



## **Management Discussion and Analysis For the Six Months Ended October 31, 2022**

This management's discussion and analysis ("MD&A") is management's interpretation of the financial condition and results of operations of Angold Resources Ltd. (the "Company" or "Angold") for the six months ended October 31, 2022. This MD&A should be read in conjunction with the audited financial statements of the Company for the fiscal year ended April 30, 2022 and condensed consolidated interim financial statements for the six months ended October 31, 2022, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language included in this MD&A. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of December 12, 2022.

### **BUSINESS OVERVIEW**

The Company was incorporated under the laws of the Canada Business Corporations Act on October 6, 2004. On October 22, 2012, the Company completed a continuation under the BC Business Corporations Act ("BCBCA"). On December 18, 2020, the Company changed its name to Angold Resources Ltd. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "AAU" and on the OTCQB under the symbol "AAUGF". The Company's principal office is located at 918-1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company holds an earn-in option to own 100% of the Iron Butte Property, located near Battle Mountain in Nevada, USA, as well as a 100% interest in certain claims that surround the Iron Butte Property, an earn-in option to own 100% of the Hope Butte Property, located in Malheur Country, Oregon, a 100% interest in the Dorado and Cordillera Properties, both located in the Maricunga Gold and Copper Belt in northern Chile, and a 100% interest in the Uchi Property, located in Ontario, Canada.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

On December 16, 2021, the Company closed a private placement comprising of 22,727,273 units at a price of \$0.11 unit for gross proceeds of \$2,500,000. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each one full common share purchase warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.165 per share, until December 16, 2024.

On April 5, 2022, the Company closed a marketed public offering of 19,566,400 units at a price of \$0.14 per unit, for gross proceeds of \$2,739,296. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each one full common share purchase warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.20 per share, until April 5, 2025.

On April 14, 2022, the Company closed a non-brokered private placement of 5,756,386 units, under the same terms as the marketed public offering above, for gross proceeds of \$805,984.

## Iron Butte Property, Nevada

On July 25, 2020, the Company entered into a property option agreement with Grandview Explorations, LLC (the "Optionor") whereby the Company has the option to acquire a 100% interest in the Iron Butte Property (subject to a net smelter royalty). To earn the option, the Company must make a series of staged cash and share payments to the Optionor, as follows:

- a) On July 25, 2020, paying US \$20,000 (paid)
- b) upon completion of the transaction, issuing 187,500 Resulting Issuer Shares (issued);
- c) In staged annual payments from the first anniversary of completion of the transaction to the sixth anniversary, make payments totaling US\$1,300,000 and issuing shares totaling a value of US\$252,750.

On December 22, 2021, the Company made a cash payment of US\$50,000 (\$64,666) and on January 7, 2022 issued 162,170 common shares with a fair value of US \$18,750 (\$24,325).

Upon exercise of the option, the Optionor will retain a 3% net smelter royalty on the Iron Butte property. The Company may purchase up to one-half of the royalty, for cash payment equal to US\$1,000,000 per one-half percent purchased.

In March 2021 the Company began permitting for drilling under a "Notice of Intent" at the Iron Butte project and received this permit in July 2021. In February 2022, the Company added 77 claims in the Northern Extension Zone through staking to include the potential northerly strike from the historic resource area following surface sampling of up to 0.6 g/t gold in this zone. The project now totals 267 claims over 2,210 Ha. (5,461 ac.).

The Company completed a drill program on the property in October 2022, comprising 5 holes for a total of 2,152 metres. On November 7, 2022, the Company announced assay results from the 2022 drill program. Highlights included:

- Robust mineralization has been confirmed at Red Ridge with 0.81 g/t gold equivalent (0.64 g/t Au and 14.3 g/t Ag) over 94.5 m from surface in hole AAU22-04;
- A new zone featuring the highest grade ever drilled on the project has been intersected 91 m beneath the Red Ridge zone with 13.62 g/t gold equivalent (13.48 g/t Au and 11.5 g/t Ag) over 1.52 m from 405.4 m in hole AAU22-04;
- Anomalous gold was intersected over the entire 457 m length of hole AAU22-04 where the outer extent of the mineralized system was not reached;
- Step-out drilling has intersected strong mineralization 135 m down-dip from the North Zone with 0.58 g/t gold equivalent (0.45 g/t Au and 10.2 g/t Ag) over 19.8 m from 153.9 m in hole AAU22-02;
- High-grade potential in the North Zone remains untested below veins mapped at surface;
- Potential between Red Ridge and North Zone untested at depth where drilling was historically shallow and widely spaced.

## Hope Butte Property, Oregon

On October 12, 2022, the Company entered into a property option agreement with Hightest Resources, LLC (the "Optionor") whereby the Company has the option to acquire a 100% interest in the Hope Butte Property. To earn the option, the Company must make a series of staged cash and share payments to the Optionor, as follows:

- a) On executing of the agreement, paying US\$50,000 (paid CAD\$69,449) and issuing US\$25,000 in shares (issued with a fair value of CAD\$34,438)
- b) In staged annual payments from the first anniversary to the fifth anniversary, make payments totaling US\$1,950,000 and issuing shares totaling a value of US\$125,000.

Highlights of the Hope Butte Property include:

- Intact low-sulfidation epithermal gold system with good surface grades of ~1 g/t Au.
- At surface and predominantly oxide mineralization with infrastructure nearby and favourable topography amenable to potential low-cost mining operations
- Untested high-grade potential with historic intercepts of up to 35.6 g/t Au over 4.57 m
- Large alteration and structural footprint measuring at least 3 km x 2 km which likely continues under cover.
- Mineralization is open to expansion where widely spaced and shallow historic drilling averaged depths of only 120m and did not exceed 167 m.
- Permittable regulatory environment in eastern Oregon, an emerging part of the United States open to mineral development with a clear statutory path to permit.
- Favourable option terms with low up-front costs allowing for more investment into project advancement and development

## **Dorado and Cordillera Properties, Chile**

The Lajitas and Dorado claims comprise the Dorado property and are located in the Maricunga region of Chile. The Nevada claim comprises the Cordillera property and is also located in the Maricunga region of Chile. Both the Dorado and the Cordillera Properties include a 2% net smelter royalty which may be reduced to 1% for a payment of C\$2,000,000 at any time.

The Dorado Property hosts Maricunga-style gold porphyry and epithermal gold deposits. The Dorado claims consist of 9 exploitation concessions and 52 exploration concessions staked by the Company in 2020, totaling 15,300 hectares. In January 2021, the Company began its drill program on the Lajitas target in the Dorado Property and drilled 4,300 m over 9 holes. The program identified mineralization beyond historically reported resources and confirmed historic intercepts. The Company has also undertaken a regional exploration program and has multiple targets on the project, including Lajitas South, a large coincident hyperspectral, geophysical and As-Au anomaly along a 2.2 km strike length. The Company has announced initial results from drilling at Lajitas. Assays demonstrate gold mineralization from surface with favorable intercepts. Highlighted drill results include:

- **301 m at 0.71 g/t Au** beginning at surface in hole DO-21-01
- **110 m at 0.75 g/t Au** beginning at 200 m in hole DO-21-02
- **248 m at 0.75 g/t Au** beginning at 168 m in hole DO-21-03
- **84 m at 0.40 g/t Au** beginning at 166 m in hole DO-21-04
- **196 m at 0.51 g/t Au** beginning at 296 m in hole DO-21-07
- **16 m at 0.60 g/t Au** beginning at surface in hole DO-21-08

A new zone was discovered near the bottom of DO-21-02 (30 m at 1.24 g/t Au), which has extended the West Zone of mineralization at depth by approximately 80 m below historic drill hole SF01. Two new zones were intersected near the top of DO-21-02. Shorter intercepts identified new zones in holes DO-21-06 and DO-21-08, extending mineralization to the SSW. Gold mineralization at Lajitas is open at surface and at depth and has now been confirmed over a vertical extent of at least 450 m and beginning from surface, and between the East and West Zones. No significant intercepts were noted in hole DO-21-09.

Gold mineralization at Cordillera has been confirmed with grades of 11.95 g/t Au, 7.6 g/t Au, 5.0 g/t Au, 3.7 g/t Au, and others, distributed on at least five gold-anomalous zones. Cordillera is now the third drill-ready project in Angold's portfolio.

## **Uchi Property, Canada**

Federal Gold staked the Uchi Property during the fall of 2019, and subsequently, staked an additional 80 claims contiguous to the north and west of the Uchi Property covering an area of 1,410 ha in September 2020. The Uchi Property is located approximately 80 km east of Red Lake, Ontario, Canada in the Birch-Uchi greenstone belt. The Uchi Property, which covers an area of 6,868 hectares represents a regional exploration opportunity in a greenstone belt with known zones of significant mineralization, but which remains relatively underexplored.

In September 2022, the Company commenced the first field work season on the Uchi Project. The program includes sampling, prospecting, and mapping of areas surrounding the main target, where the Company intends to carry out an extended soil, and spatiotemporal geochemical hydrocarbon ("SGH") sampling survey in the southeastern part of the Property with potential for Greenstone hosted gold. The program will also include prospecting and sampling the north-central gold occurrences at Mimi Point and the Crabb Point VMS showing, as well as volcanic massive sulphide ("VMS") targets in the western portion of the project.

Full details regarding the projects are contained in the Company's news releases available on the Company's website at [www.angoldresources.com](http://www.angoldresources.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

Costs incurred with respect to the properties is summarized below:

|                                   | Uchi Property |         | USA Properties |           | Chile Properties |           | Total         |
|-----------------------------------|---------------|---------|----------------|-----------|------------------|-----------|---------------|
| <b>Acquisition Costs</b>          |               |         |                |           |                  |           |               |
| Balance, April 30, 2021           | \$            | 17,000  | \$             | 102,063   | \$               | 284,875   | \$ 403,938    |
| Additions                         |               | -       |                | 88,991    |                  | -         | 88,991        |
| Balance, April 30, 2022           |               | 17,000  |                | 191,054   |                  | 284,875   | 492,929       |
| Additions                         |               | -       |                | 103,887   |                  | -         | 103,887       |
| Balance, October 31, 2022         | \$            | 17,000  | \$             | 294,941   | \$               | 284,875   | \$ 596,816    |
| <b>Deferred Exploration Costs</b> |               |         |                |           |                  |           |               |
| Balance, April 30, 2021           | \$            | 165,791 | \$             | 212,522   | \$               | 2,894,476 | \$ 3,272,789  |
| Consulting fees                   |               | 28,929  |                | 146,935   |                  | 87,545    | 263,409       |
| Drilling                          |               | -       |                | -         |                  | 1,399,816 | 1,399,816     |
| Exploration                       |               | -       |                | 814,167   |                  | 670,768   | 1,484,935     |
| Permitting and staking fees       |               | -       |                | -         |                  | 143,526   | 143,526       |
| General project costs             |               | -       |                | 129,228   |                  | 556,410   | 685,638       |
| Balance, April 30, 2022           |               | 194,720 |                | 1,302,852 |                  | 5,752,541 | 7,250,113     |
| Consulting fees                   |               | 7,242   |                | -         |                  | -         | 7,242         |
| Drilling                          |               | -       |                | 1,139,906 |                  | -         | 1,139,906     |
| Exploration                       |               | 284,442 |                | 490,765   |                  | 31,994    | 807,201       |
| Permitting and staking fees       |               | -       |                | -         |                  | 136,572   | 136,572       |
| General project costs             |               | 35,465  |                | 99,024    |                  | 180,293   | 314,782       |
| Balance, October 31, 2022         | \$            | 521,689 | \$             | 3,032,547 | \$               | 6,101,400 | \$ 9,655,816  |
| <b>Total</b>                      |               |         |                |           |                  |           |               |
| Balance, April 30, 2022           | \$            | 211,720 | \$             | 1,493,906 | \$               | 6,037,416 | \$ 7,743,042  |
| Balance, October 31, 2022         | \$            | 538,869 | \$             | 3,327,488 | \$               | 6,386,275 | \$ 10,252,632 |

## FINANCIAL REVIEW

For a discussion of the factors affecting the Company's losses see "Summary of quarterly results" and "Results of operations" below.

### Results of operations for the three months ended October 31, 2022

The Company incurred a net and comprehensive loss of \$193,409 during the three months ended October 31, 2022, a decrease in loss of \$444,375, as compared to the net and comprehensive loss of \$637,784 for the three months ended October 31, 2021. The decrease in net loss and total comprehensive loss was primarily driven by:

- Minor decrease to management fees of \$12,164 and professional fees of \$10,899, due to expected fluctuations in the normal course of business.
- Shareholder information and investor relations decreased by \$180,959, as the Company reduced its marketing and investor relations activity in the current quarter.
- A foreign exchange gain of \$125,606 in the current quarter, compared to a foreign exchange loss of \$142,909 in the comparative period. This is a result of fluctuations in the US Dollar and Chilean Peso relative to the Canadian Dollar in the quarter.
- Stock-based compensation expense decreased by \$7,818 as the majority of the Company's option grants have vested, resulting in lower expense this quarter.
- The decreases are offset by slight increase to general and administrative fees of \$11,182, consulting fees of \$20,024, and transfer agent, regulatory and listing fees of \$4,774, all due to expected fluctuations under the normal course of business.

### Results of operations for the six months ended October 31, 2022

The Company incurred a net and comprehensive loss of \$637,982 during the six months ended October 31, 2022, a decrease in loss of \$773,433, as compared to the net and comprehensive loss of \$1,411,415 for the six months ended October 31, 2021. The increase in net loss and total comprehensive loss was primarily driven by:

- Decreases to management fees of \$44,367, general and administrative fees of \$36,654, professional fees of \$63,760, and transfer agent, regulatory and listing fees of \$13,091, due to expected fluctuations in the normal course of business.
- Shareholder information and investor relations decreased by \$350,681, as the Company reduced its marketing and investor relations activity in the current quarter.
- A foreign exchange gain of \$13,074 in the current quarter, compared to a foreign exchange loss of \$173,965 in the comparative period. This is a result of fluctuations in the US Dollar and Chilean Peso relative to the Canadian Dollar in the quarter.

- Stock-based compensation expense decreased by \$90,884 as the majority of the Company's option grants have vested, resulting in lower expense this quarter.
- The decreases are offset by slight increase to, consulting fees of \$13,004, due to expected fluctuations under the normal course of business.

### Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed interim financial statements prepared in accordance with IAS 34:

|       | Quarter ended    | Revenue | Loss before other<br>income and<br>expenses | Total<br>comprehensive loss | Basic and diluted<br>income (loss) per<br>common share |
|-------|------------------|---------|---|-----------------------------|--|
| Q2/23 | October 31, 2022 | \$ -    | \$ (193,409)                                | \$ (193,409)                | \$ (0.00)  |
| Q1/23 | July 31, 2022    | -       | (444,573)                                   | (444,573)                   | (0.00)   |
| Q4/22 | April 30, 2022   | -       | (338,183)                                   | (338,183)                   | (0.00)   |
| Q3/22 | January 31, 2022 | -       | (741,656)                                   | (741,656)                   | (0.01)   |
| Q2/22 | October 31, 2021 | -       | (637,784)                                   | (637,784)                   | (0.01)   |
| Q1/22 | July 31, 2021    | -       | (773,631)                                   | (773,631)                   | (0.01)   |
| Q4/21 | April 30, 2021   | -       | (849,480)                                   | (849,480)                   | (0.02)   |
| Q3/21 | January 31, 2021 | -       | (12,964,816)                                | (12,964,816)                | (0.23)   |

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- Q2 2023: The Company incurred a foreign exchange gain driven by fluctuations in the US dollar and Chilean Peso relative to the Canadian dollar, resulting in the decreased loss.
- Q4 2022: Losses differed from the previous three operating quarters primarily due to a reduction in stock-based compensation and shareholder information and investor relations costs incurred in the quarter.
- Q4 2021: The first full quarter of operations of the Company post transaction, resulting in higher expenditures.
- Q3 2021: The Company completed its reverse take-over transaction resulting in a listing expense of \$11,362,796. The Company also issued stock options resulting in share-based compensation expense of \$1,111,578. The quarter ended January 31, 2021 was the first quarter of operations as Angold resulting in higher expenditures.

### LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements for the period ended October 31, 2022 have been prepared on a going concern basis, which assumes that the Company will continue in operation in the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At October 31, 2022, the Company had cash of \$818,908 (April 30, 2022: \$3,713,638) and its current assets exceeded its current liabilities by \$664,114 (April 30, 2022: \$3,689,869). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of \$17,157,441 as at October 31, 2022 (April 30, 2022: \$16,530,429).

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. The condensed consolidated interim financial statements for the six months ended October 31, 2022 do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern.

#### Cash flows

Cash used in operating activities for the six months ended October 31, 2022 was \$572,987 compared to \$979,757 for the six months ended October 31, 2021. The decrease in spending is a result of the decreased level of activity at the Company compared to the prior year following the reverse take-over transaction in the six months ended October 30, 2021.

Cash used in investing activities for the six months ended October 31, 2022 was \$2,321,743 compared to \$2,621,491 in the comparative period. Investing activities relates to investment in the Company's exploration and evaluation assets.

Cash provided by financing activities for the six months ended October 31, 2022 was \$Nil compared to proceeds from the issuance of shares in the comparative period of \$Nil.

## TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its key management personnel, including its directors and officers.

During the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

Key management compensation for the six months ended October 31, 2022 and 2021 was as follows:

|                 | <u>Three months ended</u> |                     | <u>Six months ended</u> |                     |
|-----------------|---------------------------|---------------------|-------------------------|---------------------|
|                 | October 31,<br>2022       | October 31,<br>2021 | October 31,<br>2022     | October 31,<br>2021 |
| Management fees | \$ 75,000                 | \$ 87,164           | \$ 153,268              | \$ 87,164           |

During the three and six months ended October 31, 2022, the Company incurred stock-based compensation expense of \$nil and \$nil, respectively, (2021 - \$nil and \$nil) related to stock options granted to officers and directors of the Company.

At October 31, 2022, the Company had \$nil (April 30, 2022 - \$36,158) owing to related parties. These amounts are non-interest bearing and have no fixed term of repayment.

## CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgements and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the six months ended October 31, 2022 are as follows:

### *Going concern*

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

### *Impairment of long-lived assets*

The Company evaluates each long-term asset each reporting period to determine if there are any indications of impairment. If any such indications exist, an estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The estimates and assumptions used to estimate the recoverable amount of the long-lived assets are subject to risk and uncertainty and there is the possibility that changes in circumstances will alter these estimates and assumptions.

### *Determination of functional currency*

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Angold Resources Ltd. and its subsidiaries to be the Canadian dollar. Such determination involves certain judgements to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

### *Valuation of stock-based compensation*

The Company uses the Black-Scholes option pricing model for valuation of stock-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

## NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

The Company did not adopt any new accounting standards or amendments.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the six months ended October 31, 2022.

## FINANCIAL INSTRUMENTS AND RELATED RISKS

### Classifications

The Company's financial assets and liabilities are classified as follows:

|   | October 31, 2022 | April 30, 2022 |
|---|------------------|----------------|
| <b>Financial assets:</b>                  |                  |                |
| <i>Fair value through profit and loss</i> |                  |                |
| Cash                                      | \$ 818,908       | \$ 3,713,638   |
| <b>Financial liabilities:</b>             |                  |                |
| <i>Other financial liabilities</i>        |                  |                |
| Accounts payable                          | \$ 252,014       | \$ 110,765     |

The fair values of the Company's cash and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

### Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At October 31, 2022, the Company was exposed to credit risk on its cash.

The Company's cash are held with a high credit quality financial institution in Canada and as at October 31, 2022, management considers its exposure to credit risk to be low.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At October 31, 2022, the Company had cash of \$818,908 (April 30, 2022 - \$3,713,638) and accounts payable and accrued liabilities of \$270,400 (April 30, 2022 - \$205,873) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities at October 31, 2022. The Company assessed its liquidity risk as low as at October 31, 2022.

#### Interest rate risk

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

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at October 31, 2022.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at October 31, 2022, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

### OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company had 132,940,930 common shares issued and outstanding (April 31, 2022 – 132,520,960).

The Company has authorized an unlimited number of common shares without par value.

At the date of this MD&A, the Company has 49,786,607 warrants outstanding exercisable at \$0.18 into one common share.

At the date of this MD&A, the Company has stock options outstanding as follows:

| <b>Expiry date</b> | <b>Options outstanding</b> | <b>Options exercisable</b> | <b>Exercise price</b> | <b>Weighted average remaining contractual life (in years)</b> |
|--------------------|----------------------------|----------------------------|-----------------------|---|
| December 29, 2022  | 300,000                    | 300,000                    | \$ 0.40               | 0.16  |
| October 19, 2023   | 200,000                    | 200,000                    | \$ 0.30               | 0.97  |
| December 29, 2025  | 3,575,000                  | 3,575,000                  | \$ 0.40               | 3.16  |
| May 31, 2026       | 150,000                    | 150,000                    | \$ 0.40               | 3.58  |
| July 19, 2026      | 150,000                    | 150,000                    | \$ 0.40               | 3.72  |
| January 26, 2027   | 2,425,000                  | 2,425,000                  | \$ 0.17               | 4.24  |
|                    | 6,800,000                  | 6,800,000                  | \$ 0.31               | 3.37  |

## **RISKS AND UNCERTAINTIES**

The Company's business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods. Refer to the Company's Filing Statement dated December 18, 2020 for a list of risk factors impacting the Company.

## **CONFLICTS OF INTEREST**

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Angold are required to act honestly, in good faith, and in the best interest of Angold.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and is accurate only at the time of this MD&A, and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals;; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors

could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Risks and Uncertainties"; unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required to by applicable securities laws.