ANGKOR GOLD CORP.

Condensed Interim Consolidated Financial Statements
(Expressed in Canadian dollars)

For the three and six months ended January 31, 2017

(Unaudited)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ANGKOR GOLD CORP.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	Note		January 31, 2017		July 31, 2016
Assets					
Current assets					
Cash and cash equivalents		$	**416,873**	$	886,159
Amounts receivable	10(b)(iii)		**154,478**		30,050
Prepaid expenses			**131,984**		8,132
Total current assets			**703,335**		924,341
Non-current assets					
Promissory note receivable	12		**651,500**		652,800
Property and equipment	7		**123,842**		117,769
Exploration and evaluation assets	8		**7,508,960**		7,371,223
Total non-current assets			**8,284,302**		8,141,792
Total assets			**8,987,637**		9,066,133
Liabilities and Equity					
Current liabilities					
Accounts payable and accruals	6 & 9		**1,485,921**		1,565,256
Net smelter return buy-back option	13		-		1,145,288
Total current liabilities			**1,485,921**		2,710,544
Equity					
Share capital	10(b)		**31,103,428**		29,063,028
Subscription receivable	10(b)		-		(783,000)
Contributed surplus	10(d)		**2,214,373**		2,453,023
Warrants	10(g)		**529,005**		529,005
Deficit			**(27,523,959)**		(26,102,348)
Accumulated other comprehensive income			**1,178,869**		1,195,881
Total equity			**7,501,716**		6,355,589
Total liabilities and equity		$	**8,987,637**	$	9,066,133

Going concern *(Note 2)*

Events after the reporting period *(Note 16)*

Approved on behalf of the Board:

"Terry Mereniuk" Director "Mike Weeks" Director

See accompanying notes to the condensed interim consolidated financial statements.

ANGKOR GOLD CORP.

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

		Three months ended,		Six months ended,	
		January 31,	January 31,	January 31,	January 31,
	Note	**2017**	2016	**2017**	2016
Expenditures					
Salaries, wages and benefits	6, 9,10(b)(iii)	**$ 232,086**	$ 296,362	**$ 364,481**	$ 556,375
Amortization		**5,473**	8,070	**14,319**	16,140
Office and travel expenses		**69,319**	156,085	**184,900**	240,560
Camp supplies		**13,916**	107,179	**23,651**	187,495
Exploration and evaluation expenditures		-	192,129	-	270,322
Corporate development		**28,790**	21,000	**49,790**	61,980
Social development	6, 9	**38,475**	7,808	**39,090**	15,363
Professional fees	10(b)(iii)	**214,755**	73,430	**259,892**	99,203
Share based compensation	10(d)	-	-	-	29,975
Interest and banking costs		**2,286**	3,910	**5,062**	7,265
Total expenditures		**605,100**	865,973	**941,185**	1,484,678
Other items					
Foreign exchange (gain) loss		**(29,958)**	167,011	**128,879**	263,560
NSR buy-back expense	13	**351,547**	-	**351,547**	-
Other (income) loss		-	-	-	1,490
Loss before income taxes		**926,689**	1,032,984	**1,421,611**	1,749,728
Deferred income tax (recovery)		-	-	-	(526,939)
Net loss after income taxes		**926,689**	1,032,984	**1,421,611**	1,222,789
Other comprehensive (income) loss					
Foreign operations - foreign currency translation differences		**299,493**	(1,405,890)	**17,012**	(1,547,084)
Total comprehensive loss (income) for the period attributable to shareholders		**$ 1,226,182**	$ (372,906)	**$ 1,438,623**	$ (324,295)
Basic and diluted loss (income) per share		**$ 0.01**	$ (0.01)	**$ 0.01**	$ (0.01)
Weighted average number of shares outstanding		**99,497,067**	93,165,754	**98,061,802**	93,165,754

See accompanying notes to the condensed interim consolidated financial statements.

ANGKOR GOLD CORP.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited)

	Share capital	*Deficit*	*Subscription receivable*	*Accumulated other comprehensive income*	*Warrants*	*Contributed Surplus*	*Total*
	(Note 10(b))		*(Note 10(b))*		*(Note 10(g))*	*(Note 10(d))*	
Balance at July 31, 2015	$ 27,730,956	$ (24,119,347)	$ (20,000)	$ 721,816	$ 435,225	$ 2,130,596	$ 6,879,246
Loss for the period	-	(1,222,789)	-	-	-	-	(1,222,789)
Issuance options	-	-	-	-	-	49,975	49,975
Subscriptions received	-	-	20,000	-	-	-	20,000
Foreign operations - foreign currency translation differences	-	-	-	141,194	-	-	141,194
Balance at January 31, 2016	27,730,956	(25,342,136)	-	863,010	435,225	2,180,571	5,867,626
Loss for the period	-	(760,212)	-	-	-	-	(760,212)
Issuance options	-	-	-	-	-	387,104	387,104
Exercise options	81,672	-	-	-	-	(20,872)	60,800
Non brokered private placement at $0.40	1,250,400	-	(783,000)	-	93,780	(93,780)	467,400
Foreign operations - foreign currency translation differences	-	-	-	332,871	-	-	332,871
Balance at July 31, 2016	$29,063,028	($26,102,348)	($783,000)	$1,195,881	$529,005	$2,453,023	$6,355,589
Loss for the period	-	**(1,421,611)**	-	-	-	-	**(1,421,611)**
Exercise of options (note10(b)(iii)	**516,150**	-	-	-	-	**(238,650)**	**277,500**
Subscriptions received	-	-	**783,000**	-	-	-	**783,000**
Shares issued for NSR buy-back (note 13)	**1,524,250**	-	-	-	-	-	**1,524,250**
Foreign operations - foreign currency translation differences	-	-	-	**(17,012)**	-	-	**(17,012)**
Balance at January 31, 2017	**$ 31,103,428**	**$ (27,523,959)**	**$ -**	**$ 1,178,869**	**$ 529,005**	**$ 2,214,373**	**$ 7,501,716**

See accompanying notes to the condensed interim consolidated financial statements.

ANGKOR GOLD CORP.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Note	Six months ended, January 31, 2017	January 31, 2016
Cash provided by (used in) the following activities:			
Operating			
Net loss for the period		**$(1,421,611)**	$ (1,222,789)
Items not affecting cash:			
Amortization		**14,319**	16,140
Deferred income tax expense (recovery)		**-**	(526,939)
Share based compensation	10(d)	**-**	49,975
Salaries, wages and benefits	10(b)(iii)	**111,646**	-
Professional fees	10(b)(iii)	**37,500**	-
NSR buy-back expense	13	**351,547**	-
Foreign exchange (gain) loss		**28,715**	263,560
		(877,884)	(1,420,053)
Changes in non-cash working capital items:			
Amounts receivable		**(20,974)**	22,424
Prepaid expenses and deposits		**(123,852)**	(803)
Accounts payable and accruals		**(79,335)**	111,566
Net cash used in operating activities		**(1,102,045)**	(1,286,866)
Financing			
Proceeds from the exercise of options	10(b)(iii)	**24,900**	-
Proceeds from subscription receivable	10(b)(ii)	**783,000**	-
Proceeds from the exercise of warrants		**-**	20,000
Net cash from financing activities		**807,900**	20,000
Investing			
Purchases of property and equipment	7	**(20,159)**	(55,228)
Proceeds received under exploration and evaluation option agreements	8	**421,686**	-
Advancement of exploration and evaluation assets	8	**(574,102)**	-
Net cash used in investing activities		**(172,575)**	(55,228)
Net effect of translation on foreign currency cash		**(2,566)**	(10,973)
Increase (decrease) in cash resources		**(469,286)**	(1,333,067)
Cash resources, beginning of period		**886,159**	1,880,964
Cash resources, end of period		**$ 416,873**	$ 547,897

Supplemental disclosure with respect to cash flows:		**2017**	2016
The significant non-cash financing activities consisted of:			
Shares issued for NSR buy-back	13	**$ 1,524,250**	$ -
		$ 1,524,250	$ -

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 condensed interim consolidated financial statements were approved and authorized for issue on March 31, 2017 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 condensed interim 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 had a net loss of $1,421,611 (2016 - $1,222,789) for the six months ended January 31, 2017, accumulated losses of $27,523,959 as at January 31, 2017 (July 31, 2016 - $26,102,348), and negative working capital at January 31, 2017 of $782,586 (July 31, 2016 - $1,786,203).

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.

While there are no assurances the Company will be able to raise financing in the future, it has been successful in raising equity capital for funding operations in the past.

3. Basis of preparation:

Statement of compliance:

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as applicable to interim financial reports including International Accounting Standard 34 - Interim Financial Reporting. Therefore, these condensed interim consolidated financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended July 31, 2016.

3. Basis of preparation (continued):

Basis of presentation and consolidation:

These condensed interim 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.

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries (the "Group"). Subsidiaries are entities over which the Company has control. The Company's subsidiaries are:

Name of subsidiary	Referred to as	Country of incorporation	Proportion of Ownership Interest
Prairie Pacific Mining Corp.	"PPMC Canada"	Canada	100%
Angkor Gold Corp. (Cambodia) Co., Ltd.	"AGC"	Cambodia	95%

Use of estimates and judgements:

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical accounting estimates:

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, 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.
- 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.

3. Basis of preparation (continued):

Critical accounting estimates (continued):

- 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 was reclassified to a long term asset in 2015 due to uncertainties surrounding the time frame the proceeds will be received. Subsequent to January 31, 2017, the Company announced it had reached a payment plan agreement relating to the promissory note receivable. Refer to Note 16.

4. Significant accounting policies:

Changes in accounting standards not yet adopted:

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. 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 January 31, 2017, 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.

5. Capital management: (continued)

For the six months ended January 31, 2017, 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.

6. Social development:

During the year ended July 31, 2016, under a consulting agreement with the Company's Chief Executive Officer ("CEO") $9,500 per month payable to the CEO for services rendered was to be retained by the Company for social development projects in the Kingdom of Cambodia. As previously reported, to the extent that the accrued amounts 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.

During the six months ended January 31, 2017, the Company and the CEO agreed to amend the terms of the agreement to the extent that all fees relating to the services rendered by the CEO during the six months ended January 31, 2017 will be allocated to consulting fees within the statements of loss and comprehensive income and the previously accrued amounts to be retained by the Company for social development projects will be settled with the CEO as consulting fees.

As a result of management's decision to settle the previously accrued amounts as consulting fees, the Company has reclassified $28,500 for the three months ended January 31, 2016 and $57,000 for the six months ended January 31, 2016 from social development expense to salaries, wages and benefits within the statements of loss and comprehensive income as this reclassification more accurately reflects the nature of the originally accrued expense.

At January 31, 2017, a provision of $294,582 (July 31, 2016 - $294,582) is included in accounts payable and accruals that will be settled with the CEO for the previously accrued amounts relating to the social development provision noted above.

7. Property and equipment:

	Heavy Equipment	IT Equipment	Processing equipment	Small equipment and tools	Vehicles	Total
Cost:						
Balance, July 31, 2015	$ 53,791	$ 28,024	$ 10,545	$ 154,504	$ 205,227	$ 452,091
Adjustments on currency translation	(136)	(159)	(27)	(518)	(777)	(1,617)
Additions	-	5,211	-	7,602	15,353	28,166
Balance, July 31, 2016	53,655	33,076	10,518	161,588	219,803	478,640
Adjustments on currency translation	(106)	(66)	(20)	(322)	(724)	(1,238)
Additions	-	-	-	-	20,159	20,159
Balance, January 31, 2017	$ 53,549	$ 33,010	$ 10,498	$ 161,266	$ 239,238	$ 497,561
Accumulated depreciated:						
Balance, July 31, 2015	$ 53,791	$ 17,940	$ 8,999	$ 87,177	$ 150,251	$ 318,158
Adjustments on currency translation	(136)	(164)	(29)	(520)	(700)	(1,549)
Additions	-	7,060	392	17,774	19,036	44,262
Balance, July 31, 2016	53,655	24,836	9,362	104,431	168,587	360,871
Adjustments on currency translation	(106)	(50)	(18)	(208)	(1,089)	(1,471)
Additions	-	2,294	146	7,234	4,645	14,319
Balance, January 31, 2017	$ 53,549	$ 27,080	$ 9,490	$ 111,457	$ 172,143	$ 373,719
Net book value:						
July 31, 2016	$ -	$ 8,240	$ 1,156	$ 57,157	$ 51,216	$ 117,769
January 31, 2017	$ -	$ 5,930	$ 1,008	$ 49,809	$ 67,095	$ 123,842

8. 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 to grant 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 agreement, Liberty was to provide to the Company any mining information that it received from parties other than the Company. The terms of this 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.

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 ($545,776) payment to increase its total participating interest 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 was an Australian corporation which owned LMI Cambodia, a Cambodian subsidiary company, which owned the remaining 10% interest in Angkor's Banlung, Banlung North and Oyadao concessions. Liberty also owned Transol Cambodia, which owned 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, since August 2012, Angkor holds a 100% interest in the Banlung, Banlung North, Oyadao, Oyadao South, and Andong Meas concessions.

On March 6, 2017, the Company determined no further work was warranted on the Banlung North property and as a result has dropped the property from its holdings and no longer owns any interest in the property.

Mesco Gold Agreement

On December 6, 2015 the Company entered into an agreement with Mesco Gold (Cambodia) Ltd. ("Mesco") to explore Angkor's 100% owned Oyadao North tenement in Ratanakiri Province, Cambodia. The agreement gives Mesco the right to acquire an 85% participating interest in the Oyadao North project and license. The Commencement Date of the agreement is deemed to be the later of (i) the date of the agreement, (ii) receipt of the written confirmation from the Ministry of Mines and Energy of the Kingdom of Cambodia (as defined in the agreement) and (iii) the date of the fully executed amendment to the Amended and Restated Net Smelter Return ("NSR") agreement between Mesco and the Company (see Note 12).

8. Exploration and evaluation assets (continued):

Mesco is entitled to its participating interest from the Commencement Date, in return for which Mesco will (i) pay all liabilities and perform all obligations under the license post Commencement Date, (ii) pay all Expenditures (as defined in the agreement) post Commencement Date and (iii) make minimum Expenditure payments of $250,000 for each of five years post Commencement Date subject to certain maximum amounts as detailed in the agreement.

Blue River Agreement

On May 3, 2016 the Company entered into an agreement with Blue River Resources ("Blue River") to explore Angkor's 100% owned Banlung tenement in Ratanakiri Province, Cambodia. The agreement gives Blue River the right to acquire up to a 70% interest in the Banlung license upon exercise of the First, Second, Third and Fourth options, as defined in the agreement. Blue River initially has the right, based on the first three options, to participate in up to a 50% interest of the Banlung license after the completion of a total investment of US$3.5 million in exploration expenditures over a 4-year period. Once the first 3 options have been satisfied, Blue River may then exercise their option on an additional 20% interest of the Banlung tenement through the commission and completion of a Bankable Feasibility Study (as defined in the agreement) on the property or portion thereof.

The payments required are based on the following schedule:

Option 1 – 10% earn-in interest

- US$50,000 to paid to the Company upon execution of the agreement;
- US$50,000 to paid to the Company within 30 days of the execution of the agreement;
- US$200,000 of exploration and development expenditures to be incurred or caused to be incurred by June 30, 2016;
- US$200,000 of exploration and development expenditures to be incurred or caused to be incurred by December 31, 2016;
- US$200,000 of exploration and development expenditures to be incurred or caused to be incurred by June 30, 2017;
- US$200,000 of exploration and development expenditures to be incurred or caused to be incurred by December 31, 2017;
- US$100,000 of exploration and development expenditures to be incurred or caused to be incurred by March 31, 2018;

8. Exploration and evaluation assets (continued):

Option 2 – 30% earn-in interest

- US$1,500,000 of exploration and development expenditures to be incurred within two years of all the cash payments and expenditures under Option 1 having been incurred;

Option 3 – 10% earn-in interest

- US$1,000,000 to be paid to the Company within one year of all the expenditures under Option 2 having been incurred;

Option 4 – 20% earn-in interest

- Exercisable at any time subsequent to the exercise of Options 1-3 and upon completion of a Bankable Feasibility Study;

After exercise of Option 4, Angkor has the option, at its sole discretion, to continue to hold the 30% free-carried participating interest in the property or to convert this to a 5% NSR provided that, subsequent to conversion to the 5% NSR, Blue River enters into a proposed sale of the property with a third party then Angkor will have a right of first refusal to match any written offer and to convert its 5% NSR to a 30% free-carried participating interest in the property.

During the six months ended January 31, 2017, the Company received $421,686 (July 31, 2016 - $194,650) from Blue River.

JOGMEC Agreement

On June 14, 2016, the Company entered into a joint exploration agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") to explore the Company's 100% owned Oyadao license. The agreement gives JOGMEC the option to acquire 51% of the Oyadao South license for a total investment of US$3 million in exploration expenditures over a 3-year period. A condition of the agreement was that the Company acquire a renewal or a new license with a minimum 4-year term, which the Company achieved subsequent to January 31, 2017 (Note 16).

8. Exploration and evaluation assets (continued):

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, July 31, 2015	4,497,136	2,071,394	6,568,530
Additions	1,125,532	-	1,125,532
Funds received under option agreements	(194,650)	-	(194,650)
Write-down of exploration and evaluation assets	(172,179)	-	(172,179)
Adjustment on currency translation	39,029	4,961	43,990
Balance, July 31, 2016	5,294,868	2,076,355	7,371,223
Additions	574,102	-	574,102
Funds received under option agreements	(421,686)	-	(421,686)
Adjustments on currency translation	(10,544)	(4,135)	(14,679)
Balance, January 31, 2017	$ 5,436,740	$ 2,072,220	$ 7,508,960

9. Related party transactions:

As at January 31, 2017, included in accounts payable and accruals is $1,120,899 (July 31, 2016 - $1,036,717) due to a director and officer of the Company and $9,773 (July 31, 2016: $20,000) is due to the Company's country manager. Of the amount due to a director and officer of the Company, $294,582 relates to the amounts previously accrued for social development expense (Note 6).

As at January 31, 2017, $41,250 is due from a director of the Company and is included in accounts receivable (Note 10(b)(iii)), which was received subsequent to January 31, 2017.

During the six months ended January 31, 2017, the Company executed its option to buy-back the 2.5% NSR buyback option (Note 13) by issuing 3,810,625 common shares of the Company for a total value of $1,524,250. Of the shares issued for the buyback, 1,524,250 shares ($609,700) were issued to a director and officer of the Company for their portion (1.0%) of the NSR buy- back.

Key management compensation:

Key management comprises directors and executive officers. The remuneration of directors and other members of key management were as follows:

For the six months ended	January 31, 2017	January 31, 2016
Consulting fees	$107,596	$175,724
Share-based compensation	-	-
Total	$107,596	$175,724

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:

	Number of shares	Amount
Balance, July 31, 2015	93,165,754	$27,730,956
Shares issued upon exercise of options *(i)*	190,000	81,672
Private placement – net of share issuance costs *(ii)*	3,126,000	1,250,400
Balance, July 31, 2016	96,481,754	29,063,028
Shares issued upon exercise of options (*iiii)*	1,110,000	516,150
Shares issued for NSR buy-back (*iv*)	3,810,625	1,524,250
Balance, January 31, 2017	101,402,379	$31,103,428

(i) On April 21, 2016, 190,000 common shares issued upon exercise of options with an exercise price of $0.32 per option for a value of $60,800 in settlement of accounts payable. Of the $60,800, the Company settled $19,200 in accounts payable owing to officers of the Company.

(ii) On July 28, 2016, the Company completed a non-brokered private placement for 3,126,000 Units at $0.40 per unit for gross proceeds of $1,250,400. Each Unit comprises one common share plus one half warrant, with each full warrant exercisable at $0.50 per common share within one year from the issuance of the Units. Of the total funds raised, $783,000 was received subsequent to July 31, 2016. The value of $93,780 ascribed to the warrants was determined on a residual value basis.

(iii) On October 19, 2016, 1,110,000 common shares were issued upon exercise of options with an exercise price of $0.25 per option for a value of $277,500. Of the value of $277,500, the Company received $24,900 cash, $149,146 was applied to settle current period expenses and $103,454 is included in accounts receivable at January 31, 2017. Of the $149,146 used to settle current expenses, $111,646 is included in salaries, wages and benefits and $37,500 is included in professional fees within the statements of loss and comprehensive income for the six months ended January 31, 2017. Upon exercise of the options, $238,650 in contributed surplus was allocated to share capital.

(iv) On December 16, 2016, the Company issued 3,810,625 common shares of the Company with a value of $1,524,250 to complete the NSR buy-back (Note 13).

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 party 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.

All shares, under each escrow agreement, were released from escrow during the year ended July 31, 2016.

(d) Contributed surplus:

The following table summarizes all transactions during the period.

	Number of options	Reserve balance	Weighted average exercise price
Balance, July 31, 2015	2,789,000	$2,130,596	$0.30
Incentive stock options	2,250,000	437,079	0.45
Exercise of incentive stock options	(190,000)	(20,872)	0.32
Private placement warrants issued	-	(93,780)	0.50
Expiry or cancellation of incentive stock options	(290,000)	-	0.28
Balance, July 31, 2016	4,559,000	2,453,023	0.38
Exercise of incentive stock options	(1,110,000)	(238,650)	0.25
Expiry or cancellation of incentive stock options	(137,000)	-	0.25
Balance, January 31, 2017	3,312,000	$2,214,373	$0.39

(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.

10. Share capital (continued):

(f) Options:

The following table summarizes all options outstanding and exercisable at January 31, 2017.

Expiry Date	Options outstanding	Weighted average exercise price	Weighted average remaining contractual (life years)
March 21, 2017*	145,000	0.32	0.13
March 28, 2017*	230,000	0.34	0.15
June 7, 2017	30,000	0.34	0.35
June 26, 2017	150,000	0.33	0.40
August 7, 2017	250,000	0.49	0.52
December 4, 2017	235,000	0.33	0.84
April 13, 2020	272,000	0.45	3.20
June 14, 2021	2,000,000	0.45	4.37
Total options outstanding and exercisable	3,312,000	$ 0.42	3.04

* Subsequent to January 31, 2017, these options expired unexercised.

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:

	2017	2016
Expected annual volatility	n/a	71%
Risk free interest rate	n/a	0.65%
Expected life	n/a	5 years
Expected dividend yield	n/a	0%
Share price at grant date	n/a	$0.45 / share
Exercise price	n/a	$0.45 / share
Forfeiture rate	n/a	20.74%
Fair value per option	n/a	$0.23

10. Share capital (continued):

(g) Warrants:

	Number of warrants	Fair value at grant date	Weighted average exercise price
Balance, July 31, 2015	-	$435,225	$0.50
Warrants issued	1,563,000	93,780	0.50
Balance, July 31, 2016 and January 31, 2017	1,563,000	$529,005	$0.50

On July 28, 2016, the Company completed a non-brokered private placement issuing 3,126,000 units (each a "Unit") at $0.40 per Unit for gross proceeds of $1,250,000. Each Unit was comprised of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share for $0.40 until July 28, 2017. On July 31, 2016, the Company had $783,000 in subscriptions receivable, which was received during the six months ended January 31, 2017.

11. 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 January 31, 2017, the Company does not have any financial instruments measured at fair value.

11. Financial instruments (continued):

At October 31, 2016, there is no significant difference between the carrying values and fair values of the Company's financial instruments except as discussed in Note 12.

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. The Company manages and 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 $15,785 (July 31, 2016 - $316,729), promissory notes receivable in the amount of $651,500 (July 31, 2016 - $652,800), performance bond in the amount of $104,240 (July 31, 2016 - $104,448), accounts payable in the amount of $90,118 (July 31, 2016 - $53,158) and NSR buy-back option in the amount of $nil (July 31, 2016 - $1,145,288). Should the USD-CAD exchange have changed by 12% at year end the impact to profit or loss would be +/- $80,000.

(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.

11. Financial instruments (continued):

(c) Liquidity risk (continued):

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.

	Less than 1 year	1 to 2 years	Total
As at January 31, 2017:			
Accounts payable and accruals	$ 1,485,921	$ -	$ 1,485,921
Total	$ 1,485,921	$ -	$ 1,485,921

	Less than 1 year	1 to 2 years	Total
As at July 31, 2016:			
Accounts payable and accruals	$ 1,565,256	$ -	$ 1,565,256
Net smelter return buy-back option	1,145,288		1,145,288
Total	$ 2,710,544	$ -	$ 2,710,544

(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 $651,500 (Note 12 and 16). However, the Company has amended the payment of this note to now involve a payment plan, $66,000 of which was paid on March xx, 2017 as its first payment.

12. 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% NSR (the "Mesco Return") (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).

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.

Angkor and Mesco agreed to amend the Mesco Return 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.

As at January 31, 2017, $651,500 ($500,000 USD) (July 31, 2016 - $652,800, $500,000 USD) is still outstanding and has been included in promissory notes receivable as a non-current asset due to management's current expectations on the timing of receiving the outstanding balance. The fair value of the note as at January 31, 2017 is estimated to be $521,200 ($400,000 USD) (July 31, 2016 - $517,015, $395,000 USD). Subsequent to January 31, 2017, the Company announced it had reached a payment plan agreement relating to the promissory note receivable. Refer to Note 16.

13. Net Smelter Return buy-back option

During the 2015 fiscal year, the Company assigned, to various individuals, 2.5% of the Mesco Return (the "Mesco Return Interest") for gross proceeds of $875,000 USD. Of the various individuals that purchased the Mesco Return Interest, 1% or $350,000 USD was assigned to a director and office of the Company to cover debts owed to them.

The Company had the option to re-purchase the Mesco Return Interest from the recipients at a price equal to 115-150% of the purchase price if exercised within a period of 2 years.

In the event that Mesco formally declared that it will not mine the license area or in the event the Company becomes aware of circumstances that make it impossible for Mesco to mine the license area, the Company would re-purchase the NSR interest at a price equal to 150% of the purchase price. The exercise price could 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.

13. Net Smelter Return buy-back option (continued)

On December 16, 2016, the Company completed the buyback of the Mesco Return Interest from the original three purchasers for an amount equal to 130% (US$1,137,500) of their original purchase price of USD$875,000. The buy-back amount was paid by issuing 3,810,625 common shares of the Company valued at $1,524,250. Included in the statements of loss and comprehensive income is $351,547, which represents the additional 30% over the original purchase price that was paid by the Company. After completing the buy-back of the Mesco Return Interest, the Company owns 100% of the Mesco Return.

14. Agreement for Cambodian Prospects

On February 26, 2015, the Company entered into an agreement with various investors for gross proceeds of $1,427,933 wherein the Company gave up a 5% interest in the Company's Cambodian subsidiary. 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.

Subsequent to January 31, 2017, the two-year period where by the Company had the right to buy-back the 5% interest expired. Management is currently working with the various investors to extend the buy-back option period but there is no guarantee that the buy-back option period will be successfully extended.

15. Commitments

The Company previously entered into an exploration services agreement with Beijing Explo-Tech Engineering Co. Ltd. ("BETEC") under the following terms:

Cash payments due were $287,500 of which $203,500 was made during fiscal 2016 and $46,200 ($35,000 USD) was paid during the six months ended January 31, 2017. In addition to the cash payments, the Company was due to issue BETEC shares of the Company with an aggregate value of $287,500.

During the six months ended January 31, 2017, the Company renegotiated the terms of the agreement with BETEC such that all previous cash payments were deemed satisfied, and the shares issuable under the agreement were replaced with a cash payment due of $180,000. The renegotiated cash payment is payable in twelve equal installments of $15,000 beginning on December 1, 2016. As at January 31, 2017, the Company had advanced BETEC $30,000 under the amended terms.

16. Events After the Reporting Period

- On March 6, 2017, the Company determined no further work was warranted on the Banlung North property and as a result has dropped the property from its holdings and no longer owns any interest in the property.

16. Events After the Reporting Period (continued)

- On March 9, 2017, the Company announced that since Mesco had been granted the initial mining license for the Phum Syarung Prospect Mesco would now be paying the remaining US$500,000 (Note 12) to the Company in scheduled installments. The initial installment payment of US$50,000 was to be paid by March 25, 2017 (received) with additional payments of US$30,000 every three months until the US$500,000 is retired or the earlier of an amended mining license being issued or Mesco processing ore at Phum Syarung.
- On March 16, 2017, the Company announced it had successfully renewed five exploration licenses for an initial three year term with the option to extend a further four years. The exploration licenses include: Andong Meas, Banlung, Koan Nheak, Oyadao and Oyadao South.
- On March 21, 2017, 145,000 stock options with an exercise price of $0.32 expired unexercised.
- On March 28, 2017, 230,000 stock options with an exercise price of $0.34 expired unexercised.