Consolidated Financial Statements
(Expressed in Canadian dollars)

ANGKOR GOLD CORP.

Years ended July 31, 2015 and 2014

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Angkor Gold Corp.

We have audited the accompanying consolidated financial statements of Angkor Gold Corp. and its subsidiaries, which comprise the consolidated statements of financial position as at July 31, 2015 and 2014, and the consolidated statements of comprehensive income and loss, statements of changes in equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Angkor Gold Corp. and its subsidiaries as at July 31, 2015 and 2014, and their financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2 in the consolidated financial statements which indicates that Angkor Gold Corp. has a deficit of $15,335,971 as at July 31, 2015 and negative cash flows from operations, before the net change in non-cash working capital items, of $1,117,876 for the year ended July 31, 2015. These conditions, along with other matters as set forth in note 2, indicate the existence of a material uncertainty that may cast significant doubt about Angkor Gold Corp.'s ability to continue as a going concern.

"Wolrige Mahon LLP"

CHARTERED PROFESSIONAL ACCOUNTANTS

November 30, 2015
Vancouver, B.C.

ANGKOR GOLD CORP.

Consolidated Statements of Financial Position
As at July 31, 2015 and 2014
(Expressed in Canadian dollars)

		2015		2014
Assets				
Current assets				
Cash and cash equivalents	**$**	**1,880,964**	$	1,419,703
Amounts receivable		**49,754**		45,877
Prepaid expenses		**32,605**		-
Current portion of promissory note receivable (Note 14)		**-**		1,046,547
Total current assets		**1,963,323**		2,512,127
Non-current assets				
Performance bond		**104,712**		86,091
Promissory note receivable (Note 14)		**654,450**		-
Property and equipment (Note 6)		**133,933**		103,744
Exploration and evaluation assets (Note 7)		**17,955,901**		13,241,584
Total non-current assets		**18,848,996**		13,431,419
Total assets		**20,812,319**		15,943,546
Liabilities and Equity				
Current liabilities				
Accounts payable and accruals (Note 5,8 and 13)		**927,384**		634,997
Net smelter royalty buy-back option (Note 15)		**1,145,288**		957,776
Total current liabilities		**2,072,672**		1,592,773
Deferred income tax liability (Note 9)		**473,030**		500,909
Total liabilities		**2,545,702**		2,093,682
Equity				
Share capital (Note 10(b))		**27,730,956**		24,797,488
Subscription receivable (Note 10(b))		**(20,000)**		-
Contributed surplus (Note 10(d))		**2,130,596**		2,151,644
Warrants (Note 10(g))		**435,225**		435,225
Deficit		**(15,355,971)**		(13,610,603)
Accumulated other comprehensive income		**3,345,811**		76,110
Total equity		**18,266,617**		13,849,864
Total liabilities and equity	**$**	**20,812,319**	$	15,943,546

Going concern *(Note 2)*
Subsequent events *(Note 18)*

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

"Terry Mereniuk" Director "Mike Weeks" Director

ANGKOR GOLD CORP.

Consolidated Statements of Comprehensive Income and Loss
(Expressed in Canadian dollars)

Years ended July 31, 2015 and 2014

		2015		2014
Expenditures				
Salaries, wages and benefits	**$**	**357,921**	$	476,302
Corporate development		**69,750**		31,055
Social development (Note 5)		**114,800**		114,000
Share based compensation (Note 10(d))		**51,920**		67,904
Office and travel expenses		**313,170**		179,516
Professional fees		**279,017**		179,080
Interest and banking costs		**9,716**		6,388
Total expenditures		**1,196,294**		1,054,245
Other items				
Foreign exchange gain (loss)		**(488,157)**		589,511
Net proceeds on sale of mineral property (Note 14)		**-**		714,293
Other income		**26,499**		-
Write-off of exploration and evaluation assets		**(115,294)**		-
Net income (loss) before income taxes		**(1,773,246)**		249,559
Deferred income tax (expense) recovery (Note 9)		**27,878**		(173,431)
Income (Loss) after income taxes		**(1,745,368)**		**76,128**
Other comprehensive income (loss)				
Foreign operations - foreign currency translation differences		**3,269,701**		(12,462)
Total comprehensive income (loss) for the year attributable to shareholders	**$**	**1,524,333**	$	63,666
Basic and diluted income (loss) per share (Note 11)	**$**	**(0.02)**	$	0.00

See accompanying notes to consolidated financial statements.

ANGKOR GOLD CORP.

Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

Years ended July 31, 2015 and 2014

	Share capital	*Deficit*	*Subscription receivable*	*Accumulated other comprehensive income*	*Warrants*	*Contributed Surplus*	*Total*
	(Note 10(b))		*(Note 10(b))*	*(Note 4(c))*	*(Note 10(g))*	*(Note 10(d))*	
Balance at July 31, 2013	$ 22,391,250	$ (13,686,731)	$ -	$ 88,572	$ 435,225	$ 2,247,074	$ 11,475,390
Income for the period	-	76,128	-	-	-	-	76,128
Issuance of common shares	2,047,500	-	-	-	-	-	2,047,500
Unrealized loss on translation of financial statements	-	-	-	(12,462)	-	-	(12,462)
Issuance of options	-	-	-	-	-	67,904	67,904
Exercise of options	358,738	-	-	-	-	(163,334)	195,404
Balance at July 31, 2014	$24,797,488	($13,610,603)	-	$76,110	$435,225	$2,151,644	$13,849,864
Income (Loss) after income taxes	**-**	**(1,745,368)**	**-**	**-**	**-**	**-**	**(1,745,368)**
Issuance of options	**-**	**-**	**-**	**-**	**-**	**51,920**	**51,920**
Exercise of options	**183,468**	**-**	**-**	**-**	**-**	**(72,968)**	**110,500**
Proceeds from exercise of warrants	**2,750,000**	**-**	**(20,000)**	**-**	**-**	**-**	**2,730,000**
Foreign operations - foreign currency translation differences	**-**	**-**	**-**	**3,269,701**	**-**	**-**	**3,269,701**
Balance at July 31, 2015	**$27,730,956**	**($15,355,971)**	**($20,000)**	**$3,345,811**	**$435,225**	**$2,130,596**	**$18,266,617**

See accompanying notes to consolidated financial statements.

ANGKOR GOLD CORP.

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

Years ended July 31, 2015 and 2014

	2015	2014
Cash used for the following activities		
Operating		
Net income (loss) for the year	**$(1,745,368)**	$ 76,128
Deferred income tax expense (recovery)	**(27,879)**	173,431
Share based compensation	**51,920**	67,904
Net proceeds on sale of mineral properties (Note 14)	**-**	(714,293)
Write-off of exploration and evaluation assets	**115,294**	-
Foreign exchange (gain) loss	**488,157**	(589,511)
	(1,117,876)	(986,341)
Changes in working capital accounts		
Amounts receivable	**(3,550)**	(21,265)
Prepaid expenses and deposits	**(32,605)**	(45,652)
Accounts payable and accruals	**123,041**	354,337
Net cash used in operating activities	**(1,030,990)**	(698,921)
Financing		
Net smelter royalty buy-back option	**-**	546,166
Issuance of common shares (net of share issue costs and adjusted for non cash share issue costs)	**-**	2,047,500
Proceeds of promissory note	**556,050**	-
Proceeds from the exercise of stock options	**110,500**	195,404
Proceeds from the exercise of warrants	**2,730,000**	-
Net cash from financing activities	**3,396,550**	2,789,070
Investing		
Purchases of property and equipment (Note 6)	**(48,864)**	(55,000)
Proceeds on sale of mineral property	**-**	248,023
Proceeds from the sale of 5% interest (Note 17)	**1,427,933**	-
Advancement of exploration and evaluation assets (Note 7)	**(3,446,751)**	(2,178,476)
Net cash used in investing activities	**(2,067,682)**	(1,985,453)
Net effect of translation on foreign currency cash	**163,383**	(6,163)
Decrease in cash resources	**461,261**	98,533
Cash resources, beginning of year	**1,419,703**	1,321,170
Cash resources, end of year	**$ 1,880,964**	$ 1,419,703

Significant non-cash transactions:		
Fair value of stock options exercised	**$ 72,968**	$ 163,334
Amortization included in exploration and evaluation assets	**40,676**	51,398
Accounts payable included in exploration and evaluation assets	**$ 76,632**	$ -

See accompanying notes to consolidated financial statements.

1. Organization and description of business:

Angkor Gold Corp. ("Angkor" or the "Company"), was incorporated under the laws of the Province of British Columbia, Canada on October 16, 2008. The Company, together with its subsidiaries, is principally engaged in the exploration of its mineral property interests. The Company focuses on mineral property interests located in the Kingdom of Cambodia in the Banlung and Oyadao Regions. These consolidated financial statements were approved and authorized for issue on November 26, 2015 by the Board of Directors. The registered address of the Company is Box 153, Sexsmith, Alberta, T0H 3C0.

The Company commenced trading as a Tier 2 mining issuer on the TSX Venture Exchange (the "Exchange") on October 19, 2011 under the trading symbol "ANK".

2. Going concern:

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company has comprehensive income of $1,524,333 for the year ended July 31, 2015, accumulated losses of $15,355,971 as at July 31, 2015 and negative cash flows from operations before the net change in working capital items, of $1,117,876 for the year ended July 31, 2015.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain financing from the capital markets sufficient to meet current and future obligations and/or restructure the existing debt and payables. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

Management intends to complete a financing in the next fiscal year in order to continue operations and advance its exploration plan. While there are no assurances, the Company has been successful in raising equity capital for these purposes in the past.

3. Statement of compliance:

The Company's consolidated financial statements have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the years ended July 31, 2015 and 2014.

4. Significant accounting policies:

These consolidated financial statements have been prepared in accordance with IFRS and include the following significant accounting policies:

(a) Basis of presentation:

The Company's consolidated financial statements are reported in Canadian dollars and have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in this note.

(b) Basis of consolidation:

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries (the "Group"), Prairie Pacific Mining Corp ("PPMC Canada"), a corporation existing under the provincial laws of Alberta; Angkor Gold Cambodia Co., Ltd. ("AGC"), a corporation existing under the laws of the Kingdom of Cambodia. During the prior year, the following entities were also included in the consolidated financial statements: Liberty Mining (Cambodia) Ltd. ("LMC Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia; Liberty Mining International Pty Ltd. ("LMI Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia; and Transol Mining and Exploration Pty Ltd. ("Transol Cambodia"), a corporation existing under the laws of the Kingdom of Cambodia. Inter-company balances and transactions are eliminated in preparing the financial statements.

(c) Foreign currency translation:

The Company's presentation currency is the Canadian dollar ("$"). The functional currency for the Company and PPMC Canada, being the currency of the primary economic environment in which the entity operates, is the Canadian dollar. The functional currency of AGC is the US dollar ("USD").

Items included in the financial statements of each consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities not denominated in the functional currency of an entity are recognized in profit or loss in the year in which the gain or loss arises.

Assets and liabilities of operations with a functional currency other than the Canadian dollar are translated at the period-end rates of exchange, and the results of its operations are translated at average rates of exchange for the period. The resulting translation adjustments are recognized in other comprehensive income. Additionally, foreign exchange gains and losses related to certain intercompany amounts that are neither planned nor likely to be settled in the foreseeable future are included in other comprehensive income. Currently, only foreign exchange gains and losses related to foreign operations are recorded in accumulated other comprehensive income.

4. Significant accounting policies (continued):

(d) Income taxes:

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the consolidated statement of comprehensive income (loss), except to the extent that it relates directly to equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured on a non-discounted basis using the enacted or substantively enacted tax rates at the end of the period, and which are expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that enactment or substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(e) Income (Loss) per share:

Basic income (loss) per share is computed by dividing the net income (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted income (loss) per share is computed similar to basic income (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

(f) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, deposits held with banks, and redeemable term deposits. Where term deposits held with banks have a maturity in excess of three months, but are redeemable without principal penalty, they will be classified as cash equivalents. There are no cash equivalents as at July 31, 2015 or 2014.

4. Significant accounting policies (continued):

(g) Financial instruments:

(i) Financial assets:

Financial assets classified as “loans and receivables” are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are initially measured at fair value, adjusted for transaction costs, and are subsequently measured at amortized cost using the effective interest method, less any impairment losses. The effective interest method is a method used to calculate the amortized cost of a financial asset and of allocating the interest income over the expected life of the financial asset. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired. The effective interest rate is the rate that exactly discounts estimated future cash flows over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category includes cash and cash equivalents, amounts receivable, performance bonds, and promissory notes receivable.

(ii) Impairment on Financial assets:

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

(iii) Other Financial liabilities:

Financial liabilities classified as “other financial liabilities” are initially measured at fair value, adjusted for transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the expected life of the financial liability. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company has classified accounts payable and accruals and net smelter royalty buy back option as other financial liabilities.

4. Significant accounting policies (continued):

(g) Financial instruments (continued):

(*iii*) Other Financial liabilities (continued):

Derecognition of financial liabilities:

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Interest, dividends, losses, and gains relating to financial liabilities are recognized in profit or loss in interest and banking costs.

(h) Property and equipment:

Property and equipment ("PE") are initially recorded at cost and subsequently carried at cost less any accumulated depreciation and accumulated impairment losses. Depreciation is provided using the rates intended to amortize the cost of assets over their estimated useful lives. The Company capitalizes amortization expense to exploration and evaluation assets as permitted by IFRS 6.

	Rate
Vehicles	30%
IT equipment	55%
Small equipment and tools	25%
Heavy and processing equipment	25%

An item of PE is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statements of comprehensive income and loss.

The Company conducts an annual assessment of the residual balances, useful lives, and depreciation methods being used for PE and any changes arising from the assessment are applied by the Company prospectively. The Company assesses whether there is any indication that an item of PE may be impaired at the end of each reporting period. If any such indication exists, the recoverable amount of the asset is estimated.

The Company has changed its accounting estimate from straight line to declining balance beginning in the 2015 fiscal year. The effect of this change is immaterial to current and future periods.

4. Significant accounting policies (continued):

(i) Exploration and evaluation assets:

Exploration and evaluation assets include the cost of acquiring licenses, exploration and evaluation activity, and the fair value, at the date of acquisition, of exploration and evaluation assets acquired in a business combination. Subsequent to initial recognition, exploration and evaluation assets are carried at cost less any accumulated impairment losses.

Exploration and evaluation expenditures are capitalized as incurred, including expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. The capitalized exploration and evaluation expenditures will be amortized against revenue from future production or written off if the area of interest is abandoned or sold. Costs incurred before the Company has obtained legal rights to explore the area are recognized in profit or loss.

Acquisition costs, including general and administration costs, are only capitalized to the extent that these costs can be related directly to operational activities in the relevant area of interest where it is considered likely to be recoverable by future exploration or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

The amounts shown for exploration and evaluation expenditures represent costs incurred to date, less recoveries, and do not necessarily reflect present or future values. The amounts are classified as intangible assets.

Indicators of impairment of exploration and evaluation assets are assessed at each reporting period. If an indicator of impairment exists to suggest that the technical feasibility and commercial viability of the project is in question, and facts and circumstances suggest the carrying amount exceeds the recoverable amount, the carrying value of the exploration and evaluation assets will be written down to the estimated recoverable amount.

Once technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to the area of interest are first tested for impairment and then reclassified to mining property and development assets within property and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(j) Impairment of non-financial assets:

At the end of each reporting period the carrying amounts of the Company's assets, including exploration and evaluation assets, are reviewed to determine whether there is any indication the assets are impaired. The Company uses external factors, such as changes in expected future prices, costs and other market factors to assess for indication of impairment. If any such indication exists an estimate of the asset’s recoverable amount is calculated, being the higher of fair value less direct costs to sell and the asset’s value in use.

4. Significant accounting policies (continued):

(j) Impairment of non-financial assets (continued):

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to the consolidated statements of comprehensive income and loss so as to reduce the carrying amount in the consolidated statements of financial position to its recoverable amount.

Fair value is determined as the amount that would be obtained from the sale of assets in an arm's length transaction between knowledgeable and willing parties. Fair values for mineral assets are generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted by a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, to arrive at a net present value of the asset.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development.

In testing for indications of impairment and performing impairment calculations, assets are considered as collective groups and referred as to cash generating units. Cash generating units are the smallest identifiable group of assets, liabilities, and associated goodwill that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

(k) Decommissioning costs:

A decommissioning cost obligation to incur restoration, rehabilitation, and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for, and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability when the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Pre tax discount rates that reflect the time value of money are used to calculate the net present value. These costs are charged against the consolidated statements of comprehensive income and loss over the economic life of the related asset, through amortization using either the unit of production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in the consolidated statements of comprehensive income and loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in the consolidated statements of comprehensive income and loss.

4. Significant accounting policies (continued):

(k) Decommissioning costs (continued):

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation, and environmental obligations as the disturbances to date are minimal.

(l) Share based payments:

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in comprehensive income or (loss). When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model.

Options or warrants granted related to the issuance of shares are valued at their fair value, as measured by the use of a valuation model, and recorded as a reduction of share capital.

(m) Critical accounting estimates:

Significant assumptions about the future that management has made and other sources of estimation uncertainty at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities relate to but are not limited to the following:

- The recoverability of exploration and evaluation assets presented on the consolidated statement of financial position;
- The estimated useful lives of property and equipment which are included in the consolidated statement of financial position and the related depreciation;
- The inputs used in accounting for share-based payment transactions in the consolidated statements of comprehensive income and loss;
- Management’s determination that there is no material restoration, rehabilitation, and environmental exposure, based on the facts and circumstances that existed during the period; and,
- The valuation of deferred income tax assets.

4. Significant accounting policies (continued):

(n) Critical accounting judgments:

Significant judgments about the future that management has made and other sources of judgment uncertainty at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities relate to but are not limited to:

- Functional currency: the determination of the functional currency of AGC as the US dollar and the functional currency of the Company and other subsidiaries as the Canadian dollar.
- Going concern: The Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.
- Recoverability of the promissory note receivable: The promissory note has been reclassified to a long term asset in the current year. It is management's assumption the note will be collectible but there are uncertainties surrounding the time frame the proceeds will be received.

(o) New accounting pronouncements effective in future periods:

IFRS 9, *Financial Instruments*, was originally issued in November 2009 and reissued in October 2010 and will eventually form a complete replacement for IAS 39, *Financial Instruments: Recognition and Measurement*. This standard sets out the recognition and measurement requirements for financial instruments and some contracts to buy or sell non-financial items. This standard is effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of adopting this standard on its consolidated financial statements.

Other changes to IFRS which are effective in future periods are not currently expected to be material to the Company.

5. Social development:

Under a Consulting Agreement with the Company's Chief Executive Officer, $9,500 (2014 - $9,500) per month payable to the Chief Executive Officer for services rendered is to be retained by the Company for social development projects in the Kingdom of Cambodia. These amounts have been accrued as social development expenditures. At July 31, 2015, a provision of $180,582 (2014 - $66,582) is included in accounts payable and accruals with respect to these expenditures. To the extent that the funds are ultimately not used for social development projects in the Kingdom of Cambodia, the accrued amounts will be paid to the Chief Executive Officer as compensation expense. The Chief Executive Officer has no plans to call this amount in the next twelve months.

6. Property and equipment:

	Heavy equipment	IT equipment	Processing equipment	Small equipment and tools	Vehicles	Total
Cost:						
Balance, August 1, 2014	$ 44,680	$ 18,236	$ 8,759	$ 128,334	$ 130,723	$ 330,732
Adjustment on currency translation	9,111	4,287	1,786	26,170	31,141	72,495
Additions	-	5,501	-	-	43,363	48,864
Balance, July 31, 2015	$ 53,791	$ 28,024	$ 10,545	$ 154,504	$ 205,227	$452,091
Accumulated depreciation:						
Balance, August 1, 2014	$ 44,680	$ 7,744	$ 7,047	$ 53,769	$ 113,748	$ 226,988
Adjustment on currency translation	9,111	2,387	1,485	13,069	24,442	50,494
Depreciation (capitalized)	-	7,809	467	20,339	12,061	40,676
Balance, July 31, 2015	$ 53,791	$ 17,940	$ 8,999	$ 87,177	$ 150,251	$ 318,158
Net book value **July 31, 2015**	**$ -**	**$ 10,084**	**$ 1,546**	**$ 67,327**	**$ 54,976**	**$ 133,933**

	Heavy equipment	IT equipment	Processing equipment	Small equipment and tools	Vehicles	Total
Cost:						
Balance, August 1, 2013	$ 42,276	$ 17,254	$ 8,288	$ 70,637	$ 123,692	$ 262,147
Adjustment on currency translation	2,404	982	471	5,697	7,031	16,585
Additions	-	-	-	52,000	-	52,000
Balance, July 31, 2014	$ 44,680	$ 18,236	$ 8,759	$ 128,334	$ 130,723	$ 330,732
Accumulated depreciation:						
Balance, August 1, 2013	$ 41,881	$ 4,397	$ 5,010	$ 27,638	$ 87,217	$ 166,143
Adjustment on currency translation	2,382	251	285	1,570	4,959	9,447
Depreciation (capitalized)	417	3,096	1,752	24,561	21,572	51,398
Balance, July 31, 2014	$ 44,680	$ 7,744	$ 7,047	$ 53,769	$ 113,748	$ 226,988
Net book value **July 31, 2014**	**$ -**	**$ 10,492**	**$ 1,712**	**$ 74,565**	**$ 16,975**	**$ 103,744**

7. Exploration and evaluation assets:

On October 5, 2009, the Company entered into an agreement with Liberty Mining International Pty. Ltd. (“Liberty”) (a related party) whereby the two parties agreed upon a joint venture agreement giving the Company the option to earn up to 90% of the participating interest in the Banlung Gold and Base metals project and the Oyadao Base metals project that were owned by Liberty. Under this joint venture agreement, Liberty was to provide to the Company any mining information that it received from parties other than the Company. The terms of this joint venture agreement were to result in payments by the Company being classified as either non-earn in payments or earn-in payments toward a participating interest.

As at July 31, 2010, the Company had made earn-in payments of $2,249,353 and non-earn in payments of $1,029,000, which entitled the Company to a 51% participating interest in the joint venture.

On September 10, 2010, the Agreement was amended for the Company to acquire an additional 39% for a payment of USD$575,000. On September 23, 2010, the Company made the USD$575,000 (CAD$545,776) payment to increase its total participating interest in the joint venture to 90%.

On August 30, 2012, the Company acquired all of the outstanding shares of Liberty from Interactive Industrial Solutions Inc. (“IISI”) in exchange for cash in the amount of $200,000 and 4,250,000 common shares in the capital of the Company.

IISI is an Alberta corporation controlled by the Chief Executive Officer and President of Angkor. Liberty is an Australian corporation which owns LMI Cambodia, a Cambodian subsidiary company, which owns a 10% interest in Angkor’s Banlung, Banlung North and Oyadao concessions. Liberty also owns Transol Cambodia, which owns 100% of the 209 square kilometer Andong Meas concession in Cambodia and a 10% interest in Angkor’s Oyadao South gold exploration property.

In completing this transaction, Angkor now holds a 100% interest in the Banlung, Banlung North, Oyadao, Oyadao South, and Andong Meas concessions by way of its 100% interest in Liberty.

Also, as a result of this transaction, the Company now holds 100% of the Banlung Gold and Base Metals project and the Oyadao Base Metals project.

The following summarizes the direct expenditures incurred which qualify for participating interest as well as non-earn in payments that were made through the years:

	Non-earn in payments	Earn-in payments	Total
Cost:			
Balance, August 1, 2014	$ 8,462,662	$ 4,778,922	$ 13,241,584
Adjustment for currency translation	2,082,394	611,090	2,693,484
5% Joint venture reduction (Note 17)	(1,427,933)	-	(1,427,933)
Additions	3,564,060	-	3,564,060
Write-down of exploration and evaluation assets	(115,294)	-	(115,294)
Balance, July 31, 2015	$ 12,565,889	$ 5,390,012	$ 17,955,901

7. Exploration and evaluation assets (continued):

	Non-earn in payments	Earn-in payments	Total
Cost:			
Balance, August 1, 2013	$ 5,903,810	$ 4,617,673	$ 10,521,483
Adjustment for currency translation	366,131	161,249	527,380
Sale of mineral property interests (note 14)	(36,479)	-	(36,479)
Additions	2,229,200	-	2,229,200
Balance, July 31, 2014	$ 8,462,662	$ 4,778,922	$ 13,241,584

8. Related party transactions:

Name	Country of incorporation	Relationships	% equity interest as at July 31,2015
Prairie Pacific Mining Corp.	Canada	Subsidiary	100%
Angkor Gold Corp. (Cambodia) Co. Ltd.	Cambodia	Subsidiary	100%
Liberty Mining International Pty Ltd.	Australia	Subsidiary	0%
Transol Mining and Exploration Pty Ltd.	Australia	Subsidiary	0%
Liberty Mining (Cambodia) Ltd.	Cambodia	Subsidiary	100%
Liberty Mining International Pty Ltd.	Cambodia	Subsidiary	100%
Transol Mining and Exploration Pty Ltd.	Cambodia	Subsidiary	100%

Angkor Gold Corp. is the parent company.

In August 2012, Liberty Mining International Pty Ltd. (Australian company) became a subsidiary of the Company when the its outstanding shares were acquired by the Company. In February 2015, the Company wound up Liberty Mining International Pty Ltd (Australian company), Transol Mining and Exploration Pty Ltd. (Australian company).

The shares of Liberty Mining International Pty Ltd were acquired from a company owned by the Company's CEO, which acquired 100% of the issued and outstanding shares of Liberty in June 2011. The transaction is described in note 7.

All related party transactions were measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

The remuneration of directors and other members of key management were as follows:

	2015	2014
Management payments	$ 584,763	$ 480,941
Share-based compensation	-	44,102
	$ 584,763	$ 525,043

Included in accounts payable and accruals is $63,224 due to the Chief Executive Officer and his spouse and $20,000 due to the Company's country manager. 1% of the 5% Joint Venture Interest is related to the spouse of the CEO – see Note 17.

9. Income taxes:

The applicable statutory tax rate is 26.00% (2014 – 25.33%)

		2015		2014
Income (Loss) before income tax	$	(1,773,246)	$	249,559
Income tax at statutory rate of 26.00% (2014 – 25.33%)	$	(461,044)	$	63,213
Non-deductible share-based compensation		13,499		17,202
Share issuance costs booked to equity		-		(52,650)
Utilization of tax basis of mineral property to offset taxes payable		-		(212,518)
Permanent differences and other		569		2,061
Non-deductible foreign exchange		171,359		12,028
Changes and differences in tax rates		(4,305)		(54,040)
Tax benefit not recognized		252,044		398,135
	$	(27,878)	$	173,431
Current tax expense	$	-	$	-
Deferred tax expense (recovery)	$	(27,878)	$	173,431

(a) Recognized deferred tax liabilities:

Certain expenditures capitalized for accounting purposes are considered current year expenses for tax purposes and form part of the Company's tax loss carry forward. Due to uncertainty in realizing the tax benefit of these tax loss carry forwards, the Company has not recognized the corresponding tax asset. As such, Management has recognized a deferred tax liability in Cambodia related to the accounting value in excess of the tax value of the exploration and evaluation assets.

		2015		2014
Exploration and evaluation assets	$	473,030	$	500,909

9. Income taxes (continued):

(b) Unrecognized deferred tax assets:

Management has not recognized deferred tax assets in any of the jurisdictions in which it currently operates due to the fact that is not probable that these assets will be realized in the foreseeable future. The following represents deferred tax assets by jurisdiction using an estimated future tax rate of 26%.

			2015	2014
	Canada	Cambodia	Total	Total
Property and equipment	$ -	$ 91,821	$ 91,821	$ 84,702
Share issuance costs	70,411	-	70,411	127,680
Non-capital loss carry forwards	2,574,353	-	2,574,353	2,272,160
Charitable donations	2,270	-	2,270	2,269
	$ 2,647,034	$ 91,821	$ 2,738,855	$ 2,486,811

(c) Loss carry-forward by year of expiry:

	Canada	Cambodia	Total
2029	$ 2,573,549	$ -	$ 2,573,549
2030	110,363	-	110,363
2031	1,337,447	-	1,337,447
2032	1,675,941	-	1,675,941
2033	1,781,563	-	1,781,563
2034	1,260,215	-	1,260,215
2035	1,162,280	-	1,162,280
	$ 9,901,358	$ -	$ 9,901,358

Management has not recognized deferred tax assets of other deductible temporary differences related to share issuance costs in Canada of $270,812 (2014 - $491,076) and property and equipment in Cambodia of $306,070 (2014 - $282,341).

10. Share capital:

(a) Authorized:

Common shares

Unlimited number of common shares with no par value

Preferred shares

Unlimited number of preferred shares with no par value

(b) Issued:

Balance, July 31, 2013	78,708,498	$	22,391,250
Private placement – net of share issuance costs (*i*)	7,900,000		2,047,500
Shares issued upon exercise of options *(ii)*	781,615		358,738
Balance, July 31, 2014	87,390,113	$	24,797,488
Shares issued upon exercise of warrants (*iii*)	5,500,000		2,750,000
Shares issued upon exercise of options *(iv & v)*	275,641		183,468
Balance, July 31, 2015	93,165,754	$	27,730,956

(i) On June 26, 2014, the Company issued 7,900,000 units as part of a non-brokered private placement for gross proceeds of $2,250,000. Each unit consists of one common share at a price of $0.285 per share and one non-transferrable warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 and expires June 30, 2015. Share issuance costs of $202,500 related to the transaction were capitalized to equity.

(ii) 781,615 common shares issued upon exercise of options with an exercise price of $0.25 per option.

(iii) On June 30, 2015, 5,500,000 warrants referred to in (i) were exercised at $0.50 for gross proceeds of $2,730,000. 40,000 shares with a value of $20,000 were issued but unsubscribed for at July 31, 2015.

(iv) 125,641 common shares issued upon exercise of options with an exercise price of $0.39 per option for gross proceeds of $49,000. The market prices of the shares on the dates of exercise were $0.48 and $0.55, respectively.

(v) 150,000 common shares issued upon exercise of options with an exercise price of $0.41 per option for gross proceeds of $61,500. The market price on the date of exercise was $0.61.

10. Share capital (continued):

(c) Escrowed shares:

During 2011 the Company and PPMC Canada completed a reverse take-over transaction. As a result of that transaction each partied entered into share escrow agreements (the PPMC Canada and CPC escrow agreements), whereby a total of 11,752,081 shares were initially held in escrow to be released according to a pre-determined release schedule.

As at July 31, 2014, there were 2,754,204 shares in escrow under the PPMC Canada escrow agreement and 385,749 shares in escrow under the CPC escrow agreement. All shares, under each escrow agreement, were released from escrow during the year ended July 31, 2015.

(d) Contributed surplus:

The following table summarizes all transactions during the period.

	Number	Fair value at grant date	Weighted average exercise price
Balance, July 31, 2013	7,268,730	$ 2,247,074	0.20
Incentive stock options	670,000	67,904	0.32
Exercise of agent's options	(336,615)	(67,659)	0.20
Exercise of incentive stock options	(445,000)	(95,675)	0.20
Expiry of incentive stock options	(1,590,115)	-	0.50
Balance July 31, 2014	5,567,000	$ 2,151,644	0.32
Incentive stock options	272,000	51,920	0.45
Exercise of incentive stock options	(275,641)	(72,968)	0.40
Expiry/cancellation of incentive stock options	(2,909,359)	-	0.33
Balance, July 31, 2015	**2,654,000**	**$ 2,130,596**	**0.30**

On March 21, 2014, the Company granted 395,000 options to consultants and officers of Angkor entitling the holder to purchase one Angkor share at a price of $0.32 per share on or before March 21, 2016. 270,000 options will vest immediately upon granting. The remaining 125,000 of the options will vest in equal portions over a period of two years. In the year ended July 31, 2014, 60,000 options were cancelled.

On June 26, 2014, the Company granted 275,000 options to a director and an officer of Angkor entitling the holder to purchase one Angkor share at a price of $0.33 per share on or before June 26, 2017. 150,000 of the options vest immediately, whereas the remaining 125,000 vest in equal portions over two years.

10. Share capital (continued):

(d) Contributed surplus (continued):

On April 13, 2015, the Company granted 272,000 options to employees of Angkor entitling the holder to purchase one Angkor share at a price of $0.45 per share on or before April 13, 2020. All options vest immediately.

(e) Stock option plan:

The Company has adopted an incentive stock option plan ("the "Plan"). The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the number of issued shares of the Company at the time of the granting of the options. Options granted under the Plan will have a maximum term of ten years. The exercise price of options granted under the Plan will be fixed by the Board of Directors at the time the option is granted, provided however that the exercise price complies with the requirements of the Exchange. According to the 2010 stock option plan, the vesting periods of options granted under the plan may vary at the discretion of the Board of Directors, subject to regulatory approval.

(f) Options:

The following table summarizes all options outstanding at July 31, 2015.

Options outstanding and exercisable		
Options outstanding	Weighted average exercise price	Weighted average remaining contractual (life years)
1,277,000	$ 0.25	1.22
230,000	0.34	1.66
30,000	0.34	1.85
235,000	0.33	2.35
335,000	0.32	1.64
275,000	0.33	1.91
272,000	0.45	4.71
2,654,000	$ 0.30	1.85

The fair values of the stock options were estimated at the grant date using the Black-Scholes option-pricing model, volatility was determined using historical stock prices. The following weighted average assumptions were used:

	2015	2014
Expected annual volatility	64%	50-145.11%
Risk free interest rate	0.65%	0.97-1.29%
Expected life	5 years	2-5 years
Expected dividend yield	0%	0%
Share price at grant date	$0.45/share	$0.28 - $0.42/share
Exercise price	$0.45/share	$0.25 - $0.41//share

10. Share capital (continued):

(g) Warrants:

	Number	Fair value at grant date	Weighted average exercise price
Balance, July 31, 2013	13,126,313	$ 435,225	0.51
Warrants expired	(13,126,313)	-	0.51
Warrants granted	7,900,000	-	0.50
Balance July 31, 2014	7,900,000	$ 435,225	0.50
Warrants exercised	(5,500,000)	-	0.50
Warrants expired	(2,400,000)	-	0.50
Balance, July 31, 2015	**-**	**$ 435,225**	**-**

On June 26, 2014, the Company issued 7,900,000 units as part of a non-brokered private placement for gross proceeds of $2,250,000. Each unit consists of one common share at a price of $0.285 per share and one non-transferrable warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 and expires June 30, 2015. Share issuance costs of $202,500 related to the transaction were capitalized to equity. The value assigned to the warrants was $nil under the residual value method.

On June 30, 2015, various investors exercised 5,500,000 warrants at $0.50 per common share. The remaining 2,400,000 warrants expired unexercised.

11. Earnings per share:

Basic and diluted earnings (loss) per share has been calculated as follows:

	2015	2014
Numerator:		
Net income (loss) after income taxes	$ (1,745,368)	$ 76,128

	2015	2014
Denominator:		
Weighted average number of shares outstanding - basic and diluted	87,933,931	79,936,674

The basic income (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the year. The diluted income (loss) per share reflects the potential dilution of common share equivalents in the weighted average number of common shares outstanding during the year, if dilutive. All options and warrants were excluded from the diluted income (loss) per share calculation as they were anti-dilutive.

12. Capital management:

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

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including capital deployment, results from operations, results from the exploration and development of its properties and general industry conditions.

At July 31, 2015, the Company's capital structure consists of the share capital of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable.

For the year ended July 31, 2015, there were no significant changes in the processes used by the Company or in the Company's objectives and policies for managing its capital. The Company expects that based on the proceeds from the planned financings, sufficient capital resources are available to support further expansion and development of its mining assets.

13. Financial instruments:

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to certain risks, as described below. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

The Company is required to classify fair value measurements using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data.

At July 31, 2015, the Company does not have any financial instruments measured at fair value.

At July 31, 2015, there is no significant difference between the carrying values and fair values of the Company's financial instruments.

The financial risk arising from the Company's operations are currency risk, interest rate risk, credit risk, and liquidity risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and

13. Financial instruments (continued):

monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(a) Foreign currency risk:

The Company's major operating expenses and acquisition costs are denominated in U.S. dollars and a portion of the expenses of the Company are in Canadian dollars. The Company's corporate office is based in Canada and the exposure to exchange rate fluctuations arises mainly on foreign currencies which are the U.S. dollar.

The Company is exposed to foreign exchange risk. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations; however, management monitors foreign exchange exposure and if rates continue to fall management will look at entering into derivative contracts.

The Company's monetary assets and liabilities denominated in U.S. dollars and shown here in Canadian dollars include cash in the amount of $91,818 (2014 - $1,309,593), accounts receivable in the amount of $Nil (2014: $45,877), promissory notes receivable in the amount of $654,450 (2014 - $1,046,547), performance bond in the amount of $104,712 (2014 - $86,091), net smelter royalty buy-back option in the amount of $1,145,288 (2014: $957,776) and accounts payable in the amount of $584,336 (2014 - $425,996). Should the USD-CAD exchange have changed by 12% at year end the impact to profit or loss would be +/- $105,437.

(b) Interest rate risk:

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

The Company is exposed to interest rate risk on the variable rate of interest earned on its cash. The fair value interest rate risk on cash is insignificant as deposits are either short term or pay interest at rates of 1.2% or less.

The Company has not entered into any derivative instruments to manage interest rate fluctuations; however, management closely monitors interest rate exposure and the risk exposure is limited.

(c) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The directors of the Company are of the opinion that, taking into account the Company's cash reserves and external financial resources, the Company has sufficient working capital for its current obligations.

13. Financial instruments (continued):

(c) Liquidity risk (continued):

	Less than 1 year	More than 1 year	Total
As at July 31, 2015:			
Accounts payable and accruals	$ 927,384	$ -	$ 927,384
Net smelter royalty buy-back option	-	1,145,288	1,145,288
	$ 927,384	$ 1,145,288	$ 2,072,672

	Less than 1 year	1 to 2 years	Total
As at July 31, 2014:			
Accounts payable and accruals	$ 634,997	$ -	$ 634,997
Net smelter royalty buy-back option	-	957,776	957,776
	$ 634,997	$ 957,776	$ 1,592,773

(d) Credit risk:

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is associated with amounts receivable and cash which is held with reputable financial institutions.

The amounts receivable includes amounts that have been accumulated to date. Based on currently available information, the Company anticipates full recoverability of amounts due on account.

The Company is exposed to credit risk as the promissory note receivable to Mesco is still outstanding in the amount of $654,450 (Note 14).

14. Sale of mineral properties:

On February 20, 2013, the Company sold to Mesco Gold (Cambodia) Ltd. ("Mesco") the rights to develop and mine the Company's Phum Syarung prospect located within its Oyadao South Concession in Ratanakiri Province, Cambodia. As per the Definitive Agreement the Company was to receive a 10% Net Smelter Royalty ("NSR") (subsequently adjusted to 7.5%, see below) from all future production at the Phum Syarung prospect. Mesco paid the Company $1,200,000 USD, ($700,000 USD in cash and a $500,000 USD promissory note), for the prospect. The costs that had been capitalized to the portion of the license sold totaled $503,355 USD resulting in net proceeds on sale of $701,485 ($696,645 USD). The promissory note was payable either two months from closing or when the Cambodian government granted a preliminary exploitation license to Mesco, whichever was later. As at July 31, 2014, the carrying amount of the promissory note was $543,597 ($500,000 USD) which was deemed not to be materially different from the amortized cost due to the expected short-term nature of the item. It was management's judgment that the preliminary exploitation license would be granted in not more than the next twelve months past the prior year end; therefore the promissory note was treated as a current asset. As at July 31, 2015, $654,450 ($500,000 USD) is still outstanding and has been included in promissory notes receivable as a non-current asset due to management's current year expectations. The fair value of the note as at July 31, 2015 is estimated to be $517,015 CAD ($395,000 USD).

On November 11, 2013, the Company closed a Purchase Agreement with Mesco which extended their existing land package from 6 square kilometers to 12 square kilometers to include Angkor's recently identified Blue Lizard prospect. Angkor will receive $700,000 USD in staged payments through 2013 – 2015. This payment is in addition to the $1,200,000 USD from its sale of the Phum Syarung Prospect in February 2013. The Company received $469,000 USD in 2015 (2014: $231,000 USD).

Angkor and Mesco agreed to amend the 10% NSR and to introduce a sliding scale NSR on production from the expanded land package based on the price per ounce of gold as follows: 7.5% between $1,300 to $1,700, increasing by 0.5% per $50 increase in the price of gold above $1,700, decreasing by 0.5% per $50 decrease in the price of gold below $1,300.

15. Net Smelter Royalty buy-back option

During the year, the Company assigned 2.5% of NSR referred to in Note 14 of the financial statements for gross proceeds of $875,000 USD to various individuals. Of the various individuals that purchased the NSR, 1% or $350,000 USD was assigned to a director and CEO of the Company to cover debts owed to them.

The Company now owns a 5% NSR on all future production at Phum Syarung by Mesco. The NSR is based on a sliding scale gold price referred to in Note 14.

The Company has the option to re-purchase the royalty interest from the recipients at a price equal to 115-130% of the purchase price if exercised within a period of 2 years.

In the event that Mesco formally declares that it will not mine the license area or in the event the Company becomes aware of circumstances that will make it impossible for Mesco to mine the license area, the Company shall re-purchase the royalty interest at a price equal to 150% of the purchase price. The exercise price shall be payable through the issuance of common shares at a deemed price equal to the last closing price of the common shares of the Company on the TSX Venture Exchange.

16. Option to Purchase 15% of Angkor Gold Cambodia Co, Ltd.

On June 15, 2014, Angkor Gold Corporation (Cambodia) Co., Ltd entered into an option agreement with Tohui Beishan Property Group Holding Limited ("TG") to purchase 15% of the ordinary shares of AGC, for the exercise price of CAD $4,285,000. The option expired unexercised on June 30, 2015.

17. Joint Venture agreement

On February 26, 2015, the Company entered into an agreement with various investors for gross proceeds of $1,427,933 in exchange for a 5% joint venture interest in the Company's Cambodian prospects. The Company retains the right to buy back this option at fair value within two years. Of this 5%, 1% (total investment of $285,667) is held by the spouse of the CEO.

The total proceeds received were deducted from the cost of total exploration and evaluation assets.

18. Subsequent Events

On August 7, 2015, the Company granted 250,000 options to an officer and a consultant of Angkor entitling the holder to purchase one Angkor share at a price of $0.49 per share on or before August 7, 2017. All options vest immediately.

On October 23, 2015, the Company entered into a professional services agreement with Beijing Explo-Tech Engineering Co. Ltd for exploration work on its properties. The Company will pay $287,500 in cash and $287,500 in the form of share capital of the Company over a period of one year. Subsequent to year end, the Company has paid $57,500 in cash.