

# **PACIFIC WILDCAT RESOURCES CORP.**

**2001/2002 - 1<sup>st</sup> Quarter Report**

**PACIFIC WILDCAT RESOURCES CORP.**  
**Consolidated Balance Sheets**  
**As at September 30**  
Expressed in Canadian Dollars - Unaudited

	<b>2001</b>	<b>2000</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 152,933	\$ 78,278
Accounts receivable	42,218	13,585
	<b>195,151</b>	<b>91,863</b>
<b>Resource Assets</b>	<b>543,619</b>	<b>4,499,266</b>
	<b>\$ 738,771</b>	<b>\$ 4,591,129</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 126,888	\$ 19,400
<b>SHAREHOLDERS' EQUITY</b>		
<b>Share Capital</b>	<b>10,303,690</b>	<b>10,060,940</b>
<b>Deficit</b>	<b>(9,691,807)</b>	<b>(5,489,211)</b>
	<b>611,883</b>	<b>4,571,729</b>
	<b>\$ 738,771</b>	<b>\$ 4,591,129</b>

Note:

These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

**APPROVED ON BEHALF OF THE BOARD:**

*"Brian Flower" (signed)*  
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Brian Flower,  
President & Director

*"David M. Calabrigo" (signed)*  
\_\_\_\_\_  
David M. Calabrigo,  
Corporate Secretary & Director

**PACIFIC WILDCAT RESOURCES CORP.**  
**Consolidated Statements Of Loss And Deficit**  
**For the Three Months Ended September 30**  
Expressed in Canadian Dollars - unaudited

	2001	2000
<b>Resource Properties</b>		
Holding costs	\$ 9,541	\$ -
<b>EXPENSES</b>		
Consulting fees	37,500	-
Travel expenses	11,639	-
Office expenses	1,407	2,809
Insurance	2,751	-
Professional services	2,281	228
Corporate relations	781	644
Interest income	(1,869)	(192)
Foreign exchange	-	7,470
	<u>54,490</u>	<u>10,959</u>
<b>Net Loss for the Period</b>	<b>64,031</b>	<b>10,959</b>
<b>Deficit, Beginning of Period</b>	<b>9,627,776</b>	<b>5,478,252</b>
<b>Deficit, End of Period</b>	<b>\$ 9,691,807</b>	<b>\$ 5,489,211</b>
<b>Loss Per Share</b>	<b>0.006</b>	<b>0.001</b>
<b>Weighted Average Number of Shares Outstanding</b>	<b>11,205,476</b>	<b>9,000,476</b>

**PACIFIC WILDCAT RESOURCES CORP.**  
**Consolidated Statements Of Cash Flow**  
**For the Three Months Ended September 30**  
Expressed in Canadian Dollars - unaudited

	2001	2000
<b>Cash flows from operating activities</b>		
Loss for the period:	\$ (64,031)	\$ (10,959)
Add (subtract) items not affecting cash:		
Foreign exchange loss (gain)	-	7,470
Changes in non-cash working capital	<u>6,208</u>	<u>(4,380)</u>
	<u>(57,823)</u>	<u>(7,869)</u>
<b>Cash flows from financing activities</b>		
Stock options exercised	24,000	-
<b>Cash flows from investing activities</b>		
Proceeds from the sale of fixed assets	22,685	-
Exploration expenditures on resource assets	-	(3,095)
	<u>22,685</u>	<u>(3,095)</u>
<b>Foreign exchange gain (loss) on Cash and Cash Equivalents held in a Foreign Currency</b>	<u>-</u>	<u>(7,470)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(11,138)</b>	<b>(18,434)</b>
<b>Cash and cash equivalents – beginning of period</b>	<u>164,071</u>	<u>96,712</u>
<b>Cash and cash equivalents – end of period</b>	<u>\$ 152,933</u>	<u>\$ 78,278</u>

PACIFIC WILDCAT RESOURCES CORP.

QUARTERLY REPORT - SEPTEMBER 30, 2001

1. ANALYSIS OF EXPENSES & DEFERRED COSTS

Expenses

The breakdown is provided on the income statement.

Deferred Resource Property Expenditures

**Sulut**

During the year ended June 30, 2001, the Company wrote-down the Sulut property by \$3,845,027 to \$500,000, its estimated net recoverable value.

As at June 30, 2001	\$500,000
Less: proceeds from sale of fixed assets	<u>(22,685)</u>
As at September 30, 2001-11-07	\$477,315
Other: security deposits	<u>66,304</u>
Total Deferred	<u>\$543,619</u>

2. RELATED PARTY TRANSACTIONS

On February 1, 2001, the Company entered into a management services agreement with Chapelle Capital Corp., a company jointly-owned by a director of the Company. Under this agreement, fees of \$37,500 were paid during the quarter.

On August 2, 2001 the Company entered into a development rights agreement with its major shareholder, Sons of Gwalia Ltd. ("Gwalia").

Development rights relate only to properties held by the Company which contain in excess of two (2) million pounds of tantalum in the category of (indicated/inferred) mineral resource under the Australian Code for Reporting of Mineral Resources and Ore Resources. For qualifying properties introduced by Gwalia, the latter can acquire an undivided fifty percent (50%) interest in and management of the property by reimbursing Pacific Wildcat for all of its direct costs plus twenty percent (20%). For qualifying properties discovered or acquired by the Company independent of Gwalia, the latter can acquire an undivided fifty percent (50%) interest in and management of the property by paying fifty percent (50%) of the estimated net present value of the property. Further, Gwalia has the right to purchase all or part of the Company's annual tantalum production and act as the Company's sole and exclusive marketing agent, both subject to terms negotiated in good faith and reflective of arms length, third party agreements. With respect to financing, Gwalia have the right to arrange one hundred percent (100%) of any financing in respect of the Company's share of the cost of any mining operations where third party financing would involve the financier earning a right to earn a direct interest in the property. These financing rights are conditional on Gwalia owning not less than twenty-five percent (25%) of the issued share capital of Pacific Wildcat.

**3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED  
DURING THE PERIOD**

**Securities Issued**

During the quarter, directors and officers of the Company exercised 160,000 stock options with an expiry date of August 27, 2001. The Company issued 160,000 shares at an exercise price of C\$0.15 per share for proceeds of \$24,000.

**Options Granted**

None.

**Options Expired**

During the quarter, 75,000 options expired on August 27, 2001.

**4. SUMMARY OF SECURITIES AS AT END OF REPORTING PERIOD**

**Authorized Capital**

20,000,000 common shares without par value

**Number and Recorded Value for Shares Issued and Outstanding**

11,285,476 common shares Issued and Outstanding with a recorded Share Capital of \$10,303,690 or \$0.91 per share. Against Share Capital there is a recorded Deficit of \$9,691,807 resulting in Shareholder's Equity of \$611,883 or \$0.05 per share.

**Outstanding Options**

At the end of the quarter, there were 540,000 options outstanding at a price of \$0.15 per share expiring on February 7, 2006.

**Outstanding Options**

<b>Name of Optionee</b>	<b>No. of Shares</b>	<b>Price</b>	<b>Expiry Date</b>
W. David Black	50,000	\$0.15	February 7, 2006
David M. Calabrigo	50,000	\$0.15	February 7, 2006
Jack H. Caplan	50,000	\$0.15	February 7, 2006
Chapelle Capital Corp.	130,000	\$0.15	February 7, 2006
Brian Flower	120,000	\$0.15	February 7, 2006
Christopher J. Lalor	50,000	\$0.15	February 7, 2006
Peter K. Lalor	50,000	\$0.15	February 7, 2006
David A. Paull	40,000	\$0.15	February 7, 2006

**Outstanding Warrants**

2,000,000 non-transferable share purchase warrants are held by Gwalia. Each warrant entitles the holder to purchase one additional share of the Company for a period of 24 months ending February 1, 2003. The warrants are exercisable at a price of \$0.12 per warrant share during the first year and \$0.15 per warrant share during the second year.

**Shares in Escrow or Pooling Agreements**

None.

**5. LIST OF DIRECTORS & OFFICERS**

**Directors**

W. David Black, *Vancouver, B.C.*  
David M. Calabrigo, *White Rock, B.C.*  
Jack H. Caplan, *North Vancouver, B.C.*  
Brian Flower, *North Vancouver, B.C.*  
Christopher J. Lalor, *Cottesloe, Western Australia*  
Peter K. Lalor, *Cottesloe, Western Australia*

**Officers**

Peter K. Lalor - Chairman  
W. David Black - Deputy-Chairman  
Brian Flower - President & CEO  
David M. Calabrigo - Corporate Secretary  
Susan M. Neale - Corporate Accountant  
David A. Paull - Manager, Business Development

**PACIFIC WILDCAT RESOURCES CORP.**

**QUARTERLY REPORT - SEPTEMBER 30, 2001**

**1. DESCRIPTION OF BUSINESS**

Pacific Wildcat Resources Corp. ("Pacific Wildcat" or the "Company") is in the mineral exploration and development business.

To date, the Company's major activity has been gold exploration in Southeast Asia centered on Indonesia. With Sons of Gwalia Ltd. ("Gwalia") now the Company's major shareholder, Pacific Wildcat's exploration, development and acquisition mandate will be expanded to include industrial and strategic minerals and metals other than gold and the geographic focus will extend outside of Southeast Asia.

**2. DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION**

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, during the quarter all property leases and employees were 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.

Whilst the Company has reported gold resources for the Sulut property, no determination has yet been made as to whether the property contains ore reserves that are economically recoverable. The recoverability of the associated deferred costs is dependent upon the discovery of economically recoverable reserves, obtaining the necessary exploitation permits, adequate financing to complete the development and future profitable production or net proceeds from the sale of the mineral concessions.

No material property or project acquisitions or dispositions were made during the quarter.

**Summary of Deferred Expenditures**

	<b>Sulut, Indonesia</b>	<b>Other</b>
Balance -June 301, 2001	\$ 500,000	\$ 66,304
Additions (Deductions)	(22,685)	-
Balance - September 30, 2001	\$ 477,315	\$ 66,304

On February 1, 2001, the Company entered into a management services agreement with Chapelle Capital Corp., a company jointly-owned by a director of the Company.

On August 2, 2001, the Company entered into a development rights agreement with its major



shareholder, Gwalia, which granted the latter certain development, production, marketing and financing rights for a term of five (5) years.

The Company has no other material contracts or commitments.

The Company does not have any investor relations contracts. Brian Flower, Director and David Paull, Manager, Business Development are available to answer shareholder inquiries.

The Company is not involved in any legal proceedings, it has no contingent liabilities, nor does it have any debt obligations. There are no pending regulatory approvals nor is the Company in breach of any corporate or securities laws.

There have been no special resolutions passed by shareholders in the period, however, special resolutions to increase the authorized capital of the Company will be put before shareholders at the December 20, 2001 Annual General Meeting.

**3. SUBSEQUENT EVENTS**

None.

**4. FINANCINGS, PRINCIPAL PURPOSES AND MILESTONES**

During the quarter, directors and officers of the Company exercised 160,000 stock options with an expiry date of August 27, 2001. The Company issued 160,000 shares at an exercise price of C\$0.15 per share for proceeds of \$24,000.

Pacific Wildcat's funds on hand whilst not committed, will be directed towards finding attractive new projects for the Company. In this regard, Pacific Wildcat directors have endorsed a management proposal to broaden the Company's exploration, development and acquisition mandate to include industrial and strategic minerals and metals other than gold and to expand the geographic focus outside of Southeast Asia.

The Company will draw and build on its association with Gwalia in developing and executing a new business plan, one aspect of which will be to seek advanced minerals, notably tantalum, opportunities. 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 and silica sand. 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. The Company will be aided in the execution of its business plan by having access to Gwalia technical, marketing and management services at the direct cost of such services plus 15%.

**5. LIQUIDITY AND SOLVENCY**

As at September 30, 2001, Pacific Wildcat had working capital of \$68,263. The Company's monthly operating costs consist of corporate management services (\$12,500) and general and administrative expenses (approximately \$2,700 including Sulut holding costs).

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.

**6. DISCLOSURE**

The Company has adopted newly introduced accounting and disclosure policies and comparative figures have been restated as required.