MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis ("MD&A") prepared as of May 2, 2011 supplements, but does not form part of, the audited financial statements of the Company and the notes thereto for the period ended December 31, 2010 and 2009. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All dollar amounts included therein and in the following management discussion and analysis ("MD&A") are in Canadian dollars except where noted.

All dollar amounts included therein and in the following management discussion and analysis ("MD&A") are in Canadian dollars except where noted.

Throughout the report we refer to PAW, the "Company", "we", "us", "our" or "its". All these terms are used in respect of Pacific Wildcat Resources. Additional information on the Company can be found on SEDAR at www.sedar.com and on the Company's website at www.pacificwildcat.com.

Cautionary Statement on Forward-Looking Information

Certain statements contained in this MD&A may contain forward-looking statements. Use of any of the words 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will', 'project', 'should', 'believe' and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A reflect the current expectations, assumptions or beliefs of PAW based on information currently available to the Company. With respect to forward-looking statements contained in this MD&A, assumptions have been made regarding, among other things, the Company's ability to generate sufficient cash flow from operations and capital markets to meet its future obligations, the regulatory framework in Mozambique with respect to, among other things, permits, license's authorizations, royalties, taxes and environmental matters, the ability of management to establish a commercial mining operation on its property in Mozambique, and the Company's ability to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's demand. PAW believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct as actual results and future events could differ materially from those anticipated in such statements and such forward-looking statements included in this MD&A and should not be relied upon. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from the estimates and assumptions used in the preliminary assessment and mine plans in respect of the Company's properties; failure to establish estimated mineral resources; fluctuations in tantalum prices and currency exchange rates; inflation; tantalum recoveries being less than those indicated by the testwork carried out to date (there can be no assurance that tantalum recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions and during production); political developments in Mozambique; changes to regulations affecting the Company's activities; uncertainties relating to the availability and costs of financing needed in the future; the uncertainties involved in interpreting drilling results and other geological date; and the other risks described in this report. Furthermore, the Company has at the date of this report only acquired its Initial Interest in the Mrima Hill Project in Kenya as described herein, there Company in order to complete this acquisition will require substantial funding of approximately AUS$15,161,528 and has not as at the date of this report secured said funding. The Company anticipates being successful in obtaining said funding through some form of equity issue and upon completion of same, the Company will be required to obtained certain permits and mining licenses. The Mrima Hill Project is an advanced stage exploration project with historical and recent drilling results, however the Company has not qualified the historical information and will be required to complete substantial exploration work in order to confirm a resource. These forward-looking statements speak only as of the date of this MD&A.

PAW assumes no obligation to update these forward-looking statements except as may otherwise be required pursuant to applicable laws.

NATURE OF BUSINESS AND OVERALL PERFORMANCE

Pacific Wildcat Resources Corp. is a Tier 2 TSX-V mineral exploration company with a focus on becoming a producer of strategic and rare earth metals with its Muiane Tantalum Project in Mozambique and the completion of its acquisition of Mrima Hill Project a niobium rare earths in project in Kenya.

Highlights 2010 – 2011

During 2010 and as at the date of this report the Company:

2011
- **received further high grade Niobium and Rare Earth results from its initial 974 metre reverse circulation drill program at Mrima Hill**
- **responds to media articles in Kenya confirming its good working relationship with the community of its Mrima Hill project in Kenya**
- **completed the initial acquisition of the Mrima Hill project in Kenya earning its initial 7%**
- **completed the first and second tranche of the brokered financing for an aggregate 22,727,272 Units at $0.22 for gross proceeds of $5M.**
- **completed a non-brokered financing for 1,000,000 Units at $0.90 for gross proceeds of $900,000.**

2010
- **commenced an exploratory reverse circulation drill program on the Mrima Hill project in Kenya as part of its due diligence process on the project**
- **entered into a Acquisition Agreement to acquire a 70% interest Cortec Mining Kenya Limited a private company in Kenya which holds 3 prospecting licenses (two exclusive and one a special prospecting license) covering an aggregate area of 1,180 km^2 referred to as the Mrima Hill Project. The Mrima Hill Project being an advanced exploration stage niobium and rare earths metals property.**
- **engaged Macquarie Private Wealth as Agent to complete a brokered financing on a best efforts basis to raise gross proceeds of up to $5M at a purchase price of $0.22 per Unit**
- **completed a non-brokered private placement for 3,961,088 Units at a price of $0.18 for gross proceeds of $$712,996**
- **received gross proceeds of $366,021 from the early exercise of 2,440,137 warrants at a price of $0.15**
- **exercised its option to purchase a 20 – 30 dry tonne per hour tantalum treatment plant for the Company's Muiane Project in Mozambique.**
- **received high grade results from its first drill program conducted in the fall of 2009 to include a 1,473 meter reverse circulation drill program targeting tantalum and lithium mineralization at its Muiane Project in Mozambique.**

<u>Exploration and Development</u>

Mozambique

<u>Muiane Project – Mozambique</u>

The Company has five licenses (the "TMP Licenses") on the Alto Lingonha belt of the Zambezi province in Mozambique which are all five year exploration licenses with the option of renewal for an additional

five years upon application to the Mozambique Department of Mines. A third party has the right to explore for and mine gemstones on the property. For the mining of Tantalum, a royalty of 3% of sales revenue will be payable to the Mozambique Government.

In November 2009 the Company completed a 1,473 metre reverse circulation (RC) drilling program targeting Tantalum and Lithium mineralization at the Company's Muiane Project and received its first results in February 2010 indicating high grade tantalum intersections as well as significant intersections of lithium. The limited initial program achieved the three goals of:

1) Testing for potential extensions to the historical tantalum mineralization at the Muiane Mine;

2) Drilling two "twin" holes to get a better understanding of the historic Lithium drilling information at Muiane Mine; and

3) Drilling the first known drill holes at the Maridge Pit to confirm its potential for Tantalum mineralization.

Results of the drill programs are outlined in the Company's news releases dated February 18, 2010 and filed on SEDAR and the Company's website.

On March 1, 2010 the Company purchased a nominal 20 to 30 dry tonne per hour Tantalum treatment plant ("the Plant") and associated spare parts and accessories. The consideration for the purchase of the Plant was the issuance of 512,985 fully paid shares at a price of $0.20 (CDN $ 102,597) in the Company to Avenger Investments Pty Ltd ("Avenger") an unlisted Australian company. The shares were subjected to a 4 month hold period in accordance with the policies of the TSX-V and applicable securities laws.

The Plant has been used for the production of Tantalum from alluvial sources at various locations in the North West of Western Australia from 1995 until 2001. As the plant has not been used for a number of years it underwent a refurbishment program at Nagrom Mineral Processing ("Nagrom") in Perth, Western Australia. Nagrom have extensive expertise in the refurbishment and operation of Tantalum processing plants as well as Tantalum processing experience in Mozambique.

The Company has commenced the commission of the Plant and has satisfied the requirements of the Muiane Mining License. The Plant's initial production of tantalum concentrate which will be used to determine product specifications prior to the Company's marketing efforts.

The Plant will also initially be used for a combination of conducting further metallurgical testwork on the deposit at Muiane as well as initial limited production. The results from this testwork will allow for circuit optimization as well as the identification of additional circuits required to be installed. This process will assist PAW with its aim of moving towards larger scale tantalum production at Muiane in the short to medium term.

The Company will continue with its exploration program of trenching and geochemical sampling on several exploration areas to provide further drilling targets with the objective to add to the current resource inventory.

<u>Twigg Option – Mozambique</u>

In June 2008 the Company signed a heads of agreement with African Eagle Resources plc ("AFE") covering the rights to a 145 square kilometer exploration license in northern Mozambique (the "Twigg

Agreement"). This license area, which is currently held in the name of AFE's wholly-owned subsidiary, Twigg Resources Ltd. (the "Twigg License"), is located immediately adjacent to TMP Licenses.

The Twigg Agreement stipulates the Company will commit to spend US$200,000 on an initial work program to be completed over an 18 month period. The Company is currently in the process of signing a new agreement to extend the term of the initial work program. Following completion of this work program (the "Initial Program"), the Company and AFE shall have the right but not the obligation to conduct further exploration programs within the Twigg License, either independently or jointly. To the extent that any such further exploration is conducted jointly, each party shall contribute 50% of the exploration expenditure.

Upon execution of the new agreement the Company will commence a geological sampling and trenching program expected to continue through to 2012 as part of the overall exploration plans for Muiane and Twigg projects.

Mrima Hill Project - Kenya

On July 23, 2010 the Company had entered into a Conditional Purchase Agreement (the "Agreement") with Finebrook Investments Pty Ltd, as trustee for the O'Sullivan Superannuation Fund ("O'Sullivan Fund"), Stirling Capital Limited ("Stirling"), Dunross Capital Ltd ("Dunross") and Cortec (Pty) Ltd. ("Cortec UK") to acquire (the "Acquisition") a 70% interest in CMK, a private Kenyan company that holds three prospecting licences in Kenya, subject to certain conditions precedent including the Company having raised not less than AUS $1.5 M within 30 days of signing the Agreement (the "Initial Financing") and not less than AUS$3.5 (inclusive of the gross proceeds of the Initial Financing) (the "Financing Condition") prior to completion of the Initial Closing. (please refer to news release on the Company's website at www.pacificwildcat.com for complete details of the Agreement). The Acquisition will be completed in two tranches.

The Company on February 25, 2011 closed the initial tranche of the Acquisition and acquired 7% of the issued share capital of each of Stirling and Cortec UK (the "Initial Closing"), to be held in escrow pending completion of the final tranche of the Acquisition, with the balance of 93% of the issued share capital of Stirling and Cortec UK to be acquired upon the satisfaction of certain condition precedents (the "Final Closing"). In consideration for the acquisition of the 7% interest in Stirling and Cortec UK, the Company paid to the O'Sullivan Fund and Dunross (the "Vendors") a total of AUS$1,128,000 to be expended by the Vendors by June 30, 2011, or such later date as may be agreed upon by the parties, on a work program on the Project; and issued to the Vendors an aggregate of 5,000,000 common shares in the capital of the Company, of which the entire 5,000,000 shares will be held in escrow pending completion of the Acquisition.

Upon the Final Closing, in consideration for acquiring the balance of a 93% interest in each of Stirling and Cortec UK, the Company will pay to the Vendors approximately AUS$15,161,528 in cash, which amount is subject to adjustment in accordance with the terms of the Acquisition Agreement and receipt of the acceptance of the Exchange, and will issue to the Vendors up to 28,702,353 common shares of the Company.

The Mrima Hill Project is located in the southeast of Kenya and is 70 kilometres south of Mombasa, the largest port in East Africa. The ground area covered by the Mrima Hill licences is 1,180 sq. km.

As at November 5, 2010 the Company had completed 31 reverse circulation ("RC") drill holes for a total of 973.9 metres as part of the Company's due diligence on the Mrima Hill property.

Due to technical drilling difficulties the RC drilling program was reduced in size versus the original planned program, however, sufficient drilling has now been completed to meet the due diligence objectives of the program to obtain enough geological information to confirm the general nature and style of the mineralization present.

In March 2011, the Company received assay results from its initial 31 hole drill program which indicated significant rare earth mineralization encountered in all 14 holes. .

Due to a breakdown of equipment in the previous laboratory in April 2011 the Company chose to have all 31 holes re-assayed at a new laboratory and to also conduct further assay checks for quality control. The additional assay results also included new results for a further 7 holes as well as re assay results of 9 holes previously reported.

Significant niobium and or rare earth mineralization were again encountered in all of the 16 holes for which new assay results have been received. This re-assaying provided further confirmation to the high grade nature of the mineralization and provided confidence to the Company of the validity of the historic exploration results and the assays from test shafts completed in the 1950’s by Anglo American and the Kenyan Mines Department.

The Company is currently waiting receipt of the full geological data from the program and is working towards the commencement of a second stage 1500 m diamond drill program in May 2011.

Full details and assay results of the drill programs are outlined in the Company’s news releases dated March 28, 2011 and April 27, 2011 and filed on SEDAR and the Company’s website.

Outlook

The Company is currently analyzing the results from this limited initial RC drill program in the context of the existing resource$_A$ at Muiane and historic exploration work completed on the property. Whilst planning for the next drilling program is being undertaken the Company has begun an extensive trenching program on its exploration licenses with the aim of identifying additional drill targets. The Company’s strategy at Muiane is to aggressively explore delineated tantalum targets on the licenses with the objective of adding to the existing tantalum resource base and gaining a better understanding of the lithium potential of the properties.

In addition to its objectives for the Company’s project in Muiane, it will be focused on the completion of the Final Closing and completion of the required financing to complete the Kenya transaction. Upon closing the Company will look to complete its the second stage drill program and based on those results the Company anticipates a third stage 10,000 m reverse circulation drill program to commence July 2011.

Selected Annual Information

	December 31		
	2010	2009	2008
Total revenue	$ —	$ —	$ —
Loss before other items and future income tax provision	$ **(1,242,620)**	$ (609,408)	$ (16,660)
Loss per share	$ **(0.02)**	$ (0.02)	$ (0.00)
Loss for the year	$ **(1,696,217)**	$ (937,709)	$ (214,596)
Loss and comprehensive loss	$ **(1,779,507)**	$ (869,549)	$ (361,286)
Total assets	$ **7,149,725**	$ 4,303,652	$ 2,487,204
Working capital	$ **760,031**	$ 526,015	$ 3,312,340

Results of Operations

The financial statements reflect the consolidated results of operations of the Company and Tantalum Mineracao e Prespeccao Limitada ("TMP") for the year ended December 31, 2010 and for the comparative year ended December 31, 2009 they are the consolidated results of operations of TMP for the year ended December 31, 2009 and the Company for the period August 7, 2009 to December 31, 2009 when the Company was acquired by TMP. There was no significant activity in TMP prior to August 7, 2009 which is reflected in the results of the financial statements.

For the year ended December 31, 2010 (the "Current Year")

Loss for the year:

Being in the exploration stage, the Company does not have revenues from operations and, except for interest income from its cash, relies on equity funding by investors for its continuing financial liquidity. The focus of the Company is the exploration of its development of its Muiane Project and Twigg Project in Mozambique and its recent negotiations to acquire the Mrima Hill Project in Kenya. In support of these activities, the Company during the Current Year reported a loss of $1,696,217 ($0.02 loss per share) compared to $937,709 ($0.02 loss per share) for December 31, 2009.

Comprehensive loss for the year:

The Company recorded a comprehensive loss for the Current Year of $1,779,507 (2009 - $869,549) which included a loss on reporting currently translation of $83,290 (2009 – gain of $68,160) and a future income tax provision of $463,300 (2009 - $105,761).

General and Administrative Expenses of $1,242,620 in the Current Year primarily consist of:

Filing Fees of $17,162 were recorded in relation to the Company's annual sustaining fees for the Exchange, filing fees in relation to the Company's stock option plan, and bonus share filing (see Commitments).

Management fees of $503,228 were recorded for the President under a compensation agreement for AUD$17,000 per month. The remaining fees were capitalized under the TMP resource expenditures. In addition $190,000 represents the compensation charge for the 1,000,000 bonus shares issued at a deemed price of $0.19. In addition the Company has accrued an expense of $132,796 for a portion of the 1,000,000 shares to be issued on August 11, 2011.

Office expenses of $51,157 primary component was the Company's Directors' and Officers' insurance policy of $17,500, interest and bank charges of $10,880 and the balance for general office expenses.

Professional fees of $145,203 which includes consulting fees for the CFO of $84,283, legal fees of $10,135 and accounting and audit fees of $50,785.

Travel fees of $73,090 in connection with the recent corporate development activity in connection with the recent financing activity, primarily incurred by the Company's President.

December 31, 2009 - Comparative Year
The loss for the comparative year ended December 31, 2009 was $937,709 the primary component being stock based compensation expense of $219,255 and the write-off of acquisitions costs in relation to the TMP acquisition of $74,694. In addition the Company incurred property evaluation costs consisting of salaries and camp expenses and holding costs of $222,540 in relation to the Company's

Miuane Project. In addition general administration costs primarily consisted of management fees of $77,786, consulting fees of $25,886 and professional fees of $89,514.

Capital expenditures

Cash flows used in investing activities was $2,118,267 (2009 - $393,919) for the purchase of capital assets of $716,848 (2009 - $32,211) primarily attributed to the refurbishment of the treatment plant and resource expenditures of $757,878 ($361,808) in relation to the Company's Muiane Project in Mozambique. In addition the Company recorded $643,541 (2009 - $Nil) in relation to the Company's Kenya acquisition transaction.

Liquidity and capital resources

The Company has no internal source of funding and relies on cash on deposit and the sale of treasury shares to provide cash, as required. The future of the Company depends on its ability to raise funds, as needed, to cover anticipated exploration and general and administrative expenses and the Final Closing of the Mrima Hill Project Acquisition as described herein. There is no guarantee that the Company will be able to do this in a timely fashion.

At December 31, 2010 the Company had working capital of $760,031 (December 31, 2009 - $526,015) and no long-term debt, which consisted of cash of $1,138,501 commodity taxes receivables of $12,398 prepaids and deposits of $137,551 offset by accounts payable of $393,588 and due to related parties of $134,861.

On May 11, 2010 the Company completed a non-brokered private placement involving the issuance of 3,961,088 units at a price of $0.18 per unit for gross proceeds of $712,996. Each unit (a "**Unit**") consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase, at any time within 12 months from the closing of the Financing, one common share at a price of $0.23. Finders' fees in the amount of 150,235 units were paid on the same terms and the financing.

The proceeds of the private placement were designated for further development on the Company's Mozambique properties and general working capital.

On January 10, 2011 the Company closed Tranche one of the Financing Condition in relation to the Mrima Hill Acquisition as described hereinabove which included the issuance of 7,262,400 units (each a "Unit") at a purchase price of $0.22 per unit for gross proceeds of $1,597,728. Each Unit comprises of one (1) common share and one half (1/2) of a non-transferable common share purchase warrant. Each full warrant (a "Warrant") entitles the purchaser to purchase one Common Share at a purchase price of $0.30 per share, at any time within eighteen months from the Closing Date of the Offering, subject to an accelerated expiry date in certain circumstances.

On February 25, 2011 the Company closed the balance of the Financing Condition which included the issuance of 15,464,872 Units at a purchase price of $0.22 per Unit for gross proceeds of $3,402,271. Each Unit comprises of one (1) common share and one half (1/2) of a non-transferable common share purchase warrant. Each full warrant (a "Warrant") entitles the purchaser to purchase one Common Share at a purchase price of $0.30 per share, at any time until August 25, 2012, subject to an accelerated expiry date in certain circumstances.

Macquarie Private Wealth Inc. ("Macquarie") was engaged by the Company as the agent in connection with the Financing Conditions. In consideration for the services provided by Macquarie to the Company, the Company paid to Macquarie aggregate cash commissions of $396,480 as well as an aggregate of 1,818,181 broker units (each a "Broker Unit"). Each Broker Unit entitles Macquarie to purchase, at any time within eighteen months from the Closing Date of the Offering, one Unit at a purchase price of $ 0.22 per Unit. In accordance with Canadian securities legislation currently in effect, the securities issued pursuant to the Financing will have a restricted "hold" period in Canada expiring on May 8, 2011 and June 26, 2011.

On January 21, 2011 the Company completed a non brokered private placement with a high net worth individual. The non brokered private placement is for 1,000,000 units at a price of $0.90 for gross proceeds to the Company of $900.000. Each Unit will comprise of one (1) common share and one half (1/2) of a non-transferable common share purchase warrant. Each full warrant will entitle the purchaser to purchase one Common Share at a purchase price of $1.10 per share, at any time within eighteen months from the Closing Date of the Offering.

The proceeds of Financing Condition and the non brokered financing have been designated for further capital purchases of equipment for the Company's Muiane Tantalum project in Mozambique and for funds to facilitate the Initial Closing of the Mrima Hill Project Acquisition.

In addition to the financings during the year ended December 31, 2010 the Company issued 9,302,862 common shares pursuant to the exercise of share purchase warrants at a price of $0.15 per share and 1,100,339 common shares pursuant for the exercise of share purchase warrants at a price of $0.23 per share for gross proceeds of $1,719,530.

The Company also issued 500,000 common shares pursuant to the exercise of stock options at a price of $0.12 per share and 200,000 common shares pursuant to the exercise of stock options at a price of $0.19 per share for gross proceeds of $162,847.

Summary of quarterly results

	Dec. 31, 2010	Sept. 30, 2010	Jun. 30, 2010	Mar. 31, 2010
Total revenues	$0	$0	$0	$0
Comprehensive Loss for the year	$(737,925)	$(484,973)	$(314,859)	$(241,750)
Loss per share	$(0.01)	$(0.01)	$(0.00)	$(0.00)
	Dec. 31, 2009	Sept. 30, 2009	Jun. 30, 2009	Mar. 31, 2009
Total revenues	$0	$0	$0	$0
Comprehensive Income (loss) for the year	$220,471	$(1,036,798)	$(10,940)	$(42,282)
Loss per share	$(0.00)	$(0.02)	$(0.00)	$(0.00)

Three Months Ended December 31, 2010 ("Fourth Quarter")

Company during the Fourth Quarter reported a loss of $684,148 ($0.01 loss per share). A primary component of the operating expense in the Fourth Quarter related to management fees of $334,415 which included the compensation expense of $132,796 for the accrual of the issuance of 1,000,000 bonus shares to be issued on August 7, 2011. During the Fourth Quarter $272,204 was reclassified from property evaluation to interest in resource properties with respect to the Kenya acquisition.

Comprehensive loss for the Fourth Quarter:

The Company recorded a comprehensive loss for the Fourth Quarter of $737,925 the primary component being the future income tax liability of $463,300 and a loss on reporting currently translation of $83,290.

Three Months Ended December 31, 2009 ("2009 Fourth Quarter")

During the 2009 Fourth Quarter the Company recorded a comprehensive net income of $220,471 primarily a result of adjustments to an overstatement of stock based compensation expense recorded in the previous quarter of $176,957, adjustment to write off of acquisitions costs of $369,733 reallocated to the purchase price of the Acquisition, and a foreign currency translation gain of $68,160. These amounts were offset by a future tax expense of $105,761.

Off balance-sheet arrangements

The Company has no off balance-sheet arrangements.

Commitments

The Company previously entered into a consulting agreement (the "Townsend Contract") with Darren Townsend and DJCA Pty Ltd. (an Australian corporation of which Mr. Townsend is a director and beneficial owner) pursuant to which the Company has engaged the services of Mr. Townsend as the Company's President, Chief Executive Officer and a director of the Company.

The Townsend Contract provides that Mr. Townsend/DJCA Pty Ltd is to be issued bonus shares wherein the Company granted Mr. Townsend a bonus of 2,000,000 common shares (the "Bonus Shares"). Although the liability for the Bonus Shares was deemed to exist as of August 7, 2009, the date of the completion of the Company's Acquisition as described in Note 3, as per the terms of the Townsend Contract, Exchange approval for the Bonus Shares was obtained on April 30, 2010. As such, the liability for the Bonus Shares has been recorded effective as of the date of Exchange approval. The liability for the Bonus Shares is recognized over the period to which they are payable, as follows:

i) 1,000,000 shares on August 7, 2010 (issued), the first anniversary of the completion of the Company's Acquisition as described in Note 3. The shares were valued at the market price of the shares on the Exchange approval date, for an aggregate value of $190,000.

ii) 1,000,000 shares on August 7, 2011, the second anniversary of the completion of the Company's Acquisition as described in Note 3. The shares were valued at the share price on the Exchange approval date for an aggregate value of $190,000, with $132,796 expensed during the year ended December 31, 2010. The remaining $57,204 was recorded as shares to be issued at December 31, 2010 and will be expensed during the year ended December 31, 2011.

Transactions with related parties

The Company has conducted transactions in the normal course of operations with officers, directors and persons or companies related to directors as follows:

a) Paid or accrued management fees of $84,283 (2009: $27,806) to a company controlled by an Terese Gieselman Chief Financial Officer of the Company;

b) Incurred management fees of $196,293 (2009: $77,786) to a company controlled by the Darren Townsend the President and CEO of the Company for management fees;

c) Issued 1,000,000 bonus shares and accrued an additional 1,000,000 bonus shares, payable to a company controlled by Darren Townsend President and CEO of the Company.

d) Paid rent of $8,400 (2009: $2,800) to a company controlled by Terese Gieselman, Chief Financial Officer of the Company;

e) Paid or accrued consulting fees of $24,109 (2009: $2,188) to a company controlled by David Paull director of the Company; and

f) During the year ended December 31, 2010, the Darren Townsend the President and CEO advanced the Company $132,000 to exercise his options. Subsequent to year-end he decided not to exercise the options and therefore this amount is included in due to related parties at year-end. Amounts due to related parties are non-interest bearing and have no specific terms of repayment.

g) During the year ended December 31, 2009 the Company settled debt of $463,767 by the issuance of 3,864,728 shares at a price of $0.12 per share to companies controlled by directors of the Company.

These transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Outstanding Share Data

PAW's authorized capital is unlimited common shares without par value, unlimited preferred shares "Class A" with a par value of $1.00 and unlimited preferred shares "Class B" without par value. As at the date of this report, 109,171,804 common shares were issued and outstanding. The Company as at the date of this report had the following outstanding options, warrants and convertible securities as follows:

Type of Security	Number	Exercise Price	Expiry Date
Stock option	200,000	$0.25	August 29, 2011
Stock option	1,810,000	$0.12	August 7, 2014
Stock option	75,000	$0.185	April 14, 2015
Stock option	1,200,000	$0.19	July 28, 2015
Stock option	300,000	$0.19	July 28, 2012
Stock option	200,000	$0.30	October 19, 2011
Warrants	316,245	$0.23	May 11, 2011
Warrants	290,496	$0.30	July 10, 2012
Warrants	3,631,200	$0.30	July 10, 2012
Warrants	618,595	$0.30	August 25, 2012
Warrants	7,707,436	$0.30	August 25, 2012

d) As at the date of this report, 11,855,297 common shares are held in escrow for a remaining period of 18 months and pursuant to the policies of the TSX-V.

Recent Accounting Pronouncements

International financial reporting standards ("IFRS"):

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed the changeover to IFRS from Canadian GAAP will be required for publicly accountable enterprises effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011 at which time Canadian GAAP will cease to apply for Pacific Wildcat and will be replaced by IFRS. Following this timeline, the Company will issue its first set of interim financial statements prepared under IFRS in the first quarter of 2011 including comparative IFRS financial results and an opening balance sheet as at January 1, 2010. The first annual IFRS consolidated financial statements will be prepared for the year ended December 31, 2011 with restated comparatives for the year ended December 31, 2010.

Management has developed a project plan for the conversion to IFRS based on the current nature of operations. The conversion plan is comprised of three phases: IFRS diagnostic assessment, implementation and education, and completion of all integration system and process changes as well as identify any potential IFRS 1 exemptions.

During the evaluation of requirements for conversion to IFRS, the Company has identified the areas noted below as those expected to have the most significant impact on its financial statements. In addition the Company is assessing the potential changes to significant accounting policies and what changes may be required to its accounting systems and business processes. The Company believes that the changes identified to date are minimal and the systems and processes can accommodate the necessary changes.

The Company will update its significant accounting policies and complete the preparation of IFRS information during May 2011 including 2010 opening balance sheet and quarterly comparative information. The Company will also finalize the design of its IFRS financial statements. Due to the Company's current small organization and administrative and accounting structure, management is confident that one the policy choices are approved by the audit committee, the implementation phase will be completed in May 2011.

IFRS 1, First-Time Adoption of International Financial Reporting Standards

IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. Set out below are the most significant areas management has identified to date where changes in accounting policies may have the highest potential impact on the Company's consolidated financial statements.

The AcSB has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's consolidated financial statements can only be measured once all the IFRS accounting standard are known. Management will continue to review new standards, as well as the impact of the new accounting standard been now and December 31, 2011 to ensure all relevant changes are addressed.

Impairment of Assets (IAS36)

Canadian GAAP generally uses a two-step approach to impairment testing: first comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists; and then measuring any impairment by comparing asset carrying values with discounted cash flows. International Accounting Standard (IAS) 36, "Impairment of Assets" uses a one-step approach for both testing and measurement of impairment, with asset carrying values compared directly with the higher of

fair value less costs to sell and value in use (which uses discounted future cash flows). This may potentially result in write downs where the carrying value of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis. The Company does not expect any material changes to its financial statements upon adoption this IFRS standard.

Share Based Payments (IFRS 2)

IFRS and Canadian GAAP largely converge on the accounting treatment for share–based transactions with only a few differences. Consultants who perform the same services as employees are treated as employees for the purposes of IFRS 2. Stock option grants to employees must be measured on the date of the grant. Non-employee grants must be measured on the date the goods are supplied or the service is deemed to be completed. This may lead to a difference in the amount of Stock Option Expense recorded than would be the case under Canadian GAAP Section 3870.

Under IFRS, the estimate for forfeitures must be made when determining the number of equity instruments to vest, while under Canadian GAAP forfeitures can be recognized as they occur. The Company's current practice is to fully vest stock options upon grant therefore it does not expect any material changes to its financial statements upon adopting this IFRS standard.

Exploration and Evaluation Assets (IFRS 6)

Similar to Canadian GAAP, IFRS allows the choice of capitalizing or expensing exploration costs. The Company's policy under Canadian GAAP has been to capitalize all exploration expenditures incurred under an agreement or acquisition, general property evaluation has been expensed and it will follow the same policy under IFRS without an impact on the financial statements.

Property, Plant and Equipment (IAS 16)

Under IFRS, Property, Plant and Equipment ("PP&E") can be measured at fair value or at cost while under Canadian GAAP, the Company has to carry PP&E on a cost basis and the revaluation is prohibited.

In accordance with IAS 16 "Property, Plant and Equipment", upon acquisition of significant assets, the Company will need to allocate an amount initially recognized in respect of an asset to its component parts and accounts for each component separately when the components have different useful lives or the components provide benefits to the entity in a different pattern.

Upon adoption of IFRS, the Company has to determine whether to elect a cost model or revaluation model. Management has yet to decide on which model to adopt. The Company is in the process of identifying the potential impact on the property, plant and equipment balance in relation to the recent acquisition of the Plant as described herein located at its Muiane Project in Mozambique.

Foreign Currency (IAS 21)

IFRS requires that the functional currency of each entity in the consolidated group be determined separately in accordance with IAS 21 and the entity's financial results and position should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Currently the functional currency of the consolidated entity is the Canadian dollar ("CAD") which is also the presentation currency of the Company's financial statements. The Company currently operates in CAD however its subsidiary in Mozambique operates in Metical and translates to the US dollar.

As events and conditions relevant to the Company change, it will re-consider the primary and secondary indicators, as described in IAS 21, in determining the functional currency for each entity. Going forward under IFRS, management will assess the appropriate functional currency based on existing circumstances which may have a significant impact on the Company's consolidated financial statements prepared under IFRS.

IFRS 1 provides an exemption that allows a company to reset its cumulative translation account to zero at the date of transition to IFRs with balances being transferred to opening retained earnings. The Company is currently looking at the impact of the election of this exemption the result of which would include an adjustment of $444,123 increasing the recorded costs for the TML Licenses and decreasing retained earnings as at January 1, 2011.

Future Income Taxes (IAS 12)

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity. IFRS prohibits recognition where deferred income taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable net earnings.

The Company as at December 31, 2010 has elected to record a valuation allowance against its future income tax assets based on the extent that it is more likely-than-not that sufficient taxable income will not be realized during the carry-forward periods to utilize all the future tax assets. As such a future income tax liability has been recorded for $463,300 and offset as in increase to mineral properties.

The Company does not expect implementation of IAS 12, Income Taxes to have a significant impact on the financial statements. However, as events and circumstances of the Company's operations change that give rise to future income taxes, IAS 12 will be applied.

Business Combinations

In January 2009, the CICA issued Section 1582 – Business Combinations, which replaces Section 1581 – Business Combinations, and Section 1601 – Consolidated Financial Statements and Section 1602 – Non Controlling Interests, which replace Section 1600 – Consolidated Financial Statements. These new sections are effective for years beginning on or after January 1, 2011 with earlier adoption permitted. Section 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. As well acquisition costs are not part of the consideration and are to be expensed when incurred. These new sections are not expected to have a material impact on the Company's financial condition or operating results.

Accounting Estimates and Management's Responsibility for Financial Statements

The information provided in this report including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Significant areas requiring the use of management estimates include financial instruments, the estimation of stock-based compensation, the determination of environmental obligations, impairment of mineral claims and deferred exploration

expenditures, useful lives for amortization, and valuation allowances for future tax assets. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.