



# ANGKOR GOLD CORP.

ANGKOR GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED 31 JULY 2017 AND 2016

STATED IN CANADIAN DOLLARS

DATE: : 23 NOVEMBER 2017

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**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**TO OUR SHAREHOLDERS**

This Management’s Discussion and Analysis (“MD&A”) should be read in conjunction with the audited financial statements for the years ended 31 July 2017 and July 31, 2016 and related notes attached thereto, which were prepared in accordance with International Financial Reporting Standards (“IFRS”). This discussion includes the accounts of the Company and its wholly-owned subsidiaries, Prairie Pacific Mining Corp. (“PPMC Canada”), a corporation existing under the provincial laws of Alberta; and Angkor Gold Cambodia Co. Ltd. (“AGC”), a corporation existing under the laws of the Kingdom of Cambodia, and Liberty Mining International Pty Ltd., a corporation existing under the laws of the Kingdom of Cambodia.

Discussion of the Company, its operations and associated risks are further described in the Company’s filings, available for viewing at [www.sedar.com](http://www.sedar.com). A copy of this MD&A will be provided to any applicant upon request.

**FORWARD LOOKING STATEMENTS**

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. 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 in the Company’s filings and herein. Additional information regarding the Company, including copies of the Company’s continuous disclosure materials is available through the SEDAR website at [www.sedar.com](http://www.sedar.com).

The table below sets forth the significant forward-looking information included in this MD&A:

<b>Forward-Looking Information</b>	<b>Key Assumptions</b>	<b>Most Relevant Risk Factors</b>
Continued exploration of mineral properties.	The exploration will reveal mineral resources increasing the value of the properties. The business of mining and exploration involves a high degree of risk and there can be no assurance that current or future exploration programs will result in profitable mining operations.	The recoverability of intangible exploration and evaluation assets is dependent upon several factors. These include: The discovery of economically recoverable reserves; The ability of the Company to obtain the necessary financing to complete the development of these properties; and Future profitable production or proceeds from disposition of mineral properties.
The ability to raise capital in the future to continue on-going operations.	The Company will be able to raise capital as required.	The Company has negative working capital and has incurred operating losses since inception. The Company has no source of revenue, and is unable to self-finance operations. The Company has significant on-going cash requirements to meet its overhead requirements and maintain its mineral interests.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **QUALIFIED PERSON**

The technical and scientific information in this document has been reviewed and approved by Dennis Ouellette, B.Sc., P.Geo., a member of The Association of Professional Engineers and Geoscientists of Alberta (APEGA # 104257) and a Qualified Person as defined by National Instrument 43-101 ("NI 43-101"). He is the Company's VP of Exploration on site in Cambodia.

### **CORPORATE OVERVIEW**

Angkor Gold Corp. ("Angkor" or the "Company") was incorporated under the laws of the Province of British Columbia, Canada on October 16, 2008 with its primary focus on mineral exploration in Cambodia. Angkor's five exploration licenses in the Kingdom of Cambodia cover approximately 983 km<sup>2</sup>, which the Company has been actively exploring over the past 8 years.

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol ANK.

As an exploration company, Angkor's business model is to secure licenses to properties to investigate for mineral potential. Initial exploration and investigation is generally conducted by the Company. Not all projects are given equal priority at all times, depending on the availability of exploration funding, the Company's assessment of geological potential, and potential interest from third parties. Not all projects or licenses may be considered "significant" or "material" as those terms are defined in Form 51-102F1, although they may become so in the future depending on a number of factors, or conversely, may no longer be considered "significant" or "material" should they fail to meet expectations and the necessary criteria over time. As projects within the licenses show positive results through exploration, the Company may seek potential exploration and development partners to assist or fund further exploration by the Company with a view to further possible development. There is no fixed model for such arrangements with third parties but may generally include joint development agreements, funding agreements, earn-ins, partnerships, joint ventures and outright sale. To date, the Company has successfully concluded several third party funding agreements where the other company has fully or partially funded exploration on projects of interest in exchange for future rights. As part of funding, earn-in and other agreements, Angkor generally negotiates a carried interest for the Company, should a project be successful. Each agreement is negotiated on its own basis depending on the circumstances and specific terms may vary from agreement to agreement. The Company believes third party funding agreements benefit Angkor by reducing the need to go to public markets for capital financings that would result in greater shareholder dilution. The Company also believes that having multiple projects within a large license package with funding agreements with third parties may serve to reduce some of the risk inherent in mineral exploration and development (see "Risks and Uncertainties" below).



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### HIGHLIGHTS, SIGNIFICANT EVENTS AND TRANSACTIONS

#### 1) Financing and Corporate

What follows is a summary of activities prior to the year ended 31 July 2017 related to financing and corporate operations. The activities disclosed have been the subject of press release(s) and are considered to be highlights of significant events and transactions. See Significant Events and Transactions subsequent to the year-end, for reporting on activities that fell between the year-end and the date of this report.

##### **a) Angkor Announces Appointment of Chief Financial Officer**

On 18 July 2017, the Company announced the appointment of Grant T. Smith, CPA, CA as Chief Financial Officer of the Company effective immediately.

As part of his appointment, Mr. Smith was granted 300,000 incentive stock options at a price of \$0.30 in accordance with the Company's stock option plan. The stock options vest quarterly, 75,000 options vest on each of the follow dates: 18 October 2017, 18 January 2018, 18 April 2018, and 18 July 2018.

##### **b) Angkor Announces Grant of Additional Incentive Stock Options**

On 18 July 2017, the Company also announced the grant of an additional 1,000,000 incentive stock options to directors, officers and consultants of the Company. The option grants are exercisable at an exercise price of \$0.30, and are for a five year term from the date of grant.

##### **c) Angkor Signs Definitive Earn-In Agreement with Renaissance Minerals on Koan Nheak Property.**

On 12 July 2017, the Company entered into a Definitive Earn-In-Agreement with Australian based gold company, Emerald Resources NL ("Emerald") (ASX: EMR) on the Company's wholly owned Koan Nheak property in north-eastern Cambodia.

The agreement terms include a total investment by Emerald's subsidiary, Renaissance Minerals Ltd. ("Renaissance"), for \$2 million USD in exploration and development expenditures plus a \$200,000 USD cash payment to the Company over a 2 year period for them to acquire a 51% participating interest in the Koan Nheak license.

Upon completion of the initial earn in option, Renaissance has the right to acquire an additional 29% participating interest. After that, the Company will maintain a 20% participating interest in the property, or at their discretion can convert a 3.5% Net Smelter Return on all metals.

Renaissance will be the operator on the project throughout.

##### **d) Michael Weeks Acquires Shares in Angkor**

On 7 July 2017, Michael Weeks, CEO, announced that due to recent acquisitions of shares through an agreement of shares for debt in the amount of 589,164 shares at a deemed price of \$0.40 and 9,900 through the marketplace at an average price of \$0.28, he now holds beneficial ownership, direction or control over an aggregate of 10,440,604 common shares, 40,000 share purchase warrants and 680,000 incentive share purchase options, representing in aggregate approximately 10.15% of the outstanding common shares of the Issuer on a non-diluted basis, and 10.78% on a partially diluted basis.

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These securities were acquired by Mr. Weeks both personally, and indirectly through a corporation held in his name, for investment purposes only, with the possibility that he will acquire additional securities of the Issuer in the future.

**e) Angkor Announces Results of its 2017 Annual General and Special Meeting**

On 26 June 2017, the Company reported the results of the Annual General and Special Meeting of Shareholders held 23 July 2017. At the meeting shareholders approved and the Company announced that, subject to the TSX Venture Exchange approval, 589,164 shares at a deemed price of \$0.40 will be issued to the CEO for debt, representing a portion of his accrued salary for several years.

**f) Options Expired Unexercised**

On 26 June 2017, 150,000 options priced at \$0.33 expired unexercised.

On 7 June 2017, 30,000 options priced at \$0.34 expired unexercised.

On 28 March 2017, 230,000 options priced at \$0.34 expired unexercised, and on 21 March 2017, 145,000 options priced at \$0.32 expired unexercised.

On 19 October 2016, 137,000 options priced at \$0.25 expired unexercised.

**g) Angkor Extends Warrant Expiry Date**

On 3 May 2017, the Company announced the TSX Venture Exchange accepted the Company's request to extend the expiry date of 1,563,000 common share purchase warrants by twelve months that were issued as part of a non-brokered private placement completed by the Company in July 2016. The new expiry date is 29 July 2018.

**h) Angkor To Issue Stock To CEO In Lieu Of Salary**

On 28 April 2017, Angkor announced that it will issue common shares in the Company to Michael Weeks, its Chief Executive Officer ("CEO"), in satisfaction of an outstanding obligation to him for deferred salary, subject to shareholder approval at the next AGM and final approval from the TSX-Venture Exchange. Refer to "Significant Events and Transactions Subsequent to the Year" for further information on this event.

Mike Weeks has not collected a portion of his salary for several years. He recently entered into an agreement with the Company to accept the majority of the deferred salary owed to him in stock. The amount of shares for debt issued to Mr. Weeks is 589,164 shares at a deemed price of \$0.40 per share, representing 80% of the \$294,582 in salary due but not paid to him as CEO from October 2012 to November 2016. Mr. Weeks will also receive \$58,916 in cash for the remaining 20% outstanding.

This obligation to the CEO was disclosed in the Company's previous quarter's financial statements. It was previously recorded in the Company's earlier financial statements as an accrued liability related to a contingency fund for social development projects, but was recently reclassified when the Company recognized it was no longer needed for such purpose, and as such, was to be returned to the CEO under its original agreement with him. Rather than take this accumulated compensation entirely in cash, the CEO agreed to take 80% of the obligation owed to him in shares in order to preserve company liquidity.

**i) Angkor Announces Appointment of New Exploration Manager**

On 20 April 2017, Angkor announced the appointment of Dennis Ouellette, B.Sc., P.Geol., as the Company's Exploration Manager. Mr. Ouellette is a member of The Association of Professional Engineers and Geoscientists of

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Alberta (APEGA # 104257) and is a Qualified Person as defined by NI 43-101. He has recently worked as a consulting geologist designing and managing exploration programs in Alberta, Yukon and British Columbia and has assisted in the execution of exploration programs in the USA and Guatemala. He has also worked as a partner in prospecting ventures resulting in the acquisition and optioning of exploration properties in western Canada. Early in his career, Dennis worked in a variety of roles, including Senior Exploration Geologist, Project Geologist, and Field Assistant for companies such as United Keno Hill Mines (Yukon), Falconbridge (Newfoundland), and Goldquest Exploration (Goldcorp – Red Lake, Ontario).

**j) Completion of Non-Brokered Private Placement, and Issuance of Options**

On 11 April 2017, Angkor announced that it closed a non-brokered private placement, subject to TSX Venture Exchange approval. The Company completed the sale of 1,506,250 shares of the Company at a price of \$0.32 per Share for gross proceeds of \$482,000. The Company incurred \$9,052 in share issuance costs. Of the total shares issued, approximately 337,500 shares were purchased by management of Angkor. The Common Shares acquired by the subscribers are subject to a hold period of four months plus one day and may not be traded until 11 August 2017. The Company intends to use the funds raised from the issuance of the shares for general working capital and for continuing to fund the on-going exploration programs at its properties located in Cambodia.

The Company also announced that pursuant to the Company's Stock Option Plan, it has granted 2,990,000 stock options at a price of \$0.38 per common share to directors, officers and consultants of the Company, vesting immediately. The options granted are exercisable until 10 April 2022.

**k) Angkor Concludes Agreement With Mesco For Payment of Final Tranche on Phum Syarung**

On 9 March 2017, Angkor announced the completion of an agreement with Mesco for the payment of Mesco's final tranche of their US\$1.9 million obligation under a previous Agreement of Purchase and Sale for Mineral Rights to the Phum Syarung Prospect. Under the previously reported Agreement of Purchase and Sale for Mineral Rights to the Phum Syarung Prospect agreement dated 5 May 2016, Mesco has previously paid US\$1.4 million to Angkor, with a final payment of US\$500,000 due following the issuance of a mining license to Mesco. The initial mining license for the Phum Syarung Prospect was granted last year (see note "o" below), and under the new amendment to the original agreement, Mesco will now pay the US\$500,000 to Angkor in installments. Details of the installment payments are as follows:

- The first payment of US\$50,000 was agreed to be made by Mesco on or before 25 March 2017. As reported in a press release dated 20 March 2017, Angkor received the US\$50,000 payment from Mesco.
- Additional payments of US\$30,000 will be made by Mesco every three months from 25 March 2017 until the entire amount owing of US\$500,000 is retired. US\$30,000 received by the Company on 25 June 2017.
- Any amount outstanding after deducting any payments above will be due and payable by Mesco 21 days following the earlier of Mesco receiving an amended mining license or beginning to process ore at Phum Syarung.
- There is no interest payable on the final tranche.
- If Mesco defaults in any of the above payments, Angkor retains all the rights and remedies set out in the original agreement. There is no other change to the original agreement between Angkor and Mesco.

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On 6 December 2016, Angkor announced the resignation of Mr. Aaron Triplett as Angkor's CFO and the appointment of Mr. Terry Mereniuk, B.Comm., CPA, CMC as interim CFO. Mr. Mereniuk is currently a director of Angkor.

**m) Angkor Announces Appointment of Stephen Lautens as VP Corporate Affairs**

On 6 December 2016, Angkor announced the appointment of Mr. Stephen Lautens as its new Vice President of Corporate Affairs. Mr. Lautens will be responsible for communications, marketing, and investor relations for the Company.

**n) Angkor Gold Announces And Completes Buyback of 2.5% NSR Interest On Phum Syarung Mine**

On 29 November 2016, the Company announced its intention to complete the buy-back of the 2.5% Net Smelter Return ("NSR") interest from all of the original three purchasers for an amount equal to 130% of their original purchase price of US\$875,000 in exchange for the NSR interests. The buy-back amount was settled by 3,810,625 common shares of Angkor at a deemed price of \$0.40 per share for a total of \$1,524,250. The common shares are subject to a hold period of four months from the date of issue.

**o) Angkor Announces Commencement Of Preparation Of Technical Report Under National Instrument 43-101**

On 7 October 2016, the Company announced that it had commissioned a technical report ("43-101 Report") to be prepared in accordance NI 43-101 on the Phum Syarung property 100% owned by Mesco. Angkor does not expect the report to disclose a meaningful, Canadian-compliant NI 43-101 resource estimate.

**p) Cambodian Government Issues First Commercial Mining License To Mesco Gold**

On 12 September 2016, the Company announced that Cambodia's Ministry of Mines and Energy had approved and issued a mining license for Mesco's Phum Syarung mine. Angkor holds a floating Net Smelter Return ("NSR") based on a sliding scale of 2.0-7.5% on the Phum Syarung prospect that is 100% owned by Mesco.

**q) CDC Grants Approval For The Phum Syarung Gold Mine**

On 30 August 2016, the Company announced that the Council for the Development of Cambodia ("CDC") had granted approval for the certificate of registration on Mesco's Phum Syarung mine. The council consists of all 26 Ministries in Cambodia and is chaired by the Prime Minister.

**2) Exploration**

What follows is a summary of activities prior to year-end considered by management to relate to exploration activities. The activities disclosed have been the subject of press release(s) and are considered to be highlights of significant events and transactions. See Significant Events and Transactions subsequent to the year-end, for reporting on activities that fell between the year end and the date of this report.

**a) Diamond Drilling Program at Okalla West, Banlung South**

On 23 June 2017, the Company announced plans for diamond drilling on the Okalla West project in cooperation with Blue River Resources Ltd. (TSXV: BRX) ("Blue River"). Phase 1 drilling is planned to consist of up to a total of 500 metres intended to determine the orientation, width and frequency of mineralized structures and confirm the style and intensity of country rock alteration. A Phase 2 drill program is planned to follow after analysis of the

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results of the Phase 1 drilling. The initial target to be drilled is 600 meters in length from north to south and about 300 metres east to west and is open in all directions.

**b) Angkor Files NI 43-101 Report On Mesco's Phum Syarung Mine**

On 2 June 2017, Angkor announced that it had completed and filed a technical report ("NI 43-101 Report") prepared in accordance NI 43-101 on the Phum Syarung property originally held by Angkor and sold in 2013 to Mesco. The only remaining interest that Angkor maintains in the Phum Syarung Project is a 2.0-7.5% sliding scale Net Smelter Return ("NSR") on the project which is based on the price of gold. The technical report was prepared on behalf of Angkor by CMI Capital Limited ("CMI") and NEW ERA Engineering Corporation ("NEW ERA").

Highlights of the NI 43-101 Report are as follows:

- CMI and NEW ERA were permitted a site visit by Mesco to inspect the Phum Syarung Project, however, as an NSR holder, Angkor requested but did not receive access to all exploration and other data from Mesco, nor did it receive the necessary information from the public domain for the period following the sale of the property to Mesco in 2013. As a result, the authors of the NI 43-101 Report relied on paragraphs 9.2(1) (a) and (b) ("Exemptions for Royalty or Similar Interests") of NI 43-101 to exclude those items under Form 43-101F1 that required data verification and inspection of documents.
- A personal site inspection conducted by CMI and NEW ERA on 27 April 2017 showed that significant site works have been completed by Mesco at the Phum Syraung Project, including the construction of the initial stages of two inclined shafts and a vertical shaft, installation of two headframes, a single drum winder on one of these, a diesel power generator, a laboratory, and various service buildings.
- Mesco is a private corporation, a subsidiary of Mesco Group Limited based in India, and is under no obligation to publish project, resource or feasibility study reports compliant with Canadian NI43-101 or other accepted foreign code. Under the terms of the NSR agreement between Angkor and Mesco, Mesco is under no obligation to provide either reports or exploration or other economic data to Angkor or its representatives or consultants, other than reports related to verification of the NSR following the commencement of any future production.
- As a result of the inability to access exploration or other data, the authors of the NI 43-101 Report concluded that:
  - the available data does not support the calculation of Mineral Resources as defined by CMI's Mineral Resources Estimation Best Practices;
  - they are unable to comment on the details of or verify the validity of mining methods proposed by Mesco due to the lack of sufficient drill and other engineering or economic data necessary for the design of an underground mine; and,
  - there is insufficient data to comment on details of an economic analysis for the project, addressing detailed annual costs, revenue and cash flow forecasts to determine net present value and other valuation parameters.

Readers were cautioned that the NI 43-101 Report was prepared to fulfill continuous disclosure requirements. As expected, and as noted in the Company's press release dated 7 October 2016, the NI 43-101 Report did not disclose a compliant resource estimate. A copy of the NI 43-101 Report has been filed on SEDAR.

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As a result of the filing of the above NI 43-101 Report, on 6 June 2017, the ASC announced that Angkor had been removed from the ASC Delinquent Filer List.

**c) Angkor Gold Announces Diamond Drill Program on Oyadao South Project**

On 1 June 2017, Angkor announced the commencement of a focused and a regional exploration program on Angkor's 100% owned Oyadao South license with its partner, Japan Oil, Gas and Metals National Corporation ("JOGMEC"). The focused exploration program will consist of a drill program, a geophysical survey and surface geology on the Halo copper porphyry style target. The initial diamond drill program will consist of approximately 1,200 metres of HQ3 drilling, designed to support the interpretation of the Company's previous IP program. Three 400 metre drill holes were planned along the IP lines in the centre of the most prospective area of the Halo porphyry style system. The planned holes were intended to better determine where to follow up with an additional drilling program that is underway.

The regional exploration program will consist of geochemical sampling and geological mapping in areas considered prospective for copper porphyry style mineralization. Areas with identified airborne magnetic anomalies are targets of interest to the Company, especially where intrusions also occur. Of particular focus is a 13 km<sup>2</sup> area about 4.5 km northwest of Angkor's Halo prospect. The target area includes a magnetic anomaly, as do most copper porphyry style mineralization systems.

**d) Angkor Announces Preliminary Results of Test Pit Exploration At Okalla West**

On 8 May 2017, Angkor announced the results of its ongoing exploration program on the Okalla West project within the Banlung license located in Ratanakiri province, northeast Cambodia. The program is being conducted in cooperation with Blue River.

On 23 January 2017, the Company began a test pit exploration program. The near surface samples were analyzed using a screened metallic process and indicated a north trending gold anomaly at least 320 metres in length and 45 metres in width. This anomaly occupies the southern lobe of the larger 4 km<sup>2</sup> surface gold anomaly and sits on top of clay weathered bedrock. The gold anomaly is located over diorite intruding gabbro. Vein material assays encountered in and under the deeply weathered surface layer returned values from 0.18 to 11.5 gpt Au.

The program involved the excavation of pits one metre by two metres. The pits were dug through to the bottom of the deeply weathered surface layer. Samples were collected for pan concentration testing and for metallic screen analysis. An auger hole was drilled from the bottom of each pit as deeply as possible and was designed and advanced to identify the underlying geology and to sample the bedrock.

Two 100 kg near surface samples from new pits dug on lines 2 and 5 were collected. The samples were pan concentrated and were submitted to ALS Labs (Canada) for testing to determine the potential for bulk sampling and test processing. Near surface samples analyzed using a screened metallic process returned values from 0.15 gpt to 1.16 gpt Au. Quartz vein material collected from the pits near, or within, the north trending anomaly returned highly anomalous results for gold. The vein material displayed at least three phases of quartz mineralization. The first phase was massive white quartz and returned 0.18 gpt Au (Sample S103564). The second phase consisted of white and grey quartz breccia with abundant pyrite and returned 2.32 gpt Au (Sample S103475). The third phase consisted of grey microcrystalline quartz in breccia with abundant pyrite. It returned 11.5 gpt Au (Sample S103456). Several larger quartz vein float pieces on line 5 contained visible gold. The multiple phases of quartz and sulphide brecciation and deposition with visible gold indicated a typical structurally controlled "crack



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and seal” system of gold mineralization. Pit 14 on Line 5 returned the highest metallic screen assay at 2.09 gpt Au. This suggested that there could be multiple parallel fault structures hosting gold veins.

**e) JOGMEC Joint Exploration Program to Begin at Angkor’s Oyadao South Halo Prospect**

On 30 March 2017, Angkor announced that it had received notification of the Effective Date of the Joint Exploration Agreement (“JEA”) of the Oyadao South Project from its partner, JOGMEC, to explore Angkor’s 100% owned Oyadao South license (See press release dated 14 June 2016 - <http://www.angkorgold.ca/1810-2/>).

A total investment of US\$3 million in exploration expenditures by JOGMEC over a 3 year period began effective 29 March 2017, with Angkor as operator under the previously agreed to JEA. The JEA also gives JOGMEC the option to acquire 51% of the Oyadao South license.

Angkor also announced that it and JOGMEC have established a Management Committee, and planning is underway to initiate a first-round Induced Polarization (IP) program, followed by plans for drilling once targets are identified. Angkor has initiated a Request for Proposals (RFP) process for the IP work.

**f) Angkor Renews Exploration Licenses in Cambodia**

On 16 March 2017, the Company announced it had successfully renewed five exploration licenses totaling 983 km<sup>2</sup> in Cambodia. The Cambodian Ministry of Mines has renewed the following exploration licenses held by Angkor Gold:

- Andong Meas (187 km<sup>2</sup>)
- Banlung (150 km<sup>2</sup>)
- Koan Nheak (189 km<sup>2</sup>)
- Oyadao (222 km<sup>2</sup>)
- Oyadao South (235 km<sup>2</sup>)

The five license renewals have been granted to Angkor for an initial 3 year term, with the option to extend a further 4 years. The Company chose not to renew the Banlung North and Trapeang Kraham licenses as part of its policy to pursue only the areas showing the best mineral potential.

**g) Exploration Update at Okalla West – Trenching / Pit Observations**

On 6 March 2017, Angkor announced that new trenching at Okalla West, consisting of a series of pits dug on lines at 15m intervals, exposed significantly larger pieces of vein material with visible gold observed in vein material found in Pit 6 on Line 5. Veining and mineralization appeared to be typical of the occurrence with the amount of visible gold seen confirming the nugget effect previously observed. Exploration discovered pyrite-rich material coming out of assayed samples. The Company believes that these field observations confirm the presence of vein material that further assists in the understanding of the larger geological structure underlying previously identified gold anomalies.

**h) Angkor Reports Discovery of Gold at Okalla West Concentrated in 2 Meter Thick Soil Layer**

On 23 January 2017, Angkor announced new auger assay results in the Okalla West gold zone showing that gold mineralization is located in a 2 meter thick lateritic soil layer, which is covered by soil organics from 0.1 to 0.5 meters thick. Of the 235 samples analyzed from within the laterite soil layer, the highest grade returned was 2.45 g/t Au. Retesting of samples using duplicate assays with a slightly different technique also showed considerable



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variance of results within individual samples, which is suggestive of a strong nugget effect. This presence of erratic coarse gold (the nugget effect) was further confirmed by metallic screen analysis on 11 selected samples of 87 with an exceptionally high gold panning concentration index.

### i) Gravity Survey Results Highlight Potential For A Large, Intrusive-Related Gold System

On 23 November 2016, Angkor announced results from a recent gravity survey conducted along 30 line kms across the Banlung Mafic Intrusive Complex, including the Okalla West surface gold zone, in cooperation with Blue River. The Okalla West surface gold zone is within the Company's 150 km<sup>2</sup> Banlung Exploration Tenement, Cambodia. The gravity survey indicated a gravity anomaly, which may be interpreted as a felsic intrusive body, located directly beneath the previously delineated 4 km<sup>2</sup> Okalla West surface gold anomaly. The encouraging gravity anomaly or survey results, combined with surface gold anomalism, indicated the potential for a large, sub-surface, Intrusive Related Gold system (IRG) in the Okalla West prospect zone.

### j) Assay Results Confirm Gold At Okalla West Prospect

On 9 November 2016, the Company announced the Phase 1 auger program assay results from the Okalla West Blue River prospect.

The lab results from the augured holes confirmed the surface geochemistry, termite mound, pan-concentrate gold anomaly previously identified in Okalla West. The gold grades in the assays indicated an increase from the surface to the bottom of the holes, ranging from 0.01 to 2.45 g/t, respectively. The completed portion of the auger program represented only 0.67 km<sup>2</sup> of the 4 km<sup>2</sup> surface gold anomaly area currently being explored. The hydrothermal gold signature in Okalla West is believed to be significant, as it geochemically connects the previously drilled Okalla prospect to Okalla West, potentially linking the source for both prospects regionally to the Okan Fault, opening up further gold exploration potential within the Banlung Tenement.

### k) Angkor Gold Announces 3.3 Km North-South Mineralized Gold Zone On Its Peacock Prospect

On 15 August 2016, the Company announced the results of intensive exploration and analysis of its Peacock Prospect with surface values up to 31.8 g/t gold at its Koan Nheak license in Mondulkiri Province, Cambodia. The work program was conducted over six months, targeting the priority prospects on the Koan Nheak license covering 34.5 km<sup>2</sup> of mapping, 15.5 km<sup>2</sup> of surface geochemistry, and 20 km<sup>2</sup> of IP surveys in the Peacock prospect area. The interpreted result is a north-south structurally complex, anomalous gold corridor centered on an epithermal vein system, related to the Peacock intrusive diorite and Lockett fault. To the immediate south of the Peacock intrusive diorite, within the structural corridor is a newly identified 1250m x 750m zone, extending south along the Lockett fault zone into the sandstones, siltstones and limestones, with evidence of strong limonite oxidation, quartz veinlets at surface and assay values up to 1.85 g/t gold. The Lockett fault striking north/south is believed to dip steeply to the east.

### l) Environmental Approval Received For Phum Syarung Mine

On 8 August 2016, the Company announced that the Cambodian government had approved the Environmental and Social Impact Assessment ("ESIA") for Mesco's Phum Syarung mine located in northeastern Cambodia. The decision represented the final step before approval from the Minister of Mines for Mesco's mining license application covering 12 km<sup>2</sup> at their Phum Syarung mine site for the extraction of minerals, including gold and other precious and base metals. The Company has an NSR agreement with Mesco with regard to this property.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### SIGNIFICANT EVENTS AND TRANSACTIONS SUBSEQUENT TO THE YEAR END

The following material events occurred up to the filing date of this MD&A and subsequent to the year ended 31 July 2017.

#### 1) Financing and Corporate

##### a) Angkor Announces Termination of Earn-In Agreement With Blue River Resources Ltd.

On 13 November, 2017, the Company announced the termination of the Company's earn-in exploration agreement with Blue River on Angkor's wholly-owned Banlung License, which includes the Okalla East and Okalla West Prospects for failing to meet its financial obligations under the agreement.

##### b) Angkor Announces Appointment of VP of Exploration

On 2 November, 2017 the Company announced the appointment of Dennis Ouellette as Vice President of Exploration of Angkor effective immediately. Mr. Ouellette joined the Company at the beginning of 2017 as a Senior Geologist and became Angkor's Manger of Exploration in April 2017.

##### c) Angkor Announces \$570,000 Private Placement

On 29 September 2017, the Company closed a non-brokered private placement, subject to TSX Venture Exchange approval. The Company completed the sale of 1,900,000 units at a purchase price of \$0.30 per unit for gross proceeds of \$570,000. Each unit consists of one common share, and one full non-transferable share purchase warrant.

Each full warrant will entitles the holder to acquire one common share at an exercise price of \$0.35 for a period of 24 months from the closing date of the private placement. In the event that the Company's common shares trade at a closing price on the Exchange of greater than \$0.45 per share for a period of 10 consecutive trading days at any time after the closing date, the Company may accelerate the expiry date of the warrants by giving notice to the holders.

Aggregate finders fees of \$6,000 were paid by the Company to various arm's length parties, in addition to an aggregate of 20,000 finder's warrants issued with the same attributes as the warrants underlying the units.

Of the total units issued, approximately 166,673 units were purchased by insiders and management of Angkor.

The common shares acquired by the subscribers are subject to a hold period of four months plus one day and may not be traded until 29 January 2018.

##### d) Michael Weeks Acquires Shares in Angkor Gold Corp

On 4 August 2017, Michael Weeks announced that due to recent acquisition of shares through the marketplace, he now holds beneficial ownership, direction or control over, an aggregate of 10,468,504 common shares, 40,000 share purchase warrants and 680,000 incentive share purchase options, representing in aggregate approximately 10.11% of the outstanding common shares of the Issuer on a non-diluted basis, and 10.81% on a partially diluted basis.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 2) Exploration

#### a) Angkor Gold Announces Drill Results At Okalla East and West: Results Indicate Alkaline Intrusive Hosted Gold Mineralization System

On 24 October 2017, the Company provided results of its diamond drilling program on its Okalla project. Drilling commenced on 2 July 2017, on Angkor's Banlung Tenement on which the two prospects, Okalla West and Okalla East, are located. The two prospects are approximately 7 kilometres apart. Both are hosted by intrusive rock complexes connected along a regional structural corridor. Phase 1 drilling was conducted to determine the structure and type of mineralization of the targets over a gold anomaly devoid of outcrop.

Highlights of these results include:

- 562.2m of drilling completed, with 439.2m at Okalla West and 123.0m at Okalla East.
- Drilling confirms the existence of gold veins in faults at Okalla West.
- Okalla West hole OKW17-003D returned 2.05 gpt Au (gold) and 4.55 gpt Ag (silver) over 1.65 metres at 45.35m.
- Okalla West hole OKW17-005D returned 6.17 gpt Au and 8.2 gpt Ag over 0.75m at 39.6m.
- Rocks within the intrusive complex at Okalla West show them to be alkaline in nature indicating that gold mineralization would likely be related to alkaline magmatism.
- Okalla East hole BL17-048D returned 0.88 gpt Au and 0.14% Cu (copper) over 10.0m from 26.0m to 36.0m.
- Okalla East hole BL17-049D has one significant intercept from 32 to 37 metres. The 5m run returned a weighted average of 0.31 gpt Au with 0.25% Cu.

#### b) Angkor Discovers New Copper Porphyry System at Oyadao South Halo Project: Phase 1 Drilling and IP Survey Completed

On 19 October 2017, the Company provided an update on the diamond drill and Induced Polarization (IP) geophysics programs at Halo on Angkor's Oyadao South license in conjunction with its exploration partner, JOGMEC.

Highlights of Phase 1 program results include:

- All of Phase 1 diamond drilling and IP programs at Halo are now complete.
- Results from HAL17-001D showed an intercept of 2345 ppm Cu, 1.34 g/t Ag, and 261.4 ppm Mo over 88.9m including an intercept of 8043 ppm Cu, 2.24 g/t Ag, and 320.7 ppm Mo over 7.9m.
- Results indicate the existence of previously unknown copper-molybdenum porphyry systems at Halo.
- Results from HAL17-004D and final interpretation of the IP program are still pending.
- The Phase 2 exploration program in Oyadao South includes additional diamond drilling at Halo, targeting IP anomalies and expand regional exploration onto additional magnetics and geochemical anomalies in Oyadao South.

The first phase of the diamond drilling and IP at Halo is completed with a total of 1,578 m of drilling in four holes, 41.6 km of surface IP lines, downhole IP on all four completed drill holes, and IP core testing on 157 samples from all four drill holes.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### c) Angkor Gold Announces Update on Drill Program on Oyadao South Halo Project

On 17 August 2017, the Company provided an update on the current diamond drill program at Halo on Angkor's Oyadao South license in conjunction with its exploration partner JOGMEC.

After reviewing the preliminary data and evaluating core, the Company and JOGMEC intend to increase the drill program. The drilling is intended to further define and test the structure and mineralization.

Under a Joint Exploration Agreement with the Company, JOGMEC has committed a total investment of USD\$3 million in exploration of the Oyadao South license over a 3 year period. The Agreement gives JOGMEC the option to acquire 51% of the Oyadao South license from the Company.

## EXPLORATION SUMMARY

Angkor's five exploration licenses in the Kingdom of Cambodia cover approximately 983 km<sup>2</sup>, which the Company has been actively exploring over the past 8 years. The Company has now covered all license areas with stream sediment geochemical sampling and has flown low level aeromagnetic surveys over most of the ground. Angkor has diamond drilled 21,855 metres in 190 holes, augured 2,699 metres over 737 holes, collected over 165,000 termite mound samples and 'B' and 'C' zone soil samples in over 20 centres of interest, over a combined area of more than 140 km<sup>2</sup>, in addition to numerous trenches, IP surveys and detailed geological field mapping. License areas above are approximate. Individual licenses have various prospects contained within them as outlined below (see accompanying map).

Exploration activity, any plans for projects within the licenses and their status, and any known or anticipated costs to take the project to the next stage, are described by license area and prospect name below.

Okalla West Prospect, located on the Banlung License, and the Halo Prospect, located on the Oyadao License, were the only areas on which significant new exploration was conducted during the year.



MANAGEMENT'S DISCUSSION AND ANALYSIS

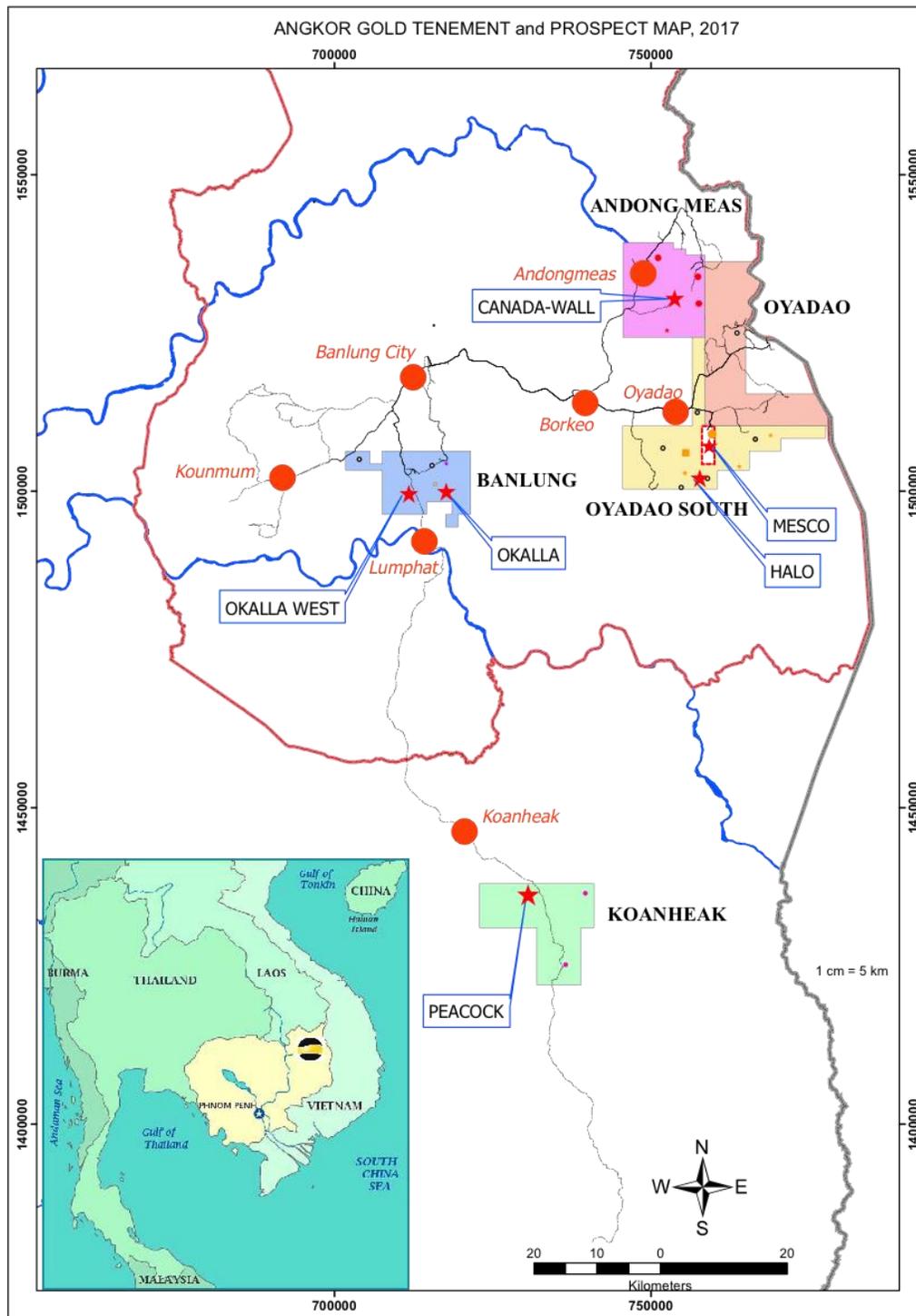


Figure 1: Project Location Map

**MANAGEMENT'S DISCUSSION AND ANALYSIS****Andong Meas License**

Andong Meas is Angkor's most northern license with an area of 187 km<sup>2</sup> and includes several prospects – Canada Wall Prospect, Wild Boar Prospect, Colonial Mine Prospect and South Creek Prospect. This license straddles the Sesan River. The Company believes there is significant potential and has had expressions of interest from several parties for these areas for further exploration. There are no immediate plans for projects within this license or any known or anticipated costs to take the projects to the next stage. They remain available for prospective future development by potential third parties in cooperation or partnership with the Company through earn-in, royalty, funded-exploration or other types of revenue-generating agreements. In the interim, the license is maintained, secured, and regularly monitored.

Over the next year the budgeted costs associated with this license are approximately \$124,850 for security and maintenance and government licensing costs.

**a) South Creek Prospect:**

The IP survey and detailed lithological and alteration mapping completed in 2015-2016 showed evidence of gold-copper-molybdenum porphyry mineralization in this area. Future work will include completing the termite mound sampling and rock sampling over the prospect. Geological mapping over recently cleared areas is also proposed.

**Banlung Exploration License**

Angkor Gold signed an exploration funding agreement with Blue River on 3 May 2016 to fund work on Banlung. The tenement covers a mixed farming area, straddling the new paved highway from Banlung to the old provincial capital Lumphat, and then south through Koan Nheak to Sen Monorom.

Angkor renewed the license for the Banlung Tenement in early 2017 for a period of three years, with an option to extend for an additional four years.

Over the next year, license fees, performance guarantees, and related costs are anticipated to be approximately \$124,850.

The presence of the 7000m (N-S) by 2500m (E-W) "Central Gabbro" intrusive body was first recognized in 1970 and again in the 1990s. This was corroborated by an aeromagnetic survey over the tenement and a satellite image geological interpretation with limited ground ascertainment completed in 2007. A stream sediment geochemical survey conducted that year suggested that the intrusive could host base metals and gold. Several traverses were made through the area in 2009 and 2011, with some pilot termite geochemical surveys completed in 2013.

Pancon, laboratory analysis and SWIR clay analysis continued on samples collected during earlier programs. On 23 January 2017, field work on the license commenced. The intent of the program was twofold. The first was to test the laterite for gold content. The second was to test the bedrock beneath the laterite for an in-situ gold source. The work consisted of digging two-metre-long by one-metre-wide pits through the laterite to weathered bedrock. An auger hole was then drilled from the bottom of the pit as deep as possible to map and test the bedrock. Since the pit walls were also mapped, the length of the auger hole included the thickness of the laterite. The laterite was then sampled from top to bottom over the entire thickness of the unit. Two samples were collected: one for processing by pan concentration in Banlung and the second to be submitted to ALS Labs (Canada) for metallic screen analysis. The number and type of samples processed, collected and submitted for analysis by the end of this reporting period is illustrated in the table below:



MANAGEMENT’S DISCUSSION AND ANALYSIS

**Table 1: Total Samples and Testing At Banlung  
To 31 July 2017**

Diamond Drilling Holes	8
Diamond Drilling Metres	382.4
VLF-EM Survey Line Kms	86
XRF	1591
Pancon	2273
pH Testing	123
Laboratory assay	413
Auger Soil	1591
SWIR clay	1591
Total Number Auger Holes -	1367

**Glossary of Technical Terms**

“XRF” means x-ray fluorescence analyzer, used to identify over 30 different elements in each sample.

“Pancon” refers to pan concentration of half of each sample.

“Laboratory Assay” refers to samples sent to ALS Chemex, an international independent laboratory service used by the Company for assay analysis.

“SWIR” is an acronym for short wavelength infrared, a form of imagery that uses wavelength to identify clay minerals formed by alteration processes.

“Magsus” refers to magnetic susceptibility, a technique to measure magnetic strength in rock.

“pH Soil” refers to testing soil acidity, which can be a good tool to indicate the presence of decaying sulphides.

“Auger Soil” refers to samples collected under the drilling auger program.

“Gravity” refers to a technique of exploration that measures differences in gravity deep below surface to several kilometres, the difference in rock density will dictate a difference in gravity, so it is an indication of a change in the structure.

“IP” means Induced Polarization, a technique for imaging used to determine the ability of a rock to conduct or resist, and to hold, an induced electric charge, essentially near surface (10-20m).

“Deep IP Sounding” means Induced polarization that generally measures at depths from 200 to 500 metres.

“VLF-EM” means very low frequency electro-magnetics, a ground-probing technique that uses the distortion of VLF radio signals to locate zones of conductivity in the ground, down to 50m maximum depth.

**b) Okalla West Prospect:**

Exploration at Okalla West Prospect on the Banlung License was funded through an exploration funding agreement with Blue River and will proceed as funds are made available.

On 24 October 2017, the Company reported results of its diamond drilling program on its Okalla project. Drilling commenced on 2 July 2017, on Angkor’s Banlung Tenement on which the two prospects, Okalla West and Okalla East, are located. The two prospects are approximately 7 kilometres apart. Both are hosted by intrusive rock

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

complexes connected along a regional structural corridor. Phase 1 drilling was conducted to determine the structure and type of mineralization of the targets over a gold anomaly devoid of outcrop.

Highlights of these results include:

- 562.2m of drilling completed, with 439.2m at Okalla West and 123.0m at Okalla East.
- Drilling confirms the existence of gold veins in faults at Okalla West.
- Okalla West hole OKW17-003D returned 2.05 gpt Au (gold) and 4.55 gpt Ag (silver) over 1.65 metres at 45.35m.
- Okalla West hole OKW17-005D returned 6.17 gpt Au and 8.2 gpt Ag over 0.75m at 39.6m.
- Rocks within the intrusive complex at Okalla West show them to be alkaline in nature indicating that gold mineralization would likely be related to alkaline magmatism.
- Okalla East hole BL17-048D returned 0.88 gpt Au and 0.14% Cu (copper) over 10.0m from 26.0m to 36.0m.
- Okalla East hole BL17-049D has one significant intercept from 32 to 37 metres. The 5m run returned a weighted average of 0.31 gpt Au with 0.25% Cu.

On 8 May 2017, Angkor announced the results of samples collected during the test pit exploration program on Okalla West. The program was focused on a surface gold geochemical anomaly with dimensions of about 600 meters by 300 meters. The analysis of near surface samples using a screened metallic process indicated a north trending gold anomaly of at least 320 metres in length and 45 metres in width. The gold anomaly is located over diorite intruding gabbro.

The trenching results from Okalla West indicate positive results on surface, reflecting a bedrock hosted system just beneath. The program involved the excavation of pits approximately 1X2 metres in size, and dug through to the bottom of the deeply weathered surface layer. Samples were collected for pan concentration testing and for metallic screen analysis. Pit 14 on Line 5 returned the highest metallic screen assay at 2.09 gpt Au. This suggested that there could be multiple parallel fault structures hosting gold veins.

An auger hole was drilled from the bottom of each pit as deeply as possible to identify the underlying geology and to sample the bedrock. The deepest auger hole completed was 9.2 meters. Samples from the auger holes were submitted for gold assay and multi-element analysis.

- Quartz vein material from the pits near, or within, the north trending anomaly returned highly anomalous results for gold. The vein material displayed at least three phases of quartz mineralization. The first phase was massive white quartz and returned 0.18 gpt Au (Sample S103564). The second phase consisted of white and grey quartz breccia with abundant pyrite and returned 2.32 gpt Au (Sample S103475). The third phase consisted of grey microcrystalline quartz in breccia with abundant pyrite. It returned 11.5 gpt Au (Sample S103456). Several larger quartz vein float pieces on line 5 contained visible gold. The multiple phases of quartz and sulfide brecciation and deposition with visible gold indicated a typical structurally controlled "crack and seal" system of gold mineralization.

Positive results from the current program has justified a Phase 1 diamond drill program consisting of 500 metres to test the altered diorite in contact with the gabbro and the faults hosting gold mineralization. A program of this magnitude, with field and office support and assay costs, is estimated to cost approximately \$200,000 and could be completed in fewer than 30 days from commencement. It is anticipated that the drill program will include two

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

short holes of 50 metres each drilled on the #26 vein at Okalla proper located about 15 kilometres east. On 23 June 2017, the Company announced plans for this diamond drilling on the Okalla West project in cooperation with Blue River; however, as of the date of filing, the agreement was terminated and the Company will continue explorations as soon as the funds become available.

Auger drill sampling at the Okalla West prospect on a regional scale continued through April with an additional 644 holes drilled and 785 samples collected. XRF analysis of all samples collected during this period has been completed. SWIR clay analysis has been completed on 100 samples and is ongoing. The regional auger hole work tested previously identified gold in termite anomalies. The completed lines test anomalies at the south eastern and south western edges of the central gold anomaly. One additional soil auger line was completed at the north end of the gabbro body to test a gold plus multi-element anomaly.

**3) Koan Nheak Exploration License**

Koan Nheak license is the Company's only license in Mondulkiri province, which is due south of Ratanakiri province and the other 4 licenses. The Koan Nheak license is 189 km<sup>2</sup>, mostly flat terrain in a light deciduous forest area. The tenement straddles the new paved highway from Banlung via Lumphat to Sen Monorom.

On 12 July 2017, the Company entered into a Definitive Earn-In-Agreement with Australian based gold company, Emerald on the Company's wholly owned Koan Nheak property in northeastern Cambodia. On 20 September, 2017, the Company received the approval of the Cambodian Ministry of Mines and Energy to proceed with its joint project with Emerald's subsidiary Renaissance on the Koan Nheak property. Renaissance is a subsidiary of Emerald. This approval allows Angkor and Renaissance to proceed with their joint exploration plans of Koan Nheak under their Definitive Earn-In Agreement that was announced on 12 July 2017.

The agreement terms include a total investment by Emerald's subsidiary, Renaissance, for \$2 million USD in exploration and development expenditures plus a \$200,000 USD cash payment to the Company over a 2 year period for them to acquire a 51% participating interest in the Koan Nheak license.

Upon completion of the initial earn in option, Renaissance has the right to acquire an additional 29% participating interest. After that, the Company will maintain a 20% participating interest in the property, or at their discretion can convert this to the peacock a 3.5% net smelter return on all metals.

Renaissance will be the operator on the project throughout, responsible for the planning and execution of exploration at Koan Nheak, as well as the budgeting and expenditure of the \$2 million USD in in exploration and development funds allocated over the two year period commencing July 12, 2017.

**a) Peacock Prospect:**

No exploration work was conducted by the Company since the end of the period ended 30 April 2017. As a result of the Definitive Earn-In-Agreement with Emerald Resources NL announced 12 July 2017, Emerald through its Cambodian subsidiary Renaissance, is responsible for any exploration plan and budget. No such budget has yet been finalized by Emerald.

Extensive exploration work completed previously returned encouraging gold mineralization results related to the quartz veining system.

Previous detailed geological mapping, SWIR clay alteration studies, termite mound geochemical and VLF-EM geophysical surveys that followed up promising results from previous operations outlined an 800m long strike of anomalous pan concentrated gold associated with quartz veining on the southern edge of a diorite intrusive. This

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

lies between the diorite and a quartz vein stock work with limonite and pyrite in sandstones to the south of the anomaly. Assay values from vein float and outcrop in this area confirmed the gold concentration.

Previous work (see press release dated 15 August 2016) at the Peacock Prospect reported surface values up to 31.8 g/t gold. The work program was conducted over six months, targeting the priority prospects on the Koan Nheak license covering 34.5 km<sup>2</sup> of mapping, 15.5 km<sup>2</sup> of surface geochemistry, and 20 km<sup>2</sup> of IP surveys over the Peacock prospect area. The interpreted result is a north-south structurally complex, anomalous gold corridor, epithermal vein system, related to the Peacock intrusive diorite and Lockett fault. To the immediate south of the Peacock intrusive diorite, within the structural corridor, is a newly identified 1250m x 750m zone of intense quartz veining. This zone extends south along the Lockett fault zone into the sandstones, siltstones and limestones with evidence of strong limonite oxidation, quartz veinlets at surface and assay values ranging from zero up to 1.85 g/t gold.

**b) East Ring Prospect:**

No field work was conducted on this since the end of the period ended 30 April 2017 and is not considered a high priority target at present. There are no estimated anticipated timing or costs at this time over and above regular maintenance.

**4) Oyadao Exploration License**

The Oyadao license is 222 km<sup>2</sup> and connects directly north of the Oyadao South license and borders the north end of Phum Syarung site owned by Mesco. As reported above, in March 2017, Angkor received a 3-year renewal of this license. This license remains under option to Mesco, which is responsible for all work and for keeping the license current and in good standing.

Over the next year, the budgeted costs for Oyadao South are approximately \$124,850 for security and maintenance, and government licensing costs.

**a) Oyadao South Exploration License**

The Oyadao South license is approximately 235 km<sup>2</sup> in size and is located in rolling, rugged terrain, accessible by road, but more challenging areas are somewhat limited during heavy rainfalls due to water flow in seasonal streams. In March 2017 Angkor received a 3-year renewal of this license, which includes the Halo Prospect.

The Oyadao South license is under a funding agreement with JOGMEC, which has committed a total investment of US\$3 million in exploration expenditures by JOGMEC over a 3 year period which began effective 29 March 2017. Angkor is the operator under the Joint Exploration Agreement ("JEA") with JOGMEC (see press release of 30 March 2017).

Angkor announced that it and JOGMEC have established a Management Committee and has initiated a first-round Induced Polarization (IP) program with a concurrent drilling program consisting of three 400 metre holes. With funding in place following the start of the Joint Exploration Agreement with JOGMEC, up to US\$1 million is available to be spent by the Company on exploration at Oyadao South License by the end of 2017, with an expected focus on the Halo Prospect. A regional exploration program to examine areas outside of the main Halo prospect will also be completed. The purpose of the regional program will be to identify other prospective areas for porphyry style mineralization. A variety of factors, including weather, will determine how much work can be completed by the end of 2017. Further exploration and planning will be driven by results.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

On 19 October 2017 the Company provided an update on the diamond drill and Induced Polarization (IP) geophysics programs at Halo on Angkor's Oyadao South license in conjunction with its exploration partner, Japan Oil, Gas and Metals National Corporation ("JOGMEC"). The first phase of the diamond drilling and IP at Halo was completed with a total of 1,578 m of drilling in four holes, 41.6 km of surface IP lines, downhole IP on all four completed drill holes, and IP core testing on 157 samples from all four drill holes.

Highlights of Phase 1 program results include:

- All of Phase 1 diamond drilling and IP programs at Halo are now complete.
- Results from HAL17-001D showed an intercept of 2345 ppm Cu, 1.34 g/t Ag, and 261.4 ppm Mo over 88.9m including an intercept of 8043 ppm Cu, 2.24 g/t Ag, and 320.7 ppm Mo over 7.9m.
- Results indicate the existence of previously unknown copper-molybdenum porphyry systems at Halo.
- Results from HAL17-004D and final interpretation of the IP program are still pending.
- The Phase 2 exploration program in Oyadao South includes additional diamond drilling at Halo, targeting IP anomalies and expand regional exploration onto additional magnetics and geochemical anomalies in Oyadao South.

Drill hole HAL17-001D results represent mineralization found away from but likely connected to the centre of the mineralized porphyry system. All the drill holes intercepted alteration and veining associated with porphyry systems. Interpretation of the surface IP survey and down-hole IP surveys will assist in determining the Phase 2 drill program.

The budget for the next year's exploration program (funded by JOGMEC) is anticipated to be approximately \$1,123,650 plus the licensing fee payments of \$124,850 .

**b) Halo Prospect:**

Previous exploration by the Company on the Halo Prospect within the Oyadao South license has identified the potential of copper-molybdenum-gold mineralization as expressed by hydrothermal alteration that covers an area of approximately 7.25 square kilometres. Halo remains a focal point for exploration activity by both JOGMEC and Angkor within the Oyadao South license. Planned work includes an extension of the IP survey to the west consisting of three 4.5 km lines at TX 1, TX 2 and TX 3. As well, planning of the Phase 2 diamond drilling program is ongoing with the review of the data collected from the Phase 1 program. Infill termite mound sampling will also be completed as part of the regional program.

**c) Otray Prospect:**

The Otray Prospect within the Oyadao South license has been previously explored and mapped using the interpretation of 4581 termite mound samples formerly collected from the Oyadao South License and tested for pH. This prospect is of lower priority to the main work being planned for the exploration of the Halo Prospect. Portions of the Otray Prospect will be examined for porphyry style alteration and mineralization similar to that found on the adjacent Halo Prospect. This is expected to be included in the regional exploration program.



**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**5) Banlung North Exploration License**

On 16 March 2017, the Company announced it chose to expire its Banlung North license, as it was one of the least prospective licenses, no field work was conducted on this license since. As it is no longer an asset of the Company, the capitalized costs related to the license have been written down, and there will be no future reporting on it.

**6) Maintenance of Licenses**

In 2017, the Cambodian Ministry of Mines and Energy (“MME”) has introduced a new sub-decree for exploration and exploitation licenses. Under this sub-decree, exploration licenses are granted for an initial 3-year exploration period followed by two terms of two years each for continued exploration. The Company’s five licenses were recently renewed under the terms of the new sub-decree to the Mining Law (See: Highlights, Significant Events and Transactions above).

Annual rental fees, training fees, and inspection fees are part of the maintenance program. Exploration reports are required by MME on each license on a bi-annual basis.

The physical maintenance of the licenses requires ongoing security of any camp structures in periods of inactivity, regular reconnaissance, and general minimal technical operations. Social development activities are considered part of exploration-related activities and continue on each project through both rainy and dry seasons.

**SELECTED ANNUAL INFORMATION**

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with International Financial Reporting Standards and Canadian generally accepted accounting principles as applicable

<b>Fiscal Year Ended</b>	<b>July 2017</b>	<b>July 2016</b>	<b>July 2015 (Restated)</b>
Total Revenues	\$ -	\$ -	\$ -
Loss and Comprehensive Loss for the Year	\$ (3,941,199)	\$ (1,508,936)	\$ (2,225,201)
Loss per Share (Basic and Diluted)	\$ (0.04)	\$ (0.02)	\$ (0.03)
Total Assets	\$ 7,258,722	\$ 9,066,133	\$ 9,424,948
Long-Term Financial Liabilities	\$ -	\$ -	\$ 473,030

**RESULTS OF OPERATIONS**

The comprehensive loss for the year ended 31 July 2017 was \$3,941,199 compared to a comprehensive loss of \$1,508,936 in the comparative year. The main fluctuations in costs are as follows:

<b>Exploration overhead costs</b> (rounded to the nearest ‘000)	<b>12 months 2017</b>	<b>12 months 2016</b>
	\$ 394,000	292,000
Variance increase	\$ 102,000	

Exploration overhead costs increased as a result of higher license fees and penalties. During the year ended 31 July 2017, licenses were renewed, including some which had lapsed, and as a result of this, the Company incurred training and penalty fees charged by the Cambodian government.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Professional and consulting fees (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 568,000	105,000
Variance increase	\$ 463,000	

The increase in professional fees during the year ended 31 July 2017 results from the recognition of the cost of compliance with filing obligations. In addition, the Company incurred consulting fees related to marketing and new VP of Corporate affairs. This increase is in alignment with management's expectations under the circumstances and should normalize in the future. To clarify, this category should be reduced substantially in the year to come.

Share-based compensation (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 335,000	437,000
Variance increase	\$ (102,000)	

During the year, the Company issued several new options to directors, officers, and consultants of the Company to align them with the long-term goals of the Company. The variance is consistent with management's expectations and explained by the changes in the assumptions used in calculating the compensation using the Black-Scholes Model.

**Write down of exploration and evaluation**

assets (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 652,000	172,000
Variance increase	\$ 480,000	

The increase is due to the write down of the Bunlung North license that was determined not to be viable during the year ended 31 July 2017.

Office and travel (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 313,000	584,000
Variance increase	\$ (271,000)	

The focus for the year, on compliance issues, means that travel expenses were curtailed.

Investor relations (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 171,000	97,000
Variance increase	\$ 74,000	

The company has expanded its abilities to develop this critical area and accordingly has increased costs

Social development (rounded to the nearest '000)	12 months 2017	12 months 2016
	\$ 87,000	135,000
Variance increase	\$ (48,000)	



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SUMMARY OF QUARTERLY RESULTS**

The following table sets out selected unaudited quarterly financial information of the Company and is derived from the unaudited condensed interim consolidated financial statements prepared by management. The Company's unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

	Jul 2017	Apr 2017	Jan 2017	Oct 2016	Jul 2016	Apr 2016 (restated)	Jan 2016 (restated)	Oct 2015 (restated)
<b>Three Months Ended</b>								
Total Revenues	-	-	-	-	-	-	-	-
Loss after income taxes	(795,458)	(1,437,690)	(926,689)	(494,922)	(359,850)	(608,362)	(824,984)	(189,805)
Comprehensive Income (loss) for the period	(882,082)	(1,620,494)	(1,226,182)	(212,441)	(1,223,022)	(610,209)	372,906	(48,611)
Loss per share (basic and diluted)	(0.04)	(0.01)	(0.01)	0.00	(0.02)	0.01	(0.01)	0.00
Total assets	7,258,722	8,408,295	8,987,637	9,510,508	9,066,133	19,719,255	20,783,057	20,257,207
Working capital (deficit)	(621,967)	(694,161)	(782,586)	(1,058,550)	(1,786,203)	(1,683,259)	(998,256)	(92,885)

The loss reported for the three month period ended 30 July 2017 is relatively in line with the other quarters. Direct expenditures relating to exploration activities are capitalized on the statement of financial position in accordance with the Company's accounting policies.

The significant variance between the three months ended January 2017 and October 2016 was due to the recognition of a significant NSR buy back expense (\$351,547) in the second quarter. There were further increases, in salaries, wages and benefits and professional fees, which primarily relate to meeting disclosure obligations.

The variance between the three months ended July 2016 and April 2016 arises from an increase in the measurement of share-based compensation through Black-Scholes. This is a non-cash amount.

The substantial variance between the three months ended April 2016 and the three months ended January 2016 was a large swing in currency translation differences (a non-cash item). The same discussion point is true of the variance between January 2016 and October 2015, the final variance of note.



MANAGEMENT'S DISCUSSION AND ANALYSIS

EXPLORATION AND EVALUATION ASSETS

The Company has interests in mineral properties; details of which follow for the year ended 31 July 2017 and the year ended 31 July 2016:

	Andong Meas (ADM)	Banlung North (BLN)	Banlung South (BLS)	Koan Nheak (KHN)	Trapean Kraham (TK)	Oyadao (OY)	Oyadao South (OYS)	Total
<b>Balance at 1 August 2015</b>	\$ 464,123	\$ 596,731	\$ 2,121,712	\$ 596,731	\$ 137,093	\$ 530,428	\$ 2,121,712	6,568,530
Additions	78,787	101,298	360,170	101,298	33,766	90,043	360,170	1,125,532
Funds received under option agreements	-	-	(194,650)	-	-	-	-	(194,650)
Write-down of exploration and evaluation assets	-	-	-	-	(172,179)	-	-	(172,179)
Adjustment on currency translation	3,080	3,959	14,076	3,959	1,320	3,519	14,077	43,990
<b>Balance at 31 July 2016</b>	\$ 545,990	\$ 701,988	\$ 2,301,308	\$ 701,988	\$ -	\$ 623,990	\$ 2,495,959	7,371,223
Wages and salaries	\$ -	\$ -	\$ 195,236	\$ -	\$ -	\$ -	\$ 86,186	\$ 281,422
Geological consulting fees	3,882	-	122,840	184,728	-	669	29,963	342,082
License fees	10,530	-	36,165	50,117	-	49,974	28,920	175,706
Work and logistics	-	-	63,069	-	-	-	78,689	141,758
Other additions	-	-	41,275	-	-	-	25,444	66,719
Funds received under option agreements	-	-	(727,124)	-	-	-	(673,355)	(1,400,479)
Write down of exploration and evaluation assets	(26,474)	(572,385)	-	(26,474)	-	-	(26,474)	(651,807)
Adjustments on currency translation	(6,465)	(129,603)	(21,036)	(8,311)	-	(7,387)	(29,549)	(202,351)
<b>Balance at 31 July 2017</b>	\$ 527,463	\$ -	\$ 2,011,733	\$ 902,048	\$ -	\$ 667,246	\$ 2,015,783	6,124,273



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### OUTSTANDING SHARES

As at 31 July 2017, the Company had 103,497,793 common shares issued and outstanding. As at 31 July 2017, the fully diluted amount of 112,107,793 includes options of 7,047,000 and warrants of 1,563,000.

As at the date of this report, the Company had 105,397,793 common shares issued and outstanding. As at the date of this report, the fully diluted amount of 115,927,793 includes options of 7,047,000 and warrants of 3,483,000.

### LIQUIDITY AND FINANCIAL CONDITION OF THE COMPANY

The Company's working capital deficit at 31 July 2017 was \$621,967 compared with a deficiency of \$1,786,203 at 31 July 2016.

Cash used in operating activities during the year ended 31 July 2017 totalled \$2,525,244 (31 July 2016 - \$537,684).

Cash provided by/(used) in investing activities during the year ended 31 July 2017 totalled \$532,345 (31 July 2016 - (\$959,048)).

Cash raised in financing activities during the year ended 31 July 2017 was \$1,411,744 (31 July 2016 - \$467,400).

Actual future funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activity and foreign exchange fluctuations.

Over recent months substantial resources have gone into continuous disclosure improvements, which benefits shareholders, stakeholders and users of the financial statements and MD&A. At the same time these demands and commitments have absorbed operational resources and impact cash flows.

It is our hope that, with the improvements in place, additional internal resources are available to focus on fundraising and market awareness through investor relations and exploration.

Our working capital requirements are in flux due to the challenges mentioned in the previous note, but management is continuing to review and will communicate more fully as circumstances permit.

Below is a discussion of our expectation of a working capital deficiency, our ability to meet the obligations and thoughts on how we expect to meet the deficiency:

Management believes it will be able to raise equity capital as required, but recognizes the risks attached thereto.

Management has disclosed these as key assumptions and risks, as a key point in this MD&A.

Historically the capital requirements of the Company have been met by equity subscriptions (i.e., private placements, option exercises, warrant exercises).

Additional sources of working capital may come from the agreements with Mesco, and JOGMEC discussed above. The Company continues to seek exploration and development partners on other properties in its inventory to further supplement revenue and working capital.

Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing may be favourable.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL MANAGEMENT

The Company's objectives are to safeguard its ability to continue as a going concern in order to support the Company's normal operating requirements, and continue the development and exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including capital deployment, results from operations, results from the exploration and development of its properties and general industry conditions.

At 31 July 2017, the Company's capital structure consists of the share capital of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable.

For the year ended 31 July 2017, there were no significant changes in the processes used by the Company or in the Company's objectives and policies for managing its capital. The Company expects that based on the proceeds from the planned financings, sufficient capital resources are available to support further expansion and development of its mining assets.

Angkor has disclosed the following commitments in the financial statements for the year ended 31 July 2017:

The Company previously entered into an exploration services agreement with Beijing Explo-Tech Engineering Co. Ltd. ("BETEC") under the following terms:

Cash payments due were \$287,500 of which \$203,500 was made during fiscal 2016 and \$46,200 was paid during the year ended 31 July 2017. In addition to the cash payments, the Company was due to issue BETEC shares of the Company with an aggregate value of \$287,500.

During the year ended 31 July 2017, the Company renegotiated the terms of the agreement with BETEC such that all previous cash payments were deemed satisfied, and the shares issuable under the agreement were replaced with a cash payment due of \$180,000. The renegotiated cash payment is payable in twelve equal monthly instalments of \$15,000 beginning on 1 December 2016. As at 31 July 2017, the Company has a payable to BETEC of \$60,000 under the amended terms with a total remaining balance at year-end of \$120,000.

Management is monitoring cash flows and expects to complete the payment plan on schedule, but is aware of the substantial risk of continuous financing, as has been disclosed through-out this document.

These are the known commitments, management is not aware of any new forward looking commitments at this time.

The land lease future obligations, which are not commitments, as they are avoidable, have been disclosed in the exploration discussion.



**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**OFF BALANCE SHEET TRANSACTIONS**

The Company has no off-balance sheet arrangements.

**RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Transactions and balances with related parties not disclosed elsewhere in the Financial Statements are as follows:

**RELATED PARTY DISCLOSURE – KEY MANAGEMENT PERSONNEL**

<b>Name and Principal Position</b>	<b>Year<sup>(i)</sup></b>	<b>Remuneration or fees<sup>(ii)</sup></b>	<b>Share-based awards</b>	<b>Amounts Payable</b>
Mike Weeks, CEO	<b>2017</b>	\$ 114,000	\$ 35,791	\$ 522,298
	2016	\$ 162,000	\$ 61,285	\$ 631,179
Delayne Weeks, VP of Social Development	<b>2017</b>	\$ 45,000	\$ 34,463	\$ 313,283
	2016	\$ 57,600	\$ 71,499	\$ 491,219
Terry Mereniuk, Interim CFO	<b>2017</b>	\$ 40,470	\$ 35,513	\$ -
	2016	\$ -	\$ 20,428	\$ -
Clearline CPA, a company of which Grant T. Smith, CFO is a director	<b>2017</b>	\$ 9,000	\$ -	\$ 9,450
	2016	\$ -	\$ -	\$ -
JP Dau, VP of Operations	<b>2017</b>	\$ 90,229	\$ 37,794	\$ 24,554
	2016	\$ 99,240	\$ -	\$ 21,306
Stephen Burega, VP of Corporate Development	<b>2017</b>	\$ 84,000	\$ 34,274	\$ 20,500
	2016	\$ 91,512	\$ 82,961	\$ 20,500
Ken Booth – Director	<b>2017</b>	\$ -	\$ 29,183	\$ -
	2016	\$ -	\$ 20,428	\$ -
Rhonda Hewko – Director	<b>2017</b>	\$ -	\$ 29,183	\$ -
	2016	\$ -	\$ 37,621	\$ -
Adrian Mann, former Director	<b>2017</b>	\$ -	\$ -	\$ -
	2016	\$ 17,341	\$ -	\$ -
Aaron Triplett, former CFO	<b>2017</b>	\$ -	\$ -	\$ -
	2016	\$ 44,563	\$ -	\$ -

<sup>(i)</sup> For the years ended 31 July 2017 and 2016.

<sup>(ii)</sup> Amounts disclosed were paid or accrued to the related party.

The total key management personnel compensation during the year ended 31 July 2017 was \$618,900 (2016 - \$766,478), represented by fees of \$382,699 (2016 - \$472,256) and \$236,201 (2016 - \$294,222) in share-based awards.

On 26 June 2017, the Company issued 589,164 common shares to Mike Weeks at \$0.40 per share to settle \$235,665 of amounts payable. As part of the private placement dated 11 April 2017, the Company issued 312,500 common shares to settle \$100,000 of debt. On 19 October 2016, the Company exercised 165,000 options at \$0.25 per option on behalf of Terry Mereniuk as settlement of \$41,250 in accounts payable. On 19 October 2016, the Company



## MANAGEMENT'S DISCUSSION AND ANALYSIS

exercised 75,000 options at \$0.25 per option on behalf of JP Dau in lieu of a cash bonus of \$18,750 and exercised an additional 75,000 options on his behalf at \$0.25 per option as settlement of \$18,750 in accounts payable.

Subsequent to the year end, on 23 September 2017, the Company received a non-interest bearing loan in the amount of \$55,000 from Mike Weeks, CEO. The loan is repayable within 6 months.

The transactions with related parties were in the normal course of operations, which is the amount of consideration established and agreed to by the related parties. There are no set terms of repayment for the balances owed to the related parties.

## PROPOSED TRANSACTIONS

The Company does not have any proposed transactions that have been approved by the board of directors. It continues to review and evaluate potential exploration properties.

## RISK RELATED TO THE COMPANY'S BUSINESS

### a) Exploration and Development Risk

The Company's properties in Cambodia are in early exploration stages and are without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk, and few properties that are explored are ultimately developed into producing mines. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial, and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), commodity prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. The Company attempts to mitigate its exploration risk by maintaining a diversified portfolio that includes several metal commodity targets in a number of geologic environments. Management also balances the exploration risks through option and funding agreements with other companies.

### b) Financial Markets

Presently, the Company obtains the majority of its working capital from other companies that are funding exploration on Angkor projects in order to earn an interest in the mineral rights. However, the Company will be dependent on the equity markets as its main source of operating working capital and funding for any advanced exploration and development activities that may be needed on its projects. The Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Consequently, there can be no assurance that equity financing will be available to the Company in the amount required at any time or for any period or if available, that it can be obtained on terms satisfactory to the Company.

### c) Metal Prices

The price of gold is affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, supply and demand, political, economic conditions and production levels. In addition, the price of gold has been volatile over short periods of time due to



**MANAGEMENT’S DISCUSSION AND ANALYSIS**

speculative activities. The price of other metals and mineral products that the Company may explore all have the same or similar price risk factors. The prevailing price of metals and speculation on future price of metals by the investing public can have strong impacts on the share prices of exploration companies like Angkor.

**d) Currency Risk**

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Cambodia and as such, a large portion of its expenses are incurred in U.S. dollars, which is the functional currency of Cambodia, and as such could cause a significant change in the results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations as the Company considers these risks not significant.

**e) Cash Flows**

The Company currently has no revenue from mining operations; however, it does generate revenues from overhead recovery fees charged to partners for administration of project development work. If any of its exploration programs are successful and options of properties complete their earn-in, the Company may have to provide its share of ongoing exploration and development costs depending on the specific agreement in order to maintain its interest or be reduced in interest to a royalty interest. Additional capital would be required to put a property into commercial production. The sources of funds currently available to the Company are the equity capital, or the offering of an interest in its projects to another party.

**f) 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 cash, amounts receivable, and promissory note receivable are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The majority of the Company’s cash is held through large Canadian and US financial institutions with a high investment grade rating.

**g) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company’s projects and operations. The Company is dependent on external financing and will be required to raise additional capital in the future to fund its operations.

The contractual undiscounted future cash flows of the Company’s significant non-derivative financial liabilities are as follows:

	<b>31 July 2017</b>	31 July 2016
Accounts payable	\$ 1,215,969	\$ 1,565,256
NSR buy back option	-	1,145,288
	<b>\$ 1,215,969</b>	<b>\$ 2,710,544</b>



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### **h) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has not entered into any derivative instruments to manage interest rate fluctuations; however, management closely monitors interest rate exposure and the risk exposure is limited.

### **i) Possible Dilution to Present and Prospective Shareholders**

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock. The Company usually seeks partners to fund in whole or in part exploration projects. This dilutes the Company's interest in properties. This dilution is undertaken to spread or minimize the risk and to expose the Company to more exploration opportunities. However, it means that any increased market capitalization or profit that might result from a possible discovery would be shared with the partner. There is no guarantee that the Company can find a partner for any property.

### **j) Trading Volume**

The relatively low trading volume of the Company's shares reduces the liquidity of an investment in its shares. Trading volumes fluctuate with market conditions and seasons. The Company attempts to reduce this risk by having multiple projects that are continually generating news and therefore investor interest and trading volume.

### **k) Volatility of Share Price**

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries or discouraging exploration results, changes in financial results, and other factors could have a significant effect on share price.

### **l) Competition**

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other exploration and mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

### **m) Dependence on Management**

The Company depends heavily on the business expertise of its management. There is risk to the Company's ability to execute its business plans if some or all of the current management team were to suddenly leave the Company or become incapable of performing their individual and collective responsibilities. The Company has mitigated the risk of its managers leaving for other companies through competitive compensation, cash bonuses and by providing options to purchase Angkor stock. Some of the senior managers hold substantial share positions in Angkor and are motivated to remain with the Company. The Company has also developed the necessary depth such that it can replace senior managers with more junior staff if necessary. Despite the mitigation measures the Company still depends heavily on its current management.

**MANAGEMENT'S DISCUSSION AND ANALYSIS****n) Title Risk**

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

**o) Environmental**

The Company's exploration and development activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by nongovernmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

**p) Laws and Regulations**

The Company's exploration activities are subject to extensive federal, state, and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety, and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, and if they become more stringent, compliance can become more costly. The Company applies the expertise of its management, advisors, employees, and contractors to ensure compliance with current laws.

**q) Mineral Resource Estimates**

The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated.

**FINANCIAL INSTRUMENTS AND RISK MANAGEMENT****a) Financial instrument classification and measurement**

The Company holds various forms of financial instruments. The nature of these instruments and operations expose the Company to certain risks. The Company manages and monitors its exposure to these risks to ensure appropriate measures are implemented in a timely and effective manner.

At July 31, 2017, there is no significant difference between the carrying values and fair values of the Company's financial instruments except as discussed in Note 12 of the financial statements.

The Company classifies the fair value measurements according to the following hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments.



**MANAGEMENT’S DISCUSSION AND ANALYSIS**

- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

As at July 31, 2017, the Company does not have any financial instruments measured at fair value.

**b) Market risk**

Market risk is the risk that changes in market prices will affect the Company’s earnings or the value of its financial instruments. Market risk is comprised of other price risk, currency risk, and interest rate risk. The objective of market risk management is to manage and control exposures within acceptable limits, while maximizing returns. The Company’s exposure to market risk is further disclosed below.

**c) 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. Credit risk for the Company is associated with cash, amounts receivable and promissory note receivable. Cash is held with reputable financial institutions.

The amounts receivable which represent financial assets include accounts receivable from third parties. Based on currently available information, the Company anticipates full recoverability of amounts due on account.

The Company is also exposed to credit risk with respect to the unsecured promissory note receivable from Mesco in the amount of \$524,370 (US\$420,000). The Company has amended the payment of this note to now involve a payment plan as described in Note 12 of the financial statements. .

The Company has procedures in place to minimize its exposure to credit risk. Management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to accounts receivable and promissory note receivable and other counterparty concentrations as measured by amount and percentage.

**d) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company’s projects and operations. The Company is dependent on external financing and will be required to raise additional capital in the future to fund its operations.

The contractual undiscounted future cash flows of the Company’s significant non-derivative financial liabilities are as follows:

	<b>31 July 2017</b>	31 July 2016
Accounts payable	\$ 1,215,969	\$ 1,565,256
NSR buy back option	-	1,145,288
	<b>\$ 1,215,969</b>	<b>\$ 2,710,544</b>



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk on the variable rate of interest earned on its cash and promissory note receivable. The fair value interest rate risk on cash is insignificant as deposits are either short term or pay interest at rates of 1.2% or less. The fair value interest rate risk on promissory note receivable is estimated at 18%. The Company does not hold any other financial assets or liabilities which incur interest.

The Company has not entered into any derivative instruments to manage interest rate fluctuations; however, management closely monitors interest rate exposure and the risk exposure is limited.

### f) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's major operating expenses and acquisition costs are denominated in U.S. dollars and a portion of the expenses of the Company are in Canadian dollars. The Company's corporate office is based in Canada and the exposure to exchange rate fluctuations arises mainly on foreign currencies which are the U.S. dollar.

## CRITICAL ACCOUNTING ESTIMATES

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The recoverability of exploration and evaluation assets presented on the consolidated statement of financial position;
- The estimated useful lives of property and equipment which are included in the consolidated statement of financial position and the related amortization;
- The inputs used in accounting for share-based payment transactions in the consolidated statements of comprehensive income and loss;
- Management's determination that there is no material restoration, rehabilitation, and environmental exposure, based on the facts and circumstances that existed during the year;
- The valuation of deferred income tax assets.

## APPROVAL

This MD&A reflects information available as at 23 November 2017. The Financial Statements and the MD&A were approved by the Board of Directors on 23 November 2017.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### A CAUTIONARY TALE

This document contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performance of the Corporation, its subsidiaries and its projects, the future supply, demand, inventory, production and price of minerals, the estimation of reserves and resources, the realization of reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of resources; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the resource industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Respectfully submitted

On Behalf of the Board of Directors

**“Mike Weeks”**

Mike Weeks

President and CEO