



Directors' Report to Members and Financial Review

The current rally notwithstanding, global equity markets have been in a downtrend for almost three years and raising monies for junior exploration and development companies remains difficult. Management has been vigilant with respect to balancing the need to search for new opportunities, contain costs and safeguard title to the Company's one remaining mineral interest, the Sulut gold property. This property is located near the town of Kotabunan on the northeastern tip of Sulawesi, Indonesia.

The Company has drawn upon its association with its major shareholder, Sons of Gwalia Ltd. ("Gwalia") in executing a new business plan, one that is no longer restricted to gold and / or Southeast Asia. Over the past year, Gwalia have greatly assisted the Company both financially and in the search for and evaluation of numerous tantalum and precious metal properties and operations. Several small, high quality operations and prospects were identified, some of which the Company sought to acquire. All negotiations pertaining to tantalum were, however, terminated in May. At that time it had become apparent that the tantalum market, which had swung from under to oversupply, was not likely to recover until there was a sustained upturn in global electronic applications. The Company has, therefore, curtailed its tantalum search for the time being and turned its attention to other industrial and strategic minerals and metals, including gold.

With respect to gold, work on the Sulut property remains suspended. A mandatory, second twenty-five (25) percent area reduction has been 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 last September's terrorist attacks in the United States and this year's terrorist attacks in Bali, continue to hamper management's efforts to re-activate or deal off the property.

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 \$475,121 and made provision for Indonesian agency fees and "dead rent" assessments against the Sulut and Jambi properties. Investing activities consisting of the exercise of warrants and stock options resulted in a credit of \$140,250. With the provision for Indonesian charges, working capital as of June 30, 2002 was \$46,927 and Cash and Cash Equivalents stood at \$95,198.

The loss for the year was \$203,813, net of \$10,453 recovered through the sale of field equipment. This compares to a loss of \$4,149,523 in the previous year of which \$3,845,027 related to the write-down of Sulut. Management services and travel increased General and Administrative expense by \$87,500 and \$23,916 respectively over the previous year, however, overall expenses were substantially lower than actually incurred as a consequence of Gwalia absorbing some of the costs associated with the Company's search for new opportunities.

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

Respectfully submitted on behalf of the Board of Directors,

"Brian Flower"
Director & President