



PACIFIC WILDCAT RESOURCES CORP.

advanced and strategic minerals and metals

Unaudited condensed Interim Financial Statements of:

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

(An Exploration Stage Company)

June 30, 2011

110-2300 Carrington Road
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NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of the Company for the six months ended June 30, 2011 have been prepared by and are the responsibility of management in accordance with International Financial Reporting Standards applicable to unaudited condensed interim financial reporting.

The Company's independent auditor has not audited or performed a review of these financial statements, in accordance with standards established by the Canadian Institute of Chartered Accountant for a review of unaudited condensed consolidated interim financial statements by an entity's auditor.

Pacific Wildcat Resources Corp.
June 30, 2011
(Expressed in Canadian Dollars)

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PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Expressed in Canadian Dollars

| | Note | June 30 2011 | December 31 2010 |
|---|------|-----------------|---------------------|
| ASSETS | | | |
| Current | | | |
| Cash and restricted cash | 4 | \$ 2,248,802 | \$ 1,138,501 |
| Receivables | 5 | 144,625 | 137,551 |
| Prepays | | 34,419 | 12,398 |
| | | 2,427,845 | 1,288,451 |
| Non Current | | | |
| Property, plant and equipment | 8 | 1,935,814 | 791,183 |
| Exploration and evaluation assets | 6 | 4,596,212 | 3,909,009 |
| Intangible assets | 7 | 7,903,757 | 793,144 |
| | | \$ 16,863,627 | \$ 6,781,786 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current | | | |
| Trade and other payables | 9 | \$ 173,254 | \$ 528,421 |
| Subscriptions received in advance | | — | 715,978 |
| | | 173,254 | 1,244,399 |
| Deferred income tax liability | | 569,061 | 569,061 |
| Total liabilities | | 742,315 | 1,813,460 |
| Shareholders' equity | | | |
| Share capital | 10 | 15,556,208 | 5,284,647 |
| Shares reserved to be issued | 10 | (57,204) | (57,204) |
| Contributed surplus | 10 | 5,095,684 | 3,467,689 |
| Accumulated other comprehensive income | 10 | (161,297) | (83,290) |
| Deficit | | (4,312,079) | (3,643,515) |
| Total shareholders' equity | | 16,121,312 | 4,968,326 |
| | | \$ 16,863,627 | \$ 6,781,786 |

These unaudited condensed consolidated interim financial statements are authorized for issue by the Board of Directors on August 29, 2011. They are signed on the Company's behalf by:

"David Paull"

David Paull
Director

"Darren Townsend"

Darren Townsend
Director

The accompanying notes are an integral part of these financial statements.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)

Expressed in Canadian Dollars

| | | Three Months Ended | | Six Months Ended | |
|--|-------|---------------------|---------------------|---------------------|---------------------|
| | | June 30 | | June 30 | |
| | Note | 2011 | 2010 | 2011 | 2010 |
| Interest and other income | | \$ 340 | \$ 727 | \$ 644 | \$ 1,684 |
| Expenses | | | | | |
| Administrative and general | 12,13 | 320,673 | 168,427 | 660,018 | 238,740 |
| Depreciation | | 7,093 | 19,981 | 14,071 | 28,954 |
| Exploration | | — | 174,620 | — | 279,367 |
| Stock based compensation | | — | 18,608 | — | 18,608 |
| Loss on foreign exchange | | 5,459 | (2,547) | 5,922 | 457 |
| Total expenses | | 333,224 | 379,089 | 680,011 | 566,126 |
| Loss for the period | | (332,884) | (378,362) | (679,367) | (564,442) |
| Other comprehensive loss | | | | | |
| Foreign exchange differences on translating foreign operations | | 32,919 | 63,503 | (10,057) | 7,833 |
| Total other comprehensive income | | 32,919 | 63,503 | (10,057) | 7,833 |
| Total comprehensive loss for the period | | \$ (299,965) | \$ (314,859) | \$ (689,424) | \$ (556,609) |
| Loss per common share basic and diluted | | \$ (0.00) | \$ (0.00) | \$ (0.01) | \$ (0.01) |
| Weighted average number of common shares | | 108,371,804 | 65,426,238 | 101,556,683 | 62,471,584 |

The accompanying notes are an integral part of these financial statements.

PACIFIC WILDCAT RESOURCES CORP.**(An Exploration Stage Company)****CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

Expressed in Canadian Dollars

For the six months ended June 30, 2011

| | Common Shares | | Shares to | Contributed | Accumulated | Accumulated | Total |
|-------------------------------------|--------------------|----------------------|--------------------|---------------------|-----------------------|----------------------------------|----------------------|
| | Number | Amount | be Issued | Surplus | Deficit | Other Comprehensive Income | |
| Balance, January 1, 2010 | 62,287,945 | \$ 2,320,140 | \$ — | \$ 3,323,726 | \$ (1,947,298) | \$ — | \$ 3,696,568 |
| Loss for the period | — | — | — | — | (564,442) | — | (564,442) |
| Exercise of warrants | 2,440,137 | 366,021 | — | — | — | — | 366,021 |
| Share capital issued | 4,624,308 | 842,635 | — | 2,404 | — | — | 845,039 |
| Share issue costs | — | (35,159) | — | — | — | — | (35,159) |
| Stock based compensation | — | — | — | 18,608 | — | — | 18,608 |
| Foreign exchange translation | — | — | — | — | — | 7,833 | 7,833 |
| Balance, June 30, 2010 | 69,352,390 | \$ 3,493,637 | \$ — | \$ 3,344,738 | \$ (2,511,740) | \$ 7,833 | \$ 4,334,468 |
| Balance, January 1, 2011 | 79,015,454 | \$ 5,284,647 | \$ (57,204) | \$ 3,467,689 | \$ (3,643,515) | \$ (83,290) | \$ 4,968,326 |
| Loss for the period | — | — | — | — | (679,367) | — | (679,367) |
| Exercise of warrants | 2,594,028 | 706,242 | — | — | — | — | 706,242 |
| Stock options exercised | 765,000 | 205,711 | — | (71,237) | — | — | 134,474 |
| Agent compensation options | — | — | — | 1,699,233 | — | — | 1,699,233 |
| Share capital issued | 23,727,272 | 5,900,000 | — | — | — | — | 5,900,000 |
| Shares issued for intangible assets | 5,000,000 | 5,650,000 | — | — | — | — | 5,650,000 |
| Share issue costs | — | (2,190,392) | — | — | — | — | (2,190,392) |
| Foreign exchange translation | — | — | — | — | 10,804 | (78,007) | (67,203) |
| Balance, June 30, 2011 | 111,101,754 | \$ 15,556,208 | \$ (57,204) | \$ 5,095,684 | \$ (4,312,079) | \$ (161,297) | \$ 16,121,313 |

The accompanying notes are an integral part of these financial statements.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)

Expressed in Canadian Dollars

For the six months ended June 30, 2011

| | 2011 | 2010 |
|---|---------------------|-------------------|
| Cash flows from operating activities | | |
| Loss for the period | \$ (679,367) | \$ (564,442) |
| Adjustments to reconcile loss to net cash used in operating activities: | | |
| Stock based compensation | — | 18,608 |
| Depreciation | 14,071 | 28,954 |
| Changes in non-cash working capital balances: | | |
| Trade and other receivables | (7,073) | (2,829) |
| Trade and other payables | (221,358) | 5,976 |
| Prepaid expenses | (22,021) | (114,741) |
| Total cash outflows from operating activities | (915,748) | (628,474) |
| Cash Flows From Investing Activities | | |
| Acquisition of property, plant and equipment | (1,158,702) | (143,624) |
| Investment in exploration and evaluation assets | (687,203) | (174,704) |
| Investment in intangible assets | (1,460,613) | — |
| Total cash outflows from investing activities | (3,306,518) | (318,328) |
| Cash Flows From Financing Activities | | |
| Repayments to related parties | (133,809) | (1,052) |
| Subscriptions for the issuance of shares | (715,978) | — |
| Issuance of shares <i>(net of share issue costs)</i> | 6,249,557 | 1,073,303 |
| Net cash provided by financing activities | 5,399,770 | 1,072,251 |
| Effect of foreign exchange on cash | (67,203) | 7,833 |
| Increase(decrease) in cash | 1,110,301 | 133,282 |
| Cash and equivalents, beginning of period | 1,138,501 | 642,430 |
| Cash and equivalents, end of period | \$ 2,248,802 | \$ 775,712 |

The accompanying notes are an integral part of these financial statements.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

1. CORPORATION INFORMATION

Pacific Wildcat Resources Corp. (“PAW” or the “Company”) is governed by the Business Corporations Act (*British Columbia*) and is primarily engaged in the acquisition and development of mineral properties located in Africa. The business of exploring for and mining of minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s principal asset is the TML Licenses located in Mozambique and its acquisition agreement to acquire the Mrima Hill Property, located in Kenya.

On August 7, 2009 the Company completed the acquisition of all of the issued and outstanding securities of Tantalum Mineracao e Prespeccao Limitada (“TMP”). TMP remains a wholly owned subsidiary of PAW and holds the rights to the TMP Licenses (see Note 6).

As a result of the transaction, the vendors of TMP obtained a majority interest of the issued and outstanding shares of PAW. Consequently the Company has accounted for the transaction as a reverse takeover with the acquiring entity being TMP and the acquired entity being PAW.

The Company is listed on the TSX Venture Exchange, having the symbol PAW.V as a Tier 2 issuer and its corporate office and principal place of business is located at 110 – 2300 Carrington Road, West Kelowna, B.C. Canada, V4T 1G3.

2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance to International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Accordingly, these interim condensed consolidated financial statements do not include all information and footnotes required by IFRS as issued by the IASB and interpretations of the IFRIC for complete financial statements for year-end reporting purposes. The unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors as at August 29, 2011.

These interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These interim consolidated financial statements are presented in Canadian Dollars which is also the Company’s functional currency.

The preparation of interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (cont'd)

The Company has not generated revenues from its operations to date. The Company currently does not have sufficient cash resources to meet its obligations to complete the acquisition of the Mrima Hill Project in Kenya. The Company will be required to raise additional funds through equity issuances or exercise of warrants to fund the remaining acquisition costs and provide working capital. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants. The Company will continue to have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the three and six month periods ended June 30, 2011 were prepared in accordance with IAS 34, *Interim Financial Reporting*. The same accounting policies and methods of computation were followed in the preparation of these interim condensed consolidated financial statements for the three month period ended March 31, 2011. In addition, the interim condensed consolidated financial statements for the three month period ended March 31, 2011 contain certain incremental annual IFRS disclosures not included in the annual financial statements for the year ended December 31, 2010 which were prepared in accordance with previous Canadian GAAP. Accordingly, these interim condensed consolidated financial statements for the three and six month periods ended June 30, 2011 should be read together with the annual consolidated financial statements for the year ended December 31, 2010 prepared in accordance with previous Canadian GAAP as well as the interim condensed consolidated financial statements for the three month period ended March 31, 2011.

New Standards, Amendments and Interpretations Not Yet Adopted

In May 2011, the IASB issued the following standards which have not yet been adopted by the Company: IFRS 9, *Financial instruments - Classification and Measurement*, IFRS 10, *Consolidated Financial Statements*, IFRS 11, *Joint Arrangements*, IFRS 12, *Disclosure of Interests in Other Entities*, IAS 27, *Separate Financial Statements*, IFRS 13, *Fair Value Measurement* and amended IAS 28, *Investments in Associates and Joint Ventures*. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 9, Financial Instruments: Classification and Measurement

This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

New Standards, Amendments and Interpretations Not Yet Adopted (cont'd)

IFRS 10, Consolidated Financial Statements

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation—Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements*.

IFRS 11, Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities—Non-monetary Contributions by Venturers*.

IFRS 12, Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

IAS 19 – Employee Benefits

In June 2011, the IASB issued an amended version of IAS 19, *Employee Benefits* (“IAS 19”). The amendments to IAS 19 are meant to improve the quality, transparency and comparability of information presented for post-employment benefits. For defined benefit plans, the amendments eliminate the option to defer actuarial gains and losses on the balance sheet through the “corridor method”. The amendments also require any remeasurement gains or losses, including actuarial gains and losses, to be recognized immediately and presented in other comprehensive income, eliminating the option to recognize and present these through the income statement. Additional disclosures will also be required to present better information about the characteristics, amounts recognized, and risks related to defined benefit plans. The amendments to IAS 19 are effective for financial years beginning on or after January 1, 2013 with earlier adoption permitted. The Company has not yet begun the process of assessing the impact that the amended standard will have on its consolidated financial statements or whether to early adopt any of the new requirements.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

New Standards, Amendments and Interpretations Not Yet Adopted (cont'd)

Amendments to Other Standards

In addition, there have been amendments to existing standards, including IAS1, *Presentation of Financial Statements*, IAS 27, *Separate Financial Statements*, and IAS 28, *Investments in Associates and Joint Ventures*. IAS 1 has been amended to require companies to group items within Other Comprehensive Income ("OCI") that may be reclassified to profit or loss. The amendment also reaffirms existing requirements that items in OCI and profit and loss should be presented as either a single statement or two consecutive statements. The amendments to IAS 1 are effective for fiscal years beginning on or after July 1, 2012. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

4. CASH AND CASH EQUIVALENTS

Cash at banks and on hand earns interest at floating and fixed rates based on daily deposit rates.

5. RECEIVABLES

| | June 30 | | December 31 |
|-------------------------|-------------------|-----------|--------------------|
| | 2011 | | 2010 |
| Sales taxes receivable | \$ 24,401 | \$ | 13,125 |
| Advances to contractors | 120,224 | | 124,426 |
| | \$ 144,625 | \$ | 137,551 |

HST receivables represent input tax credits arising from sales tax levied on the supply of goods purchased or services received in Canada.

Management considers that the fair values of these receivables, which are expected to be recovered quarterly, are not materially different from their carrying amounts because these amounts have short maturity periods on inception.

PACIFIC WILDCAT RESOURCES CORP.

(An Exploration Stage Company)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

| | Twig Licenses | TML Licenses | Total |
|--|----------------------|---------------------|--------------|
| Costs | | | |
| Balance at January 1, 2010 | \$32,312 | \$3,179,077 | \$3,211,389 |
| Acquisition costs | 18,618 | — | 18,618 |
| Exploration costs | — | 775,018 | 775,018 |
| Foreign exchange movement | — | (96,016) | (96,016) |
| Balance at December 31, 2010 | \$50,930 | \$3,858,079 | \$3,909,009 |
| Acquisition costs | — | — | — |
| Exploration costs | — | 624,656 | 624,656 |
| Foreign exchange movement | — | 62,547 | 62,547 |
| Balance at June 30, 2011 | \$50,930 | \$4,545,282 | \$4,596,212 |
| Accumulated depletion and impairment losses | | | |
| Balance at December 31, 2010 | — | — | — |
| Balance at June 30, 2011 | — | — | — |
| Carrying amounts | | | |
| Carrying value at December 31, 2010 | \$50,930 | \$3,858,079 | \$3,909,009 |
| Carrying value at June 30, 2011 | \$50,930 | \$4,545,282 | \$4,596,212 |

Twig License - Mozambique

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

The Twig 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 negotiating 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 Twig 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.

TMP Licenses – Mozambique

PAW entered into a definitive agreement dated April 7, 2009 and under the terms of the agreement PAW acquired 100% of the issued capital in TMP (“TMP Shares”) from Bolan (the “Acquisition”). As a result of the Acquisition 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. For the mining of Tantalum, a royalty of 3% of sales revenue will be payable to the Mozambique Government.

PACIFIC WILDCAT RESOURCES CORP.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd)

As consideration PAW issued to Bolan's designates 22,510,000 common shares of PAW of which 18,008,000 are subject to an escrow agreement (the "Escrowed Shares"). The Escrowed Shares are subject to a three year staged release escrow commencing August 7, 2009 being the date of which the Exchange issued its final acceptance bulletin in respect of the acquisition. The escrowed securities will be released in stages with 10% of Escrowed Shares being released from escrow immediately and the balance being released in six equal installments every six months thereafter.

PAW also granted Bolan (or such parties as assigned by Bolan) the right to explore and mine Gemstones on the TMP Property as defined by the Gemstone Right in the Definitive Agreement

7. INTANGIBLE ASSETS

| Costs | Mrima Hill |
|--|-------------------|
| Balance at January 1, 2010 | — |
| Acquisition costs | 501,698 |
| Exploration costs | 291,446 |
| Balance at December 31, 2010 | 793,144 |
| Acquisition costs | 6,895,350 |
| Exploration costs | 215,262 |
| Foreign exchange movement | — |
| Balance at June 30, 2011 | 7,903,757 |
| Accumulated depletion and impairment losses | |
| Balance at December 31, 2010 | — |
| Balance at June 30, 2011 | — |
| Carrying amounts | |
| Carrying value at December 31, 2010 | 793,144 |
| Carrying value at March 31, 2011 | 7,903,757 |

Mrima Hill Project, Kenya

On July 22, 2010 the Company 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 The Acquisition will be completed in two tranches.

On February 28, 2011 the Company 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.

PACIFIC WILDCAT RESOURCES CORP.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

7. INTANGIBLE ASSETS (cont'd)**Mrima Hill Project, Kenya**

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.

8. PROPERTY, PLANT AND EQUIPMENT

| | Plant & Field Equipment | Furniture & Equipment | Office Equipment | Vehicles | Total |
|---|----------------------------|--------------------------|---------------------|-----------------|--------------------|
| Cost | | | | | |
| Balance at January 1, 2010 | \$114,648 | \$1,305 | \$4,254 | \$19,955 | \$140,162 |
| Assets acquired | 806,186 | 9,184 | 5,297 | — | 820,667 |
| Balance at December 31, 2010 | \$920,834 | \$10,489 | \$9,551 | \$19,955 | \$960,829 |
| Assets acquired | 1,154,652 | 1,468 | 2,583 | — | 1,158,702 |
| Balance June 30, 2011 | \$2,075,486 | \$11,957 | \$12,134 | \$19,955 | \$2,119,531 |
| Depreciation and impairment losses | | | | | |
| Balance at January 1, 2010 | \$72,908 | \$81 | \$395 | \$1,853 | \$75,237 |
| Depreciation for the period | 84,407 | 2,618 | 1,398 | 5,986 | 94,409 |
| Balance at December 31, 2010 | \$157,315 | \$2,699 | \$1,793 | \$7,839 | \$169,646 |
| Depreciation for the period | 7,591 | 1,706 | 1,805 | 2,969 | 14,071 |
| Balance at June 30, 2011 | \$164,906 | \$4,405 | \$3,598 | \$10,808 | \$183,717 |
| Carrying amounts | | | | | |
| Carrying value at December 31, 2010 | \$763,519 | \$7,790 | \$7,758 | \$12,116 | \$791,183 |
| Carrying value at June 30, 2011 | \$1,910,579 | \$7,551 | \$8,536 | \$9,147 | \$1,935,814 |

PACIFIC WILDCAT RESOURCES CORP.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2011

(Expressed in Canadian Dollars)

9. TRADE AND OTHER PAYABLES

| | June 30 | December 31 |
|-----------------------------------|-------------------|---------------------|
| | 2011 | 2010 |
| Trade payables | \$ 173,254 | \$ 393,560 |
| Due to related parties | — | 134,861 |
| Subscriptions received in advance | — | 715,978 |
| Total | \$ 173,254 | \$ 1,244,399 |

10. SHARE CAPITAL AND RESERVES**a) Common Shares**

The Company's authorized share capital is an unlimited number of common shares with no par value.

The following outlines the changes in common share capital from January 1, 2010 to June 30, 2011:

| | Number of | Issue Price | Total |
|-----------------------------------|-------------------|--------------------|------------------|
| | Shares | | |
| Balance, January 1, 2010 | 62,287,945 | | 2,320,140 |
| Exercise of warrants | 9,302,862 | \$0.15 | 1,395,429 |
| Exercise of warrants | 1,100,339 | \$0.23 | 253,078 |
| Fair value of warrants | | | 71,023 |
| Exercise of stock options | 500,000 | \$0.12 | 60,000 |
| Exercise of stock options | 200,000 | \$0.19 | 38,000 |
| Fair value of stock options | | | 64,847 |
| Issuance for plant | 512,985 | \$0.20 | 102,597 |
| Private placement | 3,961,088 | \$0.18 | 712,996 |
| Finders' fees | 150,235 | \$0.18 | 27,042 |
| Share bonus | 1,000,000 | \$0.19 | 190,000 |
| Shares to be issued | - | - | 132,796 |
| Share issue costs | - | - | (83,300) |
| Balance, December 31, 2010 | 79,015,454 | | 5,284,648 |

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(Expressed in Canadian Dollars)

10. SHARE CAPITAL AND RESERVES (cont'd)

| | Number of Shares | Issue Price | Total |
|--|---------------------|-------------|-------------------|
| Exercise of warrants | 955,323 | \$0.23 | 219,724 |
| Exercise of warrants | 1,604,564 | \$0.30 | 449,329 |
| Exercise of agents options | 61,300 | \$0.22 | 13,486 |
| Exercise of stock options | 50,000 | \$0.25 | 12,500 |
| Exercise of stock options | 140,000 | \$0.12 | 16,800 |
| Exercise of stock options | 75,000 | \$0.19 | 13,875 |
| Exercise of stock options | 500,000 | \$0.23 | 115,000 |
| Fair value of stock options | - | - | 71,237 |
| Private placement | 22,727,272 | \$0.22 | 5,000,000 |
| Private placement | 1,000,000 | \$0.90 | 900,000 |
| Shares issued for intangible assets | 5,000,000 | \$1.13 | 5,650,000 |
| Share issue costs | - | - | (2,190,392) |
| Balance, June 30, 2011 | 111,128,913 | | 15,556,208 |

b) Preferred Shares

- a. The Company is authorized to issue unlimited preferred shares "Class A" with a par value of \$1.00 each
- b. The Company is authorized to issue unlimited preferred shares "Class B" without par value

There are no preferred shares outstanding at January 1, 2010, December 31, 2010 and June 30, 2011.

c) Escrowed Shares:

As at June 30, 2011 and 11,855,297 held in escrow, subject to release by regulatory approval.

d) Contributed Surplus:

The following is a summary of changes in contributed surplus from January 1, 2010 – June 30, 2011:

| | June 30 2011 | December 31 2010 |
|----------------------------|---------------------|---------------------|
| Warrants - Note 10 | \$ 1,699,233 | \$ (68,620) |
| Share options - Note 10 | — | 212,583 |
| Contributed Surplus | \$ 1,699,233 | \$ 143,963 |

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10. SHARE CAPITAL AND RESERVES (cont'd)**e) Share Purchase Warrants:**

| | Number | Weighted Average Share Price |
|----------------------------|-------------|---------------------------------|
| Balance, January 1, 2010 | 8,397,653 | \$0.15 |
| Issued | 1,980,544 | \$0.23 |
| Forfeited | (125,000) | \$0.15 |
| Exercised | (9,348,997) | \$0.16 |
| Balance, December 31, 2010 | 904,200 | \$0.23 |
| Issued | 11,863,631 | \$0.33 |
| Exercised | (883,250) | \$0.23 |
| Balance, June 30, 2011 | 11,884,581 | \$0.33 |

At June 30, 2011 11,884,581 share purchase warrants were outstanding. Each warrant entitles the holders thereof the right to purchase one common share as follows:

| Number | Exercise Price | Expiry Date |
|------------|-------------------|-------------|
| 20,950 | 0.23 | 11-May-11 |
| 500,000 | 1.10 | 20-Jul-12 |
| 3,631,200 | 0.30 | 10-Jul-12 |
| 7,732,431 | 0.30 | 25-Aug-12 |
| 11,884,581 | | |

f) Agents Options

The following is a summary of changes in Agents Options from January 1, 2010 to June 30, 2011:

| | Number | Weighted Average Share Price |
|----------------------------|-----------|---------------------------------|
| Balance, January 1, 2010 | 0 | |
| Issued | 0 | |
| Exercised | 0 | |
| Balance, December 31, 2010 | 0 | |
| Issued | 1,818,181 | \$0.22 |
| Exercised | 0 | |
| Balance, June 30, 2011 | 1,818,181 | |

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10. SHARE CAPITAL AND RESERVES (cont'd)**f) Agents Options (cont'd)**

During the period ended June 30, 2011, a compensation charge of \$1,699,233 associated with the grant of 1,818,191 Agent Options was recorded to share capital. For purposes of these calculations, the following assumptions were used for the Black-Scholes model:

| | 2011 | 2010 |
|---------------------------------|-----------------|---------|
| Risk-free interest rate | 1.70% | — |
| Expected dividend yield | — | — |
| Expected stock price volatility | 93.19% – 94.57% | — |
| Expected option life | 1.6yrs | 1.6 yrs |

At June 30, 2011 1,818,181 Agents Options were outstanding. Each Option entitles the holders thereof the right to purchase one unit exercisable into one common share and one half of one non-transferable common share purchase warrant, which have the same terms as the warrants as described in Note 10 hereinabove.

| Number | Exercise Price | Expiry Date |
|-----------|----------------|-------------|
| 580,992 | \$0.22 | 10-Jul-12 |
| 1,237,189 | \$0.22 | 8/25/2012 |
| 1,818,181 | | |

g) Agents Warrants

| | Number | Weighted Average Share Price |
|----------------------------|-------------|------------------------------|
| Balance, January 1, 2010 | 1,030,209 | \$0.15 |
| Issued | 75,118 | \$0.23 |
| Exercised | (1,054,204) | \$0.15 |
| Balance, December 31, 2010 | 51,123 | \$0.23 |
| Issued | — | \$0.00 |
| Exercised | (51,123) | \$0.23 |
| Balance, June 30, 2011 | — | \$0.23 |

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11. SHARE BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of five years. Vesting is determined by the Board of Directors.

The following is a summary of changes in options from January 1, 2010 to June 30, 2011:

| | | | |
|----------------------------|-----------|----|-------|
| Balance, January 1, 2010 | 2,700,000 | \$ | 0.14 |
| Granted | 150,000 | \$ | 0.285 |
| Granted | 1,700,000 | \$ | 0.19 |
| Granted | 500,000 | \$ | 0.23 |
| Granted | 200,000 | \$ | 0.3 |
| Exercised | (700,000) | \$ | 0.14 |
| Balance, December 31, 2010 | 4,550,000 | \$ | 0.18 |
| Exercised | (765,000) | \$ | 0.16 |
| Balance, June 30, 2011 | 3,785,000 | \$ | 0.17 |

At June 30, 2011, 3,785,000 stock options were outstanding and exercisable under the Plan as follows:

| Number of Options | Exercise Price | Expiry Date |
|-------------------|----------------|-------------|
| 300,000 | \$ 0.25 | 29-Aug-11 |
| 1,710,000 | \$ 0.12 | 7-Aug-14 |
| 75,000 | \$ 0.185 | 14-Apr-15 |
| 1,200,000 | \$ 0.19 | 28-Jul-15 |
| 300,000 | \$ 0.19 | 28-Jul-12 |
| 200,000 | \$ 0.3 | 19-Oct-11 |
| 3,785,000 | | |

The weighted average share price at the date of exercise of options during the period ended June 30, 2011 was \$0.165 per share (year end Dec 31, 2010 - \$0.16)

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(Expressed in Canadian Dollars)

12. ADMINISTRATIVE AND GENERAL EXPENSES

| | Three Months Ended | | Six Months Ended | |
|-----------------------------------|--------------------|------------------|------------------|------------------|
| | June 30 | | June 30 | |
| | 2011 | 2010 | 2011 | 2010 |
| General and Administrative | | | | |
| Consulting fees | \$21,250 | \$— | \$27,125 | \$— |
| Corporate relations | 53,400 | 9,729 | 166,048 | 12,607 |
| Filing fees | 3,058 | 8,947 | 15,417 | 14,447 |
| Management fees | 53,373 | 63,467 | 104,807 | 79,631 |
| Office | 70,163 | 12,690 | 98,329 | 17,041 |
| Professional fees (Note 13) | 88,062 | 49,596 | 126,807 | 77,038 |
| Transfer agent fees | 3,981 | 2,443 | 10,196 | 6,292 |
| Travel | 27,387 | 21,555 | 111,289 | 31,684 |
| | \$320,673 | \$168,427 | \$660,018 | \$238,740 |

13. RELATED PARTY TRANSACTIONS

a) Rental Payments

Rental payments of \$4,200 (six months end June 30, 2011: \$4,200) were paid to Minco Corporate Management Inc. a Company controlled by the Company's Chief Financial Officer;

b) Key Management Compensation

| | June 30 2011 | June 30 2010 |
|---|-----------------|-----------------|
| Key management personnel compensation comprised : | | |
| Consulting fees | \$ 175,720 | \$ 146,966 |

- i) Consulting fees of \$65,321 (six months ended June 30, 2010 - \$39,369) were paid to a company controlled by Terese Gieselman, Chief Financial Officer and Secretary of the Company;
- ii) Consulting fees of \$104,807 (six months ended June 30, 2010 - \$107,597) were paid to Darren Townsend, President and Chief Executive Officer;
- iii) Consulting fees of \$5,591 (six months ended June 30, 2010 - \$Nil) were paid to a company controlled by David Paull director of the Company

c) Related party liabilities:

| Amounts due to: | Service for: | June 30 2011 | December 31 2010 |
|-----------------|------------------|-----------------|---------------------|
| Darren Townsend | Advance of funds | \$ — | \$ 132,000 |

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**SIX MONTHS ENDED JUNE 30, 2011**

(Expressed in Canadian Dollars)

14. BASIC AND DILUTED LOSS) PER SHARE

The calculation of basic earnings (loss) per share for the six months ended June 30, 2011 was based on the loss attributable to common shareholders of \$689,424 (\$299,965 – three months ended June 30, 2011) [six months ended June 30, 2010 – \$556,609 (\$314,859 three months ended June 30, 2010)] and the weighted average number of common shares outstanding of 101,556,683 (108,371,804 three months ended June 30, 2011) [six months ended June 30, 2010 – 62,471,584 (65,425,238 three months ended June 30, 2010)].

Excluded from the calculation of the diluted loss per share for the period ended June 30, 2011 are 3,785,000 stock options, 11,884,581 share purchase warrants, 1,818,181 Agents Options (June 30, 2010 – 2,850,000 stock options and 9,043,387 share purchase warrants.

15. SEGMENT REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities.

| As at June 30, 2011 | | Canada | Mozambique | Total |
|-----------------------------------|----|------------|--------------|------------|
| Current assets | \$ | 2,146,792 | \$ 281,053 | 2,427,845 |
| Property, plant and equipment | | 36,462 | 1,899,352 | 1,935,814 |
| Intangible assets | | 7,903,757 | – | 7,903,757 |
| Exploration and evaluation assets | | – | 4,596,212 | 4,596,212 |
| | \$ | 10,087,011 | \$ 6,776,616 | 16,863,627 |

| As at December 31, 2010 | | Canada | Mozambique | Total |
|-----------------------------------|----|-----------|--------------|--------------|
| Current assets | \$ | 1,103,371 | \$ 185,079 | \$ 1,288,450 |
| Property, plant and equipment | | 37,568 | 753,615 | 791,183 |
| Intangible assets | | 793,144 | – | 793,144 |
| Exploration and evaluation assets | | – | 3,909,009 | 3,909,009 |
| | \$ | 1,934,083 | \$ 4,847,703 | \$ 6,781,786 |

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16. COMMITMENTS

On May 14, 2009 the Company 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 Company shall pay Mr. Townsend on a monthly basis, a fee of \$AUS17,000 for a minimum term of 3 years.

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 of . The shares were valued at the market price of the shares on the Exchange approval date, for an aggregate value of \$190,000 which have been expensed as management fees.
- ii) 1,000,000 shares on August 7, 2011, the second anniversary of the completion of the Company's Acquisition of The shares were valued at the share price on the Exchange approval date for an aggregate value of \$190,000, with \$132,796 expensed as management fees 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.

17. EVENTS AFTER THE REPORTING DATE

On August 9, 2011 the Company complete as non-brokered private placement for 8,570,606 Units at a price of \$0.65 for gross proceeds to the Company of CDN \$5,570,894. Each Unit consists of one common share and one half of one common share warrant (each whole warrant a "Warrant"), entitling the holder to acquire one additional common share at a price of \$1.00 for 18 months from Closing. The Warrants are subject to an accelerated expiry which comes into effect once the shares trade above a weighted average price of \$1.25 for any twenty consecutive trading-day period, subsequent to four months and a day from Closing ("Accelerated Expiry"). In the event of an Accelerated Expiry, the expiry date will be the earlier of the regular 18 month expiry date and 30 days from the date the Company advises the places of the Accelerated Expiry.

Finders' fees of 6% cash and 6% warrants ("Finders Warrant") were paid on a portion of the Financing, in accordance with the policies of the Exchange. Each Finders Warrant entitles the holder to purchase one common share (a "Finders Share") at a price of \$0.65 per FINDER Share for a period of 18 months from issuance and on the same terms as the Warrants for aggregate cash payments of CDN \$312,856 and 481,317 Finders Warrants.

The net proceeds from this private placement will be used to further advance the acquisition of the Company's interest in its Mrima Hill Project in Kenya, continued development at its Muaine Tantalum Project in Mozambique and for general working capital purposes.

On August 26, 2011 pursuant to the Company's 2010 Option Plan granted 3,750,000 stock options (the "Options"), at a price of \$0.65 per common share in accordance with the policies of the TSX Venture Exchange (the "Exchange") to various Directors, Officers and Consultants of the Company.

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(Expressed in Canadian Dollars)

18. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company has adopted IFRS with a date of transition of January 1, 2010 the details of which are described in the interim condensed consolidated financial statements for the three months ended March 31, 2011. Under IFRS 1 'First-time Adoption of International Financial Reporting Standards', the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under Canadian GAAP taken to retained earnings unless certain exemptions are applied.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Reconciliation of the Statement of Comprehensive Loss for the Three Months Ended June 30, 2010:

| | Canadian GAAP | Effect of Transition to IFRS | IFRS |
|---|----------------------|------------------------------------|----------------------|
| Interest and other income | \$ 727 | \$ — | \$ 727 |
| Expenses | | | |
| Administrative and general | 187,035 | — | 187,035 |
| Depreciation | 19,981 | — | 19,981 |
| Exploration | 174,620 | — | 174,620 |
| Gain on foreign exchange | (2,547) | — | (2,547) |
| Total expenses | 379,089 | — | 379,089 |
| Loss before other comprehensive loss | (378,362) | — | (378,362) |
| Other comprehensive loss | | | |
| Foreign exchange differences on translating foreign operations | 63,503 | — | 63,503 |
| Total other comprehensive income | 63,503 | — | 63,503 |
| Total comprehensive loss for the period | \$ (314,859) | \$ — | \$ (314,859) |
| Loss per common share basic and diluted | \$ (0.00) | \$ — | \$ (0.00) |
| Weighted average number of common shares | \$ 65,426,238 | \$ — | \$ 65,426,238 |

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**SIX MONTHS ENDED JUNE 30, 2011**

(Expressed in Canadian Dollars)

Reconciliation of the Statement of Comprehensive Loss for the Six Months Ended June 30, 2010:

| | Canadian GAAP | Effect of Transition to IFRS | IFRS |
|---|----------------------|------------------------------------|----------------------|
| Interest and other income | \$ 1,684 | \$ — | \$ 1,684 |
| Expenses | | | |
| Administrative and general | 238,740 | — | 238,740 |
| Depreciation | 28,954 | — | 28,954 |
| Exploration | 279,367 | — | 279,367 |
| Stock based compensation | 18,608 | — | 18,608 |
| Loss on foreign exchange | 457 | — | 457 |
| Total expenses | 566,126 | — | 566,126 |
| Loss before other comprehensive loss | (564,442) | — | (564,442) |
| Other comprehensive loss | | | |
| Foreign exchange differences on translating foreign operations | 7,833 | — | 7,833 |
| Total other comprehensive income | 7,833 | — | 7,833 |
| Total comprehensive loss for the period | \$ (556,609) | \$ — | \$ (556,609) |
| Loss per common share basic and diluted | \$ 62,471,584 | \$ — | \$ 62,471,584 |
| Weighted average number of common shares | \$ (0.01) | \$ — | \$ (0.01) |

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SIX MONTHS ENDED JUNE 30, 2011

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Reconciliation of the Statement of Changes in Equity for the Six Months Ended June 30, 2010:

| | Notes | Amount | Contributed Surplus | Accumulated Deficit | Accumulated Other Comprehensive Income | Total |
|------------------------------|-------|---------------------|------------------------|------------------------|---|---------------------|
| Reported under Canadian GAAP | 18 | \$ 3,493,637 | \$ 3,344,736 | \$ (2,496,237) | \$ (7,833) | \$ 4,334,303 |
| Foreign exchange translation | | — | — | (7,833) | 7,833 | — |
| Reported under IFRS | | \$ 3,493,637 | \$ 3,344,736 | \$ (2,504,070) | \$ — | \$ 4,334,303 |

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18. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

The interim consolidated statements of cash flow for the six months ended June 30, 2010 were not presented as the adjustments required to reconcile to IFRS did not affect the totals for each component of the consolidated interim statements of cash flows.

Notes to the IFRS reconciliation are as follows:

Functional currency and exchange translation – Functional and presentation currency

Accumulated other comprehensive loss consists of the change in the cumulative translation adjustment. Due to a change in the functional currency of the Company's Mozambique subsidiary (from Canadian dollars under Canadian GAAP to US dollars in accordance with IFRS), the translation of the Mozambique operations and balances that are used to calculate the cumulative translation adjustment are different for IFRS than for Canadian GAAP. As a result, the cumulative translation adjustment and other comprehensive income (loss) are different under IFRS than in accordance with Canadian GAAP.

As at June 30, 2010, the Company recognized a foreign exchange loss of \$7,833 due to translating the non-current assets using the current rate method. The adjustment results in a decrease in Accumulated Other Comprehensive Loss and an increase in deficit.