant to which the Company has agreed to sell Mesco the rights to develop and mine the Company's Phum Syarung prospect located within its Oyadao South Concession in Ratanakiri Province, Cambodia. The DA confirms that the Company will receive 10% of the net smelter royalty from all production at the Phum Syarung prospect. Mesco will pay the Company \$1,200,000 USD, \$700,000 USD in cash which has been paid and a \$500,000 USD promissory note, for the prospect. The promissory note is payable either two months from closing or when the Cambodian government grants a preliminary exploitation license to Mesco, whichever is later. The sale closed on April 30, 2013 and initial payment of \$700,000 USD was received on that date. It is management's judgment that the preliminary exploitation license will be granted in not more than the next twelve months.

On November 14, 2013, the Company closed a Purchase Agreement with Mesco which extends their existing land package from 6 square kilometers to 12 square kilometers to include Angkor's recently identified Blue Lizard prospect. Angkor and Mesco have also agreed to amend their current NSR terms to introduce a sliding scale Net Smelter Royalty on production from the expanded land package based on the price of gold as follows: 7.5% between \$1,300 to \$1,700, increasing by 0.5% per \$50 change in the price of gold above \$1,700, decreasing by 0.5% per \$50 change in the price of gold below \$1,300.

The financial statements are prepared in accordance with International Financial Reporting Standards. All financial information is presented in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors outside management's control that could cause actual results to differ materially from those expressed in the forward-looking statements. The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements and does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

SELECTED FINANCIAL INFORMATION

The following is selected financial data from the Company's consolidated financial statements for the six month period ended January 31, 2014 and the last two years, ending July 31, 2013 and 2012.

	Years ended		
	January 31, 2014	July 31, 2013	July 31, 2012
Total revenues	\$ -	\$ -	\$ -
Net loss for the period	(513,898)	(1,034,484)	(3,068,187)
Earnings (loss) per share	(0.00)	(0.01)	(0.05)
Earnings (loss) per share – fully diluted	(0.00)	(0.01)	(0.05)
Cash and cash equivalents	153,264	1,321,170	1,371,441
Total assets	12,293,377	12,518,058	10,582,533
Total long-term liabilities	337,282	327,478	110,309

CORPORATE DEVELOPMENT AND STRATEGY

OVERVIEW

The monsoon rains started in the first quarter, bringing field work to an end, so effort was transferred to processing and analyses of samples already collected. Drilling at Okalla was curtailed after the fifth hole of the program (BL13-043D), so test drilling of 3 short holes on Chomkasun vein west of Okalla was suspended indefinitely. The following table details the numeric data of sampling and analyses.

Tenement	Prospect	Drilled	Rock Assays	Core Assays	TMS	Sieved	Panned	XRF
Banlung	Okalla		-	-	-	-	-	1,200
	Okalla (BL13-040D)		-	391	-	-	-	-
	Okalla (BL13-041D)		-	368	-	-	-	-
	Okalla (BL13-042D)		-	89	-	-	-	-
	Okalla (BL13-043D)	155.44	-	193	-	-	-	-
Koan Nheak	Peacock		-	-	-	-	700	-
Banlung Nth	Kunmum		-	-	5,680	6,319	10,338	7,011
Siem Pang West	Koudapuk		-	-	-	4,110	2,331	4,090
Oyadao	Patang		-	-	-	200	-	-
Oyadao South	OTray		77	-	-	-	-	-
ALS Coefficient	Multi-element Pulps		-	-	-	-	-	2,386
Total		155.44	77	1,041	5,680	10,629	13,369	14,687

Geochronology work started on 28 selected samples (9 rock samples from the field, 19 from drill core) at the University of British Columbia's Mineral Deposit Research Unit. Petrology work will be done on a further 22 samples selected for thin section (polished and standard), and an initial 10 more samples have been selected for whole-rock geochemical analysis. Experimental geophysical work at Blue Lizard was stopped as the rains eliminated access to the area, but the following was achieved before the program was suspended.

Tenement	Prospect	Ground Magnetics		Natural Potential	
		Line Km	Station	Line Km	Station
Oyadao South	Blue Lizard	11.2	514	6.0	1214

After sample processing and analyses were completed, the company took advantage of the enforced slowdown for staff annual vacations, linking them wherever possible to local national holidays such as Bonh Pchum Ben and the Water Festival. Once the data from last season were in hand, the huge task of compiling and assessing them started.

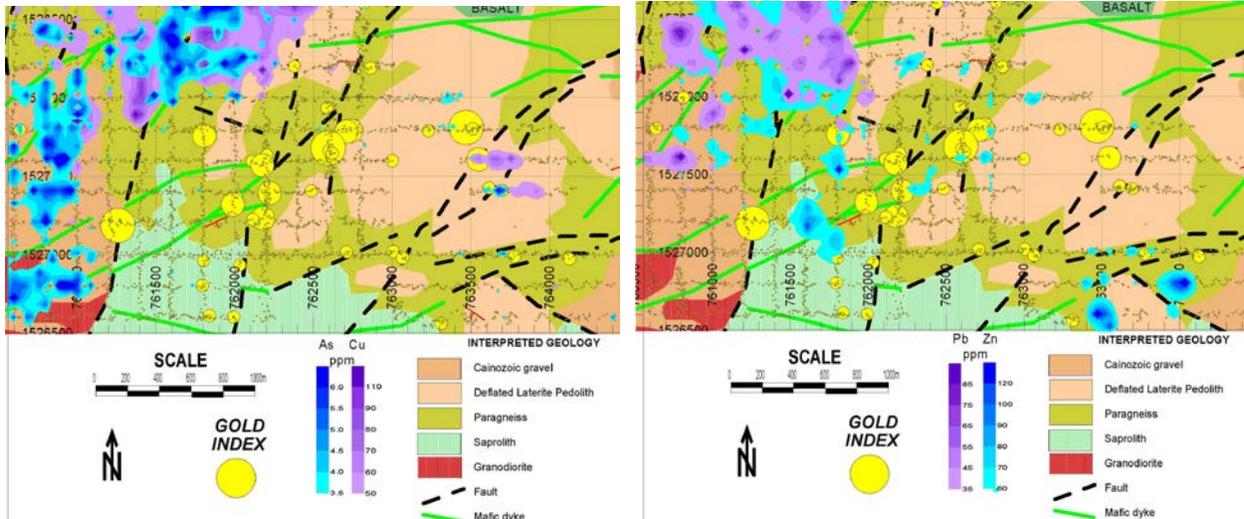
Geological colour codes and patterns have been defined using the Munsell colour chart. The idea is to predict underlying lithology from termite mound material in areas of little or no outcrop. For example, where there is basalt soil cover, mounds tend to be very red, as is the soil, whereas over the granitic rocks both are buff-grey

Trial pH testing of sieved termite mound samples, as a method of narrowing down potential areas of sulphidation, has started. The method only needs inexpensive equipment, but requires a diligent operator. Staff training has commenced and a modest laboratory is being assembled.

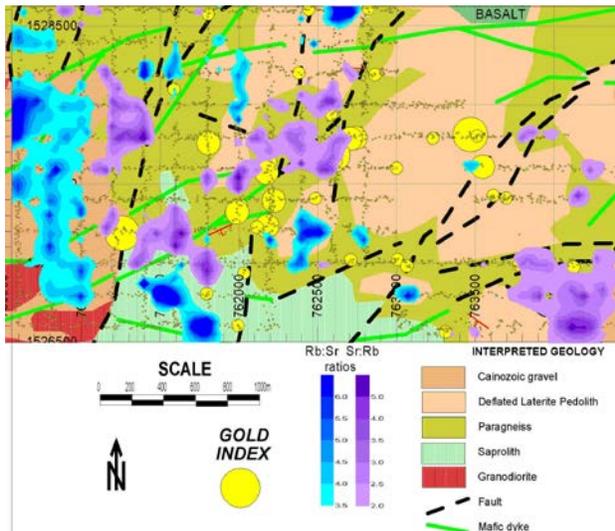
An assay library project was initiated whereby samples sent for fire and ICP-MS analyses have a representative sample added to the library stored in boxes with tickets and sample IDs marked in the plastic sample bags. There are 1,045 assay library samples with assay results and descriptions in the database stored in the library.

Oyadao EL
Patang Prospect

This season, 5889 termite mound samples were collected from an area of 5km² on lines with 200m spacings. This geochemical survey was accompanied by detailed geological mapping.



There is a strong arsenic-copper-lead-zinc anomaly in the northwest, striking 045° over an area of at least 1000m diameter. The anomaly may in fact be a double anomaly, “smudged” together by the wide sampling line interval and localized by at least 2 fractures striking 015°; lying about 600m apart. Mapping showed silica flooding in this area, chalcopyrite-pyrite veining was noted to the immediate east in paragneisses, and pan concentrates returned modest gold indices, almost all confined to these and 2 further fault features further east.



Oyadao South EL
Geological Mapping and Sampling

Much of this quarter, and the latter half of the previous quarter were spent in detailed field mapping. The area has been grouped into 5 major lithological units and 3 minor units. The major units are: Flood Basalt, Rhyolite, Tuff, Sediment, Andesite/Volcaniclastic/Breccia NW, and

Andesite/Volcaniclastic/Breccia SE. The three minor units are quartz veins, mafic dykes, and mafic porphyry dykes. Aplite and granitic dykes are seen as further minor features in a few locations.

Flood basalt This is the youngest unit and blankets most of the northwest and central north regions of the mapping area. There is reference to two units in the flood basalt in Russian mapping, but that contact is not shown on this map. There does appear to be a contrast in the aeromagnetics between the two basalt units and a rough contact can be plotted based on that difference. Most of the contacts on the map are based on geophysics and topographic data so it is possible that there are more isolated 'islands' of weathered flood basalt material. There is no direct evidence for the flood basalt mapped by the Russians in the area to the south of the Phum Syarung near the Blue Lizard prospect, although there is extensive lateritization in the areas between the creeks which might be the remains of the weathered basalt flow.

Rhyolite This is a difficult unit to characterize due to the large amount of silicification in areas previously mapped as rhyolite. Further petrographic study on the rhyolite and the silicified units might shed some light on the extent of this unit and its relationship with the other volcanic units.

Tuff This unit can be grouped with the rhyolites but, although it is also difficult to differentiate from other volcanic units that can be extremely silicified, it is hoped that further detailed mapping and a petrographic study will reveal more about this unit.

Sediment The sediment is composed of several observed facies or sub-units and dominates the majority of the southwest of the mapping area. The subunits consist of: Granite Wash, Red Bed Sediments, Pebble Conglomerate, and Interbedded Fine-Coarse Sediments. The Pebble Conglomerate only exists in one isolated outcrop in a creek bed below laterite and flood basalt. The Granite Wash and the Red Bed Sediments occur in the areas immediately surrounding the northwest volcaniclastic sediments on the ring structure mapped by Nick Lockhart. The rest of the area appears to be covered in interbedded siltstones, fine-grain sandstones, and shale. Some outcrops have ripple marks, cross bedding, flute casts, burrowing traces, and carbonized plant material.

Most of the sediments in the southwest of the mapping area tend to have shallow dip to the south or southwest with some exceptions. There is good evidence that some of the sediments have been uplifted as a result of the basalt volcanism from below.

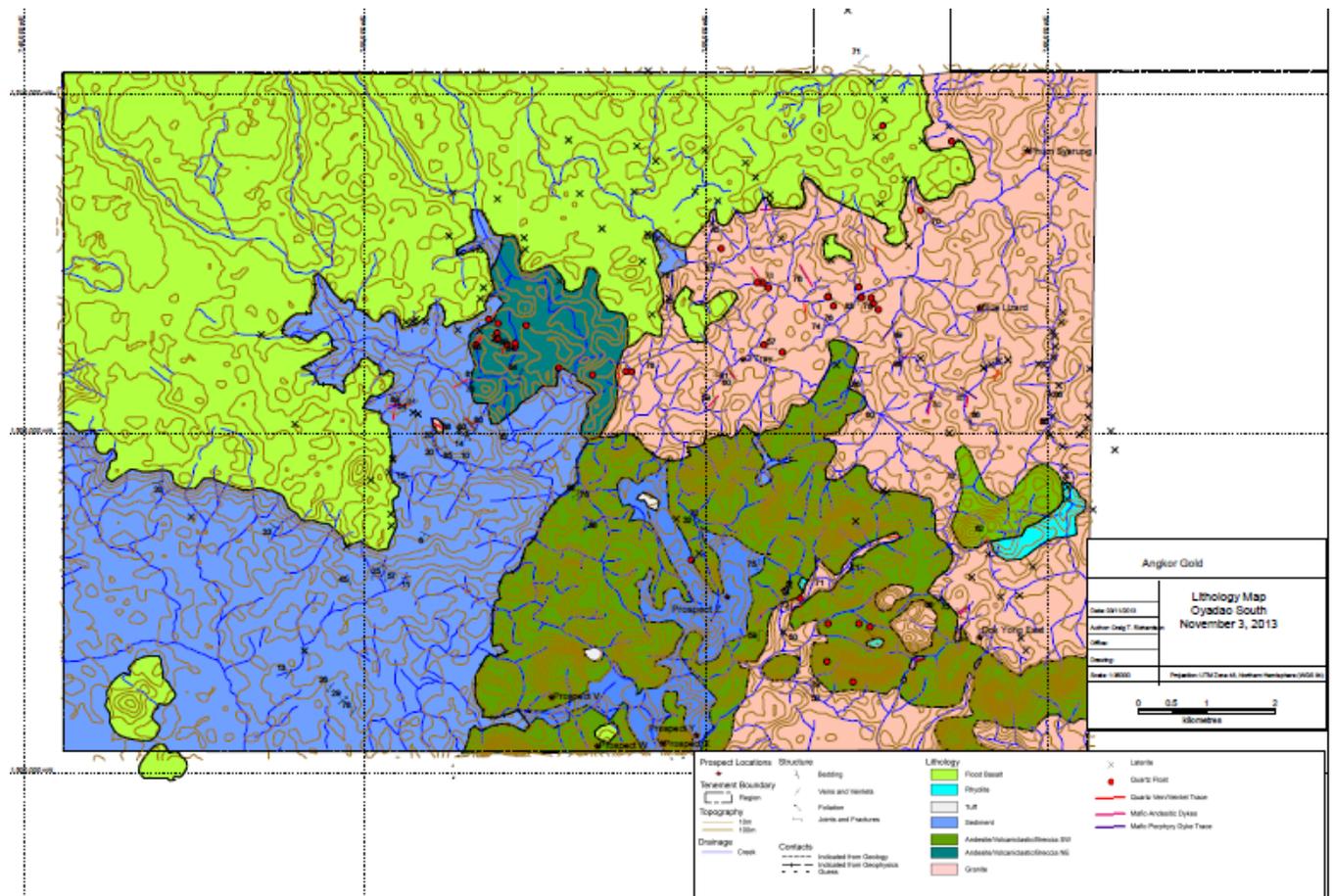
There are also sediments that appear to sit above the andesite and volcaniclastics. Due to a lack of structural data, these features are not plotted with a high degree of confidence. They could be part of the volcaniclastic rock unit, but this needs to be confirmed in the field. In order to properly reconcile this unit with the volcanics, volcaniclastics, and other sediments in the area structural data will need to be obtained in the next phase of mapping.

The other sub-units will be further characterized in the coming months and included in a more detailed map. Mapping in the 2014 season will target the relationship between these sediments and the Volcaniclastic/Breccia unit in the northwest.

Andesite/Volcaniclastic/Breccia SE There is a complicated relationship between andesite and volcaniclastic sediments. The andesites tend to be light to dark green in colour with fine-medium grained groundmass, with occasional coarse biotite, hornblende and plagioclase phenocrysts. The volcaniclastics on the surface usually are light to medium green with a variety of grain sizes from fine to

cobble sized clasts. The coarse volcanoclastics/volcanic polymict breccias are extremely limited in distribution and only occur in a few isolated outcrops making their extent difficult to trace on a semi-regional map. The best example of this breccia unit is seen in the drill holes DK12-001D, DK12-002D and one outcrop surrounding Prospect V.

On top of many of the hills in this southeast region is a silicified mega-breccia with extremely large clasts (several meters or more in diameter). The most obvious outcropping of this unit is found on the hills to the west of DK12-004D and DK12-005D. This has not been plotted separately from the other parts of this unit. There are indications that this breccia might exist on other hilltops in the area, but needs to be confirmed with further mapping.



Andesite/Volcanoclastic/Breccia NW This is probably part of the same unit as those found in the southwest, separated by a NE trending fault which may have displaced the two volcanic/volcanoclastic packages and a portion of the advanced argillic alteration discovered earlier. This unit differs from the southeast in the abundance of significant comb textured and druse quartz veins and associated quartz float trending northeast, as well as a strange volcanic breccia with carbonate. Petrographic analysis should shed some light on this unit.

There is significant silicification and advanced argillic alteration in the northwest as well, possibly related to the large quartz veins. The advanced argillic alteration in the area appears to be overlain by younger propylitic volcanics (Flood Basalt or Andesite) and is covered by basalt to the northwest. The extent

under the basalt is unknown and could cause problems if alteration and mineralization extend under the basalt cover. This area is slated for detailed mapping in the dry season to reconcile some of these findings.

Granitic Rocks The majority of the east is dominated by a granite pluton that extends from Phum Syarung all the way to the far southeast, with some variation in abundance of feldspars and mafic minerals, supported by the radiometric data and ground truthing. This still needs to be confirmed by dry season mapping in the extreme southeast. There is also evidence for younger intrusives cutting into the granite in isolated more dioritic outcrops which correspond to some of the highs on the aeromagnetics.

Quartz veins and veinlets Quartz veins cut into all the listed rocks except younger flood basalt and the various dykes, and although they have not been seen cutting the older basalt, it is not ruled out. This leaves an emplacement window after the deposition of the rhyolite but before the emplacement of the dykes and the younger basalt flows. The mineralized quartz veins tend to be those striking to the north and northeast at variety of dip angles.

Several samples returned notable values: a quartz vein float sample grading 16.5g/t Au, from roughly 2km west of Phum Syarung suggests an area for further geological and geophysical work; the majority of silica-pyrite alteration samples have gold values just above detection from 0.1-0.24 ppm; silica cap and silica alteration with ex-sulphide tend to have anomalous copper, lead, zinc and molybdenum. There are also exceptionally high antimony, arsenic, bismuth, cadmium, tellurium and vanadium values in various samples, which all add further to the high sulphidation evidence. Selected results are in the table below.

Sample_ID	UTM_E	UTM_N	Au ppm	Ag ppm	Cu ppm	Mo ppm	Pb ppm	Zn ppm	Additional Metals
1635411	757577	1509537	16.5	2.4	23	4	79	40	V 7 ppm
1635409	756857	1506882	0.55	0.6	8	1	4	2	V 19 ppm
1635410	756776	1507017	0.04	0.4	4	2	37	6	V 5 ppm
1607883	758252	1502753	0.24	6.8	683	22	283	584	V 56 ppm
1607884	758252	1502753	0.03	7.6	386	7	208	263	V 19 ppm
1607866	751620	1506307	0.08	4.7	139	5	200	3	
1604594	758733	1504261		0.5	28	168	112	53	V 7 ppm
1607870	758773	1502383			325	31	134	158	V 12 ppm
1607875	758123	1501682			44	5	845	113	V 9 ppm
1635427	751936	1506393	0.01	0.2	6	172	55		V 4 ppm
1607891	760170	1503570			6	12	83	3	V 576 ppm
1635422	760026	1503724			13	3	15	45	V 181 ppm
1635439	757725	1506535		1.3	460	1	10	71	
1635440	757725	1506535		1.3	382	1	9	68	
1635441	755769	1502034	0.06	0.5	73	333	44	7	As 611 ppm, Sb 54 ppm, Te 10 ppm
1635442	754878	1503116	0.01		74	47	291	67	As 12 ppm
1635443	755848	1502377	0.12	3.9	63	42	273	6300	As 24ppm, Cd 59ppm
1635444	756402	1502754	0.02		260	144	41	49	As 12 ppm , V 108 ppm
1635445	756214	1501327			40	581	4	11	
1635446	756424	1502801	0.02		63	11	8	16	As 15 ppm
1635449	756775	1502201			26	363	22	15	
1635450	756849	1502470		2.4	121	319	1485	21	
1635451	756775	1502201		0.9	47	573	1000	16	

Mafic-Intermediate Dykes The majority of mafic dykes have been found cutting the granitoid rocks and dominantly consist of dark aphanitic material. They tend to have the same strike as the quartz veins.

Mafic Porphyry Dykes Mafic porphyry dykes with a light-medium grey aphanitic matrix with euhedral plagioclase, hornblende, and biotite crystals throughout have been mapped throughout the field area. This will be further characterized with petrographic information.

Structure

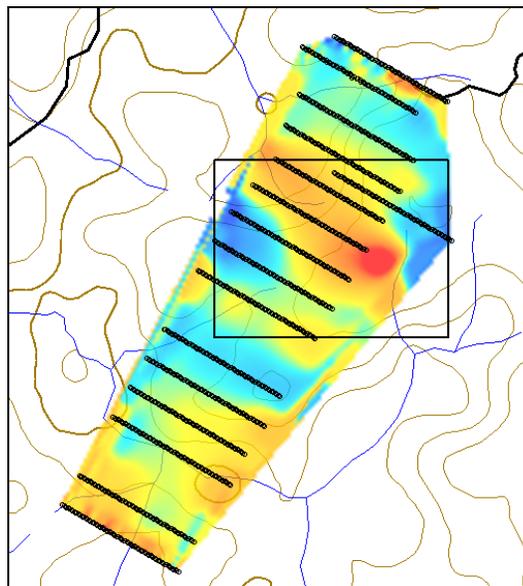
The structural data is still being processed to build into this map. Much more of it will probably be gleaned from geophysics. From initial analysis, the majority of the linear mag lows, especially in the granite, seem to correspond to some of the shears and joint sets that were measured in the field.

Alteration

The area is dominated by several types of alteration: propylitic, argillic, advanced argillic, phyllic, silica alteration, and silica-pyrite alteration. The reflected light spectroscopy spectra from Terraspec will be re-examined on newer software and replotted on the map.

Geophysics

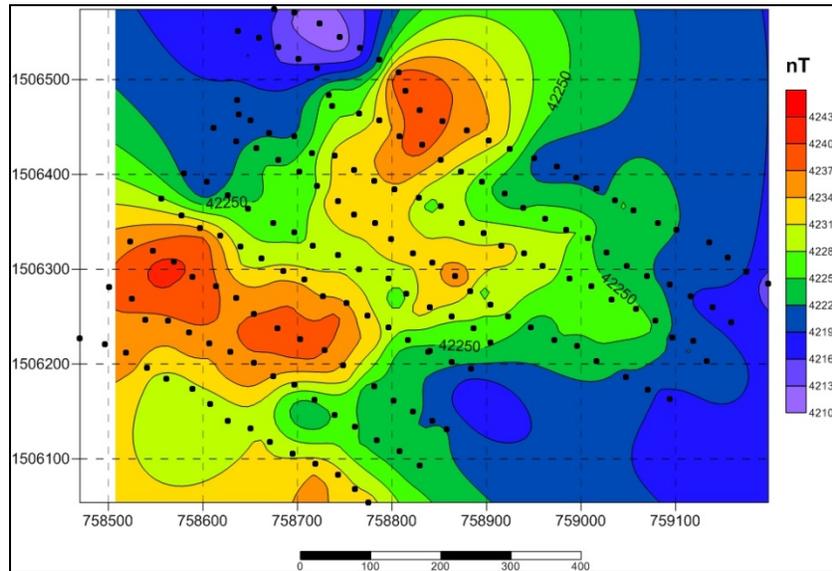
The Spontaneous Potential (SP) and Magnetometer pilot surveys on Otray-Blue Lizard ,started in late July were both completed in late August. The surveys were carried out along a 30 degree SW-NE direction in order to detect potential anomalies. The figure below depicts the results of the initial SP survey which indicates a drop of Voltage over the polymetallic veins located on line 3. Similar anomalies have been detected on lines 7, 8, and 9. However, as the detection unit is home-made, these results required confirmation by field observation or another geophysical method. For this reason, a ground magnetic (GMag) survey using a G-856A-X magnetometer was carried out in the same location.



Results of the SP survey showing location of the processed GMag data

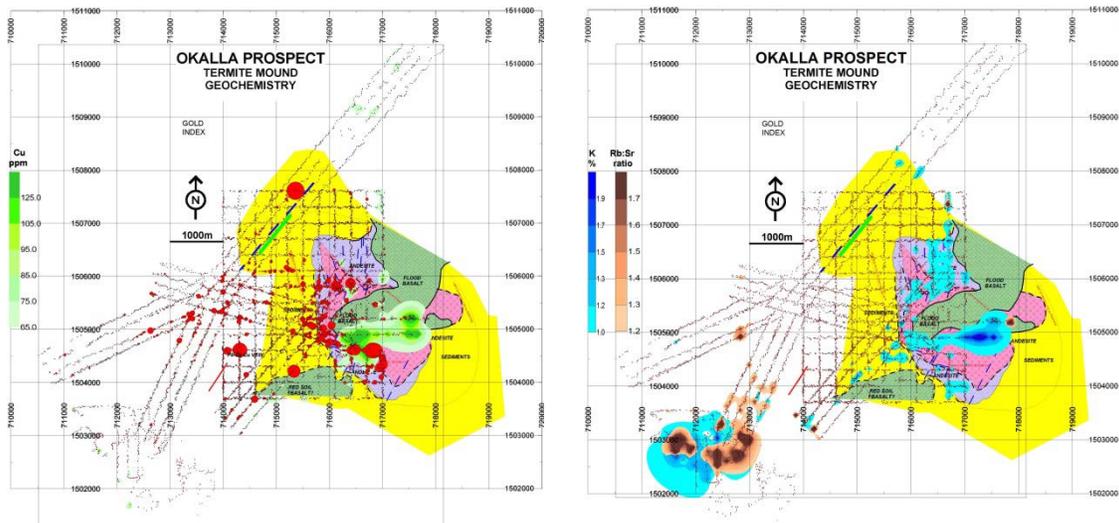
The figure above shows the rectangle area where realistic GMag data were extrapolated by kriging and corresponds to the location where the NP survey detected the main anomaly. Diurnal correction has not been done.

The survey indicates a weak anomaly well oriented in the SW-NE direction, as well as another perpendicular to it. However, without diurnal correction it still difficult to guarantee any results or to link the increase of the magnetic field intensity to a geological context or deposit.

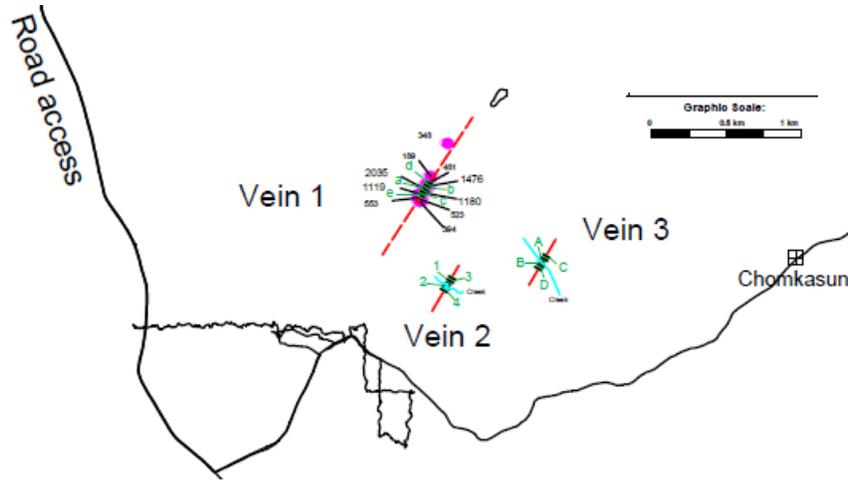


Banlung EL
Okalla Prospect

All remaining termite samples from Okalla programs from before the wet season were finalised this quarter. While the distribution of gold and copper carries no surprises, the potassium distribution is of considerable interest. It picks out the potassic metasomatism of the heart zone of Okalla diorite intrusive, which is exactly as one would expect.



What is pertinent, however, is that the north edge of the Central Gabbro shows similar levels of potassium concentration – as one would expect of a member of the diorite-monzonite-gabbro grouping – and a consistently high Rb:Sr ratio, which the Okalla diorite does not have. According to Hikov, this high Rb:Sr ratio relative to high potassium is suggestive of sericitic alteration, and hence low sulphidation porphyry mineralization, rather than advanced argillic alteration that is associated with low Rb:Sr ratios and the high sulphidation of epithermal deposits. The proximity of sub-epithermal Zn-Pb-Cu-Ag-(Au) in the Chomkasun village veins (within 1km) corroborates this idea, according to Sillitoe’s model.

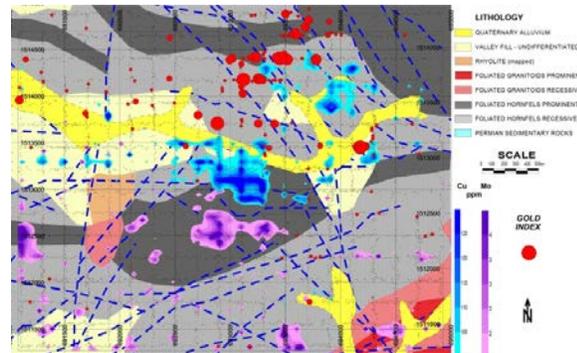
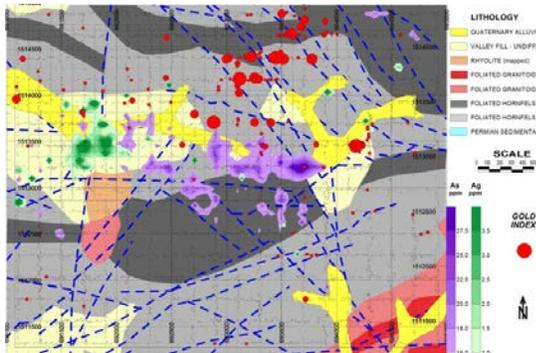


However, there is little copper or gold in the termite samples from this area, apart from some slightly anomalous copper values towards the southernmost extent of the sampling, and there are a couple of gold kicks. This all reinforces the idea that intensive exploration over the Central Gabbro is warranted.

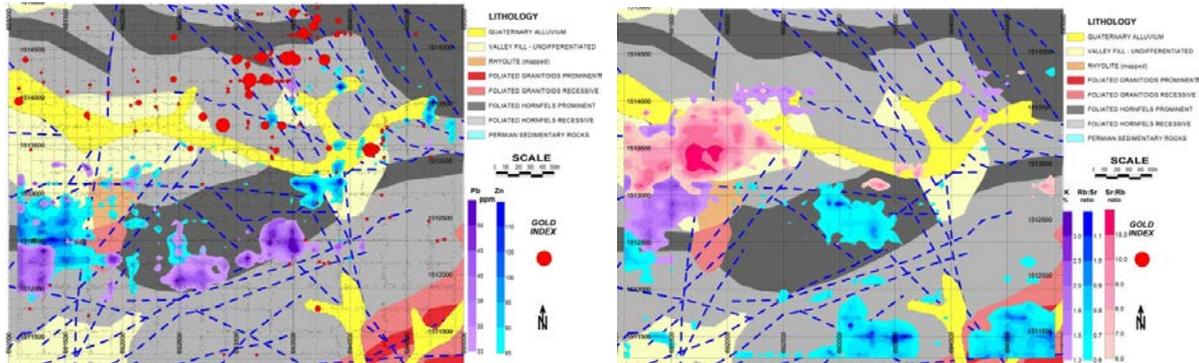
In examining the distribution of gold around Okalla in the termite samples, the long tail of trace gold to the west of the main intrusive is worth chasing after at depth, using VLF-EM, Magnetic and IP surveys as follow up.

**Banlung North EL
Kunmum**

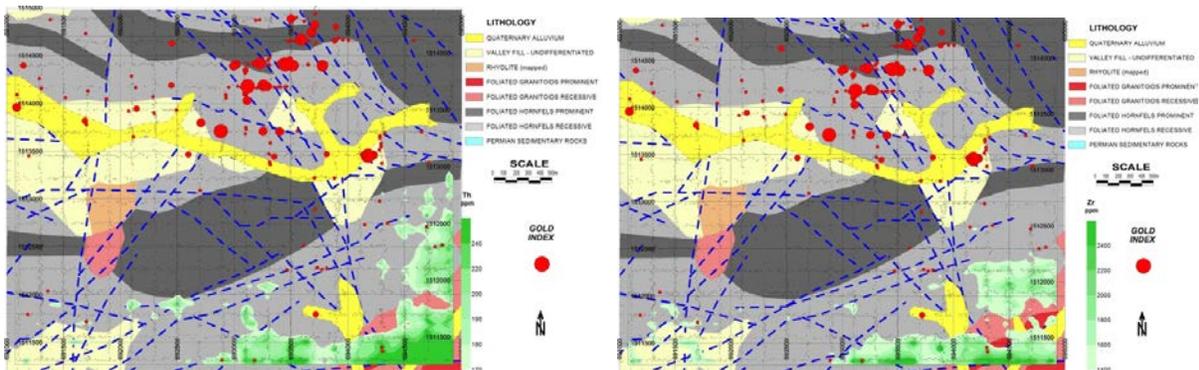
All remaining termite samples from the program from before the wet were finalised in November.



The distributions of anomalous copper and arsenic are interesting, as they coincide, suggesting a good target of some 800 to 1200m strike along a west-east orientation, on the north edge of the hornfels ridge. Arsenic seems to form a second, weaker, parallel anomaly, some 300 to 400m to the south of the main one, and coinciding in the east with a weak molybdenum concentration. The molybdenum showing is repeated by a strong rubidium: strontium ratio high, at what seems to be the peak of the hornfels ridge. Gold, which closely followed arsenic in the 'C' zone sampling of 2010, is now distributed in a disperse pattern to the north, unrelated to the arsenic distribution, but showing poor coincidence with lower concentrations of copper.



Silver is a strange one, concentrated like the strontium:rubidium ratio anomaly in the valley fill in the west, but unrelated to zinc, and more particularly lead, which one would expect it to mirror. Perhaps more pertinent is the fact that these coincident anomalies lie over a fault that strikes north-northeast. Lead and zinc are also concentrated in the west, where there is a molybdenum kick. Perhaps the survey should be extended to the west.



An interesting, but probably not economic, factor is the concentration in the southeast of thorium and zirconium, coinciding with a strong rubidium: strontium ratio high. This appears to mirror the granodiorite outcrop. Note the level of zirconium, however: over 0.15% up to and over 0.25%. This may be an artefact of the XRF instrument so check ICP-MS analyses are required.

Outlook

Work in the second quarter has commenced, and is concentrating on geological field mapping and reconnaissance termite mound sampling, starting in the Andong Meas EL. As the work is completed there, it will transfer to other Licenses areas where there are gaps in the database. At the same time, our regular refresher training program for our field operators has started, particularly in field operation of the geophysical instruments.

OVERALL PERFORMANCE FOR THE REPORTING PERIOD

For the three month period ended January 31, 2014, the Company recorded a net loss of \$302,683 (\$0.00 loss per share) compared with the January 31, 2013 total net loss of \$271,769 (\$0.00 loss per share).

The \$302,683 net loss in the three month period ended January 31, 2014 was driven by: (i) salaries, wages, and benefits of \$165,500, (ii) corporate development of \$19,163, (iii) social development of \$28,500, (iv) office expenses of \$28,419, and (v) professional fees of \$32,158.

The \$271,769 net loss in the three month period ended January 31, 2013 was driven by: (i) salaries, wages, and benefits of \$179,278, (ii) share-based compensation of \$521,200, (iii) corporate development of \$48,575, (iv) social development of \$28,500, (v) office expenses of \$81,250, and (vi) professional fees of \$79,610. The \$702,998 net loss in the six month period ended January 31, 2013 was driven by: (i) salaries, wages, and benefits of \$340,478, (ii) share-based compensation of \$613,700, (iii) corporate development of \$94,972, (iv) social development of \$57,064, (v) office expenses of \$152,026, and (vi) professional fees of \$126,755.

Working Capital and Total Assets

As at January 31, 2014, the Company had \$12,293,377 in total assets and a net working capital deficit of \$177,857.

Summary of Quarterly Results

The following table provides selected financial information of the Company for each of the last eight quarters ended January 31, 2014.

	For the quarters ended			
	January 31, 2014	October 31, 2013	July 31, 2013	April 30, 2013
Total revenues	\$ -	\$ -	\$ -	\$ -
Total comprehensive income (loss)	(309,689)	(215,125)	(658,918)	330,350
Earnings (loss) per share	(0.00)	(0.00)	(0.01)	(0.00)
Earnings (loss) per share – fully diluted	(0.00)	(0.00)	(0.01)	(0.00)
Cash and cash equivalents	153,264	465,934	1,321,170	2,555,902
Total assets	12,293,377	12,314,513	12,518,058	13,068,471
Total long-term liabilities	337,282	338,222	327,478	111,248

	For the quarters ended			
	January 31, 2013	October 31, 2012	July 31, 2012	April 30, 2012
Total revenues	\$ -	\$ -	\$ -	\$ -
Total comprehensive income (loss)	(276,316)	(437,662)	687,021	(589,596)
Earnings (loss) per share	(0.01)	(0.01)	(0.01)	(0.01)
Earnings (loss) per share – fully diluted	(0.01)	(0.01)	(0.01)	(0.01)
Cash and cash equivalents	2,549,052	744,737	1,371,441	3,372,725
Total assets	12,527,616	12,194,389	10,582,533	11,051,290
Total long-term financial liabilities	110,121	-	-	-

CAPITAL EXPENDITURES

During the six month period ended January 31, 2014, the Company capitalized \$724,390 of deferred exploration expenditures and \$56,929 of property, plant and equipment. During the twelve month period ended July 31, 2013, the Company capitalized \$3,557,159 of deferred exploration expenditures and \$11,365 of property, plant and equipment.

LIQUIDITY AND CAPITAL RESOURCES

The Company's aggregate operating, investing and financing activities for the six month period ended January 31, 2014 resulted in a cash decrease of \$1,167,906 (January 31, 2013 – cash increase of \$1,177,611). At January 31, 2014, the Company's balance of cash and cash equivalents was \$153,264 (July 31, 2013 – \$1,321,170) and the Company had a net working capital deficit of \$177,857 (July 31, 2013 – net working capital of \$1,185,381).

The Company's assets have not been put into commercial production and the Company has no operating revenues. Accordingly, the Company is dependent on the equity markets as sources of operating capital. The Company's capital resources are largely determined by the strength of the junior resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There can be no assurance that additional financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

TRANSACTIONS WITH RELATED PARTIES

The Company entered into the following transactions with related parties during the six month period ended January 31, 2014. Amounts stated below are presented in reference to the six month periods ended January 31, 2014 and January 31, 2013, respectively:

- Expense report reimbursements to certain directors and officers of the Company in the amount of \$67,981 (2013 - \$37,054).

Of these related party transactions, \$854 is remaining in accounts payable as at January 31, 2014 (July 31, 2013 - \$2,960), which is unsecured, non-interest bearing and have no specific terms of repayment.

All related party transactions were measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

The remuneration of directors and other members of key management were as follows:

	Six months ended January 31, 2014	Six months ended January 31, 2013
Management payments	\$ 256,492	\$ 161,200
Stock-based payments	-	-
	<u>\$ 256,492</u>	<u>\$ 161,200</u>

OFF BALANCE SHEET ARRANGEMENTS

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the company.

FINANCIAL INSTRUMENTS

As disclosed in its audited consolidated financial statements for the year ended July 31, 2013, the Company has identified several financial instruments that it utilizes in its day-to-day operations. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

OUTSTANDING SHARE DATA

a) Authorized:

Common Shares
Unlimited number of common shares

Preferred Shares
Unlimited number of preferred shares

b) Issued and outstanding:

January 31, 2014: 79,305,113 common shares

March 31, 2014: 79,325,113 common shares

RISKS AND UNCERTAINTIES

The exploration for and development of mineral deposits are highly speculative activities and are subject to significant risks. The Company's ability to realize its investments in exploration projects is dependent upon a number of factors, including its ability to continue to raise the financing necessary to complete the exploration and development of those projects and the existence of economically recoverable reserves within its projects. Other significant risks are listed below.

Operations in Cambodia

The Company's primary mineral property is located in Cambodia and as such, it is exposed to various levels of political, economic, and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, crime, political instability, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange or repatriation, and changing political conditions and governmental regulations. Changes, if any, in mining or investment policies or shifts in political attitude in Cambodia may adversely affect the operations or profitability of the mineral property. 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, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, mine safety, and the rewarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. 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 interest. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the mineral property.

Stage of Development

The Company's primary mineral property is in the exploration stage and the Company does not have an operating history with respect to its exploration activities. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors such as unusual or unexpected geological formations, and other known and unknown factors.

Environmental

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company, and they may render the Company's properties uneconomic. The Company has no liability insurance, and the Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

Future Financings

If the Company's exploration programs are successful, additional funds will be required for further exploration and development to place a property into commercial production. The Company's available sources of funds are: (i) the Company's existing cash and cash equivalents, (ii) the further sale of equity capital or (iii) the offering by the Company of an interest in its properties to be earned by another party or parties carrying out further exploration or development thereof. There is no assurance such sources will continue to be available on favourable terms or at all. If available, future equity financings may result in dilution to current shareholders.

Profitability of Operations

The Company is not currently operating profitably and it should be anticipated that it will operate at a loss at least until such time as production is achieved from its property, if production is, in fact, ever achieved. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Currency Risk

The Company's mineral property options incur costs which are denominated in USD. Future changes in exchange rates could materially affect the viability of exploring and developing this property.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) on a timely basis so that appropriate decisions can be made regarding public disclosure.

An evaluation of the effectiveness of the design and operation of disclosure controls and procedures was conducted as of July 31, 2013, by and under the supervision of the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the disclosure controls and procedures, as defined in Canada by Multilateral Instrument 52-109, Certification of Disclosure in Issuers’ Annual and Interim Filings, are effective to ensure that (i) information required to be disclosed in reports that are filed or submitted under Canadian securities legislation and the Exchange Act is recorded, processed, summarized and reported within the time periods specified in those rules and forms; and (ii) material information relating to the Company is accumulated and communicated to the Company’s management, including the CEO and CFO, or persons performing similar functions.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following is a breakdown of the cumulative material costs for exploration and evaluation assets:

	Six month period ended January 31, 2014	Years ended July 31, 2013	July 31, 2012
Non-earn in payments	\$ 6,751,931	\$ 5,903,810	\$ 6,209,569
Earn in payments	4,671,412	4,617,673	2,752,533
Total	11,423,343	\$ 10,521,483	\$ 8,962,102

General and administrative	\$ 604,607	\$ 2,489,872	\$ 2,220,261
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General and administrative expenses are provided by category of major expense in the Consolidated Statements of Comprehensive Loss included in the financial statements for the six month period ended January 31, 2014.

SUBSEQUENT EVENTS

Refer to note 15 in the condensed interim financial statements for the period ended January 31, 2014.

OTHER INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.