



# ANGKOR RESOURCES CORP.

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
QUARTERLY HIGHLIGHTS**

**FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

Stated in Canadian Dollars

Date: 28 March 2024

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



Canadian Dollars

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024****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 March 2024 and provides information on the Company’s activities for the three and six months ended 31 January 2024, 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 and six month period ended 31 January 2024, 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.

The Company has 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 31 July 2023 MD&A and audited consolidated financial statements, available for viewing at [Sedar](#)

**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 an 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 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 an acquisition of 40% of the oil production, and other assets noted below within its original Evesham, Saskatchewan project. On 12 December 2023, Angkor entered into the agreement, with project operator Eyehill Creek Exploration Ltd. and 358140 Alberta Ltd. ("358140"), to acquire a 40% interest in the Evesham/Macklin Production project, which included:

- the oil production from 33 vertical wells,
- the Gas Capture Facility,
- two water disposal/injection wells and
- all related pipelines and equipment.

The transaction valued 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 a 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 were paid regarding the transaction. The Company obtained TSXV approval for the transaction.

After capturing the emissions from the initial 30+ wells, the result of that portion of gas capture averaged 317,000 cubic feet/day (317 MCF) to the end of December. The acquisition of the oil production and water disposal segments of the project positioned the Company with cashflow from oil, water disposal, and gas sales and allowed the subsidiary of the Company, EnerCam Exploration Ltd. and its operating partner, Eyehill Creek Exploration Ltd. to seek producers outside the immediate production wells to capture additional methane and CO<sup>2</sup> being emitted to the atmosphere.



Canadian Dollars

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

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 gas plant.

The first distribution of production proceeds occurred in January 2024, representing the month of November 2023 and its production. The differential between US pricing of crude and the exchange was lower in November and December of 2023, which reduces the net proceeds. However, for November, the project realized net proceeds of \$242,000 and 40% of that was EnerCam's share.

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 government 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.

Addressing the mineral areas and activities of the Company, in November 2023, the Company closed a transaction with Almighty Natural Resources Ltd. ("Almighty") of Dubai regarding the Oyadao North license and the Andong Meas license, both of which are located in Ratanakiri province. The agreement identifies the Company as the Operator and Almighty is to fund \$4 million USD to earn an 80% interest in the properties. The Company maintains a 20% carried interest in the licenses and at the point of production, has the option to convert to a net smelter royalty. In the previous quarter, drill targets were being identified on both licenses, namely on Phum Syarung North on the Oyadao North license and on Wild Boar gold prospect of the Andong Meas license. The Wild Boar 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.

**Trends, Risks, and Market Conditions**

During this past quarter, gold prices ranged from \$1,934 USD per ounce to \$2,077 USD per ounce, with the low in November and the high in December 2023. Since that time, gold has gained strength and seems to be settling in excess of \$2100 per ounce. Copper ranged from \$3.60 to \$3.96 USD per pound during the quarter.

Looking at various hydrocarbon-based energies-, 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 \$1.58 in February, mainly due to the mild weather of the past few months across North America. Crude Oil WTI climbed as high as \$82.16 USD per barrel on November 12 and dipped to \$68.85 in mid December. By the time the differential is calculated for the Canadian product in Saskatchewan, the final sales price was at \$54/B Canadian for the month of November, and slightly up for 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.



Canadian Dollars

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

**Interim Financial Performance**

The comprehensive income (loss) for the three and six month period ended 31 January 2024 was \$399,561 and \$483,841, respectively compared to a comprehensive loss of \$13,699 and \$500,968 in the comparative periods for fiscal 2023. The main fluctuations in costs are as follows:

<b>Professional and consulting fees</b> (rounded to the nearest '000)	<b>6 months</b> <b>2024</b>	<b>6 months</b> <b>2023</b>	<b>3 months</b> <b>2024</b>	<b>3 months</b> <b>2023</b>
	\$ 252,000	\$ 267,000	\$ 196,000	\$ 94,000
<b>Variance</b>	<b>15,000</b>		<b>102,000</b>	

There is not a significant difference in the comparative 6-month periods, however the three month period highlights the increases provided to senior executives over historic amounts, this is in acknowledgement of a need to provide reasonable compensation.

<b>Salaries, wages, and benefits</b> (rounded to the nearest '000)	<b>6 months</b> <b>2024</b>	<b>6 months</b> <b>2023</b>	<b>3 months</b> <b>2024</b>	<b>3 months</b> <b>2023</b>
	\$ 111,000	\$ 180,000	\$ 62,000	\$ 19,000
<b>Variance</b>	<b>(69,000)</b>		<b>43,000</b>	

As a result of option agreements cost recoveries are benefiting expense controls. Management believes this is an indication that results are improving.

<b>Office and travel</b> (rounded to the nearest '000)	<b>6 months</b> <b>2024</b>	<b>6 months</b> <b>2023</b>	<b>3 months</b> <b>2024</b>	<b>3 months</b> <b>2023</b>
	\$ 128,000	\$ 105,000	\$ 81,000	\$ 21,000
<b>Variance</b>	<b>23,000</b>		<b>60,000</b>	

The Economic Interest Asset contract, which was completed in the quarter, had an impact on travel, but the company has also seen an increase in travel to pursue ongoing opportunities. It is representative of trends seen in business, in the recovery from the pandemic.

<b>Interest on long-term debt</b> (rounded to the nearest '000)	<b>6 months</b> <b>2024</b>	<b>6 months</b> <b>2023</b>	<b>3 months</b> <b>2024</b>	<b>3 months</b> <b>2023</b>
	\$ 80,000	\$ -	\$ 80,000	\$ -
<b>Variance</b>	<b>80,000</b>		<b>80,000</b>	

As discussed in other sections of this document (and in the condensed interim consolidated financial statements for the three and six months ended 31 January 2024), Angkor completed a transaction to acquire a 40% interest Evesham/Macklin Production project. To do this a loan was secured for \$4,840,000, with interest of 10%, payable monthly over 10 years in a blended payment of interest and principal. The monthly payment is \$63,420.30.



Canadian Dollars

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

Loss on Revaluation of Assets (rounded to the nearest '000)	6 months 2024	6 months 2023	3 months 2024	3 months 2023
	\$ 27,000	\$ -	\$ 27,000	\$ -
<b>Variance</b>	<b>27,000</b>		<b>27,000</b>	

During the second quarter of fiscal 2024, the Company performed a detailed review of equipment which it owns and operates. It was determined that there was no material value in the previously capitalized assets, most of which had been fully depreciated. In the process of the revaluation, the Company removed all asset values and recorded a one-time loss on revaluation of \$26,890.

Further, the Company has reassessed the capitalization threshold and does not capitalize acquisitions under \$3,000.

**Liquidity and Financial Condition of the Company**

The Company's working capital deficit at 31 January 2024 was \$1,612,000 (31 July 2023 – 2,627,000) compared with a working capital deficit of \$2,353,000 as at 31 January 2023.

Cash used in operating activities during the six month period ended 31 January 2024 totaled \$7,000 (31 January 2023 – \$67,000).

Cash used in investing activities during the six month period ended 31 January 2024 totaled \$4,258,000 (31 January 2023 – \$232,000). Of note, Angkor acquired a 40% share in an Economic Interest Asset (EIC), as has been discussed at length in this document.

Cash provided by financing activities during the six month period ended 31 January 2024 was \$5,134,000 (31 January 2023 - \$180,000). This is primarily from a loan taken to support acquisition of our EIC.

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.

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.



Canadian Dollars

**MANAGEMENT’S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

**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 Payable
CEO	2024 Q2 \$	43,500 \$	- \$	47,000
	2023 Q2 \$	31,246 \$	- \$	183,246
Executive VP Operations (also a director)	2024 Q2 \$	43,500 \$	- \$	37,000
	2023 Q2 \$	51,780 \$	- \$	183,246
A company in which the CFO and director is the sole owner	2024 Q2 \$	35,000 \$	- \$	10,000
	2023 Q2 \$	- \$	- \$	-

These fees have been recorded in professional and consulting fees, wages and benefits, and social development in the statements of loss and comprehensive loss, which are not reported elsewhere.

**Disclosure of Outstanding Share Data**

As at 31 January 2024, the Company had 184,458,804 common shares issued and outstanding. As at the date of this report, the fully diluted amount of 204,284,954 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.

**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.



Canadian Dollars

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE AND SIX MONTH PERIOD ENDED 31 JANUARY 2024**

**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