



# ANGKOR RESOURCES CORP.

## Management's Discussion and Analysis Quarterly Highlights

**For The Three-month Period Ended 31 October 2023**

Stated in Canadian Dollars

Date: 28 December 2023

*The Company has elected to provide "Quarterly Highlights" as provided for a venture issuer by Section 2.2.1 of National Instrument 51-102F1.*



## MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE-MONTH PERIOD ENDED 31 OCTOBER 2023

### To Our Shareholders

This Management Discussion and Analysis (“MD&A”) of Angkor Resources Corp. (formerly Angkor Gold Corp.) (“Angkor” or the “Company”) is dated on 28 December 2023 and provides information on the Company’s activities for the three months ended 31 October 2023, and subsequent activity to the date of this report. Consequently, this MD&A should be read in conjunction with the Condensed Interim Consolidated Financial Statements for the three-month period ended 31 October 2023, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), as applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, and the audited statements for the year-ended 31 July 2023.

Effective the third quarter of its 2020 fiscal year, the Company elected to provide interim MD&A disclosure under the “Quarterly Highlights” regime as set out in Section 2.2.1 of National Instrument 51-102F1. Discussion of the Company, its operations and associated risks is further described in the Company’s filings, which include the 30 July 2020 MD&A and audited consolidated financial statements, available for viewing at [www.sedar.com/](http://www.sedar.com/)

### Introduction

Angkor Resources Corp. was incorporated under the laws of the Province of British Columbia, Canada on 16 October 2008 with its primary focus on resource exploration in Cambodia. Angkor’s three exploration licenses in the Kingdom of Cambodia cover approximately 366 km<sup>2</sup>. In early 2019, the Company announced its intention to pursue oil and gas opportunities in Cambodia, and after negotiating through COVID for a PSC (Production Sharing Contract) for on shore 7300 square kilometre energy/oil and gas license titled Block VIII, the Company was granted the license in September 2022. and will advance exploration subject to funding.

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

As a resource optimizer, Angkor’s business model is to secure opportunities in the resource sector that:

- provide development and/or production potential for minerals and energy solutions
- create quick pathways to revenue streams
- implement solid Environmental, Social, and Governance (ESG) platforms
- provide solutions to a problem with benefits for all stakeholders.

Specifically on the exploration components, the Company acquires licenses to properties to investigate for resource potential. Initial exploration and investigation is generally conducted by the Company and then a partner is sought to advance the project towards commercial feasibility and ultimately, production. Not all projects are given equal priority at all times, 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 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. 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



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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 with funding agreements with third parties may serve to reduce some of the risk inherent in resource exploration and development.

### Quarterly Highlights

#### CORPORATE & TECHNICAL

Over the past quarter, the Company followed a strategy to accomplish, or work towards accomplishing the following:

- raise only enough equity through private placement to cover baseline general operations and minimize dilution at the current share price,
- advance the near cash components and transactions pending as quickly as possible, and
- pursue partnerships on both the mineral side and exploration of oil and gas in Cambodia to cover future development costs while maintaining programs that addressed social and environmental community needs in Cambodia.

To this end and in Canada, the Company completed a small private placement fundraiser in September of \$200,000 CAD for general operations. As well, upon review of the carbon/gas capture project in Saskatchewan, with the initial 30+ wells connected and their emissions captured, the result averaged 317,000 cubic feet/day (317 MCF) to the end of September. That left the subsidiary of the Company, EnerCam Exploration Ltd. and its operating partner, Eyehill Creek Exploration Ltd. looking to producers outside the immediate production wells to capture additional methane being emitted to the atmosphere. Although the capture of those gases from other producers will mean additional pipelines for transporting the gas to the gas processing collection site, which adds capital investment, the Company feels it is prudent to move in that direction to meet its mission regarding environmental stewardship and to maximize the capacity of the compressor and gasplant.

In Cambodia, EnerCam Resources (Cambodia) undertook a community assessment mission for Environmental, Social, Governance (ESG) for the onshore Block VIII Oil and Gas license in SW Cambodia. Travelling through the most potential area, the team was accompanied by multiple members of the Ministry of Mines and Energy team to meet communities and authorities in the relevant municipalities to explain the exploration steps for oil and gas exploration activities and to hear the needs from the community members. As the entire oil and gas sector is new to Cambodia, the methodology of including community input for needs assessment is an example of Canadian ESG standards that EnerCam was able to implement in past years for mineral projects, but also for oil and gas / energy development in the country.

In the latter part of October 2023, further compilation of data was completed to identify drill targets on the Wild Boar prospect. The gold prospect has been sampled and trenched to show mineralization near-surface and in shallow pits. Artisanal miners were also active in the large area, which stretches roughly two kilometres north to south and 1.5 kilometres east to west. Grab and float samples assayed across the area came up with results of up to 70 grams per tonne gold.

Following the quarter end on November 8<sup>th</sup>, 2023, as a subsequent event and part of the strategic plan, the Company entered into a joint exploration and development agreement with Almighty Natural Resources Ltd. of Dubai to advance both Andong Meas license and Oyadao North license through exploration and drilling, feasibility, production permits and mining. Almighty has agreed to cover 100% of the costs for the activities to earn an 80% interest in the license. The Company shall remain the Operator until such time as a production license is issued, and shall also maintain a 20% free carried interest.



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Also subsequent to the end of the period under review, on 12 December 2023, Angkor entered into an agreement, with project operator Eyehill Creek Exploration Ltd. and 358140 Alberta Ltd., to acquire a 40% interest Evesham/Macklin Production project, including:

- the oil production from 33 vertical wells,
- the Gas Capture Facility, and
- all related pipelines and equipment.

The transaction values the total project at \$11,500,000 making the purchase price of the 40% interest with adjustments at \$4,392,000.

The funding for the acquisition is a loan of \$4,840,000 from a private lender to Enercam, and the acquired 40% interest is the security held by the lender. Repayment terms of interest and principal are over a 10-year period, at 10% interest, payable monthly, and adjusted every three years. The lender is also entitled to 20% of the potential carbon credits on the project for the life of the project.

One of the two vendor companies, 358140, has a 50% shareholder who is a related party to Angkor. The independent report was completed in accordance with an 51-101 and Canadian oil and gas equivalent handbook standards.

Effective date for the production allocation post transaction is 01 November 2023. No Finder fees will be paid regarding the transaction. The Company has obtained conditional TSXV approval for the transaction.

### Trends, Risks, and Market Conditions

During this past quarter, gold prices ranged from \$1,821 USD per ounce to \$2,006 USD per ounce, with both the high and low in October. Since that time, gold gained strength and seems to be settling in excess of \$2000 per ounce based on November and December to date. Copper ranged from \$3.53 to \$3.87 USD per pound during the quarter but increased during November and December to average in the \$3.80 zone.

Looking at various energy based on hydrocarbons, natural gas over the quarter was as low as \$2.40 USD/million btu and as high as \$3.78 but recently has fallen as low as \$2.20 in December, mainly due to the mild weather of the past two months across North America. Crude Oil WTI climbed as high as \$91.30 USD per barrel in September, averaged in the \$80+ /barrel zone during the quarter, and has declined to the \$70+ area in November and December. A push / pull on energy from hydrocarbons continues to exist as global perceptions increase for 'renewables' and pressure to reduce methanes as greenhouse gas emissions but reality continues to reward actual production, especially in less developed nations. The Company expects that these trends will reward the capture of methane and emission gases, and therefore, although natural gas is still at a low price, creating a clean, no emission model is worth the effort for both environmental and economic reasons if additional revenue streams are created because of those efforts.

The Company continues to offer solutions for the Kingdom of Cambodia to not only discover its own source of energy, but also to help in the development of upstream facilities like refineries, power generation with natural gas, LPG facilities, etc. Adjustments and changes in the decision-making process from newly-appointed Ministers since the Cambodian federal election have further delayed progress in the offshore and onshore licenses.



**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE-MONTH PERIOD ENDED 31 OCTOBER 2023**

**Interim Financial Performance**

The comprehensive income (loss) for the three-month period ended 31 October 2023 was \$O/S compared to a comprehensive loss of (\$o/s) in the comparative period. The main fluctuations in costs are as follows:

Professional and consulting fees (rounded to the nearest '000)	3 months 2023	3 months 2022
	\$ 56,000	\$ 173,000
<b>Variance</b>	<b>117,000</b>	

In the prior year corresponding period the company incurred substantial fees primarily as a result of the increase in negotiation and public relations fees paid towards licensing in Cambodia and production efforts.

Salaries, wages, and benefits (rounded to the nearest '000)	3 months 2023	3 months 2022
	\$ 49,000	\$ 161,000
<b>Variance</b>		

Wages in the prior year reflected an increase in activity, and the Company has negotiated agreements to recover certain wages under exploration agreements. Further details of those agreements are in the first quarter financial statements, which should be read in conjunction with 31 July 2023 audited annual financial statements.

Office and travel (rounded to the nearest '000)	3 months 2022	3 months 2022
	\$ 47,000	\$ 84,000
<b>Variance</b>		

**Liquidity and Financial Condition of the Company**

The Company's working capital deficit as at 31 October 2023 was \$1,725,000 (31 July 2023 – 2,627,000) compared with a working capital deficit of \$2,036,000 as at 31 October 2022.

Cash used in operating activities during the three-month period ended 31 October 2023 totaled \$69,000 (31 October 2022 – \$198,000).

Cash used in investing activities during the three-month period ended 31 October 2023 totaled \$37,000 (31 October 2022 – \$123,000).

Cash provided by financing activities during the three-month period ended 31 October 2023 was \$183,000 (31 October 2022 - \$175,000).

Management believes raising capital is extremely challenging and therefore, it is paramount to continue to undertake unique financing and special projects that will create cash flow opportunities.

# ANGKOR RESOURCES CORP. (FORMERLY ANGKOR GOLD CORP.)

Canadian Dollars



## MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE-MONTH PERIOD ENDED 31 OCTOBER 2023

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 earn-in agreements. The Company continues to seek exploration and development partners on other properties in its portfolio to further supplement revenue and working capital. Furthermore, the Company continues to seek resource opportunities that will create revenue streams that will provide recurring cashflow for its operations.

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.

### 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	Fiscal Period	Fees <sup>(i)</sup>	Share-based awards	Amounts Receivable (Payable)
CEO	2024 Q1	\$ 19,500	\$	\$ 38,806
	2023 Q1	\$ 21,360	\$ -	\$ 336,508
Executive VP Operations (also a director)	2024 Q1	\$ 19,500	\$	\$ 24,689
	2023 Q1	\$ 25,846	\$	\$ 62,515
A company in which the CFO is the sole Director (also a director)	2024 Q1	\$ 18,000	\$ -	\$ 6,000
	2023 Q1	\$ -	\$ -	\$ -

These fees have been recorded in professional and consulting fees, wages and benefits, and social development in the statements of loss and comprehensive loss. More details are available in the audited financial statements dated 31 July 2023. Available on [SEDAR](#).

### Disclosure of Outstanding Share Data

As at 31 October 2023, the Company had 184,458,804 common shares issued and outstanding. As at the date of this report, the fully diluted amount of 204,284,945 includes warrants of 7,315,475 and options of 12,510,675.

### 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.

### Commitments, Expected or Unexpected, or Uncertainties

As of the date of the MD&A, the Company does not have any commitments, expected or unexpected, or uncertainties.



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### Risk Factors

In the Annual MD&A, the most significant risks faced by the Company were disclosed. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to consider the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A regarding the year-end 31 July 2023.

### 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, 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

"Delayne Weeks"

Delayne Weeks

CEO