

RESULTS OF OPERATIONS
Semi Annual Exploration Report
OYADAO SOUTH CONCESSION, CAMBODIA,
FOR THE PERIOD 2012:01:01 TO 2012:06:30

INTRODUCTION

The period has been one of sustained activity, with a large area covered by ‘C’ zone augered soil sampling for geochemical analysis, some surface EM work as part of a pilot study, and follow-up diamond drilling in 2 areas. Figure 1 depicts the location of the concession in Cambodia.



The Project is located 450 km northeast of the national capital city of Phnom Penh in the Province of Rotanakiri, the Provincial capital of which in Banlung. The concession is irregular in shape, and lies to the south of a contiguous block, Oyadao, to the east of the town of Banlung, hard against the Vietnam border. The table below details the concession.

Concession	Type	Area km ²	Issue Date
OYADAO SOUTH	Exploration Concession	248	2008-06-12

As the company has done no excavating, or ground disturbance no environmental liability has been incurred. A liability to rehabilitate is incurred once ground disturbance commences, for example by pitting, trenching or diamond drilling. The company has initiated a strict internal policy of site rehabilitation. It is to be noted, however, that illegal mining in the Phum Syarung prospect area has devastated the landscape over several square kilometers, and there is a particularly unpleasant environmental hazard associated with that area, as the illegals were using a copper plate amalgam scavenger to recover much of the gold from sluicing. The waste water, no doubt charged with mercury, was being discharged directly into creeks feeding the Dokyong river.

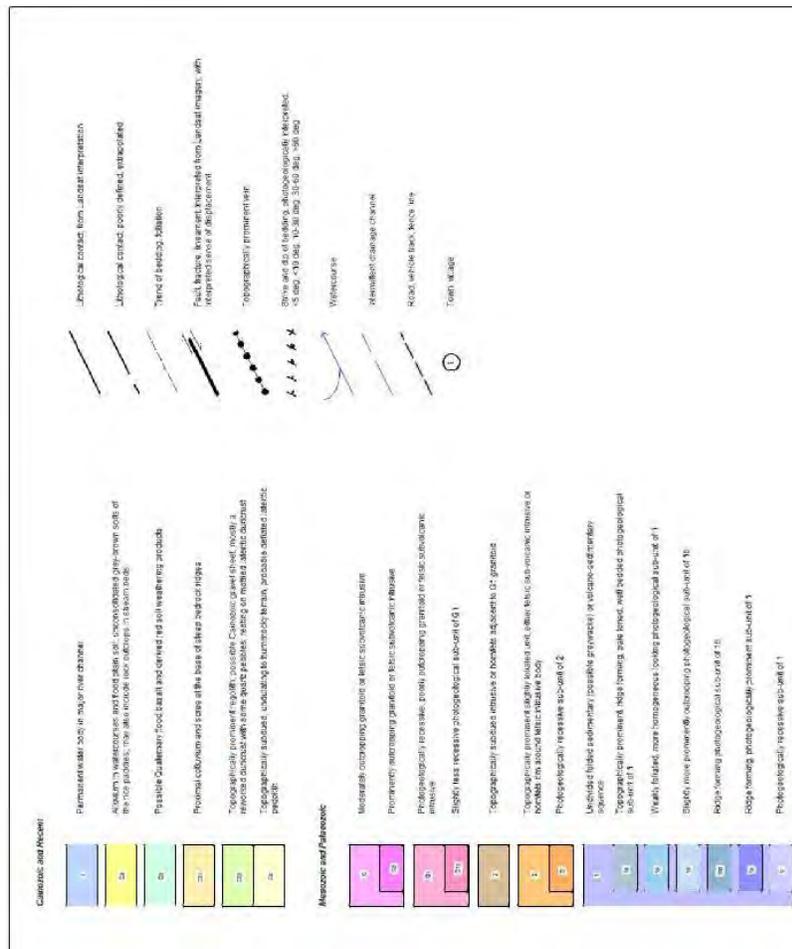
PREVIOUS WORK

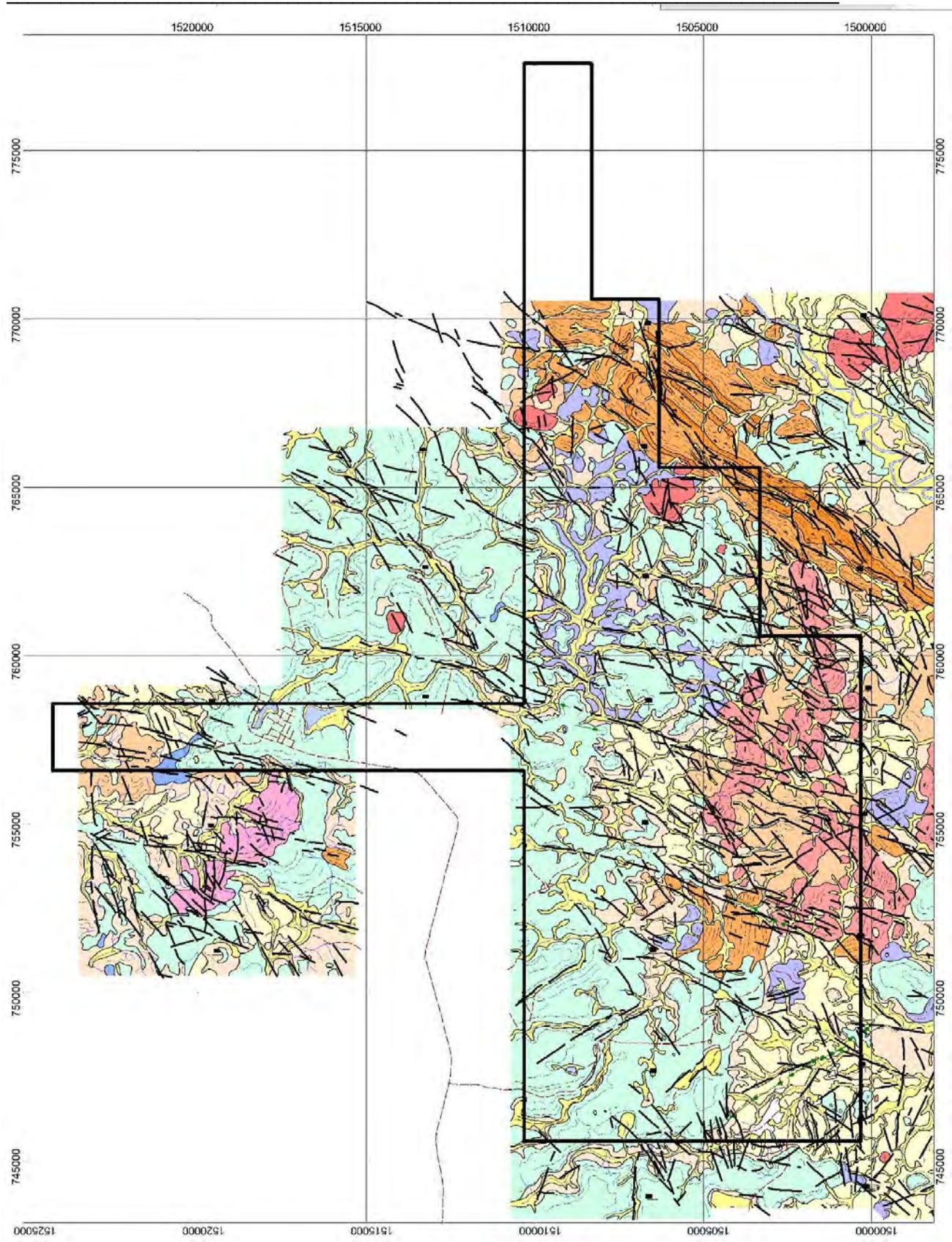
Reference should be made to previous semi-annual and annual reports by Prairie Pacific Mining Corporation and Liberty Mining International to the Ministry of Mines and Energy for the regional and local geology, geophysical framework and geochemical surveys on which the current programs are based. The map below, commissioned by Angkor in the previous semester, was drawn by Dr Lockett of Perth, Australia. It is an interpretation of the geology from air photographs, without ground truthing.

ANGKOR GOLD CORPORATION
Oyadao South Project



DATUM WGS 84, PROJECTION UTM ZONE 48N





PROGRAM OF WORK

The following are the numeric statistics for the tenement for this semester:

Line cutting and clearing	*km	
Diamond drilling	12 holes	1602m
Auger sampling	* samples	
Rock samples	0 samples	
Trenches	0 trenches	0 metres
Pan concentrates	0 samples	
Stream sediment (<80#)	0 samples	

CURRENT OPERATIONS

Dokyong Prospect

Located in the extreme southwest of the concession, Dokyong area is promising. Interest in the area was triggered by a stream sediment geochemical survey which located several contiguous catchments in the area with anomalous values of gold and associated pathfinder elements such as copper, arsenic, molybdenum. This work was followed up last half-year by free traverse geological mapping and rock chip sampling, which showed some good gold, arsenic and other element concentrations; and had outlined zones of intense silicification, clay alteration and oxide mineralization that coincide with these strong multi element geochemical rock chip anomalies. On the basis of that work, an augered 'C' zone soil survey was undertaken over a large area. Lines were cut at 100m spacing both east-west and north-south and samples were collected by auger at 25m intervals along these lines. Results are to hand.

Further data analysis and assessment is still required, but a first pass assessment has indicated 5 strong soil anomalies, generating 6 drill targets. Based on the first pass soil analysis (see map below), it was decided to extend the initial soil auger survey, which started in May.

Prospect V – Pistol soil anomaly

- Coincident arsenic and molybdenum 'C' zone soil anomaly with a small gold signature.
- The anomaly appears to be related to a north striking quartz vein or intense quartz stockwork with at least 5m thickness in outcrop and a strike length in excess of 50m.
- The vein forms a steep sided ridge, but orientation is not immediately apparent.

Prospect W – Shotgun soil auger anomaly

- A 1.5km long patchy zone of copper-zinc anomalies, of unknown lithological affiliation.
- Quartz float and veining with ex-sulphides have been mapped in the area. This is being trenched to gauge dip and strike of the vein.

Prospect X – Rush soil anomaly

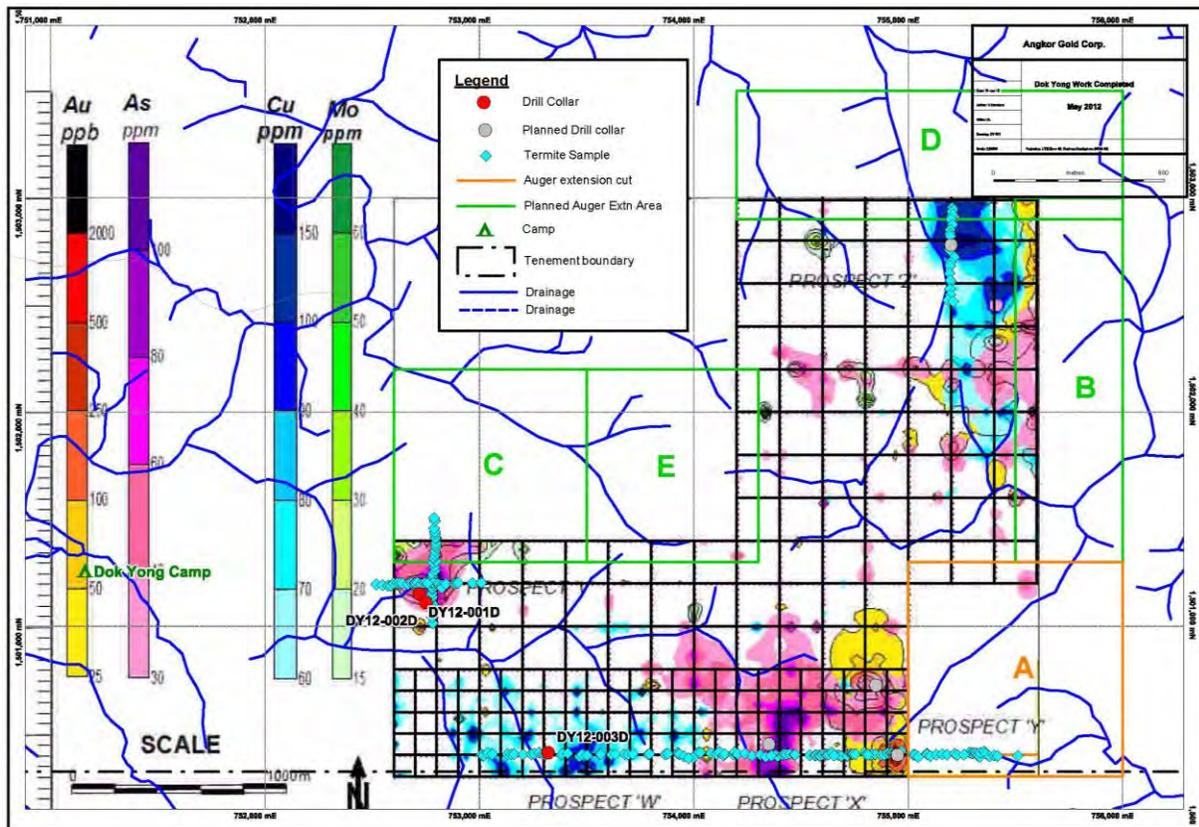
- In the southeast, there is a huge arsenic anomaly, the core of which covers some 400m with longest axis striking slightly east of north, while the general trend is slightly south of east, covering over 1200m.
- This trend seems to be on the same line as prospect 'V', but this might be coincidental.
- The east-west trend separates 2 gold anomaly peaks at prospect 'Y'.

Prospect Y – Blitz soil anomaly

- In the extreme southeast there are twin gold anomalies associated with strong silica flooding and gossan development.
- The northern anomaly has a coincident arsenic anomaly, which is the northern edge of the easternmost extent of the general trend of the arsenic anomaly.

Prospect Z – Hail Mary soil anomaly

- The most exciting of the 5 Dokyong prospects.
- Strike is over 1km in a north-south sense, open to the north and possibly east. There are 5 elements, each of which shows strong anomalism. Not all elements overlap one another, rather there seems to be some zonation such that gold forms a narrow linear in the east, with silver immediately to the west, then coincident copper and zinc further west still. Arsenic appears confined to the southern end of the anomaly, coinciding in places with the gold, in others with the copper and zinc.
- Strike orientation is not known and further field mapping/trenching is required .
- Currently the site is not accessible due to wet conditions.



Drilling on prospects 'V', 'W' and 'Y' commenced in May. A total of 5 holes was completed before inclement weather forced curtailment of the program for the season.

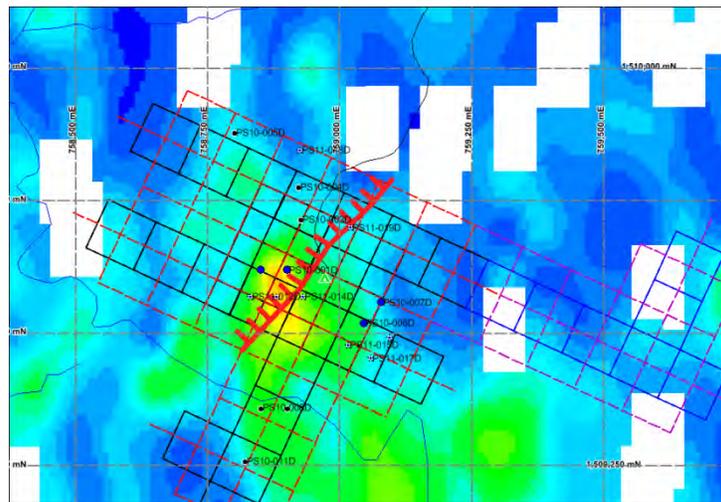
Hole No	Easting	Northing	Dip	Azimuth	Depth	RL	Drill Start	Drill Finish
DY12-001D	752725	1501141	-45	60	72.9	203	23-May-12	25-May-12
DY12-002D	752743	1501110	-45	60	114.3	208	25-May-12	27-May-12
DY12-003D	753313	1500404	-45	60	131.1	203	28-May-12	30-May-12
DY12-004D	754947	1500398	-45	270	147.8	190	02-Jun-12	05-Jun-12
DY12-005D	754850	1500725	-45	270	150.9		06-Jun-12	09-Jun-12

As part of the pilot exercise on termite mound sampling, 4 sampling traverse lines were completed. These are depicted as small blue circles on the map above. Results are not to hand.

Phum Syarung

Reconnaissance mapping and sampling had already shown a great many workings following the Phum Syarung fault feature in the centre east of the concession, and sampling shows great gold values in several locations. Work at Phum Syarung was suspended after a short drill program in 2010, while effort was transferred to Dokyong prospect in the southwest.

Towards the end of the last semester, a grid was started for a pilot SEM survey over a restricted part of the original Phum Syarung soil auger grid. This work showed a strong flat lying conductor that dips west. Follow-up drilling during this semester shows that the conductor in fact reflects a magnetic mafic dyke, and that the dip of a vein that seems to coincides with it is to the east, and correlates to the narrow polymetallic sulphide rich gold bearing vein recorded in hole PS10-006, drilled almost exactly a year ago.



Initially only 2 holes were planned on the EM anomaly, but results from PS12-013 were sufficiently encouraging to warrant a further 5 holes being drilled before inclement weather forced curtailment of the program for the present season.

HoleNo	Easting	Northing	Dip	Azi	TD	RL	Drill_Start	Drill_Finish
PS12-012D	758833	1509685	-60	100	233.6	202.0	11-05-2012	17-05-2012
PS12-013D	758970	1509777	-60	130	150.9	219.0	18-05-2012	20-05-2012
PS12-014D	759079	1509739	-60	270	150.2	210.0	12-06-2012	14-06-2012
PS12-015D	759044	1509735	-45	270	121.0	214.0	14-06-2012	16-06-2012
PS12-016D	759042	1509712	-45	270	120.4	212.0	16-06-2012	18-06-2012
PS12-017D	759045	1509763	-45	270	50.0	207.0	18-06-2012	19-06-2012
PS12-018D	758992	1509764	-45	270	79.3	215.0	20-06-2012	21-06-2012
PS12-019D	758965	1509806	-45	270	79.3	218.0	22-06-2012	23-06-2012

The drilling shows a pinch-and-swell quartz-carbonate vein ranging in thickness from 0.4 to 3.5m true, commonly well mineralized with abundant pyrite, galena, sphalerite and chalcopyrite. Dip is 30° to the east. Total strike appears to be in excess of 250m. There are no assays to hand,

All work is preceded by UXO clearance teams.

EXPENDITURES

These figures are preliminary, and have not yet been audited.

Oyadao South	
Salaries and Wages	\$58,055.79
Administration and General	\$45,893.77
Geological	\$58,364.81
Drilling	\$187,936.56
UXO & Earthworks	\$15,829.86
Assaying	\$40,614.71
Field Supplies	\$36,886.74
Accommodation, Meals	\$4,140.42
Vehicles, Transport, Fuel	\$17,862.66
Overheads	\$31,519.77
Community Development	\$21,354.12
Total:	\$518,459.20

PROGRAM FOR THE NEXT SEMESTER

It becomes obvious that the auger sampling at Dokyong stopped short of covering all anomalous areas to the east and south. To correct this shortcoming, the grid will be extended eastwards over the area marked A in the map of Dokyong above. Areas B, C and D will initially be covered by a termite mound geochemical survey.

There are several good stream sediment anomalies in the east of the tenement that have not yet been adequately investigated. These will be further explored by termite mound geochemical surveys, coupled with a rock chip sampling program.

Depending on favourable returns from the drill results from the initial scout holes on Dokyong, a further program of up to 20 holes, to a maximum combined total of 2500m is being considered for the Dokyong area. This is unlikely to start before very late in this semester, and the bulk of the program would only be completed in early- to mid-2013. Precise locations can only be determined after completion of the geochemical surveys that are just commencing, and when some very detailed surface geological mapping of the anomalies has been done.

Further exploration at Phum Syarung will commence after the end of the wet season. This will consist almost entirely of diamond drilling, although it may be feasible to use a CAT dozer to scrape the surface mining waste and spoil off the outcrop. The bulk of this work will take place early in 2013. A program of 8 x 70m diamond drill holes, and 12 to 15 x 120m holes is being considered, such that the program would comprise about 20 holes to a combined total of 2000 to 2500m.

BUDGET FOR THE NEXT SEMESTER

The cost of the geochemical surveys to the east of the tenement, and in the areas east and north of Dokyong will probably be \$20,000 each. A sum of \$50,000 is allocated to cover these sums, plus contingencies.

Each of the diamond drilling programs envisaged for Dokyong and Phum Syarung will cost roughly \$385,000, such that a sum of \$770,000 will be allocated to this work. However, because it will only start late in the season, most of that sum will be carried over into the next semester.

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