



ANGKOR RESOURCES CORP.

ANGKOR RESOURCES CORP.

(FORMERLY ANGKOR GOLD CORP.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 JULY 2021 AND 2020

Stated in Canadian Dollars

MANAGEMENT'S RESPONSIBILITY

To the Shareholders of Angkor Resources Corp.:

Management is responsible for the preparation and presentation of the accompanying audited consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and the Audit Committee are composed primarily of directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information presented. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Audit Committee has the responsibility of meeting with management, and the external auditors to discuss the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external auditors.

We draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

PricewaterhouseCoopers LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with the Board of Directors, Audit Committee, and management to discuss their audit findings.

"Delayne Weeks"

Delayne Weeks, CEO

"Benita Sauer"

Benita Sauer, CFO



Independent auditor's report

To the Shareholders of Angkor Resources Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Angkor Resources Corp. and its subsidiaries (together, the Company) as at July 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at July 31, 2021 and 2020;
- the consolidated statements of loss and other comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP
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Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dean Larocque.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
November 29, 2021

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 31 July 2021	As at 31 July 2020
ASSETS			
Current Assets			
Cash		\$ 398,224	\$ 1,586,332
Amounts receivable		11,129	12,845
Prepaid amounts and deposits		15,727	12,467
		425,080	1,611,644
Non-Current Assets			
Long term amounts receivable		187,471	205,314
Property and equipment	(6)	23,034	47,431
Oil and gas license	(8)	840,088	814,457
Exploration and evaluation assets	(7)	2,117,371	5,746,670
		3,167,964	6,813,872
		\$ 3,593,044	\$ 8,425,516
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	(9)	\$ 1,118,317	\$ 654,084
Due to Hommy Resources	(7)	-	30,122
Convertible debentures	(11)	1,044,835	1,022,580
		2,163,152	1,706,786
Total Liabilities			
EQUITY			
Share capital	(12)	34,863,119	34,588,461
Equity portion of convertible debenture	(11)	72,742	72,742
Contributed surplus		5,478,465	5,136,373
Accumulated other comprehensive income		1,384,608	1,604,508
Deficit		(40,362,547)	(34,681,138)
		1,436,387	6,720,946
Non-controlling interest ("NCI")	(12)	6,495	2,216
		1,429,892	6,718,730
		\$ 3,593,044	\$ 8,425,516
Nature of operations and going concern	(1)	Subsequent events	(17)

The consolidated financial statements were approved by the Board of Directors on 29 November 2021 and were signed on its behalf by:

"Russel Tynan"

Russel Tynan, Director

"Terry Mereniuk"

Terry Mereniuk, Director

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	Year ended 31 July 2021	Year ended 31 July 2020
EXPENSES		
Exploration and Evaluation		
Camp costs	\$ 84,961	\$ 52,972
General and Administrative		
Salaries, wages and benefits	(13) 340,281	195,455
Professional and consulting fees	(13) 317,973	326,339
Office and travel	188,916	220,402
Share-based compensation	(12) 369,132	184,809
Investor relations and other	80,260	82,220
Social development	(13) 37,101	34,212
Filing fees	29,011	51,943
Amortization	(6) 21,719	26,380
Interest and banking costs	6,458	5,414
	<u>1,475,812</u>	<u>1,180,146</u>
Other Expenses (Income)		
Impairment of exploration and evaluation assets	(7) 4,024,738	-
Accretion and interest expense on convertible debenture	(11) 161,471	155,638
Foreign exchange loss (gain)	(6,853)	1,534
Loss (Gain) on settlement of debt	(10) 30,520	(103,442)
	<u>4,209,876</u>	<u>53,730</u>
Net Loss for the Year	<u>5,685,688</u>	<u>1,233,876</u>
Other Comprehensive Loss (Income)		
Foreign operations - foreign currency translation differences	219,900	(219,082)
Total Comprehensive Loss for the Period	<u>\$ 5,905,588</u>	<u>\$ 1,014,794</u>
Net Loss (Income) Attributed to:		
Shareholders	\$ 5,681,409	\$ 1,232,941
Non-controlling interest	(12) 4,279	935
	<u>5,685,688</u>	<u>1,233,876</u>
Comprehensive Loss (Income) Attributed to:		
Shareholders	5,901,308	1,013,859
Non-controlling interest	(12) 4,279	935
	<u>5,905,588</u>	<u>1,014,794</u>
Basic and Diluted Loss per Common Share	<u>\$ (0.04)</u>	<u>\$ (0.01)</u>
Weighted Average Number of Shares Outstanding	<u>149,294,991</u>	<u>112,387,444</u>

- The accompanying notes form an integral part of the consolidated financial statements -

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Amount	Equity Portion of Convertible Debenture	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Equity Shareholder's attributed Equity	to NCI	Total
	#	\$	\$	\$	-	\$			\$
BALANCE AS AT 1 AUGUST 2019	105,980,543	32,456,925	72,742	3,599,132	\$ 1,385,426	(33,448,197)	4,066,028	(1,281)	4,064,747
Share-based compensation	-	-	-	184,809	-	-	184,809	-	184,809
Proceeds on sale of shares by a subsidiary	-	-	-	1,188,704	-	-	1,188,704	-	1,188,704
Shares issued on settlement of interest on convertible debenture	1,351,432	128,386	-	1,388	-	-	129,774	-	129,774
Shares issued on settlement of debt	2,240,624	212,859	-	2,302	-	-	215,161	-	215,161
Shares issued for interest in E&E	2,344,680	152,404	-	-	-	-	152,404	-	152,404
Shares issued in private placement	36,000,000	1,639,962	-	160,038	-	-	1,800,000	-	1,800,000
Share issuance cost	-	(2,075)	-	-	-	-	(2,075)	-	(2,075)
Other comprehensive income	-	-	-	-	219,082	-	219,082	-	219,082
Net loss for the year	-	-	-	-	-	(1,232,941)	(1,232,941)	(935)	(1,233,876)
BALANCE AS AT JULY 2020	147,917,279	34,588,461	72,742	5,136,373	1,604,508	(34,681,138)	6,720,946	(2,216)	6,718,730
Share-based compensation	-	-	-	369,132	-	-	369,132	-	369,132
Units issued on settlement of interest on convertible debenture	1,914,320	127,107	-	4,352	-	-	131,459	-	131,459
Share issuance cost	-	(3,137)	-	-	-	-	(3,137)	-	(3,137)
Options exercised	1,603,700	150,688	-	(38,429)	-	-	112,259	-	112,259
Warrant extension on modification of convertible debentures	-	-	-	7,037	-	-	7,037	-	7,037
Other comprehensive income	-	-	-	-	(219,900)	-	(219,900)	-	(219,900)
Net loss for the period	-	-	-	-	-	(5,681,409)	(5,681,409)	(4,279)	(5,685,688)
BALANCE AS AT JULY 2021	151,435,299	\$34,863,119	\$ 72,742	\$ 5,478,465	\$ 1,384,608	\$(40,362,547)	\$ 1,436,387	\$(6,495)	\$ 1,429,892

- The accompanying notes form an integral part of the consolidated financial statements -

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended 31 July 2021	Year Ended 31 July 2020
Note		
OPERATING ACTIVITIES		
Net Loss for the Year	\$ (5,685,688)	\$ (1,233,876)
Items not Affecting Cash		
Share-based compensation	(12) 369,132	184,809
Interest on convertible debenture	(11) 136,528	122,652
Accretion expense	(11) 24,943	32,986
Amortization	(6) 21,719	26,380
Unrealized foreign exchange	21,708	1,534
Loss (Gain) on settlement of debt	(10) 30,520	(103,442)
Impairment of exploration and evaluation assets	(7) 4,024,738	-
	<u>(1,056,400)</u>	<u>(968,957)</u>
Net Change in Non-cash Working Capital		
Prepaid amounts and other assets	(2,777)	18,864
Accounts payable and accrued liabilities, due to related parties	47,873	(358,252)
Amounts receivable	(2,476)	(24,916)
	<u>(1,013,780)</u>	<u>(1,333,261)</u>
Cash (Used in) Provided by Operating Activities		
INVESTING ACTIVITIES		
Proceeds from option agreements	(7) \$ 171,981	\$ 655,276
Oil and gas license	(8) (37,000)	(447,036)
Exploration and evaluation expenditure	(7) (589,448)	(659,059)
	<u>(454,467)</u>	<u>(450,819)</u>
Cash (Used in) Provided by Investing Activities		
FINANCING ACTIVITIES		
Proceeds from sale of shares by a subsidiary	(12) \$ -	\$ 1,188,699
Proceeds from loans	200,000	-
Issuance of shares, net of share issuance costs	(12) 109,122	1,797,925
	<u>309,122</u>	<u>2,986,624</u>
Cash (Used in) Provided by Financing Activities		
Effects of currency translation on cash and cash equivalents	\$ (28,983)	\$ 18,462
Net Increase (Decrease) in Cash	(1,188,108)	1,221,006
Cash position - beginning of year	1,586,332	365,326
Cash Position - End of Year	398,224	1,586,332
Supplementary Disclosure of Non-cash Investing and Financing Activities		
Exploration and evaluation expenditures included in AP	\$ 537,941	\$ 388,256

- The accompanying notes form an integral part of the consolidated financial statements -

ANGKOR RESOURCES CORP.
FOR THE YEAR ENDED 31 JULY 2021

Canadian Dollars

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1) Nature of operations and going concern

Angkor Resources Corp. (“Angkor” or the “Company”), formerly Angkor Gold Corp., was incorporated under the laws of the Province of British Columbia, Canada on 16 October 2008. The Company, together with its subsidiaries, is principally engaged in the exploration of its mineral property interests. Currently, the Company focuses on mineral property interests located in the Kingdom of Cambodia in the provinces of Ratanakiri and Mondolkiri as well as pursuing oil and gas opportunities in Cambodia. 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 19 October 2011 under the trading symbol “ANK”.

These consolidated financial statements (the “Financial Statements”) have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company’s ability to continue in operation for at least twelve months from July 31, 2021 and to realize its assets and discharge its liabilities in the normal course of operations.

As at July 31, 2021 The Company has cash of \$398,224 and a working capital deficiency of \$1,738,071. For the year ended July 31, 2021 the company has incurred a loss of \$5,685,688 and used cash in operating activities of \$1,013,780. The Company has incurred operating losses since inception, has no source of revenue, is unable to self-finance operations and has significant on-going cash requirements to meet its overhead requirements and maintain its mineral interests.

(rounded '000)	31 July 2021	31 July 2020
Working capital (deficit)	\$ (1,738,000)	\$ (95,000)
Accumulated deficit	\$ (40,363,000)	\$ (34,681,000)

Further, the business of mineral and oil and gas exploration involves a high degree of risk and there can be no assurance that current or future exploration programs will result in profitable operations. The recoverability of intangible exploration and evaluation assets is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of properties. For the Company to continue to operate as a going concern it must obtain additional financing; although the Company has been successful in the past at raising funds, there can be no assurance that this will continue in the future.

These factors indicate a material uncertainty that casts significant doubt over the Company’s ability to continue as a going concern.

If the going concern assumption were not appropriate for these Financial Statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the Consolidated Statement of Financial Position classifications used and such adjustments could be material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2) Basis of preparation – Statement of Compliance

These Financial Statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Financial Statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies set out were consistently applied to all the years presented unless otherwise noted below. The preparation of the Financial Statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies.

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

3) Summary of significant accounting policies

a) Basis of presentation

These Financial Statements incorporate the financial statements of the Company and the entities controlled by the Company, which consist of:

- Angkor Gold Corp. (Cambodia) Co., Ltd (“AGC”), which was incorporated in the Kingdom of Cambodia, is owned 100% by the Company.
- EnerCam Exploration Ltd. (“EnerCam Exploration”), formerly Prairie Pacific Mining Corp., which was incorporated in Canada on 15 July 2008, is owned 100% by the Company.
- Liberty Mining International Pty Ltd. (“Liberty”), which was incorporated in the Kingdom of Cambodia, is owned 100% by the Company, currently inactive.
- EnerCam Resources (Singapore) Pte. Ltd. (“EnerCam Resources”), which was incorporated in Singapore on 25 January 2019, is owned 87.5% by EnerCam Exploration.
- EnerCam Resources Co., Ltd (“EnerCam Cambodia”), which was incorporated in the Kingdom of Cambodia on 16 January 2020, is owned 100% by Enercam Resources (Singapore) Pte. Ltd.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial activity of subsidiaries are included in the Financial Statements from the date that control commences until the date that control ceases. All material intercompany transactions and balances have been eliminated.

Non-controlling interest in the net assets of consolidated subsidiaries are identified separately from the Company's equity. Non-controlling interest consists of the non-controlling interest at the date of the original business combination plus the non-controlling interest's share of changes in equity since the date of acquisition.

b) Foreign Currency

The Company's presentation currency is the Canadian dollar ("C\$"). The functional currency for the Company and EnerCam Exploration, being the currency of the primary economic environment in which the entity operates, is the Canadian dollar. The functional currency of AGC and EnerCam Resources is the US dollar ("US\$").

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 year-end rates of exchange, and the results of its operations are translated at average rates of exchange for the year. 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.

c) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted loss per share is computed similar to basic 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.

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 year end, adjusted for amendments to tax payable with regards to previous years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 year, 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 year 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) 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 31 July 2021 and 2020.

f) Financial instruments

All financial instruments are measured at initial recognition at fair value plus any transaction costs that are directly attributable to the acquisition of the financial instruments except for transaction costs related to financial instruments classified as at fair value through profit or loss (FVPL) which are expensed as incurred.

The initial classification of a financial asset depends upon the Company's business model for managing its financial assets and the contractual terms of the cash flows. There are three categories into which the Company can classify its financial assets:

- i. Amortized cost. A financial asset is measured at amortized cost if the contractual cash flows to repay the principal and interest are made at specific dates and if the Company's business model is to collect the contractual cashflows. Subsequent measurement uses the effective interest method, less any provision for impairment.
- ii. Fair value through other comprehensive income (FVOCI). A financial asset is measured at FVOCI if the Company's business model is both to collect the contractual cashflows and sell assets and the contractual terms of the assets give rise on specified dates to cash flows that are solely repayments of principal and interest.
- iii. Fair value through profit or loss (FVPL). A financial asset is measured at FVPL if it cannot be measured at amortized cost or FVOCI. At initial recognition the Company may also irrevocably designate a financial asset at FVPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at FVPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A financial asset is derecognized when the Company no longer has the rights to the contractual cash flows due to expiration of that right or the transfer of the risks and rewards of ownership to another party. The Company recognizes a loss allowance for expected credit losses on its financial assets using the simplified approach which permits the use of the lifetime expected loss provision for all amounts receivable. At each reporting date the Company assesses impairment of amounts receivable on a collective basis as its amounts receivable possess shared credit risk characteristics and have been grouped based on days past due. The loss allowance will be based upon the Company's historical credit loss experience over the expected life of trade receivables and contract assets, adjusted for forward looking estimates. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

A financial liability is initially classified as measured at amortized cost or FVPL. A financial liability is classified as measured at FVPL if it is held for trading, a derivative, contingent consideration of an acquirer in a business combination, or has been designated as FVPL on initial recognition. Financial liabilities at FVPL are measured at fair value with changes in fair value, along with any interest expense, recognized in profit or loss. All other financial liabilities are initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. The Company's financial liabilities consist of accounts payable and accrued liabilities, due to related parties and due to Hommy Resources which have been classified as financial liabilities at amortized cost and are measured at amortized cost using the effective interest method. A financial liability is derecognized when the obligation is discharged, cancelled or expired.

g) Property and equipment

Property and equipment are initially recorded at cost and subsequently carried at cost less any accumulated depreciation and accumulated impairment losses. Depreciation is provided on a declining balance basis, using the rates intended to amortize the cost of assets over their estimated useful lives.

Property and Equipment	Rate
Vehicles	30%
IT Equipment	55%
Mining Equipment	25%
Tools & Other	20%

An item of property and equipment 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.

h) Oil and gas properties

During the year ended 31 July 2021 the Company pursued oil and gas interests in Cambodia. All exploration, development and acquisition costs for oil and gas properties and related reserves are capitalized into a single cost centre. Such costs include land acquisition costs, license fees, drilling, geological and geophysical expenses and certain general and administrative expenditures directly related to oil and gas properties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

i) Exploration and evaluation assets

Exploration and evaluation assets include activities directly related to exploration and evaluation activities such as acquisition costs, exploration drilling, trenching, sampling, and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource. All other activities are expensed during the year. Subsequent to initial recognition, exploration and evaluation assets are carried at cost less any accumulated impairment losses.

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.

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.

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.

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 in 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.

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

k) Convertible debentures

The liability, equity and other (when applicable) components of convertible debentures are presented separately on the statement of financial position, starting from initial recognition. The Company determines the carrying amount of the financial liability by discounting the stream of future payments at the prevailing market rate for a similar liability of comparable credit status and substantially providing the same cash flows. Subsequently, the liability component is then increased by accretion of the discounted amounts to reach the nominal value of the convertible debenture at maturity, which is recorded in the statement of loss and comprehensive loss as finance cost.

The carrying amount of other components (when applicable), such as warrants, is obtained by deducting the nominal value of the debentures and the present value of future capital payments at the prevailing market rate for a convertible debenture without warrants. The carrying amount of the equity component is calculated by deducting the carrying amount of the financial liability and the carrying amounts of any other components (when applicable) from the amount of the convertible debenture, and is presented in Equity as an equity component of convertible debenture. The equity component is not re-measured subsequent to initial recognition, except on conversion or expiry.

The transaction costs are distributed between liability, equity and other components (when applicable) on a pro-rata basis, according to their carrying amounts.

l) Share based payments

The fair value of share options granted to employees is recognized as an expense over the period during which the options vest 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 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 profit 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.

m) Sale of shares by a subsidiary

Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are considered transactions with owners acting in their capacity as owners and recognized as equity transactions.

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n) IFRS 16 - Leases

Effective August 1, 2019, the Company adopted IFRS 16 Leases ("IFRS 16"). The IASB issued IFRS 16 which replaces IAS 17 Leases and its associated interpretative guidance. IFRS 16 applies a control model to the Identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model, with limited exceptions for short-term leases or leases of low-value assets. The Company has elected not to recognize the right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with short-term leases are recognized as expenses on a straight-line basis over the lease term. The adoption of IFRS 16 had no impact on the Company's consolidated financial statements as all leases are considered to be short-term leases.

4) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revisions affect both current and future periods

The following are the critical judgments and areas involving estimates that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the Financial Statements.

a) Critical accounting estimates:

Significant assumptions about the future that management has made and about 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 in the next twelve months, relate to:

- The recoverability of exploration and evaluation assets presented on the consolidated statement of financial position;
- The recoverability of oil and gas acquisition license presented on the consolidated statement of financial position;
- Management's determination that there is no material restoration, rehabilitation, and environmental exposure, based on the facts and circumstances that existed during the period.

b) Critical accounting judgments:

Significant judgments about the future that management has made and about other sources of judgment

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 Angkor Gold Cambodia Co. Ltd. (“AGC”), EnerCam Resources (Singapore) Pte. Ltd. (“EnerCam Resources”), and EnerCam Resources Co., Ltd. (“EnerCam Cambodia”) 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.
- **Indications of impairment:** Management assesses at least once per quarter whether the facts and circumstances surrounding the oil and gas and exploration and evaluation asset indicate that the carrying value of the properties exceed the recoverable amount. As the operating environment is still in the exploration stage, the Company is reliant on management’s industry expertise to consider various factors including, but not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends, as well as the price of minerals.

5) Financial instruments and risk management

a) Financial instrument classification and measurement

Financial instruments of the Company carried on the Consolidated Statement of Financial Position are carried at amortized cost with the exception of cash, which is carried at fair value. There are no significant differences between the carrying value of financial instruments and their estimated fair values as at 31 July 2021, due to the immediate or short-term maturities of the financial instruments, with the exception of convertible debentures, which is valued initial recognition at the carrying amount of the financial liability by discounting the stream of future payments at the applicable rate. Subsequently the liability component is then increased by accretion of the discounted amounts to reach the nominal value of the convertible debenture at maturity, which is recorded in the statement of loss and comprehensive loss as a finance cost.

The fair value of the Company’s cash is quoted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy:

Level 1 – quoted prices in active markets for identical financial instruments.

Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant and significant value drivers are observable in active markets.

Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

b) Fair values of financial assets and liabilities

The Company's financial instruments include cash, amounts receivable, accounts payable and accrued liabilities, due to related parties and convertible debentures. As at 31 July 2021, the carrying value of cash is fair value. The remaining financial instruments approximate their fair value due to their short-term nature.

c) Market risk

Market risk is the risk that changes in market prices will affect the Company's earnings or the value of its financial instruments. Market risk is comprised of other price risk, currency risk, and interest rate risk. The objective of market risk management is to manage and control exposures within acceptable limits, while maximizing returns. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis, adjusting operations and budgets accordingly.

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 cash and amounts receivable. Cash is held with reputable financial institutions.

The amounts receivable, which represent financial assets include amounts receivable from third parties. Based on currently available information, the Company anticipates full recoverability of amounts due on account.

The Company has procedures in place to minimize its exposure to credit risk. Management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to accounts receivable and promissory note receivable and other counterparty concentrations as measured by amount and percentage.

e) 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 Company is dependent on external financing and will be required to raise additional capital in the future to fund its operations (Note 1).

In addition, in early 2020, the global outbreak of COVID-19 continued, which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. This impact was felt throughout the current year and at this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company's future as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

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The contractual undiscounted future cash flows of the Company's significant non-derivative financial liabilities are as follows:

	31 July 2021	31 July 2020
Accounts payable and accrued liabilities	\$ 1,118,317	\$ 654,084
Due to Hommy Resources	-	30,122

f) 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 cash flow interest rate risk on the variable rate of interest earned on its cash. The cash flow interest rate risk on cash is insignificant since deposits are either short term or pay interest at rates of 1.2% or less. The Company does not hold any other financial assets or liabilities which incur variable rate interest. The fair value interest rate risk on the Company's other assets and liabilities are deemed to be insignificant.

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.

g) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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. Should the US dollar and Canadian dollar exchange rate have changed by 5% at the year end the impact to profit or loss would be +/- \$6,150. The Company's monetary assets and liabilities denominated in U.S. dollars are shown here in Canadian dollars:

(rounded '000)	31 July 2021	31 July 2020
Cash	\$ 106,000	\$ 82,000
Accounts payable	\$ (4,000)	\$ (2,000)

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6) Property and equipment

	Vehicles	IT Equipment	Mining Equipment	Tools & Other	Total
COST					
Balance as at 1 August 2019	\$ 241,405	\$ 47,423	\$ 229,545	\$ 19,391	\$ 537,764
FX adjustment	4,700	924	4,469	378	10,471
Balance as at 31 July 2020	246,105	48,347	234,014	19,769	548,235
FX adjustment	(17,296)	(3,398)	(16,262)	(1,390)	(38,346)
Balance as at 31 July 2021	228,809	44,949	217,752	18,379	509,889
ACCUMULATED AMORTIZATION					
Balance as at 1 August 2019	215,542	40,255	202,895	6,782	465,474
FX adjustment	4,156	758	3,916	120	8,950
Amortization	9,629	5,944	7,884	2,923	26,380
Balance as at 31 July 2020	229,327	46,957	214,695	9,825	500,804
FX adjustment	(16,315)	(3,329)	(15,273)	(751)	(35,668)
Amortization	9,111	1,321	8,521	2,766	21,719
Balance as at 31 July 2021	222,123	44,949	207,943	11,840	486,855
CARRYING AMOUNTS					
As at 31 July 2020	16,778	1,390	19,319	9,944	47,431
As at 31 July 2021	\$ 6,686	\$ -	\$ 9,809	\$ 6,539	\$ 23,034

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7) Exploration and evaluation assets

The Company has interests in four mineral properties as at 31 July 2021(2020 - five properties):

	Oyadao South (OYS)	Oyadao (OYN)	Banlung (BLS)	Koan Nheak (KHN)	Andong Meas (ADM)	Mesco (MS)	Total
Balance as at 1 August 2019	\$ 1,269,125	\$ 727,041	\$ 2,290,606	\$ 952,394	\$ 618,205	\$ -	\$ 5,857,371
Additions	8,080	307,597	133,292	4,704	17,226	-	470,899
Funds received under option agreements	-	(543,771)	(226,144)	-	-	-	(769,915)
Purchase of Banlung interest	-	(304,808)	304,808	-	-	-	-
Adjustment on currency translation	43,270	6,302	84,787	32,427	21,529	-	188,315
Balance at 31 July 2020	1,320,475	192,361	2,587,349	989,525	656,960	-	5,746,670
Additions	58,087	105,540	58,828	177,465	318,121	6,688	724,729
Funds received under option agreements	-	(120,884)	-	(47,949)	-	-	(168,833)
Impairment of License	(1,378,562)	-	(2,646,176)	-	-	-	(4,024,738)
Adjustment on currency translation	-	(64,491)	-	(47,675)	(48,143)	(145)	(160,457)
Balance as at 31 July 2021	\$ -	\$ 112,526	\$ -	\$ 1,071,366	\$ 926,938	\$ 6,543	\$ 2,117,371

August 2021 The Company was issued two new licenses for a 3 year term for OYN and ADM with 2-year renewal terms, KHN is under assessment, MS is under review, and have dropped two licenses.

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a) Oyadao South (OYS)

The Company cancelled the upcoming renewal of the license in July 2021 and as a result took an impairment of \$1,378,562.

b) Oyadao North (OYN)

On 8 January 2020, the Company entered into an Earn-In Agreement (“OYN Agreement”) with Hommy Oyadao Inc. (“Hommy OYN”) and Hommy 5 Resources Inc (“Hommy Resources”). Hommy OYN is a wholly-owned subsidiary of Hommy Resources. Subject to Hommy OYN fulfilling all the financial and work commitments and obligations as per the OYN Agreement, Hommy OYN had 4 years from the date of signing to meet the requirements to own up to 70% of OYN.

On the same date, the parties agreed to terminate the Banlung Agreements previously held with Hommy Resources. The Company converted 50% of Hommy’s completed exploration and development expenditures under the Banlung Agreements into an undivided 10% Participating Interest in the OYN License. In addition, the Company converted the remaining 50% into common shares of the Company, at a value of USD\$450,000, which was converted to 2,344,680 common shares of the Company. As a result, Hommy OYN received an undivided 10% Participating Interest in the OYN License.

Hommy OYN had an option to acquire an additional 20% Participating Interest on OYN by fulfilling contribution and expenditure of \$600,000 USD on the license. With an extension granted due to COVID for additional time to meet the obligation, and the contribution of \$100,000 for exploration and licensing from Hommy during April-July 2021, the requirement for a total Participating interest of 30% was completed.

Hommy and the Company amended the other terms of the original agreement so that the Company shall continue holding 70% of the interest and Hommy shall hold a 30% interest. Each party will contribute any costs pertaining to the license on a prorated basis from July 31, 2021 moving forward.

c) Banlung (BLS)

The Company cancelled the upcoming renewal of the license in July 2021 and as a result took an impairment of \$2,646,176.

d) Koan Nheak (KHN)

Between 2017 and 2020, the Company was under an Earn-In-Agreement with Australian based gold company, Emerald, on the Company’s wholly owned Koan Nheak property in North-Eastern Cambodia.

As at 31 July 2020, Renaissance did not fulfill the obligations of the agreement and shortly after year-end 100% of the ownership reverted back to the Company.

The Company undertook further exploration activities on the license from December 2020 to year end, and continues its review and technical assessment on Koah Nheak.

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8) Oil and gas

During the year ended 31 July 2019, the government of Cambodia approved Angkor’s application for the exploration and development of Petroleum Block VIII through its subsidiary, EnerCam Resources.

During the year ended 31 July 2021, the Company contributed \$34,469 (31 July 2020 - \$447,036) directly towards the oil and gas license. Of this amount, \$8,838 is related to foreign exchange rate change over the year.

Negotiations for a Production Sharing Agreement (PSA), a component requiring completion prior to the license being issued, was well underway in March 2020 just prior to restrictions of COVID-19. Further negotiations with additional submissions of documentation to the Ministry of Energy are ongoing.

9) Accounts payable

	2021	2020
Trade Payables	\$ 753,317	\$ 489,084
Short term loan from related parties	200,000	-
Provisional Payables	165,000	165,000
	\$ 1,118,317	\$ 654,084

Provisional payable consists of an amount that was negotiated by the Company during the 2018 year end on a contract that has had no activity. This amount has not been paid for a period of more than two years. Efforts to contact the counterparty have not been successful during this time.

10) Settlement of accounts payable

Periodically, management negotiates the settlement of accounts payable at a value less than the amount recorded. During the year ended 31 July 2021 the Company recorded a gain on the settlement of accounts payable of \$nil (31 July 2020 - \$ 53,250).

During the year ended 31 July 2021 the Company recognized a loss on the settlement of interest in the amount of \$30,520 (Gain - 31 July 2020 - \$50,192).

11) Convertible debenture

During the year ended 31 July 2018, the Company closed a financing transaction for a total of \$1,050,000. The Company issued convertible notes of \$550,000 and 2,200,000 warrants in connection with the first tranche, then in a second tranche, issued convertible notes of \$50,000 and 200,000 warrants, and finally, in a third tranche, issued convertible notes of \$450,000 and 1,800,000 warrants.

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The convertible debentures (“Debentures”) have a three-year term and bear interest at the rate of six percent (6.00%) per annum if paid in cash or ten percent (10%) per annum if paid by equity considerations of the Company. They originally were to mature on 29 April 2021 (the “term”). At the option of the Debenture holder, interest payments may be made in cash or equity considerations of the company at an issue price equal to the market price at the time of settlement. At the end of the term, the holders will have the option to convert the principal amount into common shares in the capital of the Company at a conversion price of \$0.25 per share, or the Company will repay the outstanding principal in cash. The Debentures also consisted of a detachable warrant, exercisable for a common share in the Company at \$0.30 for a period of 3 years from the issue dates: 29 April 2018, 22 May 2018, and 12 July 2018. The debt is a direct unsecured obligation with no specified claim on assets.

The carrying amount of warrants is obtained by deducting the nominal value of the debentures and the present value of future capital payments at the prevailing market rate for a convertible debenture without warrants.

During the year ended 31 July 2021, the Company settled the interest expense accrued up to 31 October 2020 on Debentures in the amount of \$105,288, through the issuance of 1,093,898 Units at a deemed price of \$0.055 per Unit to the holders of Debentures. Each Unit issued consists of one common share of the Company and one half-share purchase warrant exercisable for one share of the Company for 12 months at an exercise price of \$0.10.

The Company extended the maturity of these warrants for one year, maturing April 2022. The difference in the fair value of this extension has been recognized in the Statement of Loss for the period.

ALLOCATION OF DEBT AND EQUITY COMPONENTS	Amount
Initial fair value of debt component	\$ 951,311
Equity value of conversion debenture	72,742
Fair value of warrants issued	25,947
	1,050,000
Initial Fair Value of Debt Component	951,311
Accumulated accretion expense as at 31 July 2020	71,269
Convertible debenture as at 31 July 2020	1,022,580
Accretion expense for the year	24,943
Debt modification	(2,688)
Convertible Debenture as at 31 July 2021	\$ 1,044,835

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For the year ended 31 July 2021:

DEBENTURE INTEREST AND ACCRETION EXPENSE	Principal Amount	Interest Expense	Accretion Expense	Total
BY TRANCHE				
29 April 2018	\$ 550,000	\$ 71,515	\$ 13,065	\$ 84,580
22 May 2018	50,000	6,501	1,188	7,689
13 July 2018	450,000	58,513	10,690	69,203
Total	\$ 1,050,000	\$ 136,529	\$ 24,943	\$ 161,472

12) Share capital

a) Authorized:

Unlimited common shares without par value.

b) Issued or allotted and fully paid:

During the year ended 31 July 2021:

	Number of Shares	Amount
Balance as at 1 August 2020	147,917,279	\$ 34,588,461
Shares issued on settlement of interest on Debentures (Note 11)	1,914,320	127,107
Share issuance cost	-	(3,137)
Shares issued for exercised options	1,603,700	150,688
Balance as at 31 July 2021	151,435,299	\$ 34,863,119

c) Summary of stock option activity

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 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.

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Stock option activities during the year ended 31 July 2021 and 2020 are as follows:

STOCK OPTION ACTIVITY	31 July 2021	Weighted Average Exercise Price	31 July 2020	Weighted Average Exercise Price
Balance - beginning of period	13,545,000	\$ 0.20	10,397,000	\$ 0.32
Granted	7,714,925	0.08	6,220,000	0.08
Expired	-	-	(272,000)	0.45
Forfeited	-	-	(2,500,000)	0.22
Cancelled	(6,325,000)	0.34	(300,000)	0.45
Exercised	(1,603,700)	0.07	-	-
Balance - end of year	13,331,225	\$ 0.09	13,545,000	\$ 0.20

The exercised options had an active trading price of \$0.06 when options were exercised as at 6 July 2021.

Details of stock options outstanding as at 31 July 2021 and 2020 are as follows:

Date of Grant	Expiry Date	Exercise Price	31 July 2021 Exercisable	31 July 2021 Outstanding	31 July 2020 Outstanding
14 June 2016	14 June 2021	\$ 0.45	-	-	1,115,000
11 April 2017	11 April 2022	0.38	-	-	2,235,000
18 July 2017	18 July 2022	0.30	-	-	570,000
6 February 2018	6 February 2023	0.25	-	-	2,405,000
1 March 2019	1 March 2024	0.17	1,000,000	1,000,000	1,000,000
17 July 2020	17 July 2025	0.08	6,220,000	6,220,000	6,220,000
9 September 2020	9 September 2025	0.11	1,200,000	1,200,000	-
26 January 2021	26 January 2024	0.10	350,000	500,000	-
9 March 2021	9 March 2026	0.07	4,411,225	4,411,225	-
	-	\$ 0.08	13,181,225	13,331,225	13,545,000

The outstanding options have a weighted average remaining life of 4.03 years (31 July 2020 – 3.42 years).

During the year ended 31 July 2021 7,714,925 options were granted at an average exercise price of \$0.08. 300,000 of the options granted 26 January 2021 vest every three month anniversary date in 25% tranches. The remaining options vested immediately and are exercisable for a period of five years.

During the year ended 31 July 2021, 1,603,700 options were exercised at an exercise price of \$0.07 to insiders at

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the Company.

d) Warrants

Warrant activities during the year ended 31 July 2021 and 2020 are as follows:

	Outstanding as at 31 July 2021	Weighted Average Exercise Price	Outstanding as at 31 July 2020	Weighted Average Exercise Price
Balance - beginning of period	44,057,449	\$ 0.13	\$ 8,265,750	\$ 0.35
Issued	546,949	0.10	37,937,449	0.11
Expired	(1,920,008)	0.35	(2,145,750)	0.43
Balance - end of year	42,684,390	\$ 0.12	\$ 44,057,449	\$ 0.13

546,949 warrants were issued on 3 December 2020 as a part of the settlement of interest expense on Debentures. These warrants are exercisable for one share of the Company for 12 months at an exercise price of \$0.10.

The fair value of the warrants recognized has been estimated using the Black-Scholes Model with the following weighted-average assumptions:

	3 December 2020
Risk free interest rate	0.20%
Expected dividend yield	0.00%
Stock price	\$ 0.055
Expected stock price volatility (calculated monthly)	85%
Expected warrant life in years	1 years
Forfeiture rate	0%

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Details of warrants outstanding as at 31 July 2021 and 2020 are as follows:

	Exercise Price	31 July 2021 Exercisable	31 July 2021 Outstanding	31 July 2020 Outstanding
3 October 2020	\$ 0.35	-	-	1,920,000
3 December 2021	0.10	546,949	546,949	-
3 March 2022	0.20	1,937,449	1,937,449	1,937,449
11 May 2022	0.30	2,200,000	2,200,000	2,200,000
23 July 2022	0.30	2,000,000	2,000,000	2,000,000
17 June 2023	0.10	36,000,000	36,000,000	36,000,000
	\$ 0.12	42,684,398	42,684,398	44,057,449

The outstanding warrants have a weighted average remaining life of 1.70 years.

e) Share-based payments

During the year ended 31 July 2021, the Company granted 7,714,925 (2020 - 6,220,000) incentive stock options to its directors, officers, and consultants of the Company. The options granted are issued pursuant to the Company's Stock Option Plan and are exercisable at an average exercise price of \$0.08 (2020 - \$0.08) per share for a period of five years from the date of the grant. During the year ended 31 July 2021, the Company recognized \$369,132 (31 July 2020 - \$184,809) in share-based payments.

	31 July 2021	31 July 2020
Total Options Granted	7,714,925	6,220,000
Average exercise price	\$ 0.08	\$ 0.08
Estimated fair value of compensation	\$ 182,769	\$ 147,830
Estimated fair value per option	\$ 0.02	\$ 0.02

	31 July 2021	31 July 2020
Total Options Vested	\$ 7,564,925	\$ 6,220,000
Average exercise price	\$ 0.08	\$ 0.08
Estimated fair value of compensation	\$ 182,202	\$ 147,830
Estimated fair value per option	\$ 0.02	\$ 0.02

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The fair value of the stock-based compensation of options recognized in the accounts has been estimated using the Black-Scholes Model with the following weighted-average assumptions:

	31 July 2021	31 July 2020
Total options vested	7,564,925	6,220,000
Risk free interest rate	1.23%	0.27%
Expected dividend yield	0.00%	0.00%
Stock price	\$ 0.07	\$ 0.08
Expected stock price volatility (calculated monthly)	42.45%	36%
Expected option life in years	4.87 years	5 years
Forfeiture rate	0%	0%

The Black-Scholes Option Pricing Model was created for use in estimating the fair value of freely tradable, fully transferable options. Volatility was determined using historical stock prices.

f) Non-controlling interest

On 25 January 2019, the Company incorporated EnerCam Resources (Singapore) Pte. Ltd. (“EnerCam Resources”), a private company in Singapore. On 24 June 2019, the Company transferred its 100% ownership in EnerCam Resources to EnerCam Explorations Ltd. (“EnerCam Exploration”), formerly Prairie Pacific Mining Corp., a wholly owned subsidiary in Canada. EnerCam Exploration raised \$1,461,540 (US\$1,100,000) through a private sale of 1,100,000 shares, representing 11% of EnerCam Resources to various international accredited investors and related parties. In connection with this transaction, EnerCam Exploration maintained a 89% ownership of EnerCam Resources and recognized the difference between the value of the NCI, which was at a nominal value, and the fair value of consideration received in the amount of \$1,461,685 (US\$1,100,000) as contributed surplus as at 31 July 2020.

The value attributed to the non-controlling interest as at 31 July 2021 is an accumulated deficit of \$6,495 (31 July 2020 - \$2,216) representing the activity in EnerCam Exploration. Net loss and comprehensive loss of \$4,279 has been attributed to the non-controlling interest in these Financial Statements.

As at June 7, 2021, 150,000 shares were transferred to a non related party at a value of \$1 USD per share for a total value of \$186,930 (\$150,000 USD). EnerCam Exploration maintains a 87.5% ownership of EnerCam Resources and recognized the difference between the value of the NCI, which was at a nominal value, and the fair value of consideration received in the amount of \$186,930 (\$150,000 USD) as contributed surplus as at 31 July 2021.

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13) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Transactions and balances with related parties are as follows:

RELATED PARTY DISCLOSURE - KEY MANAGEMENT PERSONNEL

Principal Position	Year	Remuneration or fees⁽ⁱ⁾ (ii)	Share based payments⁽ⁱ⁾	Amounts Payable⁽ⁱⁱ⁾
Current Executive VP Operations, Former Executive Chairman	2021	\$ 68,000	\$ 21,535	\$ 120,250
	2020	\$ 60,000	\$ 20,701	\$ -
Former VP of Social Development, Current CEO	2021	\$ 70,429	\$ 23,607	\$ 121,250
	2020	\$ 72,102	\$ 22,442	\$ -
President	2021	\$ -	\$ -	\$ -
	2020	\$ -	\$ 6,966	\$ -
Former CEO	2021	\$ 117,280	\$ 212,131	\$ 16,000
	2020	\$ 113,000	\$ 23,603	\$ -
MNP LLP, a company of which a Partner is the CFO	2021	\$ 44,100	\$ -	\$ -
	2020	\$ 7,350	\$ -	\$ -
Former CFO	2021	\$ -	\$ -	\$ -
	2020	\$ 79,000	\$ -	\$ -
Directors	2021	\$ -	\$ 78,730	\$ 13,500
	2020	\$ -	\$ 38,027	\$ -

(i) For the year ended 31 July 2021 and 2020.

(ii) Amounts disclosed were paid or accrued to the related party.

The total key management personnel compensation during the year ended 31 July 2021 was \$635,812 (2020 - \$405,163) represented by fees of \$299,809 (2020 - \$331,452), and \$336,003 (2020 - \$73,711) in share-based payments. Of these share based payments, \$186,930 was relating to a one-time severance payment. These fees have been recorded in professional and consulting fees, salaries, wages and benefits, and social development in the statements of loss and comprehensive loss.

Included in the above table is a \$200,000 CAD loan advanced to The Company by related parties consisting of the CEO and Executive VP Operations on 22 July 2021. The loan incurs interest at 4% annually, calculated monthly, is unsecured and has no standard monthly repayment. The loan can be repaid by The Company in shares, at the discretion of The Company, at the monthly average price of stock.

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The transactions with related parties were in the normal course of operations, which is the amount of consideration established and agreed to by the related parties. There are no set terms of repayment for the balances owed to the related parties.

14) Income tax

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	31 July 2021	31 July 2020
Loss for the year	\$ 5,685,688	\$ 1,223,876
Expected income tax recovery at statutory rate of 27% (2020 - 27%)	\$ (1,535,136)	\$ (330,447)
Non-deductible share-based payments	101,181	49,898
Share issuance costs booked to equity	847	-
Impairment	1,086,679	-
Changes and differences in tax rates	(16,498)	(8,895)
Tax benefit not recognized	362,926	289,444
Total income tax expense (recovery)	\$ -	\$ -

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.

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 it 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 27%.

	Canada	Cambodia	2021	2020
Share issuance costs	\$ 7,093	\$ -	\$ 7,093	\$ 8,377
Non-capital loss carry forwards	3,990,996	455,575	4,446,571	3,797,271
Mineral properties	-	-	-	1,227,911
	\$ 3,998,089	\$ 455,575	\$ 4,453,664	\$ 5,033,559

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c) Loss carry-forward by year of expiry:

	Canada	Cambodia	Total
2029	2,447,414	-	2,447,414
2030	1,274,136	-	1,274,136
2031	313,429	-	313,429
2032	1,536,186	-	1,536,186
2033	1,781,561	-	1,781,561
2034	1,260,213	-	1,260,213
2035	1,196,320	-	1,196,320
2036	817,196	-	817,196
2037	1,474,413	-	1,474,413
2038	507,019	-	507,019
2039	839,998	-	839,998
2040	734,741	-	734,741
2041	598,840	-	598,840
	\$14,781,466	-	14,781,466

15) 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, to continue the development and exploration of its resource properties and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk (Note 1).

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.

The Company's capital structure consists of the share capital and convertible debenture 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.

During the year ended 31 July 2021, there were no significant changes (31 July 2020 - no changes) in the processes used by the Company or in the Company's objectives and policies for managing its capital.

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16) Segmented information

The Company operates in one operating segment, which is the acquisition, exploration, and development of exploration property interests. The following table provides segmented disclosure on assets and liabilities as reviewed by management regularly:

(Rounded to 000's)	Canada	Cambodia	Singapore	Total
31 July 2021				
Current assets	\$ 371,000	\$ 37,000	\$ 17,000	\$ 425,000
Non-current assets	\$ -	\$ 3,112,000	\$ 56,000	\$ 3,168,000
Total Assets	\$ 371,000	\$ 3,149,000	\$ 73,000	\$ 3,593,000
Current liabilities	\$ (2,107,000)	\$ (56,000)	\$ -	\$ (2,163,000)
General and administrative expense	\$ 976,000	\$ 491,000	\$ 9,000	\$ 1,476,000
31 July 2020				
Current assets	\$ 1,365,000	\$ 224,000	\$ 23,000	\$ 1,612,000
Non-current assets	\$ -	\$ 6,755,000	\$ 59,000	\$ 6,814,000
Total Assets	\$ 1,365,000	\$ 6,979,000	\$ 82,000	\$ 8,426,000
Current Liabilities	\$ (1,651,000)	\$ (55,000)	\$ -	\$ (1,706,000)
General and administrative expense	\$ 856,000	\$ 316,000	\$ 8,000	\$ 1,180,000

17) Subsequent events

Subsequent to year end, The Company incorporated a wholly owned subsidiary of Angkor Resources Corp., Philippines Environmental Recovery Inc. ("PERI").

On 6 October 2021 an insider at the Company exercised 485,150 options at an exercise price of \$0.07.

On 6 October 2021 an insider at the Company exercised 700,000 options at an exercise price of \$0.075.

On 8 November 2021 an insider at the Company exercised 700,000 options at an exercise price of \$0.075.

On 10 November 2021 the Company was granted a short term \$99,616 loan from related parties consisting of the CEO and Executive VP Operations. The loan incurs interest at 4% per annum. The loan is unsecured and has no standard monthly repayment.

On 24 November 2021 the Company issued 1,770,000 options to a consultant of the Company.