



PACIFIC WILDCAT RESOURCES CORP. 2000/2001 Annual Report

Report to Shareholders and Financial Review

This past year has been one of change for the Company.

On January 5, 2001 Gwalia Consolidated Ltd., a wholly owned subsidiary of Sons of Gwalia Ltd. ("Gwalia"), completed the purchase of 1,987,520 Pacific Wildcat shares from Viceroy Resource Corporation ("Viceroy"). This purchase increased Gwalia's holdings in Pacific Wildcat to 4,637,500 shares representing fifty-one percent (51%) of the issued and outstanding common shares of the Company. On February 1, 2001 Gwalia entered into a non-brokered private placement with the Company which increased Gwalia's interest from fifty-one percent (51%) to sixty percent (60%).

A new mandate has accompanied the change in ownership. Whereas previously the Company's major activity had been gold exploration in Southeast Asia centered on Indonesia, Pacific Wildcat directors have endorsed a management proposal to broaden the Company's exploration, development and acquisition mandate. The new mandate includes industrial and strategic minerals and metals other than gold and expands the geographic focus outside of Southeast Asia.

The Company will draw and build on its association with Gwalia in executing a new business plan, one aspect of which is to seek advanced minerals, notably tantalum, opportunities. To this end, the Company has been working closely with Gwalia in the review of numerous property and project submittals, drawing on the latter's considerable experience in tantalum exploration and development. Accounting for approximately fifty percent (50%) of annual primary concentrate supply, Gwalia's Advanced Minerals Division is the world's largest producer of tantalum, a mineral with high tech applications in industries such as electronics and aerospace. This Division also produces lithium minerals, tin, silica sand and, only recently, mineral sands. Gwalia's market leadership and technical prowess in advanced minerals together with its financial strength will afford Pacific Wildcat a considerable resource upon which to draw.

For a five (5) year term commencing August 2, 2001 Gwalia have agreed to make technical, marketing and management services available to the Company at the direct cost of such services plus fifteen percent (15%). At the same time, the Company entered into a second, five (5) year agreement with Gwalia which grants the latter certain development rights over tantalum properties, the particulars of which are set out in the Information Circular and Schedule "A" and "B" of the Quarterly Report.

As part of the new business plan, management has redoubled its efforts to reduce holding costs, safeguard title and deal off its one remaining mineral interest, the Sulut gold property located near the town of Kotabunan on the northeastern tip of Sulawesi, Indonesia. With respect to reducing holding costs, all property leases and employees have been terminated and all equipment, sold. Work on the property remains suspended. A mandatory, twenty-five percent (25%) area reduction was made to keep the Contract of Work pertaining to the property in good standing. Management has been and is in discussion with parties potentially interested in either farming-in on or acquiring the Company's position in the property. Political and economic turmoil in Indonesia, heightened by the September terrorist attacks in the United

States, as well as a lack of investor interest in funding gold exploration, continue to hamper management's efforts to re-activate or deal off Sulut.

No material property or project acquisitions or dispositions were made during the year. The Company has written down the carrying value of the Sulut property to \$500,000 to better reflect current market conditions. The Company has also made full provision for Indonesian agency fees and property assessments against the Sulut and Jambi properties. The latter assessments total in excess of US\$47,000 of which approximately US\$42,500 relates to Jambi. The Company will be filing an objection to the Jambi assessment. This objection will be made on the basis that ministry records do not appear to include most of the exploration monies expended on the property nor do they take into account that approximately seventy (70) percent of the Contract of Work area was sterilized by the government's creation of a National Park and forest reserves.

The net loss for the year was \$4,149,523 of which \$3,845,027 related to the write-down of Sulut. This compares to a loss of \$32,695 in the previous year. A new management services contract increased one component of General and Administrative expense by \$62,500 over the previous year, however, administrative fees per se were lower in the year as a consequence of Viceroy and Gwalia consenting to waive accrued but unpaid fees and the introduction of lower cost administrative service contracts. Financing activities consisting of one private placement and the exercise of stock options provided \$218,750. Application for a security deposit refund of US\$25,000 relating to the area reduction at Sulut is embodied in the accounts receivable figure. Amounts released from securities deposits have been used to offset agency fees payable. With the full provision for Indonesian charges, working capital as of June 30, 2001 was \$85,611 and Cash and Cash Equivalents stood at \$164,071.

The Company estimates that it has adequate funds to meet anticipated holding costs but no internal source of funding. The cash it has on hand may be sufficient to find a new project, however it would not be sufficient to fund it. The future of the Company depends on its ability to either farm-out or sell Sulut or find an attractive new project and then to finance it.

Management, with the full support of Gwalia and the Board of Directors, is committed to delivering on the Company's new mandate and business plan. We again wish to express our gratitude to Pacific Wildcat shareholders for their patience and support.

**ON BEHALF OF THE BOARD OF DIRECTORS OF
PACIFIC WILDCAT RESOURCES CORP.**

"Brian Flower"
Brian Flower, President

November 12, 2001