



# ANGKOR RESOURCES CORP.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEARS ENDED 31 JULY 2022 AND 2021**

Stated in Canadian Dollars

**DATE: 28 NOVEMBER 2022**

# ANGKOR RESOURCES CORP.

Canadian Dollars

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022



### TO OUR SHAREHOLDERS

This Management Discussion and Analysis (“MD&A”) for Angkor Resources Corp. (“Angkor” or the “Company”), should be read in conjunction with the audited Financial Statements for the year ended 31 July 2022, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), consistently applied. This discussion includes the accounts of the Company and its subsidiaries, including;

- wholly-owned EnerCam Exploration Ltd. (“EnerCam Exploration”) (previously Prairie Pacific Mining Corp.), a corporation incorporated on 15 July 2018 and existing under the provincial laws of Alberta;
- wholly-owned Angkor Gold Cambodia Co. Ltd. (“AGC”), a corporation existing under the laws of the Kingdom of Cambodia;
- wholly-owned Liberty Mining International Pty Ltd, a corporation existing under the laws of the Kingdom of Cambodia;
- EnerCam Resources (Singapore) Pte. Ltd. (“EnerCam Resources”), which was incorporated in Singapore on 25 January 2019, owned 98% by EnerCam Exploration as at 31 July 2019, and 87.5% as at July 31, 2021 and the date of this report;
- wholly-owned EnerCam Resources Co., Ltd (“EnerCam Cambodia”), which was incorporated on 16 January 2020 under the laws of the Kingdom of Cambodia, and
- wholly-owned Philippine Environmental Recovery Inc. (“PERI”), which was incorporated on September 24, 2021.

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.



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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>  |
|---|--|--|
| <ul style="list-style-type: none"> <li>Continued exploration of resource properties.</li> </ul>                               | <ul style="list-style-type: none"> <li>The exploration will reveal hydrocarbon and 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.</li> </ul> | <ul style="list-style-type: none"> <li>The recoverability of intangible exploration and evaluation assets is dependent upon several factors. These include:                             <ul style="list-style-type: none"> <li>- The discovery of economically recoverable reserves;</li> <li>- The ability of the Company to obtain the necessary financing to complete the development of these properties;</li> <li>- The ability to renew exploration licenses; and</li> <li>- Future profitable production or proceeds from disposition of mineral and oil and gas properties.</li> </ul> </li> </ul> |
| <ul style="list-style-type: none"> <li>The ability to raise capital in the future to continue on-going operations.</li> </ul> | <ul style="list-style-type: none"> <li>The Company will be able to raise capital as required.</li> </ul>   | <ul style="list-style-type: none"> <li>The Company has negative working capital and has incurred operating losses since inception.</li> <li>The Company has no source of revenue and is unable to self-finance operations.</li> <li>The Company has significant on-going cash requirements to meet its overhead requirements and maintain its resource interests.</li> </ul>   |

**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 Resources 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 resource exploration in Cambodia. In the past year, the Company undertook a strategic review of all licenses, jurisdictions, management, projects, and the Company’s future vision. Angkor advancements were in part to rebrand as a ‘hybrid resource optimizer’ whereby the Company seeks and delivers on projects that optimize quick cashflow, production, and opportunities within the resources.

As results evolving from this review on mineral licenses in Cambodia, the following took place:

- three mineral licenses were released from the portfolio of mineral licenses, namely Oyadao South, Banlung, and Koah Nheak .
- Ministry of Mines and Energy (MME) approved the Oyadao North and Andong Meas as new licenses, meaning they each have an initial term of three years from August 2021 and two two-year renewals thereafter. The two licenses are 148 km<sup>2</sup> and 118 km<sup>2</sup> with multiple gold and copper prospects.
- Angkor applied for Andong Bor as a new 100 square kilometer license, located across Oudar Meanchey and Banteay Meanchey provinces in Cambodia

Continuing with the strategic review on the energy and environmental sectors, the Company also undertook:

- Advancing its negotiation of onshore Block VIII Production Sharing Contract (PSC) in Cambodia, new 7300 square kilometer oil and gas concession license. (see subsequent events)
- At the request of Ministry of Mines and Energy (MME), completing analysis, inspection, assessment, and proposals for restarting and continuing production on offshore Block A. (see subsequent events)
- Participating in a carbon capture gas conservation project in Evesham, Saskatchewan with an existing production team to capture emissions and convert them into clean natural gas sales.
- Participating in a profit-share agreement with KSA Quarrying and Aggregate Co. Inc. in the Philippines for an environmental sand removal project from the heavily-silted Malaguit River.



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

Ultimately, adding several resource-based cashflows strengthens the foundation of the company while the technical teams continue to explore in SE Asia and expand our template using strong ESG platforms that are applied in SE Asia and across each of Angkor's projects.

As a resource optimizer, Angkor's business model included components in the resource sector that:

- create accelerated pathways to revenue streams in minerals and energy industries
- work with existing teams and infrastructure and allow Angkor's expertise to complement each project
- minimize dilution while providing solutions to a problem in the resource sector
- implement solid Environmental, Social, and Governance (ESG) platforms

In its quest to achieve the criteria above on accelerated cashflow projects, Angkor looked to minimize dilution and implemented innovative funding by private investors that covered the project costs in exchange for repayment of funding with a residual dividend to the funders based on the Company's revenue stream.

These projects, although in jurisdictions other than Cambodia, aligned with our ongoing mineral and exploration activities, added financial strength to the Company, and mitigates risk for both investors and Company finances. The Company anticipates partial cashflow initiated within 12 months of each project startup.

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol ANK. In 2019 the Company changed its name from Angkor Gold Corp. to Angkor Resources Corp. to reflect its addition of energy projects to its mineral exploration portfolio.

In the event the Company is involved in exploration projects of the resource sector, initial exploration and investigation is generally conducted by the Company.

In the second event where the Company undertakes a role in more advanced projects in the resource sector that lead to a faster track to cashflow, the Company targets opportunities within the resource sector whereby the Company brings a solution to an existing problem. The Company views these projects as having less risk and greater liquidity, which will facilitate increased flexibility in advancing with actual cashflow in place and less need to go to the market for financings.

To move forward with the exploration of mineral and energy projects in SE Asia, the Company acquires licenses to properties to investigate for resource potential. Not all projects are always given equal priority, and technical work programs depend on the availability of exploration funding, the Company's assessment of geological potential, and the 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 several factors, or conversely, may no longer



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be considered “significant” or “material” should they fail to meet expectations and the necessary criteria over time. Licenses that fail to meet criteria are released from the Company’s portfolio.

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. As part of funding, earn-in and other agreements, Angkor generally negotiates a carried interest for the Company. Each agreement is negotiated on its own basis depending on the circumstances; specific terms may vary from agreement to agreement.

The Company believes third party funding agreements, partnership and strategic alliance 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 quality partners that bring strength to the projects serve to reduce some of the risk inherent in resource exploration and development.

## HIGHLIGHTS, SIGNIFICANT EVENTS AND TRANSACTIONS

### 1) Financing and Corporate

What follows is a summary of activities of the twelve-month period ended 31 July 2022 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.

- On September 21, 2021, Angkor announced the signing of a Letter of Intent for a strategic partnership in the Philippines for an environmental sand removal and alluvial gold recovery project. Following due diligence, the readiness of the wash plant, the permitting of expat personnel into the Philippines, and long-term sand contracts, then Angkor’s subsidiary, PERI, shall become involved in the Project. The project is fully permitted on the Malaguit River in the Philippines.
- On November 23, 2021, Angkor announced an update on its agreement with Indigenous Jarai Communities in Ratanakiri province. The agreement, which covers all elements of the mining cycle, also involves collaboration of community-identified projects, from industry training to aiding in building a community admin center.



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

- On November 24, 2021, Angkor announced its contract with Scandinavian Alliance for International marketing services. Scandinavian Alliance will receive 1.77 million stock options at an exercise price of \$.09 per share, and the options shall be subject to vesting periods whereby 1/3 will be released every 2 months. Scandinavian Alliance's primary marketing targets are in northern Europe.
- On December 6<sup>th</sup>, 2021, Angkor announced its approval and listing on the OTCQB under the trading symbol of ANKOF. The OTCQB offers US traders a direct venue for Angkor's securities. Investors can find current financial disclosure and real-time level 2 quotes for the Company on [www.otcmarkets.com](http://www.otcmarkets.com).
- On December 15, 2021, the company welcomed Canadian Jan Scazighino from the Canadian Embassy, providing a complete tour of the regional office and the operations, including technical, social and environmental initiatives.
- On January 13, 2022, Angkor, using its energy subsidiary EnerCam Resources, announced its undertaking a carbon capture energy project in Evesham Canada. The next few months will be spent commissioning the gas conservation to reduce carbon emissions and convert gases to clean natural gas, creating a recurring revenue stream for the Company.
- On January 27, 2022, Angkor announced the expanded social programs for clean water and sanitation with the Indigenous Jarai communities on Andong Meas license. This continues to be part of the cradle-to-grave agreement between Angkor and the communities that has formed a precedent in Cambodia.
- On Feb. 10, 2022, Angkor announced the transport of the compressor package from Alberta to Saskatchewan as initial steps for commissioning of the gas capture project in Evesham.
- On 22 February 2022, the company announced the resignation of Rhonda Hewko from the Board of Directors as she pursues personal business commitments.
- On February 28, 2022, Angkor announced the completion of the agreement on an environmental clean-up or 'desilt' project to remove sand and recover gold on the Malaguit River, Philippines.
- On March 7, 2022, Angkor announced the completion of the agreement on the Malaguit River in the Philippines. This project will rebuild a processing facility, implement equipment, and advance environmental sand removal from the river, sell the sand and undertake gold recovery from the sand concurrently.



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

- On March 9, 2022, Angkor announced its celebration for newly appointed Governor of Ratanakiri Province in the Kingdom of Cambodia, Nhem Samoeurn. Angkor was invited as a leading industry proponent in the province of Ratanakiri, where the Company has operated for the past 12 years.
- On May 9<sup>th</sup>, 2022, Angkor announced the completion of an over-subscribed non-brokered private placement of \$535,000 CAD. A total of 4,458,333 units were issued at \$0.12 per unit with a \$0.16 warrant that expires in 2 years. An acceleration clause is attached to the shares whereby if the price reaches \$0.20 or more for three weeks, the Company has the right to ask unitholders to exercise their warrants or see them cancelled.
- On June 13, 2022, Angkor announced the conversion of 100% of the outstanding convertible notes totaling \$1,050,000 into 4,200,000 common stock of the Company at \$0.25 per share.  
On April 27<sup>th</sup>, 2022, Angkor announced its engagement with Hybrid Financial to provide marketing, investor relations, and promotion expertise for the company.
- On October 18, 2022, Angkor announced the advancing of social and governance programs with local indigenous communities of Ratanakiri province in Cambodia. As part of its ongoing community development work with Jarai Indigenous People and the Company's commitment to the cradle-to-grave project, Angkor has collaborated with the communities to address their number one concern: the crippling impact of overzealous microfinance loans.

### 2) Exploration

What follows is a summary of activities during the year ended 31 July 2022, deemed by management to relate to exploration. The activities disclosed have been the subject of press release(s) and are highlights of significant events and transactions. See Significant Events and Transactions subsequent to the year-end, for reporting on activities that fell between year-end and the date of this report.

- On October 14, 2021, Angkor announced 139 meters of Consistent Mineralization in a single test hole on Canada Wall prospect. A single test hole of 349-meter depth was completed at Canada Wall and assays indicate it passed through the outer shell of a porphyry system, based on the companion elements identified in the assays. Further exploration and drilling will confirm depth of mineralization.
- On November 16, 2021, Angkor announced elevated amounts of rare earth minerals detected on its Gossan Hills prospect on the Andong Meas license. With initial assays showing elevated levels to 450 ppm for REE's, the Company will undertake additional testing across Gossan Hills prospect to determine if there is economic quantity of the elements.





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- On Dec 8, 2021, Angkor announced the Canada Wall anomaly expanded at depth and on strike. Recent 3D analysis identified that the single test hole of 349 meters is within a magnetic feature. The analysis indicates there is a porphyry system on top of another older but distinct porphyry. Teams are being deployed for follow-up sampling over a closely spaced grid on the area.
- On 4 February 2022, the company announced its ground magnetics program across Canada Wall and Gossan Hills prospects. The program will cover over 173 linear kilometres across lines spaced 25 meters apart.
- On 8 February 2022, Angkor announced a collaborative research project on Andong Meas license with 8 researchers from the Institute of Cambodia (ITC).
- On 25 February 2022, the company announced its grid sampling which were across Canada Wall and Gossan Hills prospects on the Andong Meas License.
- On March 23, 2022, the company announced the receipt of multi-element assays from samples of the Oyadao North license. The assays returned anomalous results for copper, zinc, caesium, lead, and tungsten and cover a large area over 2 kilometres square. Additional exploration will continue with the prospect over the coming months.
- On April 11, 2022, the company announced advancing sand dredging project with QP Dennis Ouellette on site in Philippines.
- May 17, 2022, the company announced compressor equipment for the carbon capture in Evesham Saskatchewan was delivered to site as part of the steps to commissioning the project to produce clean natural gas. Further underground permits and connections will continue before final inspection and gas sales can begin.
- On May 25<sup>th</sup>, the company announced it has completed inspection of the Block A Offshore Production facilities 160 kilometers from Cambodia's SW coast. The Ministry of Mines and Energy had requested Mike Weeks to undertake the assessment of the facilities as part of considering a restart of the production. Weeks took eight technical personnel and 15 MME personnel to the site on a government-sponsored supply boat, but due to rough waters, only technical staff boarded the facilities. Reports from the assessment are being reviewed.
- On June 28, 2022, Angkor announced its on-site technical experts undertook further intensive research into restarting oil production 160 kilometers southwest of Cambodia at the Block A offshore concession. The Company, with its energy subsidiary, EnerCam Resources Corp.



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(EnerCam), completed several reports and presentations to the Ministry of Energy and an initial proposal of three options for restarting production at the government-owned offshore facility.

- On September 6, 2022, Angkor announced that their application for a copper/gold license in western Cambodia has been approved and issued by the Cambodian Ministry of Mines and Energy. As well, a private Canadian company, CANbodia Copper Corp. (CCC) has aligned with Angkor to fund and develop the newly acquired Andong Bor license.
- On September 8, 2022, Angkor announced the consolidation of emissions from 21 wells to advance the carbon/gas capture energy project in Evesham, Saskatchewan. The Project collects methane, other gases and carbon emissions from 21 oil wells across a field stretching over two sections (1280 acres), all connected with underground pipelines. The gas is then dewatered, processed and converted into a clean, natural gas, which is then tied into a sales point regulated by the Province of Saskatchewan. An additional six wells will be tied in during late September and a further five have been slated as contributors once commissioning is complete.
- On October 4, 2022, Angkor announced its energy subsidiary, EnerCam Resources Corp. (Cambodia) Co. Ltd. has received final licensing for exploration, development, and production on Block VIII onshore Cambodia.

### GENERAL TRENDS AND RISKS

During the past twelve months, the energy segment of the natural resource sector has taken a front row seat. Market trends indicate both natural gas and oil will remain in high demand, with less secure supply. Caution and prudence are utilized when companies consider the capital investment on both mineral and energy infrastructure due to the timelines between initial construction to production commission state. As industries try to manage a post-COVID era, and attempt to 'do more with less', distinct trends for companies in the extractives include:

- Increasing capacity under shorter timelines
- Pushing sustainability measures
- Merging technological advancements like 'wearable' tech with reduced human resources
- Reduction of infrastructure 'size' for increasing efficiency

Indeed, the cost of diesel and other fuels has been a contributing factor to these shifts, but ultimately established a desired pattern for the Company in its operations, from SE Asia to Canada. For the projects of the Company and its environmental, social, governance (ESG) objectives, delivering solutions in energy and minerals aligns with these trends and the demand for these commodities both domestically and globally.



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Although the risks of a falling demand for energy and minerals is deemed to be low, it remains prudent to manage the costing of producing the commodity to ensure there is ample room for price fluctuations, whether those are in crude, natural gas, copper, or gold.

### MARKET CONDITIONS

Market conditions from August '21 to July '22 is described as 'flat' in the extractive sector. Great discoveries, solid projects and want-to-be catalysts may have little impact in the market and for many companies, are not reflected in the share price.

After seeing the oil and gas prices higher than in the past eight years, and prices appearing to continue at that level, today's market continues to be impacted based on the Russian aggression in the Ukraine. From northern Europe to southern Asia, and North and South America, the rising price for basic fuels is felt across every household and industry. The desire remains to create power from sources other than hydrocarbons, but achieving this mission is far from being realistic today. As well, the markets shift away from alternative fuels when the current energy sources than maintain lifestyles are at risk. Respect for a balance of reality and changing energy sources plus a realistic transition period of several decades remain necessary considerations.

Domestic needs of energy in Asia are increasing substantially as those nations develop, and Angkor continues to seek solutions that champion responsible development of both energy and minerals.

The Cambodia government continues to seek the country's own source of energy, starting with traditional oil and gas energy solutions and is encouraging western-style foreign investment in both mineral and energy development. Gold production in Cambodia, led by Australia's Emerald Resources, has been a healthy example of what can be accomplished by foreign investment in the mineral sector.

The concern of power struggles between China and Taiwan have initiated concerns in the West but for the Company, it is very much business as usual. The high demand for energy in Asia, given there are multiple countries suffering because they do not have their own domestic supply, increases a shift away from importing all their industrial and residential fuels. Coupled with a nation just starting to realize the production phase of a producing mineral sector, Cambodia positions itself to advance the country over the upcoming year.

### IMPACT OF POST COVID-19 PANDEMIC

If one was asked to identify the most significant impact of COVID, it would be the challenges of supply chain provisions. From parts, components, and even personnel, the ability to 'fast-track' any project has been hampered, both in North America and Asia. Solid planning and greater patience are imperative to navigate successfully.



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Cambodia, and Asia in general, continue heavily masked for social gatherings, government meetings, and even social outings. Sourcing parts for equipment made outside of Asia can be problematic for both Cambodia and the Philippines whereas sourcing personnel to carry out standard procedures in industry delays activities in the Canadian energy sector.

### EXPLORATION SUMMARY

#### MINERAL PROJECTS:

Angkor's two new mineral exploration licenses in the Kingdom of Cambodia cover approximately 266 km<sup>2</sup>, which the Company has focused on after completing its strategic review. The Company has covered potential prospects with stream sediment geochemical sampling and has initiated Induced Polarization (IP) over several key areas. The company has completed initial diamond drilling on three prospects, augured, collected termite mound, and undertaken 'B' and 'C' zone soil samples with 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.

#### 1. Andong Meas License

Andong Meas is Angkor's most northern license with an area of 118 km<sup>2</sup> and includes several prospects – Canada Wall Prospect, Wild Boar Prospect, Gossan Hills 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.

Work during the 2021/2022 season was spread over all four significant prospects within the Andong Meas tenement. Those targets were the Canada Wall copper molybdenum porphyry, the Wild Boar epithermal gold, the South Creek copper porphyry target, and the Gossan Hills multi-element skarn targets.

A program of wide spaced soil sampling covering the southern portion of the Canada Wall target extended south to also cover the Gossan Hills prospect tied the two together. The 453-sample program resulted in spot anomalies which will be followed up in 2022/2023. Geological mapping was also extended to the Gossan Hills target.

A Ground Magnetic survey was completed over the entire Canada Wall and Gossan Hills area. The 102-line survey was completed in February of 2022. It is recommended that an Induced Polarization (IP) survey be conducted over the area of most potential for copper porphyry mineralization. Drill holes from 2012 drilled for discovering gold veins were logged again in 2022 and the reinterpreted geology indicates

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that porphyry mineralization does occur in the primary target area. The IP survey should better define the drill targets.

Geological mapping at the South Creek prospect was completed in 2022. The area is now 100% farmland which helped with the detailed mapping. The geology is very similar to the Canada Wall copper porphyry. Wide spaced grid auger sampling will be completed in 2023 before IP survey on Canada Wall begins so that, if it is deemed useful, the IP survey can be extended to cover South Creek.

**2. Oyadao North Exploration License**

The Oyadao North license is 148 km<sup>2</sup>, connects directly east of the Andong Meas license and borders the north end of Phum Syarung.

Most previous work completed on this license concentrated on the southern area adjacent to the Phum Syarung gold vein deposit. In 2022 crews followed up historical anomalous stream sediment samples at the northwest portion of the license, both north and south of the Sesan river. This work is considered to be early, grass roots exploration as very little work has been done in the area. Field mapping identified the same rocks as underlies the Canada Wall and Wild Boar areas, signifying that the belt of copper porphyry and epithermal gold styles of mineralization continue eastward onto the Oyadao license. The alteration of intrusive rocks is similar to what exists at the Canada Wall copper porphyry target. Soil samples collected during this program are currently being analyzed by staff with the company's portable XRF analyzer.

Follow up will consist of targeting any anomalous soil samples as well as further mapping and prospecting.

**Maintenance of Licenses**

The Company's five licenses were renewed under the terms of the new sub-decree to the Mining Law in 2017, reviewed in 2020-2021, and three were dropped from the Company's exploration portfolio with two new licenses issued on the previously held Oyadao North and Andong Meas licenses.

Annual rental fees, training fees, and inspection fees are part of the maintenance program. Exploration reports are required by MME on each license on an annual basis, and the current licenses are in good standing. The Company chose to reduce the number of licenses to those that indicated greatest potential for increasing value for the shareholders.

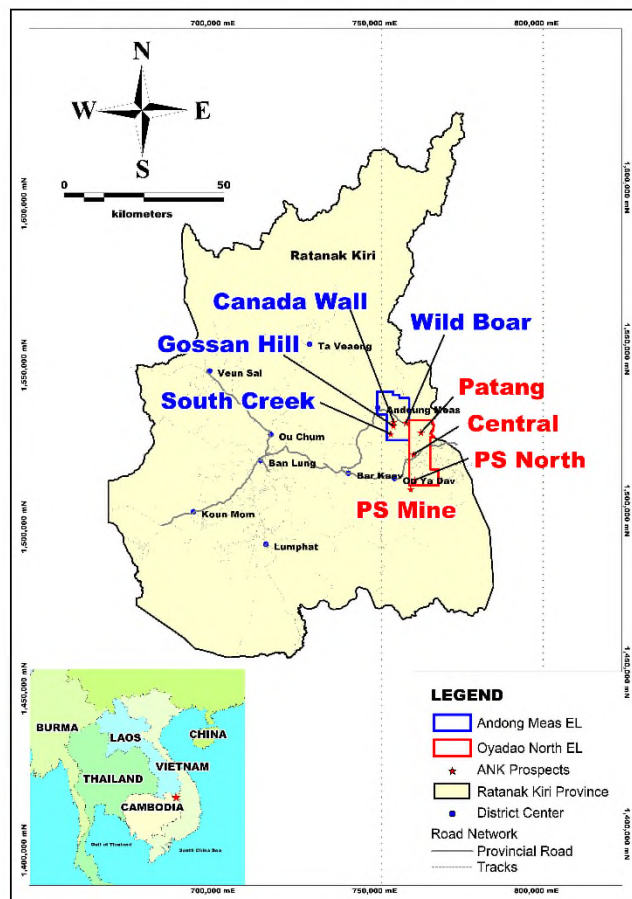
The physical maintenance of the licenses requires ongoing security of any camp structures in periods of inactivity, regular reconnaissance, and general minimal technical operations. Social development activities are considered part of exploration-related activities and continue with each project through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



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During 2020 and through 2021, the global pandemic of COVID-19 ensued, which has had a significant impact on organizations with the restrictions put in place by the Canadian, Cambodian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Company went to significant lengths to ensure proactive measures for distancing, sanitation, and any regulated procedures were followed and practiced throughout the properties. Fortunately, that has enabled the Company to work throughout the past year at a close-to-normal standard in Cambodia. Additional education and providing personal protective equipment for rural communities was undertaken by the Company across its license areas and continues to be implemented.





### OIL & GAS PROJECTS:

**ONSHORE:** In October 2022, Angkor announced that it had received approval of its previously announced license application for Block VIII, a 7,300 square kilometer oil and gas concession in Cambodia and proceeded with the negotiation of the Production Sharing Contract (PSC) with regard to the license (see accompanying map) under its subsidiary company EnerCam Resources. Negotiations post-COVID resulted in final agreement on the PSC and EnerCam signing agreements for the onshore license.

Angkor's independent field research conducted by Lorne Rosenthal Canadian professional geologists indicates that Block VIII is host to a newly recognized and completely unexplored foreland sedimentary basin related to the Bokor-Elephant Mountain compressional fold and thrust belt, which may contain multiple prospective reservoir zones of Carboniferous, Permian, Triassic and Cretaceous age. In addition, there are a number of younger rift basins of Tertiary age associated with regional Cenozoic strike-slip faulting.

**OFFSHORE:** In late December, 2021, the Ministry of Mines and Energy (MME) asked Angkor's subsidiary, EnerCam Resources Co. Ltd. (Cambodia) to assist the government is assessing and potentially restarting offshore production that was terminated with the insolvency of Kris Energy. In the seven months that followed, EnerCam undertook the following:

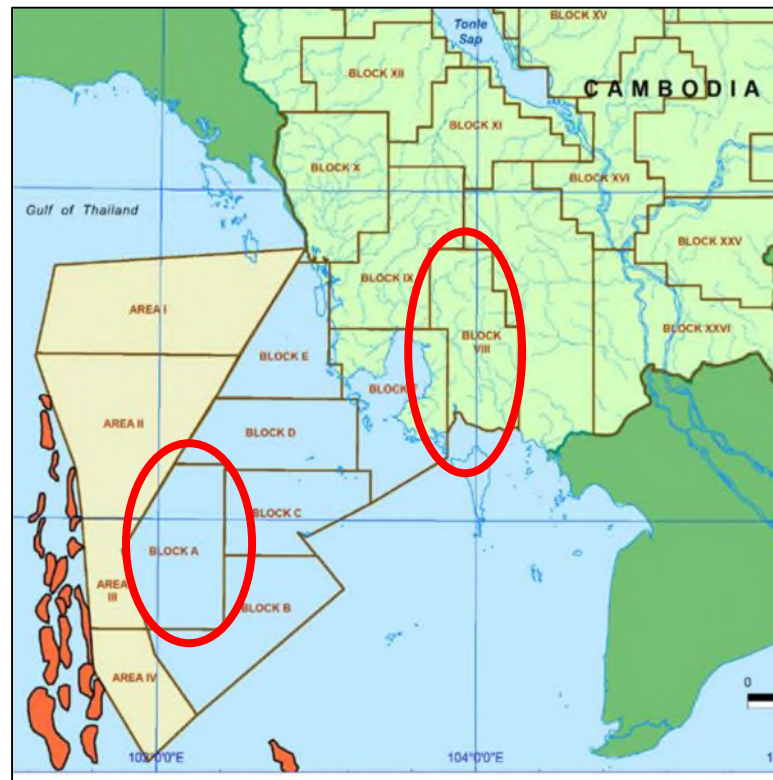
- a. Completed an in-depth report regarding the offshore Block A, and specifically the Apsara field in Block A where Kris Energy had established a production barge and drilling platform with six wells, from which they had produced 297,000 barrels of oil, prior to bankruptcy.
- b. Submitted the assessment with recommendations in March, 2022.
- c. At MME's request, completed an inspection and assessment of the offshore facilities in May of 2022, and submitted report of the findings to MME.
- d. In June and July, EnerCam completed further research and an extensive study of the seismic and reservoir analysis with specialists to determine remaining oil in the six existing wells and further recovery methods to expand production on the Apsara field. As well, EnerCam provided several presentations to MME and Ministry of Economic and Finance (MEF).
- e. EnerCam submitted a proposal to restart and produce the Apsara field and awaits feedback from MME and MEF.



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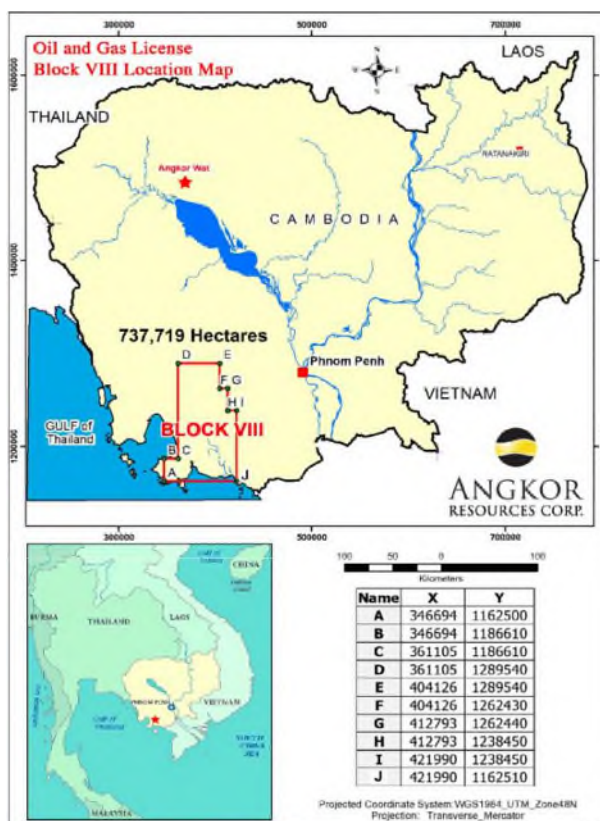




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### Results from Operations

The comprehensive loss for the year ended 31 July 2022 is \$2,778,481 compared to a comprehensive loss of \$5,905,588 in the comparative year. The main fluctuations in costs are as follows:

| Salaries, wages, and benefits<br>(rounded to the nearest '000) | 12 months<br>2022 | 12 months<br>2021 |
|--|-------------------|-------------------|
|  | \$ 238,000        | \$ 340,000        |
| Variance   | \$ (102,000)      |                   |

The decrease in salaries, wages and benefits for the year ended 31 July 2022 results from a reduction of management contract obligations as management team remains smaller over the past year.



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| <b>Share-based compensation</b><br>(rounded to the nearest '000) | <b>12 months</b><br><b>2022</b> | 12 months<br>2021 |
|--|---------------------------------|-------------------|
|  | \$ 36,000                       | \$ 369,000        |
| Variance   | \$ (333,000)                    |                   |

The decrease in share-based compensation for the year ended 31 July 2022 results from the issuance of shares to the Former CEO in the amount of \$186,930 relating to a one-time severance payment in the comparative year.

| <b>Professional and consulting fees</b><br>(rounded to the nearest '000) | <b>12 months</b><br><b>2022</b> | 12 months<br>2021 |
|--|---------------------------------|-------------------|
|  | \$ 524,000                      | \$ 318,000        |
| Variance   | \$ 206,000                      |                   |

The increase in professional and consulting fees for the year ended 31 July 2022 is primarily a result of increased activity in the current period surrounding mineral properties, oil and gas, and legal fees.

| <b>Office and travel</b><br>(rounded to the nearest '000) | <b>12 months</b><br><b>2022</b> | 12 months<br>2021 |
|---|---------------------------------|-------------------|
|   | \$ 302,000                      | \$ 189,000        |
| Variance  | \$ 113,000                      |                   |

The increase in office and travel for the year ended 31 July 2022 is primarily a result of increased marketing efforts by the Company as well as reduced pandemic restrictions on travel.

| <b>Impairment on exploration and<br/>evaluation assets</b><br>(rounded to the nearest '000) | <b>12 months</b><br><b>2022</b> | 12 months<br>2021 |
|---|---------------------------------|-------------------|
|   | \$ 1,184,000                    | \$ 4,025,000      |
| Variance  | \$ (2,841,000)                  |                   |

The decrease in impairment on exploration and evaluation assets for the year ended 31 July 2022 resulted from the cancellation of the renewal of licenses for the Oyadao South and Banlung properties due to careful evaluation of the current priorities of the Company for the year ended 31 July 2021.

# ANGKOR RESOURCES CORP.

Canadian Dollars

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022



### SUMMARY OF ANNUAL RESULTS

The following table summarizes selected financial data for the Company for each of the two 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 2022</b>   | July 2021      | July 2020      |
|--|----|--------------------|----------------|----------------|
| Total other income                     | \$ | <b>78,979</b>      | \$ -           | -              |
| Comprehensive Loss for the Year        | \$ | <b>(2,778,481)</b> | \$ (5,905,588) | \$ (1,014,794) |
| Net Loss per Share (Basic and Diluted) | \$ | <b>(0.02)</b>      | \$ (0.04)      | \$ (0.01)      |
| Total Assets                           | \$ | <b>3,792,770</b>   | \$ 3,593,044   | \$ 8,425,516   |


**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022**
**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 IAS 34 and are expressed in Canadian dollars.

| Three Months Ended                             | July 2022   | April 2022  | Jan 2022    | Oct 2021    | July 2021   | April 2021  | Jan 2021  | Oct 2020  |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-----------|
| Total Revenues                                 | 78,979      | -           | -           | -           | -           | -           | -         | -         |
| Net Loss after income taxes                    | (667,764)   | (398,659)   | (332,465)   | (1,316,093) | (4,351,155) | (695,943)   | (362,946) | (275,644) |
| Net Comprehensive Income (loss) for the period | (671,820)   | (449,765)   | (326,580)   | (1,330,316) | (4,622,019) | (1,118,862) | (816,763) | (347,943) |
| Net Loss per share (basic and diluted)         | (0.01)      | (0.00)      | (0.01)      | (0.01)      | (0.04)      | (0.00)      | (0.00)    | (0.00)    |
| Total assets                                   | 3,792,770   | 3,648,845   | 3,215,788   | 2,431,531   | 3,593,044   | 6,641,596   | 7,368,836 | 8,147,091 |
| Working capital (deficit)                      | (1,771,155) | (2,769,571) | (2,548,921) | (1,924,220) | (1,738,071) | (1,216,012) | (744,305) | (338,411) |

The Company continues to monitor exploration and corporate expenses as resources become available. The decrease in total assets during multiple quarters is primarily due to the Company recording earn-in payments as reductions in the carrying cost of the exploration properties. Additionally, the private placement and issuance of convertible debentures has increased working capital by moving debt to long term.

The loss reported during the quarterly periods of Fiscal 2022 is in line with prior periods as management continues to monitor its ability to conduct exploration activities within the resource constraints of the period. The fluctuations during these quarters are due to the Company recognizing significant other comprehensive income due to the foreign currency exchange on the different functional currencies.

# ANGKOR RESOURCES CORP.

Canadian Dollars

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022



### EXPLORATION AND EVALUATION ASSETS

The Company has interests in two mineral properties as at 31 July 2022 (2021 - four properties):

|  | Oyadao South<br>(OYS) | Oyadao<br>(OYN)   | Banlung<br>(BLS) | Koan Nheak<br>(KHN) | Andong Meas<br>(ADM) | Mesco<br>(MS)  | Total               |
|--|-----------------------|-------------------|------------------|---------------------|----------------------|----------------|---------------------|
| <b>Balance as at 1 August 2020</b>       | \$1,320,475           | \$192,361         | \$2,587,349      | \$989,525           | \$656,960            | \$-            | \$5,746,670         |
| Consultant, wages and salaries           | 747                   | 103,892           | 1,001            | 105,833             | 183,436              | 6,688          | 401,597             |
| Permit and license                       | 57,340                | -                 | 57,340           | -                   | 76,378               | -              | 191,058             |
| Work, logistics, R&M, and fuel and other | -                     | 1,648             | 487              | 71,632              | 58,307               | -              | 132,074             |
| Funds received under option agreements   | -                     | (120,884)         | -                | (47,949)            | -                    | -              | (168,833)           |
| Impairment of License                    | (1,378,562)           | -                 | (2,646,176)      | -                   | -                    | -              | (4,024,738)         |
| Adjustment on currency translation       | -                     | (64,494)          | -                | (47,675)            | (48,143)             | (145)          | (160,457)           |
| <b>Balance at 31 July 2021</b>           | -                     | 112,523           | -                | 1,071,366           | 926,938              | 6,543          | 2,117,371           |
| Consultant, wages and salaries           | -                     | <b>44,113</b>     | -                | -                   | <b>250,007</b>       | -              | <b>294,120</b>      |
| Permit and license                       | -                     | <b>46,518</b>     | -                | -                   | <b>53,008</b>        | -              | <b>99,527</b>       |
| Work, logistics, R&M, and fuel and other | -                     | <b>61,424</b>     | -                | <b>106,031</b>      | <b>157,760</b>       | <b>647</b>     | <b>325,862</b>      |
| Impairment of License                    | -                     | -                 | -                | <b>(1,177,397)</b>  | -                    | <b>(7,190)</b> | <b>(1,184,060)</b>  |
| Adjustment on currency translation       | -                     | <b>25,695</b>     | -                | -                   | <b>33,977</b>        | -              | <b>59,669</b>       |
| <b>Balance as at 31 July 2022</b>        | <b>\$ -</b>           | <b>\$ 290,274</b> | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ 1,421,687</b>  | <b>\$ -</b>    | <b>\$ 1,711,962</b> |

August 2021 The Company was issued two new licenses for a 3-year term for OYN and ADM with 2-year renewal terms, and have dropped two licenses.

# ANGKOR RESOURCES CORP.

Canadian Dollars

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022



### OUTSTANDING SHARES

As at 31 July 2022, the Company had 169,373,375 common shares issued and outstanding, and 169,332,051 as at the date of this report. As at the date of the report, the fully diluted amount of 223,315,499 includes warrants of 40,867,373 and options of 13,116,075.

### LIQUIDITY AND GOING CONCERN FINANCIAL CONDITION OF THE COMPANY

The Company's working capital (current assets less current liabilities) as at 31 July 2022 was a deficiency of \$1,771,155 compared with a deficiency of \$1,738,071 as at 31 July 2021.

Cash used in operating activities during the year ended 31 July 2022 totaled \$1,084,066 (31 July 2021 - \$1,013,780).

Cash used in investing activities during the year ended 31 July 2022 totaled \$979,812 (31 July 2021 – used \$454,467).

Cash provided by financing activities during the year ended 31 July 2022 was \$2,303,184 (31 July 2021 - \$309,122).

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

Management believes it will be able to create revenue streams and raise capital as required to continue in operation but recognizes the related risks.

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 and debt (i.e., private placements, option exercises, warrant exercises).

The Company continues to seek exploration and development partners on other properties in its portfolio 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 favorable.



## **CAPITAL MANAGEMENT**

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

The Company has significant on-going cash requirements to meet its overhead requirements and maintain its mineral interests. The ability to raise capital in the future is required on a short-term basis until recurring cashflows are implemented.

The Company manages its capital structure and adjusts it considering changes in economic conditions and the risk characteristics of the underlying assets. 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. 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.

As at 31 July 2022, the Company's capital structure consists of the share capital of the Company. The Company is not subject to any externally imposed capital requirements. 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.

During the year ended 31 July 2022, the conversion of the debentures was a significant change and removed the liability from the balance sheet. There were no other 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 subsequent event announcements, sufficient capital resources and revenues are available to support further expansion and development of its resource assets.



### MAJOR OPERATING MILESTONES

During the period under review, the Company completed the following:

- Underwent and completed a significant strategic review for rebuilding and rebranding the Company as a hybrid/resource optimizer
- Reviewed all Cambodian licenses and selected two of the most prospective properties to explore, dropped three previous licenses from Angkor's portfolio.
- Completed a test well on Canada Wall, completed exploration, mapping and sampling on northern portions of Oyadao north license, identified drill targets on Wild Boar prospect
- Finalized and submitted all Production Sharing Contract components for advancing onshore oil and gas license
- Implemented the cradle-to-grave collaborative agreement with Jarai Indigenous communities on Andong Meas license.
- Applied for a third mineral license with strong copper results from drilling already completed
- Participated and initiated a carbon capture/gas conservation project to create cashflow, reduce emissions and promote clean natural gas
- Undertook and oversubscribed a non-brokered private placement for \$535,000 at \$0.12 per share
- Entered into joint venture arrangement in Philippines for an environmental sand removal project with KSA Quarrying & Aggregate Supply
- Completed assessment, inspection, analysis, work program, and proposals to MME for a remedy to halted offshore oil production and a potential restart and expansion of oil recovery

### SUBSEQUENT EVENTS

- Approved and received Andong Bor copper/gold license in Oudar Meanchey/Bantey Meanchey province
- Received Block VIII oil & gas /energy license for onshore activities
- The Company advanced negotiation with government to assist with and participate with stakeholders for EnerCam's agreement to produce Block A offshore

### OFF BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet arrangements.





**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022**

**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**

| Principal Position                                  | Year        | Remuneration<br>or fees <sup>(i)</sup> <sup>(ii)</sup> | Share based<br>payments <sup>(i)</sup> | Amounts<br>Payable <sup>(i)</sup> |
|---|-------------|--|--|-----------------------------------|
| Current Executive VP Operations ,                   | <b>2022</b> | \$ 79,255  | \$ -                                   | \$ 123,684                        |
| Former Executive Chairman                           | 2021        | \$ 68,000  | \$ 21,535                              | \$ 120,250                        |
| Current CEO, Former VP of Social Development        | <b>2022</b> | \$ 66,344  | \$ -                                   | \$ 92,311                         |
|   | 2021        | \$ 70,429  | \$ 23,607                              | \$ 121,250                        |
| Former CEO  | <b>2022</b> | \$ -   | \$ -                                   | \$ -                              |
|   | 2021        | \$ 117,280   | \$ 212,131                             | \$ 16,000                         |
| MNP LLP, a company of which a<br>Partner is the CFO | <b>2022</b> | \$ 67,725  | \$ -                                   | \$ 6,615                          |
|   | 2021        | \$ 44,100  | \$ -                                   | \$ -                              |
| Directors   | <b>2022</b> | \$ 99,152  | \$ -                                   | \$ 31,386                         |
|   | 2021        | \$ -   | \$ 78,730                              | \$ 13,500                         |

(i) For the years ended 31 July 2022 and 2021.

(ii) Amounts disclosed were paid or accrued to the related party.

The total key management personnel compensation during the year ended 31 July 2022 was \$312,476 (2021 - \$635,812), represented by fees of \$312,476 (2021 - \$299,809), and \$nil (2021 - \$336,003) in share-based payments. These fees have been recorded in professional and consulting fees, salaries, wages and benefits, and social development in the statements of loss and comprehensive loss.

Included in the above table is a \$100,075 loan advanced to the Company by the current CEO and Executive VP Operations on 10 November 2021. The loan incurs interest at 4% annually, calculated monthly and compounded monthly, is unsecured and has no stated terms of repayment. The loan can be repaid by the Company in shares, at the discretion of the Company, at the monthly average price of the stock price. As at 31 July 2022 the loan has incurred interest in the amount of \$2,245 which is included in the table above.

On 11 August 2021, the Company issued 1,004,908 common shares to the Executive VP operations, Current CEO and Director at \$0.06 per share to settle \$60,295 in accounts payable (including interest payable on convertible debentures).



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

On 25 April 2022, the Company issued 3,507,380 common shares to the Executive VP Operations and the Current CEO at \$0.12 per share to settle \$315,664 in accounts payable (including interest payable on convertible debentures) and a short term loan. There is a loss of \$105,222 on settlement of these debt.

### 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 and oil and gas 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 several 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 commodities targets in a number of geologic environments. Management also balances the exploration risks through option and funding agreements with other companies. The Company is expanding its activities to include additional projects in the resource sector that are closer to production in order to develop several sources of recurring revenue. These projects will mitigate the risk once the projects are in a cashflow position.

#### b) Financial Markets

Presently, the Company obtains much of its working capital from other companies that are funding exploration on Angkor projects in order to earn an interest in the mineral and/or oil and gas production proceeds.



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

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.

After its strategic review over the past year, the Company chose to pivot in its position in order to finance its activities by means other than equity financing. The Company chose to seek resource transactions that would provide cashflow, minimize future dilution, and provide stability for working capital.

### c) Commodity – Oil & Metal Prices

The price of oil is impacted by several global factors, and Angkor's pursuit of optimization within the energy / oil and gas sector require prudent planning for price volatility of oil and natural gas. Indeed, the past several years have seen that price vary from \$15/barrel to over \$100/barrel. Responsible production of available product must be managed and aligned with timing of the price of commodities to maximize benefits for the Company.

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 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 the subsidiary, 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, as at July 31, 2022, had no revenue from mining or energy operations; however, it does include recovery fees from overhead costs charged to partners for administration of project development work. 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.



## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 JULY 2022

However, with the implementation of resource projects that are closer to cash flow, such as the carbon capture project, will create ongoing cashflow for the Company and move Angkor towards self-sufficiency. The results of this and subsequent transactions are intended to strengthen the Company's position regarding cash flow in its upcoming year and onward.

### **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 cash flow interest rate risk on the variable rate of interest earned on its cash. The cash flow interest rate risk on cash is insignificant as deposits are either short term or pay interest at rates of 1.2% or less. The Company does not hold any other financial assets or liabilities which incur variable rate interest. The fair value interest rate risk on the Company's other assets and liabilities are deemed to be insignificant.

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) Possible Dilution to Present and Prospective Shareholders**

The Company's plan of operation, illustrated over the past year, is to minimize dilution by forming funding arrangements on special projects, gaining strategic partners rather than issuing equity, and using its subsidiaries to manage projects with funders repaid from revenue generated from projects within the subsidiaries. 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. There is no guarantee that the Company can find a partner for any property.

### **g) 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.



### **h) 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.

### **i) 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.

### **j) 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 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 providing options to purchase Angkor stock. All 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.

### **k) 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022****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, labor 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.

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

Financial instruments of the Company carried on the Consolidated Statement of Financial Position are carried at amortized cost with the exception of cash which is carried at fair value. There are no significant differences between the carrying value of financial instruments and their estimated fair values as at 31 July 2022, due to the immediate or short-term maturities of the financial instruments, with the exception of convertible debentures, which are valued on initial recognition at the carrying amount of the financial liability by discounting the stream of future payments at the applicable rate. Subsequently the liability component is then increased by accretion of the discounted amounts to reach the nominal value of the convertible debenture at maturity, which is recorded in the statement of loss and comprehensive loss as a finance cost.

The fair value of the Company's cash is quoted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy:

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022**

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.

**b) Fair values of financial assets and liabilities**

The Company's financial instruments include cash, amounts receivable accounts payable and accrued liabilities, convertible debentures, note payable, and short term loan. As at 31 July 2022, the carrying value of cash is fair value. The remaining financial instruments approximate their fair value.

**c) 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. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operations and budgets accordingly.

**d) 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 and amounts receivable. Cash is held with reputable financial institutions.

The amounts receivable which represents 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 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.



**e) 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 flexibility using 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.

**f) 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 cash flow interest rate risk on the variable rate of interest earned on its cash. The cash flow interest rate risk on cash is insignificant as deposits are either short term or pay interest at rates of 1.2% or less. The Company does not hold any other financial assets or liabilities which incur variable rates of interest. The fair value interest rate risk on the Company's other assets and liabilities are deemed to be insignificant.

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.

**g) 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.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022**

The Company is exposed to foreign exchange risk. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations; however, management monitors foreign exchange exposure and if rates continue to fall, management will look at entering into derivative contracts. Should the US dollar and Canadian dollar exchange rate have changed by 5% at the year end the impact to profit or loss would be +/- \$6,000. The Company's monetary assets and liabilities denominated in U.S. dollars are shown here in Canadian dollars:

| (rounded '000)   | <b>31 July<br/>2022</b> | 31 July<br>2021 |
|------------------|-------------------------|-----------------|
| Cash             | \$ <b>138,000</b>       | \$ 106,000      |
| Accounts payable | \$ <b>(12,000)</b>      | \$ (4,000)      |

**CRITICAL ACCOUNTING ESTIMATES**

Significant assumptions about the future that management has made and about other sources of estimation uncertainty at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities in the next twelve months relate to:

- The recoverability of exploration and evaluation assets presented on the consolidated statement of financial position;
- The recoverability of oil and gas acquisition license 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 depreciation;
- Management's determination that there is no material restoration, rehabilitation, and environmental exposure for the period, based on the facts and circumstances that existed during the period.



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED 31 JULY 2022**

**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 Company 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, labor 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.

Delayne Weeks  
Delayne Weeks, CEO