PACIFIC WILDCAT RESOURCES CORP.

advanced and strategic minerals and metals

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

September 30, 2014

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 Corp. (the "Company") as at September 30, 2014 and for the period then ended in comparison to the same periods ended in 2013. This MD&A should be read in conjunction with the un-audited condensed consolidated interim financial statements for the period ended September 30, 2014 and September 30, 2013 and related notes.

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated. The effective date of this MD&A is November 28, 2014.

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 and Kenya 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, niobium and rare earth prices and currency exchange rates; inflation; metal recoveries being less than those indicated by the testwork carried out to date (there can be no assurance that metal recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions and during production); political developments in Mozambique and Kenya; 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. 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. *(See Risk Factors).*

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

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 Mrima Hill Niobium and Rare Earth 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 located at Suite 110 – 2300 Carrington Road West Kelowna, V4T 2B6

Corporate Developments/Management Cease Trade Order

Further to the Company's Management Discussion and Analysis dated for reference August 22, 2014 for the year ended December 31, 2013 ("Annual MD&A") and the interim March 31, 2014 MD&A dated for reference August 29, 2014, and the interim MD&A June 30, 2014 dated for reference September 11, 2014, collectively the Interim Filings wherein the Company advised of the Cease Trade Order ("CTO") issued on July 3, 2014 by the BCSC and subsequent trading suspension issued by the the TSX Venture Exchange (the "Exchange") suspending trading in the Company's securities as a result of the CTO issued.

With the filing of the Company's Annual Statements and Interim Filings, the CTO was revoked on September 17, 2014 and the Company's shares resumed trading on the Exchange on September 30, 2014.

Mrima Hill

There have been no further updates on legal issues concerning the Mrima Hil special mining license ("**SML351**") as describe in the Company's Annual MDA. The next hearing scheduled as noted in the Annual MD&A has been deferred to December 2, 2014.

CMK, who began its special mining license application process in early 2012 is confident it has complied with all applicable rules and regulations and has thoroughly reviewed its process in support of its application. CMK's Managing Director and PAW Director Mr. David Anderson continues to work with the CMK team and our legal representatives to protect its interests with the aim of resolving this matter favorably. The Company will continue to update its shareholders on this matter.

See the Company's website *www.pacificwildcat.com* and SEDAR for further details in news releases as described above.

Mozambique

Muiane Project – Mozambique

As at the date of this report the Company maintains ownership and will continue to develop this asset as capital allows. The Company only experiencing minimal issues with illegal squatters previously reported wherein periodical squatters are found and then removed by security. The Company did receive some damages to electrical and water services and certain equipment. The Company is currently assessing the costs to repair these items and will make the necessary adjustments to property, plant and equipment once it has ascertained these values.

There were no expenditures on exploration and evaluation assets during the nine months ended September 30, 2014 that were capitalized. Expenditures for holding costs were expensed under property and evaluation.

Expenditures in relation to activities for the year ended December 31, 2013 included:

		TML Licenses		Mrima Hill		Total
Balance December 31, 2012	$	1,624,396	$	56,528,643		58,153,039
Foreign exchange movement		16,217		—	$	16,217
Assaying		33,312		25,692		59,004
Geological fees and consulting		89,303		137,252		226,555
Metallurgy		33,312		—		33,312
Salaries		298,879		—		298,879
Fieldwork		—		1,821		1,821
Holding and administrative costs		577,946		962,970		1,540,916
Site costs		13,135		11,880		25,015
Transport and rentals		4,321		4,434		8,755
Legal		26,46		6,159		32,621
Total exploration and evaluation at December 31, 2013	$	2,717,283	$	57,678,851	$	60,396,134
Impairment of exploration and evaluation assets		(1,123,679)		(57,678,850)		(58,802,529))
Balance December 31, 2013	$	1,593,604		1		1,593,605

Financial Condition

Financial position:	September 30 2014	December 31 2013
Cash and cash equivalents	8,296	89,737
Property, plant and equipment	2,459,151	2,437,440
Exploration and evaluation assets	1,593,605	1,593,605
Total Assets	4,099,883	4,153,310
Shareholders' equity	(2,862,474)	(2,275,772)

During the period ended September 30, 2014 and as at the date of this report, the Company continues to work to settle various outstanding loans payable and looked to increase its working capital as further described in the Company's Annual MD&A.

Outlook

The Company continues to remain focused on resolving the Mrima Hill project Mining License issues whilst development of the Muiane Project is dependent on its cash resources. The Company is continues to look for alternatives sources of funding such as a joint venture partner or a sale of assets to settle its outstanding debt obligations as well as provide for working capital. Furthermore the Company is working with its convertible notes and loans payable creditors to extend the existing maturity dates which were due on July 1, 2014.

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, PAW continues to incur annual net losses.

Financial Results for the three months ended September 30, 2014 and September 30, 2013

Three Months 2014
The focus of the Company during the three months ended September 30, 2014 was completing its outstanding financial filings. In support of these activities, the Company reported a $254,880 comprehensive loss or $0.00 basic and diluted loss per share the primary component was the recording of loan interest of $11,555 and interest on convertible notes of $72,833, and foreign exchange translations.

Three Months 2013
During the three months ended September 30, 2013 the Company reported a $239,031 comprehensive loss or $0.00 basic and diluted loss per share. The comprehensive loss was primarily attributed to general and administrative expenditures. Additionally the Company recorded interest expense on its outstanding loans and convertible notes payable of $3,604 and $61,217 respectively.

Financial Results for the nine months ended September 30, 2014 and September 30, 2013

Nine Months 2014
The focus of the Company during the nine months ended September 30, 2014 was completing its outstanding financial filings. In support of these activities, the Company reported a $665,224 comprehensive loss or $0.00 basic and diluted loss per share the primary component of the loss was the recording of loan interest of $34,288 and interest on convertible notes of $220,149, property and evaluation expenditures related to the Mrima Hill and TML projects, general and administration costs of $184,046 and foreign exchange translations.

Nine Months 2013
The focus of the Company during the nine months ended September 30, 2013 was the settlement of its non-related loans through the settlement of debt which was completed on April 26, 2013 and completion of its Technical Report on Mrima Hill. In support of these activities, the Company reported a $993,131 comprehensive loss or $0.00 basic and diluted loss per share for the nine months ended September 30, 2013.

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	**2014**	2013
General and Administrative				
Consulting fees	$ 26,484	$ 14,104	$ **33,208**	$ 94,053
Corporate relations	1,281	18,078	**1,349**	64,856
Filing fees	3,779	1,565	**13,195**	17,622
Office	5,869	27,230	**18,160**	102,685
Professional fees	45,571	8,965	**70,739**	111,778
Transfer agent fees	1,041	1,507	**3,567**	4,652
Travel	8	1,291	**3,267**	16,240
Wages	—	111,307	**—**	271,057
	$ 84,034	$ 184,046	$ **143,485**	$ 682,943

Significant variances to note include:

2014

The primary decrease was the resignation of CEO and CFO during the period reducing wages and consulting fees. Additionally, there was a reduction in office expenses with the scale back of personnel and offices.

SUMMARY OF QUARTERLY RESULTS

	Sept. 30, 2014	June 30, 2014	March 31, 2014	Dec. 31, 2013
Total revenues	$—	$—	$—	$—
Comprehensive Loss for the period	(254,880)	(49,098)	(351,247)	(59,711,170)
Basic and diluted loss per share	$(0.00)	$(0.00)	$(0.00)	$(0.21)

	Sept. 30, 2013	June 30, 2013	March 31, 2013	Dec. 31, 2012
Total revenues	$—	$—	$—	$—
Comprehensive Income (loss) for the period	(239,031)	(445,663)	(248,437)	(6,767,885)
Basic and diluted loss per share	$(0.00)	$(0.00)	$(0.00)	$(0.04)

Significant variances to note for the quarters include:

The Company during the three months ended December 31, 2013 reported a loss of $59,711,170) or $0.21 loss per share. The primary component of the operating expense included the impairment of TMP Licenses located in Mozambique of $1,123,679 and the impairment to Mrima Hill of $57,678,850. In addition the Company recorded a loss on debt settlement related to the fair value of the warrants issued of $328,892. In addition during three months ended December 31, 2013 the Company recorded interest on notes and loans of $103,985

The decrease in reported loss for the three months ended September 30, 2013 related to a gain in foreign exchange translation on certain amounts on consolidation of its UK and CMK subsidiaries of $117,104 including a gain on reporting currency related to its TML subsidiary of $92,584.

The increase in reported loss for June 30, 2013, related to the recording of interest expenses of $70,175 and loss on foreign exchange of $61,716.

The Company during the three months ended December 31, 2012 reported a loss of $6,767,885 ($0.04 loss per share). The primary component of the operating expense included the impairment of TMP Licenses located in Mozambique of $6,347,080 with an adjustment to income tax recovery of $774,000 in connection with this impairment. In addition the Company recorded financing charges of $245,908 in connection with the completion of the Convertible Note. In addition during three months ended December 31, 2012 the Company recorded interest on notes and loans of $105,039.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2014 the Company had a working capital deficiency of $4,549,343 (December 31, 2013 - $3,991,316). The change relating primarily to the revaluation of loans and payables in non-Canadian dollar amounts increasing amounts payable as well as the recording of interest due on loans payable. The Company has not generated revenue from operations. The Company incurred a loss of $665,224 during the period ended September 30, 2014, and has accumulated deficit of $58,190,465, and is expected to continue to incur losses. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The Company further financed its operations through various loans provided from private investors and related parties as described hereinabove. The Company will be required to raise additional funds through further equity issuances, or convertible note or exercise of warrants to fund any further exploration costs, and capital requirements to improve operations at Muiane to achieve commercial production as well as provide working capital to meet its ongoing cash requirements for the next 12 months.

Although the Company has been successful in raising capital in the past, there is no assurance it will be able to do so in the current market place.

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 period ended September 30, 2014.

OFF BALANCE-SHEET ARRANGEMENTS

The Company has no off balance-sheet arrangements.

RELATED PARTY TRANSACTIONS

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

	September 30 2014	September 30 2013
Key management personnel compensation comprised :		
Consulting fees	**$29,411**	$186,719
Wages	**$—**	$284,554
	$29,411	$471,272

a) Key Management Compensation

i) Wages of $Nil (September 30, 2013 - $284,554) were paid or accrued to Darren Townsend, the former President and Chief Executive Officer;

ii) Consulting fees of $29,411 (June 30, 2013 - $65,901) were paid or accrued to Minco Corporate Management Inc. ("Minco") a company controlled by Terese Gieselman, the former Chief Financial Officer ("CFO") and Secretary of the Company, providing accounting services, administration staff, corporate compliance services and CFO consulting fees;

iii) Consulting fees of $Nil (September 30, 2013 -$120,818 were paid or accrued to David Anderson a director of the Company.

b) Related party liabilities:

Amounts due to:	Service For		September 30 2014		December 31 2013
Darren Townsend	Salaries	$	204,447	$	208,344
Darren Townsend	Expenses	$	16,722	$	6,645
Minco Corporate Management Inc.	Consulting fees	$	64,706	$	34,319
David Anderson	Consulting fees	$	97,725	$	90,544
David Anderson	Expenses	$	70,050	$	62,738
Don O'Sullivan	Expenses	$	196,689	$	168,544

The related party liabilities are unsecured, non-interest bearing and due on demand.

c) Non-current loans payable

The non-current loans payable to related parties includes loans of $2,365,886 (December 31, 2013 – $2,315,501 to CMK due to directors or companies controlled by directors of CMK. The advances are unsecured non-interest bearing wherein the lenders have agreed such loans will be not called for repayment before January 1, 2015.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets are reviewed periodically by the Board of Directors if and when there are any changes or updates required.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of interest rate, commodity price risk and foreign 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 has cash balances and interest-bearing liabilities. The Company's current policy is to invest excess cash in interest bearing accounts of major Canadian chartered banks and other reputable financial institutions. The Company considers this risk to be immaterial. The Company regularly monitors compliance to its cash management policy.

The Company is not subject to interest rate risk on its loans payable and convertible loans payable as the instruments have fixed interest rates.

Cash is subject to floating interest rates.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities may be subject to risks associated with fluctuations in the market prices of the relevant commodities. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Foreign Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company is in exploration stage and has operations in Mozambique, U.K. and Kenya and transactions are denominated in US dollars, Australian dollars, Great British Pounds and Kenyan Shilling. As such the Company has exposure to foreign currency exchange rate fluctuations. A 10% fluctuation in foreign held cash against the Canadian dollar would approximately result in a $514 increase or decrease in the Company's after tax net earnings. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign currency risks.
The following table reflects the Company's foreign currency exposure as of September 30, 2014:

	Canadian dollar $	US dollar $	Australian dollar $	Kenyan Shilling $	Great Britain pound $	Total $
Financial assets:						
Cash	3,173	—	—	5,124	—	8,296
Financial liabilities:						
Trade and other liabilities	1,486,151	240,797	494,534	—	84,457	2,305,938
Loans payable	135,533	—		—	—	135,533
Convertible notes payable	2,105,000	—	—	—	—	2,105,000
Loans payable to related parties	50,000	—	9,533	2,365,886	—	2,425,419

The following table reflects the Company's foreign currency exposure as of December 31, 2013:

	Canadian dollar $	US dollar $	Australian dollar $	Kenyan shilling $	Great Britain pound $	Total $
Financial assets:						
Cash	17,690	49,399	—	22,648	—	89,737
Financial liabilities:						
Trade and other liabilities	781,942	443,386	543,316	4,947	84,457	1,858,048
Loans payable	100,533	—	—	—	—	100,533
Convertible notes payable	2,105,000	—	—	—	—	2,105,000
Loans payable to related parties	50,000	—	9,533	2,315,501	—	2,375,034

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counter party to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash. Cash is maintained with financial institutions of reputable credit and may be redeemed upon demand.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk exposure is limited through maintaining cash with high-credit quality financial institutions and management considers this risk to be minimal for all cash assets based on changes that are reasonably possible at each reporting date.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. To achieve this objective, the Company would prepare annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, when required the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other payables, loans payable, convertible notes payable and loans payable to related parties. The Company does not typically maintain any trade payables beyond a 30 day period to maturity. As of September30, 2014 the Company has a working capital deficiency of $4,549,343.

The following table summarizes the Company's significant remaining contractual maturities (representing undiscounted cash flows) for financial liabilities at September 30, 2014:

	Less than 3 months	3 - 12 months	over 12 months	Total
Trade and other payables	$2,305,938	$ -	$ -	$2,305,938
Loan payable	$185,533	-	-	$185,533
Note payable	$2,105,000	-	-	$2,105,000
Loan payable to related parties	-	-	$2,365,886	$2,365,886
Total	$4,596,471	$ -	$2,365,886	$6,962,357

The following table summarizes the Company's significant remaining contractual maturities (representing undiscounted cash flows) for financial liabilities at December 31, 2013:

	Less than 3 months	3-12 months	Over 12 months	Total
Trade and other payables	$1,858,048	$ -	$ -	$ 1,858,048
Loan payable	150,533	-	-	150,533
Note payable	2,105,000	-	-	2,105,000
Loan payable to related parties	-	-	$2,315,501	2,315,501
Total	$4,113,581	$ -	$2,315,501	$ 6,429,082

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Statements of Financial Position carrying amounts for cash, receivables and trade and other payables, notes payable, convertible notes payable and notes payable to related parties approximate fair value due to their short-term nature.

Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

CAPITAL MANAGEMENT

The Company considers its cash, common shares, warrants and stock options as capital. The Company's objectives when maintaining capital are to maintain a sufficient capital base in order to meet its short-term obligations and at the same time preserve investor's confidence required to sustain future development and production of the business.

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, 295,131,981 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	400,000	$0.19	July 28, 2015
Stock option	1,350,000	$0.65	August 26, 2016
Stock option	100,000	$0.63	September 1, 2016
Stock option	2,500,000	$0.405	February 22, 2017
Finders Warrants	1,336,363	$0.11	September 12, 2017
Finders Warrants	1,336,363	$0.11	November 26, 2017

As at the date of this report, there were no shares held in escrow.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Pacific Wildcat is a venture issuer, therefore this section is not applicable. The details of Pacific Wildcat's accounting policies are presented in Note 3 of the audited consolidated financial statements for the year ended December 31, 2013. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

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.

Risks and Uncertainties

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, the Company continues to develop the Mrima Hill Property and TMP Licenses. The main operating risk is securing adequate funding to maintain and advance future development of the Mrima Hill property to feasibility and capital expenditures required on the Company's tantalum asset in Muiane in order to reach commercial production and produce tantalum concentrate.

As described hereinabove the Company is currently working towards resolving the issues of the grant of its Special Mining Licenses in Kenya, the Company although confident in its special mining license application process it has complied with all applicable rules and regulations and went through a thorough process in support of its application, the Company cannot guarantee this matter will be resolved favorably, the impact of which not resolved in the Company's favor could have a material effect on the Company's ability to further develop its Mrima Hill project.

As a mineral exploration company, PAW's performance is affected by a number of industry and economic factors and exposure to certain environmental risks and regulatory requirements. These include metal prices, competition amongst exploration firms for attractive mineral properties, the interest of investors in provided high-risk equity capital to exploration companies, and the availability of qualified staff and equipment such as drilling rigs to conduct exploration.

The Company is subject to the laws and regulations relating to environmental matters in Kenya and Mozambique. The Company conducts its exploration activities in compliance with applicable environmental protection legislation and is not aware of any existing environmental problems related to its properties that may cause material liability to the Company.

In absence of cash flows from operations, the Company relies on capital markets in the junior resource sector, to raises funds. Although the Company has been successful in the past of obtaining such financing through the sale of equity securities, such market is extremely volatile and there is no guarantee that the Company will be able to raise funds as it requires them in the future. Failure to obtain such additional funding could result in the delay or the indefinite postponement of further exploration and the development of the Company's properties.