PACIFIC WILDCAT RESOURCES CORP.

a d v a n c e d   a n d   s t r a t e g i c   m i n e r a l s   a n d   m e t a l s

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED

September 30, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in financial condition and results of operations of Pacific Wildcat Resources Ltd. (the "Company") as at September30, 2011 and for the nine month period then ended in comparison to the same period in 2010.

This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2011 and related notes. These unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with IFRS and in accordance with International Accounting Standard 34 ("IAS 34") – Interim Financial Reporting. A reconciliation of the previously disclosed comparative periods' financial statements prepared in accordance with Canadian generally accepted accounting principles to IFRS is set out in Note 17 to these condensed consolidated interim financial statements. All monetary amounts are in Canadian dollars unless otherwise specified. The effective date of this MD&A is November 29, 2011.

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.

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 or debt instrument and upon completion of same the Company will be required to obtain certain permits and mining licenses. 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.

OVERALL PERFORMANCE

The Company is incorporated under the Business Corporations Act (British Columbia) and is primarily engaged in 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 a 70% indirect interest in the Mrima Hill Project, a niobium and rare earth in project in Kenya. To date, the Company has not earned significant revenues and is considered to be in the exploration stage and 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 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 110 – 2300 Carrington Road, West Kelowna, B.C. Canada, V4T 1G3.

Highlights – three months September 30, 2011 and date of this report

- The Company executed a conditional Memorandum of Understanding with Community Group in Kenya;
- Appointed Argonaut Capital Limited as Financial and Corporate Advisor;
- Reported its first assay results for the first 444 meters (4.5 holes); and second 471 meters (3.5) holes of the Company's initial 1,540 meter diamond drill program at Mrima Hill.

Exploration and Development

Mrima Hill Project - Kenya

Acquisition
The Company's focus for 2011 and 2012 remains the completion of its acquisition of the 70% interest in the Mrima Hill Project in Kenya (the "Acquisition"). To date the Company has completed its initial acquisition of 7% interest. On July 7, 2011 the Company received TSX Venture Exchange ("Exchange") approval to extend the term of the Acquisition, ("EA") wherein the overall the total consideration for the purchase has not changed but the timing of the payments has been extended to allow the parties more time to obtain the next form of tenure for the property and for further exploration and metallurgical work to be conducted on the Mrima Hill property.

Key Terms of the EA are as follows:

Extension until 3rd January 2012

1) PAW to pay to the Owners an aggregate of 750,000 Australian Dollars ("A$") in cash and issue 4,000,000 common shares on the later of July 4, 2011 or five Business Days of the date of TSXV acceptance to such issuance (paid);

2) PAW pay to the Owners an aggregate of A$1,250,000 in cash on or before July 29, 2011 (paid);

3) PAW pay to the Owners A$500,000 (paid) by the later of July 30, 2011 or five business days of the date of acceptance by the TSXV a further non-refundable Work Advance for funds to be used on the advancement of the Mrima Hill Project to: (a) complete an Environmental Impact Assessment Study on the Project; (b) undertake further drilling and assaying on the Project; and (c) submit an application for the Mining License.

   The above cash payments and issuance of common shares will be deducted from the common shares and cash payment to be paid by PAW to the Owners under the original agreement on Closing. The initial extension is for the period until the 3rd January 2012 and at any time prior to that date PAW has the option to terminate the transaction on notice and without further payment to the Owners.

Extension until Closing
Subject to PAW electing not to terminate the Agreement on or before the 3rd January 2012, PAW will pay to the Owners an aggregate of an additional A$2,500,000 in cash and issue to the Owners an additional 5,000,000 common shares which cash payments and issuance of common shares will be deducted from the common shares and cash payment to be paid by PAW to the Owners on the final Closing.

Upon receipt of the Mining License or extension of the Special Prospecting License and meeting the other closing conditions, the parties shall complete the Acquisition through the issue of the balance of shares and the balance of cash due on the final Closing which are currently calculated at approximately 19,702,353 common shares and A$11,025,437 (based on an exchange rate of CDN $ 1.03 = AUS $ 1.00), such amounts are subject to adjustment in accordance with the Acquisition Agreement and fluctuations in the exchange rate prevailing between A $ and CDN $ at closing.

At Closing, the Company shall receive the remaining 93% interest that it does not own in each of Stirling and Cortec UK such that the Company will then hold a 100% interest in each corporation. The Owners shall be entitled, at this time, to nominate a Director to the Board of Directors of the Company.

The number of Closing Shares shall be limited such that when aggregated with the Initial Shares (5 million shares already owned by the Owners), the Owners will not collectively hold greater than 19.9% of the post-closing non-diluted number of issued and outstanding common shares of PAW. In the event that the number of Closing Shares is required to be reduced to less than 28,702,353 PAW Shares to comply with this limitation, the Owners shall be paid the difference in cash. This cash payment shall be separate and apart from the Closing Cash Payment.

Community

In August, 2011 the Company entered into a conditional Memorandum of Understanding ("MOU") with the Kaya Mrima Self Help Group ("KMSHG"). The KMSHG is registered with the Ministry of Home Affairs, National Heritage and Sports and the Ministry of Gender and Children Affairs in Kenya as an organization representing the local community at Mrima Hill including the villages surrounding the Mrima Hill Niobium and Rare Earth Deposit. The parties are to prepare and sign a formal agreement within a period of five months.

The terms of the MOU are confidential but are typical of community agreements in providing benefits for the community whilst Cortec Mining Kenya ("CMK") with technical assistance from PAW undertake exploration activities at the Mrima Hill property in Kenya and also complete all such activities as necessary to seek approval for a Mining License ("ML"). Such ML will be subject to normal application process including completion of an Environmental Impact Assessment and ML Application.

This formalizes many months of discussion with the KMSHG and focuses on assisting the Mrima Hill Community with education, health, culture, protection of biodiversity and business development pursuits in conjunction with employment and local contracting opportunities. As part of the formalization of the process the parties will work together with the applicable government agencies to register the entity as the Mrima Hill Trust.

Exploration

During September and October 2011, the Company reported its first and second assay results for 915 (8 holes) metres of its initial 1,504 diamond drill program. This program was designed to provide core for metallurgical test work as well as test the depth potential of the Niobium and Rare Earth Oxide mineralization at Mrima Hill.

Highlights include:

- High grade Niobium and Rare Earth Oxide ("**REO**") mineralisation is shown to be consistent throughout the weathered zone.
- All completed holes finishing in mineralisation
- High grade and wide intercepts of niobium mineralisation intersected in the weathered zone including **2.03%** Nb_2O_5 from surface to 51.95m and 1.30% Nb_2O_5 from 23.4m to 123.65 m;
- Wide high grade Total Rare Earth Oxide ("**TREO**") intercepts at depth with **5.69**% TREO from 50.85m to 89.35 m;
- Wide High Grade Rare Earth Oxide intercepts 4.85% TREO from surface to 46.1 m and 4.60% TREO from surface to 46.45 m.
- Rare Earth and Niobium mineralisation shown to extend below 100m to 130m depth from surface;
- Potential high value mix of Heavy Rare Earth Oxides and Yttrium confirmed at depth; and
- Potential Rare Earth Oxide resource drilling target now confirmed.

See the Company's website www.pacificwildcat.com and SEDAR for further details on assay in news releases dated September 13, 2011 and October 25, 2011.

Mozambique

Muiane Project – Mozambique

As reported in Q 1 2011 the Company satisfied the requirements of the Muiane Mining License and commenced production.

The plant is starting to achieve steady state primary production. Work is well advanced for completing a building which will host the Secondary Processing facility on site. All required secondary processing equipment is on site and will be fitted into the Secondary Plant building once completed. Once the secondary plant is commissioned PAW's aim is to target an initial production level of between 35,000 and 75,000 lbs. of Ta_2O_5 per annum from the end of the first quarter of 2012. The company is pleased to report Tantalum prices continue to remain strong with spot prices in excess of US $ 120/lb. Ta_2O_5.

Outlook

In addition to its objectives for the Company's project in Muiane, the Company remains focused on the completion of the Final Closing and completion of the required financing to complete the Kenya transaction

Results of Operations

The Company has no operating revenues and relies on external financings to generate capital for its continued operations. As a result of its activities, the Company continues to incur annual net losses.

Results of Operations

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Financial results:				
Total comprehensive loss	($644,526)	($484,973)	($2,764,751)	($1,041,582)
Basic and diluted loss per share	($0.01)	($0.01)	($0.03)	($0.02)

	Nine Months Ended September 30	
Financial position:	2011	2010
Cash and cash equivalents	$3,752,464	$769,599
Property, plant and equipment	$2,170,492	$702,961
Exploration and evaluation assets	$5,162,907	$3,495,337
Intangible assets	$13,505,701	$0
Total Assets	$24,591,563	$4,967,897
Shareholders' equity	$23,943,624	$5,207,852

For the three months ended September 30, 2011, the Company reported a $2,042,068 net comprehensive loss or $0.02 basic and diluted earnings per share compared to a $484,973 comprehensive loss or $0.01 loss per share for the same period in 2010. The increase in comprehensive loss was due primarily to stockbased compensation of $1,397,542 and an increase in general and administrative costs details of which are described herein below. For the three months ended September 30, 2010 the comprehensive loss included property evaluation costs of $201,988 and stock based compensation costs of $243,369.

For the nine months ended September 30, 2011, the Company reported a $2,764,751 net comprehensive loss or $0.03 basic and diluted earnings per share compared to a $1,041,582 net comprehensive loss or $0.02 loss per share for the same period in 2010.

Administrative and general expenses for the three and nine months ended September 30 consisted of:

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
General and Administrative				
Consulting fees	$ 30,500	$ 13,875	$ 57,625	$ 13,875
Corporate relations	110,429	13,881	276,477	26,488
Filing fees	7,559	3,000	22,977	17,447
Management fees	53,158	168,813	157,965	248,444
Office	39,602	21,849	137,931	38,228
Professional fees (Note 7)	78,304	26,433	205,111	100,103
Transfer agent fees	12,035	5,875	22,231	12,167
Travel	1,658	25,807	112,947	57,491
Wages	109,635		109,635	
	$ 442,881	$ 279,533	$ 1,102,899	$ 514,243

Significant variances to note are:

Increase in expenditures for travel and corporate relations for the current period related to concentrated marketing efforts and included a twelve month strategic online program with Stockhouse.

Management fees in the comparative quarter were capitalized to the Company's Muiane Project. Increase in office expenditure were the result of increased activities and administrative costs associated with same. Professional fees included accounting and tax work for the Company's Mozambique subsidiary for 2010 year end audit work.

Financings

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 placees 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 at a compensation charge of $108,775.

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.

The Company is also received proceeds of $1,400,729 from the early exercise of warrants and exercise prices of $0.22 and $0.30 per share.

In addition the Company received $292,412 from the exercise of stock options at prices between $0.12 and $0.25.

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 for a stock based compensation charge of $1,397,542.

Summary of quarterly results

	Sept. 30, 2011	June 30, 2011	Mar. 31, 2011	Dec. 31, 2010
Total revenues	$0	$0	$0	$0
Comprehensive Loss for the period	$(2,042,068)	$(299,965)	$(346,484)	$(737,925)
Basic and diluted loss per share	$(0.02)	$(0.00)	$(0.00)	$(0.01)
	Sept. 30, 2010	June 30, 2010	Mar. 31, 2010	Dec. 31, 2009
Total revenues	$0	$0	$0	$0
Comprehensive Income (loss) for the period	$(484,973)	$(314,859)	$(241,750)	$220,471
Basic and diluted loss per share	$(0.01)	$(0.00)	$(0.00)	$(0.00)

Financial Condition, Liquidity and Capital Resources

At September 30, 2011 the Company had working capital of $3,463,316 (December 31, 2010 - $2,879,128) and no long-term debt. With respect to working capital, $3,742,464 was held in cash and cash equivalents.

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, debt instruments 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.

The Company's policy is to invest its cash in highly liquid, short term, interest bearing investments with maturities of 90 days or less from the date of acquisition or over for period longer that may be redeemable after 30 days. The Company is not subject to externally imposed capital requirements. There has been no change in the Company's approach to capital management during the nine months ended September 30, 2011.

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 of the TML Licenses. 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 of the TML Licenses. 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.

Related Party Transactions

a) Rental Payments

Rental payments of $6,300 (nine months end September 30, 2011: $6,300) were paid to Minco Corporate Management Inc. a Company controlled by the Company's Chief Financial Officer;

b) Key Management Compensation

		September 30 2011		September 30 2010
Key management personnel compensation comprised :				
Consulting fees	$	292,066	$	146,966

i) Consulting fees of $157,961 (nine months ended September 30, 2010 - $107,597) were paid to Darren Townsend, President and Chief Executive Officer:
ii) Consulting fees of $128,509 (nine months ended September 30, 2010 - $61,783) were paid to Minco Corporate Management Inc ("Minco"), a company providing for accounting, administration and corporate compliance services controlled by Terese Gieselman, Chief Financial Officer and Secretary of the Company;
iii) Consulting fees and office administration fees of $35,004 (nine months ended September 30, 2010 - $13,073) were paid to DAPRB PTY LTD. a company controlled by David Paull director of the Company

c) Related party liabilities:

Amounts due to:	Service for:		September 30 2011		December 31 2010
Minco	Consulting Fees	$	5,754	$	—
Darren Townsend	Advance of funds	$	–	$	132,000

Financial Instruments

As at September 30, 2011, the Company's financial instruments consisted of cash, amounts receivable, trade and other payables.

The fair values of cash, amounts receivable and trade and other payables approximate their carrying values because of their current nature.
The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities:

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market date

The following table provides an analysis of financial instruments grouped into levels 1, 2 or 3 based on the degree to which the fair value is observable at September 30, 2011:

September 30, 2011	Carrying amount	Fair Value	Discount rate
Level 1:	$	$	%
Cash and cash equivalents	3,752,464	3,752,464	N/A
December 31, 2010	**Carrying amount**	**Fair Value**	**Discount rate**
Level 1:	$	$	%
Cash and cash equivalents	1,138,501	1,138,501	N/A

The Company does not have Level 2 or Level 3 inputs as described in the Company's accounting policies.

1 Of the financial assets listed above, $324 (December 31, 2010 – 60,652) represents cash held in United States dollars, the remaining cash is held in Canadian dollars.

Financial Instrument Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein:

Credit Risk
The Company is primarily exposed to credit risk on its bank accounts. Credit risk exposure is limited through maintaining its cash with high-credit quality financial institutions.

Liquidity Risk
The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account the Company's holdings of cash. The Company believes that these sources will be sufficient to cover the expected short and long term cash requirements.

Market Risk
Market risk is comprised of three components: currency risk, interest rate risk and commodity price risk:

Currency Risk
Cash held in foreign currencies other than the Canadian dollar is subject to currency risk. The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk.

Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk on its cash and cash equivalents. The Company estimates that the fluctuation in interest rate of 1% would affect the net loss by approximately $37,524.

Commodity price risk
The value of the Company's mineral resource properties is related to the price of precious metals. Prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors. The Company's carried interest rights and net smelter royalty are affected by the commodity price however, as the Company is still in the exploration stage, the Company has elected not to actively manage commodity risk at this time.

ADDITIONAL INFORMATION

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, 126,512,683 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	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	3,250,000	$0.65	August 26, 2016
Stock option	500,000	$0.65	August 26, 2013
Stock option	300,000	$0.63	September 1, 2016
Warrants	500,000	$1.10	July 20, 2012
Broker Options	342,192	$0.22	July 10, 2012
Broker Options	1,217,189	$0.22	August 25, 2012
Agents Warrants	113,750	$0.30	July 10, 2012
Agents Warrants	20,000	$0.30	August 25, 2012
Warrants	1,299,400	$0.30	July 10, 2012
Warrants	6,274,653	$0.30	August 25, 2012
Warrants	3,902,553	$1.00	February 3, 2013
Agents Warrants	148,750	$1.00	February 3, 2013
Warrants	375,000	$1.00	February 5, 2013
Warrants	7,750	$1.00	February 8, 2013
Agents Warrants	332,577	$1.00	February 4, 2013

a) As at the date of this report, 7,903,531 common shares are held in escrow for a remaining period of 18 months and pursuant to the policies of the TSX-V.

Exploration and Evaluation Expenditures

		Twigg Licences		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		-		1,323,836		1,323,836
Foreign exchange movement		-		(69,938)		(69,938)
Balance at September 30, 2011	$	50,930	$	5,111,977	$	5,162,907
Accumulated depletion and impairment losses						
Balance at December 31, 2010	$	-	$	-	$	-
Balance at September 30, 2011	$	-	$	-	$	-
Carrying amounts						
Carrying value at December 31, 2010	$	50,930	$	3,858,079	$	3,909,009
Carrying value at September 30, 2011	$	50,930	$	5,111,977	$	5,162,907

Details of Exploration and Evaluation Costs include:

		Twigg Licences		TML Licenses		Total
Balance December 31, 2010	$	50,930	$	3,858,079	$	3,909,009
Effect of foreign currency translation		—		(69,938)		(69,938)
Assaying		—		45,432		45,432
Geological fees and consulting		—		195,656		195,656
Salaries		—		330,353		330,353
Holding and administrative costs		—		661,933		661,933
Camp site costs and visits		—		59,277		59,277
Maps miscellaneous		—		2,828		2,828
Legal fees		—		28,358		28,358
Balance September 30, 2011		50,930		5,111,977		5,162,907

Expenditures on Intangible Assets included:

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	$12,199,875
Exploration costs	$512,682
Foreign exchange movement	$-
Balance at September 30, 2011	$13,505,701
Accumulated depletion and impairment losses	
Balance at January 1, 2010	-
Balance at December 31, 2010	-
Balance at September 30, 2011	-
Carrying amounts	
Carrying value at January 1, 2010	$-
Carrying value at December 31, 2010	$793,144
Carrying value at September 30, 2011	$13,505,701

Details of expenditures include:

		Mrima Hill
Total December 31, 2010	$	793,144
Acquisition		11,723,514
Drilling and exploration		512,682
Legal, professional and misc costs		476,361
Total September 30, 2011	$	13,505,701

Transition to International Financial Reporting Standards

On January 1, 2011, the Canadian Accounting Standards Board replaced Canadian GAAP with IFRS for publicly accountable enterprises, with a transition date of January 1, 2010. IFRS represents standards and interpretations approved by the IASB and are comprised of IFRSs, IASs, and interpretations issued by IFRICs or the former SICs.

As previously discussed in the Company's MD&A for the year ended December 31, 2010, the Company implemented its conversion from Canadian GAAP to IFRS through a transition plan that involves the following four phases: scoping and planning ("phase 1"); detailed assessment ("phase 2"); operations implementation ("phase 3"); and post implementation ("phase 4"). Phases 1, 2 and 3 were carried out in 2009 and 2010 and phase 4, which involves the maintenance of sustainable IFRS compliant data and processes for fiscal year 2011 and beyond, will be carried out throughout 2011. Management does not anticipate any significant issues with completing phase 4 of its transition plan.

The IASB continues to amend and add to its current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's first IFRS consolidated financial statements for the year ended December 31, 2011 may differ from the significant accounting policies used in the preparation of the Company's interim consolidated financial statements as at and for the three and nine months ended September 30, 2011. The Company has prepared its September 30, 2011 interim consolidated financial statements in accordance with IAS 34, *Interim financial reporting*.

The interim consolidated financial statements for the three and nine month periods ended September 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 consolidated financial statements for the three month period ended March 31, 2011. In addition, the interim 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 consolidated financial statements for the three and nine month ended September 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 consolidated financial statements for the three month period ended March 31, 2011.

The following summarizes the impact the transition to IFRS had on the Company's at September 30, 2010:

Reconciliation of the Statement of Changes in Equity for the Nine Months Ended September 30, 2010:

		Amount		Contributed Surplus		Accumulated Deficit		Accumulated Other Comprehensive Income		Total
Reported under Canadian GAAP	$	4,608,779	$	3,587,951	$	(2,843,864)	$	(45,014)	$	5,207,852
Foreign exchange translation		—		—		(29,513)		29,513		—
Reported under IFRS	**$**	**4,608,779**	**$**	**3,587,951**	**$**	**(2,973,377)**	**$**	**(15,501)**	**$**	**5,207,852**

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 September 30, 2010, the Company recognized a foreign exchange loss of $29,513 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.

Management's Report On Internal Control Over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted on January 1, 2011 for issuers with financial years beginning after January 1, 2011 the Chief Executive Officer and Chief Financial Officer of the Company will file Form 52-109FV2 *Certification of Interim Filings Venture Issuer Basic Certificate* with respect to the financial information contained in the unaudited condensed consolidated interim financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Other Requirements

Additional disclosure of the Company's material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com or the Company's website at www.pacificwildcat.com.