FORM 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

PACIFIC NORTH WEST CAPITAL CORP.

FOR THE NINE MONTHS ENDED 31 JANUARY 2014

1. MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion and analysis is Management's assessment of the results and financial condition of Pacific North West Capital Corp. (the "Company" or "PFN") for the nine-month period ended 31 January 2014 and should be read in conjunction with the Company's unaudited consolidated interim financial statements and related notes. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts presented are Canadian dollars ("CAD") unless otherwise stated. The date of this Management Discussion and Analysis is 27 March 2014. Additional information on the Company is available on SEDAR at www.sedar.com.

2. BUSINESS OF PACIFIC NORTH WEST CAPITAL CORP.

PFN is a mineral exploration company focused on the acquisition, exploration and development of Platinum Group Metals (PGMs), precious and base metals properties. Management's corporate philosophy is to be a project generator, explorer and project operator with the objective of forming options and/or joint ventures with major mining companies through to production. PFN has begun the evaluation of several potential property acquisitions, including precious and base metal production opportunities. A wholly-owned US and Mexican subsidiary, Pacific North West Capital Corp. USA and Pacific North West Capital de México, S.A. de C.V., respectively, are being maintained for future property acquisitions.

3. FORWARD LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

4. OUTLOOK

Due to the current downtrend in the financial markets and adverse economic conditions, the Company has implemented a program of economic controls aimed at reducing current consumption. The Company ended 31 January 2014 with a cash position that will, for the foreseeable future, enable it to continue to meet its obligations and continue to pursue acquisitions and exploration in North America and other jurisdictions.

5. PROJECT OVERVIEW:

5.1. RIVER VALLEY, ONTARIO

The River Valley mineral claims are located in the Sudbury Region of Ontario (Figure 1). PFN optioned the River Valley claims following the discovery of highly anomalous PGM values in grab samples in the Dana Lake and Azen Creek areas. By an agreement dated 15 January 1999 and amended 11 March 1999 (collectively, the "Agreement"), the Company acquired a 100% interest in the River Valley claims from Bailey Resources Ltd., Luhta Resources Ltd. and Pardo Resources Ltd. by issuing 200,000 common shares of PFN and $265,000 cash (paid). The River Valley claims are subject to a total 3% Net Smelter Return Royalty ("NSR"), of which PFN can purchase up to 2% of the NSR from the vendors for $2,000,000.

On 14 July 1999, PFN entered into an unincorporated 50/50 joint venture agreement ("JV") over the River Valley property ("River Valley PGM Project") with Kaymin Resources Ltd. ("Kaymin"), a wholly-owned subsidiary of Anglo Platinum Limited ("Anglo"), whereby Kaymin was responsible for funding all exploration to completion of a feasibility study, which would give Kaymin an additional 10% interest. In addition, if Kaymin arranged financing for a mine, it would receive another 5% interest, for a total interest of 65%.

Kaymin continued to fund exploration under the terms of JV until 2007 and invested over $22,000,000 in the exploration of the River Valley PGM Project; however, as a result of capital expenditure reductions during the global financial crisis in 2008, no new funds were allocated to the River Valley PGM Project, above and beyond the minimal holding costs.

Included in the River Valley PGM Project are the following:

i) River Valley Property, Ontario

By agreement dated 15 January 1999 and amended 11 March 1999, the Company acquired a 100% interest in 226 claim units, known as the River Valley claims, located in the Dana and Pardo Townships, Sudbury Mining District, Ontario. As consideration, the Company paid $265,000 and issued 200,000 common shares to the optionors. In addition, minimum annual exploration expenditures of $100,000 were completed. The River Valley claims are subject to a 3% NSR. The Company, at its option, can purchase up to 2% of the NSR from the vendors for $2,000,000.

On 7 February 2012, PFN received River Valley's Mining Leases. The Mining Leases give PFN security of title on the land and the exclusive right to mine the River Valley deposit. The Mining Leases include surface rights that allow for siting of project infrastructure and processing facilities. The Mining Leases are for a period of 21 years (commencing on 1 November 2011) and are renewable.

The Mining Leases covering the River Valley claims as set out in Table 1.

Table 1. PFN mining leases covering the River Valley claims

Mining Lease/ Claims	Size (Hectares ("ha"))	Township	Recorded	Current expiry date
CLM450	4777.181	Dana	1-Nov-11	31-Oct-32
CLM451	570.308	Pardo	11-Jan-12	28-Feb-33
S 3017059	256	Pardo	8-Apr-04	8-Apr-14
S 3017060	256	Pardo	8-Apr-04	8-Apr-14
S 3017061	256	Pardo	8-Apr-04	8-Apr-14
S 3017062	256	Pardo	8-Apr-04	8-Apr-14
S 3017085	256	Pardo	8-Apr-04	8-Apr-14

ii) Goldwright Property, Ontario

By agreement dated 30 June 1998 and subsequently amended, the Company earned a 25% interest in certain mineral claims known as the Janes property, located in the Janes Township, Sudbury Mining District, Ontario. Certain claims are subject to a 2% NSR.

iii) Razor Property, Ontario

The Company acquired a 100% interest in certain mineral claims located in the Dana Township, Sudbury Mining District, Ontario for consideration of $30,000. The property is subject to a 2% NSR.

iv) Western Front Property, Ontario

By agreement dated 16 November 2001, the Company earned a 70% interest in certain mineral claims known as the Western Front property from a company (the "Optionor") with certain directors in common, for consideration of $55,000 and issuance of 20,000 shares. In addition, an exploration expenditure of $50,000 was completed.

The Company has the right to purchase an additional 30% interest in the property by paying $750,000 to the Optionor.

The property is subject to a 3% NSR, the first 1% of which the Company can purchase for $1,000,000; the second 1% can be purchased for $2,000,000. The Company and the Optionor will share the NSR buyout privileges in proportion to their respective interests.

5.1.2. History of the River Valley PGM Project

The exploration history of the region dated back to the 1960s, with work on the River Valley PGM Property starting in earnest in 1999. The River Valley PGM deposit (Figure 1) was discovered by prospectors in early 1998. PFN became involved in late 1998 and Kaymin entered into the JV on the River Valley PGM Property in 1999 and had earned its 50% interest by January 2002. Between 1999 and 2008, PFN, as operator of the project, in conjunction with Kaymin, carried out several phases of trenching, surface sampling and mapping, and completed eight diamond drilling programs. During this period of time Kaymin ultimately invested a total of $22,000,000 in exploration programs, including more than 110,000 metres ("m") drilled in 550 holes.

With the global financial crash and changes in Anglo's management and exploration focus in 2008, Kaymin's funding of the River Valley PGM Project was placed on hold. PFN successfully negotiated the purchase of Kaymin's 50% interest under a Mineral Interest Assignment Agreement dated 13 December 2010 and, on 6 April 2011, signed the Amendment to Mineral Interest Agreement ("Amending Agreement") closing the purchase by PFN of Kaymin's 50% JV interest in the River Valley PGM Project. Pursuant to the terms of the Amending Agreement a total of 2,705,720 fully paid and non-assessable common shares of PFN (reflecting a 12% interest in PFN based upon the issued and outstanding common shares of PFN as of 30 November 2010 (22,547,669)) and three-year warrants to purchase up to 1,000,000 common shares of PFN at a price of Cdn$0.90 per common share were issued to Kaymin for its 50% interest in the JV. The transaction provided PFN with an undivided 100% interest in the River Valley PGM Project.

5.1.3. Post JV Partnership (2011-12 Exploration Programs)

In May 2011, PFN commenced a $5,000,000 exploration program on the River Valley PGM Project. The program involved 15,500 m of drilling, 140 line kilometres ("km") of three-dimensional induced-polarization surveys ("3D-IP"), and a new National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI43-101"), compliant mineral resource estimate. Figure 2 illustrates a simplified geology map of River Valley PGM Project.

The following is a summary of the program achievements:

A - Resource Drilling - 13,500 m

- Focused in the Dana North and Dana South Zones
- Infill drilling to advance inferred to indicate resources, increase grade and close gaps (Figure 3)
- Proximal targets drilled along strike and down-dip to expand current (2006) mineral resources

B - Exploration Drilling - 2,000 m

- Commenced on completion of the resource drilling
- Drilled one new 3D-IP chargeability target
- Drilled two under-explored targets identified from surface mineralization internally within the intrusion not drilled previously

C - Geophysical Surveys

- During resource drilling, 130 line km of ground 3D-IP surveys completed to generate new targets
- New targets identified, ranked and prioritized for drill testing (Figure 4)

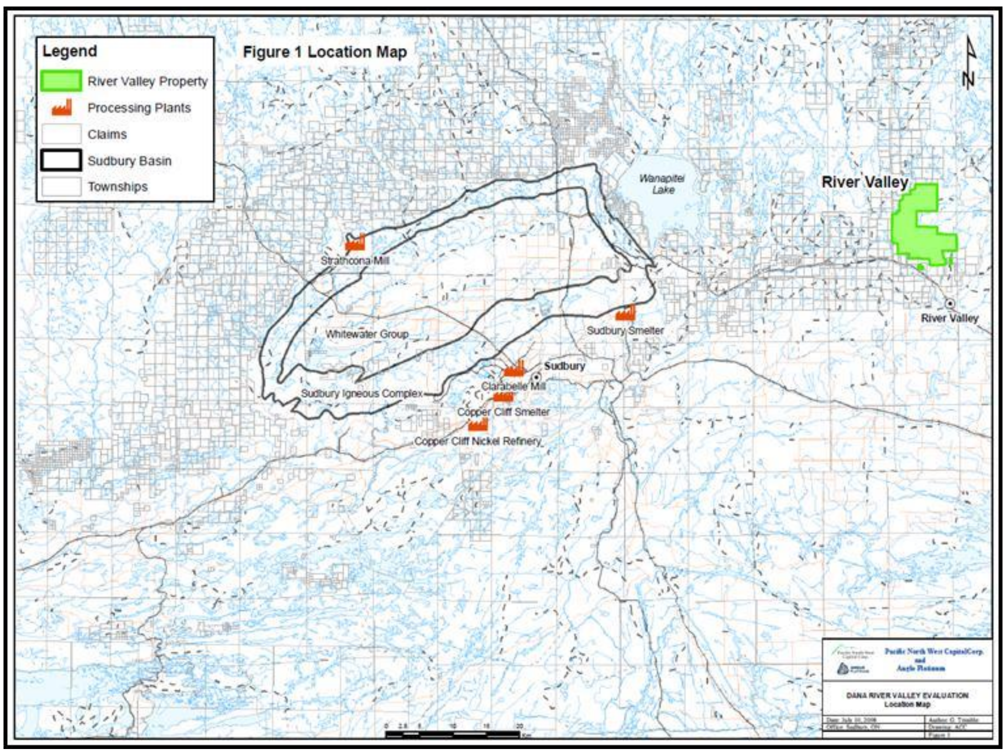

Figure 1- Location Map of River Valley PGM Project relative to the metallurgical facilities in the greater Sudbury region.

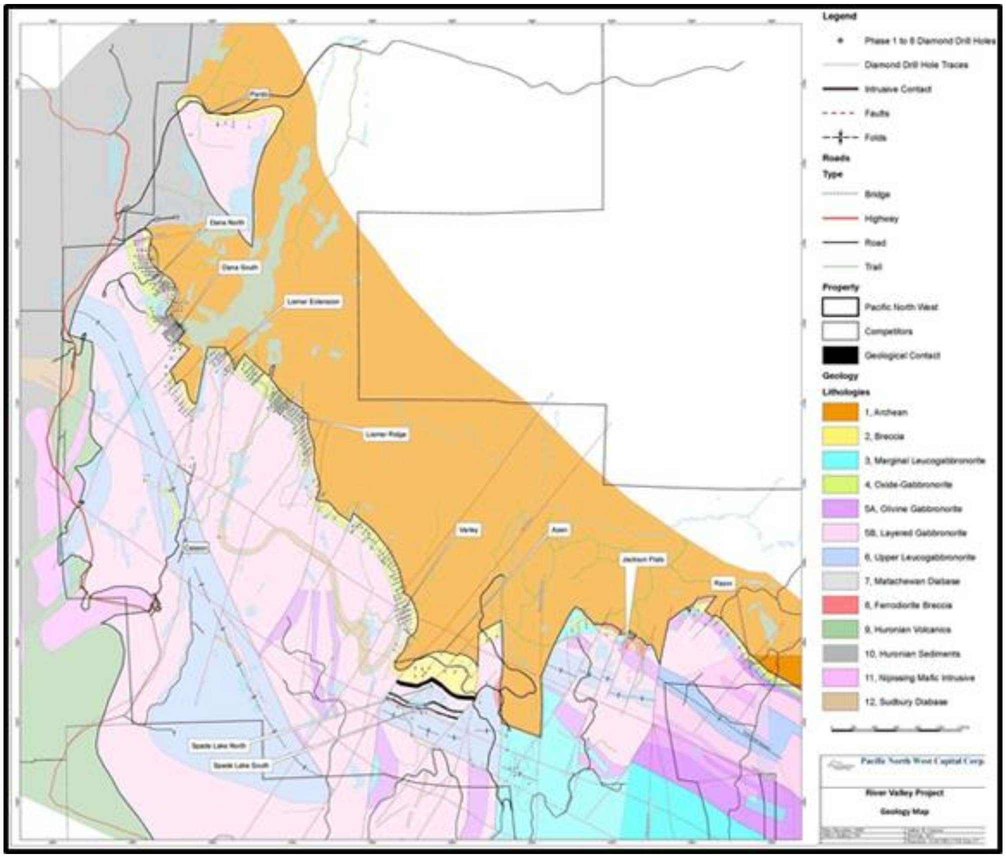

Figure 2- Geology Map of River Valley PGM Project

2011-12 Drill Results

Drilling continued to establish continuity between previously-identified mineralized intercepts on the deposit. At shallow to moderate depths, drilling encountered moderate to high-grade gold mineralization in most of the holes drilled. Low-grade gold mineralization ranging 0.5 to 1.5 grams per tonne ("gpt" or "g/t") was encountered over wide intersections in many of the holes ranging 8 to 25 m in length. In some holes, multiple wide low-grade zones were cored.

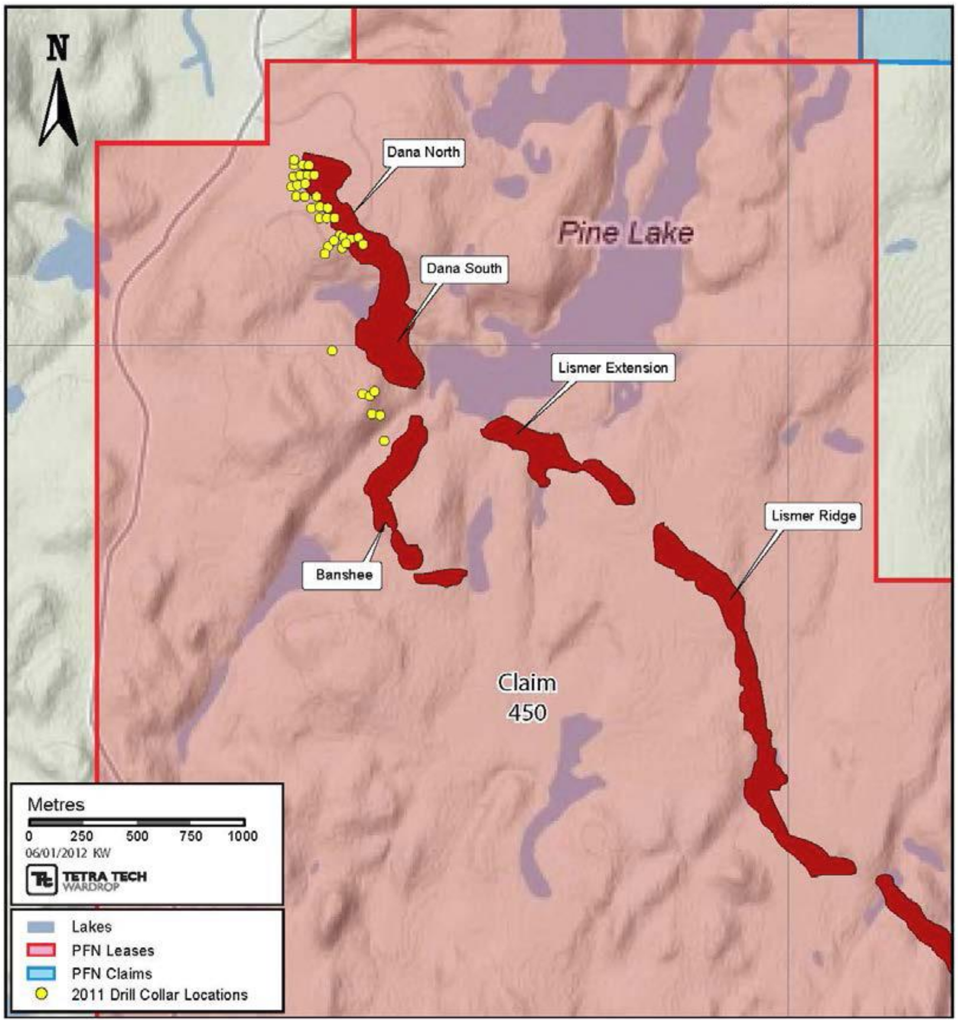

Figure 3- 2011-12 Drill Collar Locations

Discussion

Work to date at River Valley suggests that the best potential for economic accumulations of PGM-copper ("Cu")-nickel ("Ni") sulphide mineralization is within the Breccia Zone. This zone includes the main mineralized zone. The main zone occurs within about 20 m of the intrusive contact with country rocks. This contact zone extends for over 9 km of prospective strike length and hosts the currently defined resource (Figure 4).

Main Zone of the breccia-hosted PGM mineralization averages 20-50 m in thickness, continues to depths of greater than 200 m, and is for the most part open along strike and downdip. In addition, the drilling demonstrates predictable grade to depth with significant high-grade intersections (5-10 gpt 3E[1] over 1-5 m & 3-5 gpt 3E over 5-10 m) enveloped by broader (commonly >20 m and sometimes >100 m) lower grade (1.0-1.5 gpt 3E) intersections.

[1] 3E= Platinum+Palladium+Gold

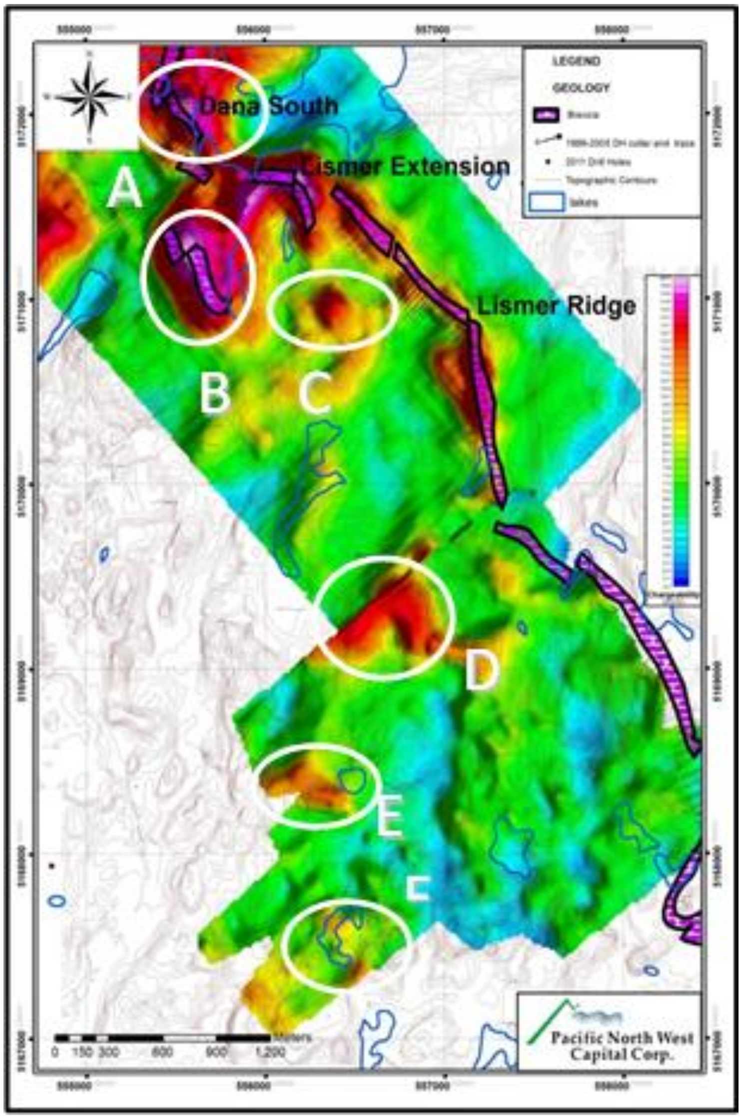

Figure 4- Target areas on IP map

The continuity of mineralization and the remarkable consistency in the geology and stratigraphy along strike and at depth, suggests that there is significant potential to increase resources on the property through further extensional drilling away from the currently defined mineralized zones. Deeper holes confirmed the presence of mineralization at depths greater than 350 m (down dip and down plunge). There is a general correlation between 3D-IP geophysical survey anomalies and PGM sulphide intersections.

The intersections for most of the holes correlate with relatively high chargeability, an indication of disseminated sulphide.

Table 2 illustrates significant intervals in the 2011 exploration program.

Table 2- 2011 drill program significant intervals

	From (m)	To (m)	Intersect (m)	Intersect (feet)	True Thick -ness (m)	Pt (gpt)	Pt (opt)	Pd (gpt)	Pd	Au (gpt)	Rh (gpt)	3E (gpt)	3E (opt)	Ni (%)	Cu (%)
DN001	**123**	**173**	**50**	**164.0**	40.5	**0.26**	**0.008**	**0.77**	**0.022**	**0.05**		**1.10**	**0.03**	**0.02**	**0.09**
Including	123	134	11	36.1	8.9	0.37	0.011	1.11	0.033	0.07		1.55	0.05	0.02	0.09
Including	141	153	12	39.4	9.7	0.31	0.009	0.90	0.026	0.05		1.26	0.04	0.02	0.11
Including	159	173	13	42.7	10.5	0.28	0.008	0.83	0.024	0.06		1.18	0.03	0.03	0.12
DN002	**114**	**179**	**65**	**213.3**	46.0	**0.32**	**0.009**	**0.95**	**0.028**	**0.06**		**1.30**	**0.04**	**0.02**	**0.10**
Including	146	158	12	39.4	8.5	0.43	0.013	1.30	0.038	0.08		1.82	0.05	0.03	0.14
Including	173	179	6	19.7	4.2	0.74	0.022	2.34	0.068	0.12		3.20	0.09	0.02	0.12
DN003	**50**	**115**	**65**	**213.3**	46.0	**0.42**	**0.010**	**1.29**	**0.038**	**0.08**		**1.80**	**0.05**	**0.03**	**0.13**
Including	50	59	9	29.5	6.4	0.98	0.029	3.09	0.090	0.18		4.25	0.12	0.03	0.22
Including	72	84	12	39.4	8.5	0.59	0.017	1.76	0.052	0.11		2.47	0.07	0.04	0.16
DN004	**29**	**63**	**34**	**111.5**	24.0	**0.66**	**0.020**	**2.00**	**0.060**	**0.12**		**2.80**	**0.08**	**0.03**	**0.16**
Including	29	40	11	36.1	7.8	1.12	0.033	3.40	0.099	0.18		4.71	0.14	0.04	0.24
Including	43	47	4	13.1	2.8	0.69	0.020	2.06	0.060	0.11		2.86	0.08	0.03	0.16
DN005	201	209	8	26.2	6.5	**0.44**	**0.010**	**1.04**	**0.030**	**0.07**		**1.55**	**0.05**	0.02	0.12
And	**250**	**256**	**6**	**19.7**	**4.9**	**0.41**	**0.010**	**1.11**	**0.040**	**0.07**		**1.60**	**0.05**	**0.03**	**0.14**
Including	253	255	2	6.6	1.6	0.60	0.020	1.62	0.050	0.09		2.31	0.07	0.04	0.18
DN006	**131**	**155**	**24**	**78.7**	**17.0**	**0.58**	**0.020**	**1.44**	**0.046**	**0.13**		**2.15**	**0.07**	**0.02**	**0.14**
Including	131	137	6	19.7	4.2	0.92	0.030	2.30	0.070	0.19		3.41	0.11	0.02	0.13
Including	145	155	10	32.8	7.1	**0.60**	**0.019**	**1.50**	**0.050**	**0.12**		**2.22**	**0.07**	0.03	0.17
DN007	**33**	**79**	**46**	**150.9**	**32.5**	**0.46**	**0.010**	**1.10**	**0.040**	**0.08**		**1.65**	**0.05**	**0.02**	**0.11**
Including	33	56	23	75.4	16.3	0.58	0.020	1.29	0.040	0.08		1.95	0.06	0.02	0.08
Including	60	62	2	6.6	1.4	0.65	0.020	1.53	0.050	0.18		2.36	0.08	0.03	0.28
Including	76	79	3	9.8	2.1	0.46	0.010	1.41	0.050	0.10		1.97	0.06	0.03	0.18
DN008	**6**	**14**	**8**	**26.2**	**5.7**	**0.76**	**0.020**	**2.38**	**0.080**	**0.13**		**3.28**	**0.11**	**0.02**	**0.15**
Including	9	14	5	16.4	3.5	1.03	0.030	3.24	0.100	0.18		4.45	0.14	0.03	0.18
DN009	91	94	3	9.8	2.4	0.40	0.010	0.99	0.030	0.01	0.040	1.40	0.05	0.01	0.01
DN010	223	241	18	59.0	12.7	0.35	0.010	1.18	0.040	0.06	0.030	1.59	0.05	0.03	0.10
Including	223	228	5	16.4	3.5	0.49	0.020	1.61	0.050	0.06	0.030	2.16	0.07	0.04	0.12
And	233	239	6	19.7	4.2	0.40	0.010	1.40	0.040	0.07	0.030	1.87	0.06	0.04	0.10
Including	233	235	2	6.6	1.4	0.64	0.020	2.38	0.080	0.12	0.030	3.14	0.10	0.04	0.15
DN011	52	56	4	13.1	2.8	0.75	0.020	0.83	0.030	0.01	0.420	1.59	0.05	0.00	0.01
And	72	86	14	45.9	9.9	0.55	0.020	1.70	0.050	0.12	0.340	2.38	0.08	0.02	0.13
Including	72	76	4	13.1	2.8	0.97	0.030	2.93	0.090	0.18	0.950	4.09	0.13	0.02	0.12
And	134	187	53	173.8	37.5	0.83	0.030	2.52	0.080	0.15	3.340	3.50	0.11	0.03	0.18
Including	143	156	13	42.6	9.2	0.90	0.030	2.83	0.090	0.16	1.990	3.89	0.12	0.03	0.17
Including	**171**	**182**	**11**	**36.1**	**7.8**	**1.82**	**0.060**	**5.83**	**0.190**	**0.35**	**1.320**	**8.00**	**0.26**	**0.07**	**0.38**
And	223	231	8	26.2	5.7	0.39	0.010	1.26	0.040	0.07	0.450	1.72	0.06	0.04	0.12
Including	223	226	3	9.8	2.1	0.65	0.020	2.15	0.070	0.11	0.520	2.91	0.09	0.06	0.19
DN012	38	65	27	88.6	19.1	0.49	0.020	1.58	0.050	0.08	0.060	2.16	0.07	0.02	0.12
Including	44	51	7	23.0	4.9	1.12	0.040	3.77	0.120	0.15	0.140	5.04	0.16	0.04	0.19
And	132	140	8	26.2	5.7	0.33	0.010	1.06	0.030	0.07	0.040	1.45	0.05	0.02	0.11
DN013	172	174	2	6.6	1.4	0.47	0.020	1.55	0.050	0.04	**2.050**	2.06	0.07	0.02	0.13
DN014	366	396	30	98.4	26.0	0.59	0.020	1.91	0.060	0.10	0.001	2.60	0.08	0.03	0.16
Including	366	368	2	6.6	1.7	1.50	0.050	4.78	0.150	0.17	0.001	**6.44**	0.21	0.05	0.26
Including	378	380	2	6.6	1.7	0.89	0.030	3.04	0.100	0.16	0.001	4.08	0.13	0.03	0.24
DN015	254	261	7	23.0	6.1	0.92	0.030	2.38	0.080	0.10	0.001	3.39	0.11	0.02	0.12
Including	255	257	2	6.6	1.4	0.95	0.030	3.00	0.100	0.11	0.001	4.05	0.13	0.02	0.10
Including	258	261	3	9.8	2.1	1.00	0.030	2.92	0.090	0.14	0.001	4.06	0.13	0.03	0.19
DN016	294	303	9	29.5	7.8	0.99	0.030	3.20	0.100	0.13	0.012	4.32	0.14	0.02	0.16
Including	294	298	4	13.1	3.5	1.58	0.050	5.44	0.170	0.19	0.021	7.21	0.23	0.04	0.27
And	328	334	6	19.7	5.2	1.05	0.030	2.86	0.090	0.13	0.010	4.04	0.13	0.05	0.21
DN017	144	171	27	88.6	22.4	0.69	0.020	1.99	0.060	0.12	**0.007**	2.80	0.09	0.02	0.12

Including	150	162	12	39.4	9.9	0.91	0.030	2.57	0.080	0.14	0.009	3.62	0.12	0.04	0.20
DN018	132	151	19	62.3	13.4	0.50	0.020	1.56	0.050	0.09	0.005	2.15	0.07	0.03	0.13
Including	135	140	5	16.4	3.5	0.79	0.030	2.50	0.080	0.14	0.008	3.43	0.11	0.04	0.19
DN019	103	116	13	42.6	9.2	0.41	0.010	1.24	0.040	0.07	0.004	1.72	0.06	0.03	0.12
Including	105	109	4	13.1	2.8	0.41	0.010	1.27	0.040	0.08	0.003	1.76	0.06	0.02	0.11
And	129	137	8	26.2	5.7	0.30	0.010	0.90	0.030	0.04	0.002	1.24	0.04	0.02	0.07
Including	129	131	2	6.6	1.4	0.49	0.020	1.53	0.050	0.08	0.004	2.10	0.07	0.03	0.16
DN020	44	54	10	32.8	7.1	0.31	0.010	0.98	0.030	0.06	0.003	1.35	0.04	0.02	0.12
Including	51	53	2	6.6	1.4	0.46	0.010	1.50	0.050	0.07	0.005	2.03	0.07	0.02	0.13
DN021	214	249	35	114.8	30.3	0.58	0.020	1.77	0.060	0.12	0.006	2.47	0.08	0.02	0.15
Including	216	222	6	19.7	5.2	1.13	0.040	3.71	0.120	0.22	0.015	5.06	0.16	0.04	0.24
Including	226	231	5	16.4	4.3	0.72	0.020	2.25	0.070	0.16	0.007	3.12	0.10	0.03	0.20
And	304	323	19	62.3	16.5	0.47	0.020	1.45	0.050	0.09	0.004	2.01	0.06	0.04	0.17
And	331	339	8	26.2	6.9	0.59	0.020	1.72	0.060	0.08	0.006	2.39	0.08	0.04	0.19
DN022	214	249	35	114.8	27.2	0.42	0.010	1.27	0.040	0.88	0.004	2.57	0.08	0.03	0.13
Including	199	203	4	13.1	3.1	0.67	0.020	2.36	0.080	0.17	0.006	3.20	0.10	0.04	0.21
Including	208	218	10	32.8	7.8	0.64	0.020	1.96	0.060	0.12	0.006	2.71	0.09	0.04	0.17
DN023	68	110	42	137.8	29.7	0.53	0.020	1.65	0.050	1.00	0.005	3.18	0.10	0.02	0.13
Including	88	99	11	36.1	7.8	0.75	0.020	2.54	0.080	0.14	0.008	3.43	0.11	0.04	0.19
DN024	25	37	12	39.4	8.5	0.68	0.020	2.08	0.070	0.12	0.007	2.88	0.09	0.03	0.16
Including	**25**	**31**	**6**	**19.7**	**4.2**	**0.93**	**0.030**	**2.90**	**0.090**	**0.15**	**0.009**	**3.97**	**0.13**	**0.03**	**0.18**
And	41	56	15	49.2	10.6	0.41	0.010	1.29	0.040	0.06	0.004	1.76	0.06	0.02	0.10
Including	47	50	3	9.8	2.1	0.71	0.020	1.98	0.060	0.08	0.006	2.77	0.09	0.04	0.14
And	61	72	11	36.1	7.8	0.41	0.010	1.41	0.050	0.08	0.004	1.90	0.06	0.03	0.15
Including	67	70	3	9.8	2.1	0.39	0.010	1.36	0.040	0.08	0.005	1.83	0.06	0.03	0.16
DN025	28	38	10	32.8	7.1	0.56	0.020	1.59	0.050	0.08	0.005	2.23	0.07	0.03	0.12
Including	30	33	3	9.8	2.1	1.10	0.040	2.78	0.090	0.13	0.009	4.01	0.13	0.03	0.15
DN026	99	112	13	42.6	11.6	0.40	0.010	1.40	0.050	0.08	0.004	1.88	0.06	0.02	0.14
Including	104	109	5	16.4	4.5	0.50	0.020	1.60	0.050	0.09	0.004	2.19	0.07	0.02	0.19
And	195	198	3	9.8	2.7	0.50	0.020	1.50	0.050	0.05	0.004	2.05	0.07	0.02	0.10
DN027	**73**	**81**	**8**	**26.2**	**5.7**	**0.40**	**0.010**	**1.10**	**0.040**	**0.03**	**0.004**	**1.53**	**0.05**	**0.01**	**0.06**
Including	73	76	3	9.8	2.1	0.70	0.020	2.00	0.060	0.06	0.007	2.76	0.09	0.02	0.09
DN029	22	32	10	32.8	7.1	1.00	0.030	3.30	0.110	0.20	0.011	4.50	0.14	0.07	0.28
Including	23	24	1	3.3	0.7	2.20	0.070	7.00	0.230	0.20	0.023	9.40	0.30	0.12	0.46
Including	24	32	8	26.2	5.7	0.90	0.030	2.70	0.090	0.20	0.009	3.80	0.12	0.06	0.27
DN030	3.5	18	14.5	47.6	10.3	0.70	0.020	2.10	0.070	0.10	0.008	2.90	0.09	0.04	0.17
Including	**6**	**12**	**6**	**19.7**	**4.2**	**1.01**	**0.030**	**3.23**	**0.100**	**0.15**	**0.012**	**4.39**	**0.14**	**0.04**	**0.20**
DN032	306	320	14	45.9	12.0	0.41	0.010	1.19	0.040	0.06	0.004	1.66	0.05	0.02	0.08
Including	**312**	**314**	**2**	**6.6**	**1.7**	**0.76**	**0.020**	**2.56**	**0.080**	**0.08**	**0.008**	**3.40**	**0.11**	**0.02**	**0.08**
And	325	358	33	108.2	28.3	0.48	0.020	1.54	0.050	0.09	0.004	2.11	0.07	0.02	0.12
Including	**332**	**339**	**7**	**23.0**	**6.0**	**1.17**	**0.040**	**3.82**	**0.120**	**0.18**	**0.011**	**5.17**	**0.17**	**0.04**	**0.21**
DN033	256	310	54	177.1	38.2	0.51	0.020	1.48	0.050	0.09	0.005	2.08	0.07	0.03	0.14
Including	262	274	12	39.4	8.5	0.83	0.030	2.37	0.080	0.15	0.009	3.35	0.11	0.05	0.24
Including	291	295	4	13.1	2.8	0.59	0.020	1.81	0.060	0.11	0.006	2.51	0.08	0.03	0.16
Including	306	309	3	9.8	2.1	0.93	0.030	2.83	0.090	0.13	0.011	3.89	0.13	0.02	0.15
DN034	5	15	10	32.8	7.1	0.59	0.020	1.42	0.050	0.10		2.11	0.07	0.03	0.13
Including	**7**	**10**	**3**	**9.8**	**2.1**	**0.72**	**0.020**	**1.99**	**0.060**	**0.13**		**2.84**	**0.09**	**0.03**	**0.16**
And	67	71	4	13.1	2.8	1.00	0.030	2.87	0.090	0.18		4.05	0.13	0.03	0.17
And	219	239	20	65.6	14.1	0.63	0.020	2.03	0.070	0.11		2.77	0.09	0.05	0.20
Including	**229**	**233**	**4**	**13.1**	**2.8**	**1.26**	**0.040**	**4.22**	**0.140**	**0.24**		**5.72**	**0.18**	**0.08**	**0.38**
And	281	297	16	52.5	11.3	0.51	0.020	1.47	0.050	0.08		2.06	0.07	0.03	0.15
Including	**282**	**287**	**5**	**16.4**	**3.5**	**0.82**	**0.030**	**2.51**	**0.080**	**0.12**		**3.45**	**0.11**	**0.04**	**0.19**
DN035	74	115	41	134.5	29.0	0.41	0.010	1.33	0.040	0.07		1.81	0.06	0.03	0.15
Including	**90**	**102**	**12**	**39.4**	**8.5**	**0.67**	**0.020**	**2.20**	**0.070**	**0.12**		**2.99**	**0.10**	**0.47**	**0.22**
And	209	223	14	45.9	9.9	0.75	0.020	2.25	0.070	0.11		3.11	0.10	0.03	0.16
And	249	269	20	65.6	14.1	0.37	0.010	1.11	0.040	0.06		1.54	0.05	0.03	0.12
Including	**249**	**250**	**1**	**3.3**	**0.7**	**1.45**	**0.050**	**4.78**	**0.150**	**0.19**		**6.42**	**0.21**	**0.06**	**0.26**
DN038	171	198	27	88.6	19.1	0.42	0.010	1.37	0.040	0.08		1.87	0.06	0.03	0.13
Including	**171**	**175**	**4**	**13.1**	**2.8**	**0.64**	**0.020**	**2.20**	**0.070**	**0.11**		**2.95**	**0.09**	**0.03**	**0.17**

Mineral	Symbol		Mineral	Symbol
Cobalt	Co		Palladium	Pd
Copper	Cu		Platinum	Pt
Gold	Au		Rhodium	Rh
Pd+Pt+Au	3E		Silver	Ag
Nickel	Ni			

2012 Mineral Resource Estimate (NI43-101 compliant):

The detailed results of the new mineral resources estimate for the River Valley PGM Project are presented in Table 3 below. This NI43-101 compliant mineral resource estimate was completed by Tetra Tech, Inc., an environmental engineering and consulting firm in Sudbury, Ontario. The new estimate incorporates the 13,140 m in 46 holes drilled in the Dana North and Dana South Zones since the May 2006 estimate. All 462 holes were drilled at a nominal drill section spacing of 25 m to 100 m on the eight separate mineralized zones shown in Figure 5.

The estimated NI43-101 compliant **Measured** and **Indicated** mineral resources at a cut-off grade of 0.80 g/t Palladium Equivalent ("PdEq") have increased by 470% from the previous mineral resource estimate (Technical Report by GeoSIMS filed on SEDAR, May 2006) to 91,339,500 tonnes ("t") grading 0.84 g/t Pd+Pt+ Au, 0.06% Cu, 0.02% Ni and 0.002% Co. The compliant **Inferred** mineral resources have increased by >1000% to 35,911,000 Mt grading 0.53 g/t Pd+Pt+Au, 0.06% Cu, 0.03% Ni and 0.002% Co.

The mineral resources were estimated using Datamine Studio3(c) software and are reported at a cut-off grade of 0.8 PdEq. The 0.8 g/t PdEq cut-off was used pending future assessment of the economics and development potential of River Valley as an open pit mining project. The Company considers the 0.8 g/t cut-off value to be appropriate because: 1) the PdEq grade is 1.38 gpt for Measured and Indicated and 1.07 g/t for Inferred resources; and 2) Rh and Ag are not included in the PdEq calculation.

Comparisons are made above to the previous NI43-101 compliant River Valley mineral resource estimate of May 2006 (Technical Report by GeoSIMS available on PFN's SEDAR profile at http://sedar.com and on the Company's website). The large increase in the mineral resources reported herein is explained by the combined effects of:

1. Incorporation of the 2011 resource drilling results;
2. Inclusion of three mineralized zones that were previously overlooked;
3. Use of PdEq rather than Pd+Pt cut-off grades; and
4. Use of a length-weighted average Specific Gravity value of 2.94 measured for River Valley rather than the previous value of 2.89.

Table 3 - NI43-101 Compliant Mineral Resources for the River Valley PGM Project, Sudbury, Ontario

Measured												**Contained Metal**	
Zone	**PdEq Cut-off**	**TONNES**	**Pd**	**Pt**	**Rh**	**Au**	**Ag**	**Cu**	**Ni**	**Co**	**PdEq**	**PGM+Au**	**PdEq**
	(g/t)		**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(%)**	**(%)**	**(%)**	**(g/t)**	**(oz)**	**(oz)**
Azen	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Banshee	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Dana North	0.80	9,622,180	0.66	0.24	0.023	0.05	0.70	0.07	0.02	0.003	1.56	295,747	468,612
Dana South	0.80	5,980,550	0.79	0.26	0.027	0.05	0.56	0.06	0.01	0.003	1.68	210,735	313,237
Lismer	0.80	9,982,120	0.50	0.20	0.018	0.04	0.40	0.05	0.02	0.003	1.24	235,646	386,598
Lismer Extension	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Razor	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Varley	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Total Measured		**25,584,850**	**0.63**	**0.23**	**0.022**	**0.04**	**0.55**	**0.06**	**0.02**	**0.003**	**1.46**	**742,127**	**1,168,447**

Indicated												**Contained Metal**	
Zone	**PdEq Cut-off**	**TONNES**	**Pd**	**Pt**	**Rh**	**Au**	**Ag**	**Cu**	**Ni**	**Co**	**PdEq**	**PGM+Au**	**PdEq**
	(g/t)		**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(%)**	**(%)**	**(%)**	**(g/t)**	**(oz)**	**(oz)**
Azen	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Banshee	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Dana North	0.80	14,076,300	0.60	0.22	0.021	0.04	0.52	0.07	0.02	0.003	1.45	392,562	635,796
Dana South	0.80	8,040,000	0.70	0.24	0.024	0.04	0.59	0.05	0.01	0.003	1.49	252,029	373,248
Lismer	0.80	16,300,300	0.48	0.19	0.018	0.04	0.05	0.06	0.02	0.003	1.25	371,212	638,230
Lismer Extension	0.80	13,690,300	0.57	0.23	0.021	0.04	0.12	0.06	0.02	0.002	1.37	365,153	586,774
Razor	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Varley	0.80	13,647,800	0.53	0.21	0.019	0.03	0.17	0.05	0.01	0.002	1.27	339,978	540,424
Total Indicated		**65,754,700**	**0.56**	**0.21**	**0.020**	**0.04**	**0.26**	**0.06**	**0.02**	**0.002**	**1.35**	**1,720,935**	**2,774,470**

Measured+Indicated												**Contained Metal**	
Zone	**PdEq Cut-off**	**TONNES**	**Pd**	**Pt**	**Rh**	**Au**	**Ag**	**Cu**	**Ni**	**Co**	**PdEq**	**PGM+Au**	**PdEq**
	(g/t)		**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(%)**	**(%)**	**(%)**	**(g/t)**	**(oz)**	**(oz)**
Azen	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Banshee	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Dana North	0.80	23,698,480	0.63	0.23	0.022	0.04	0.59	0.07	0.02	0.003	1.49	688,309	1,104,408
Dana South	0.80	14,020,550	0.74	0.25	0.025	0.04	0.58	0.05	0.01	0.003	1.57	462,764	686,484
Lismer	0.80	26,282,420	0.49	0.19	0.018	0.04	0.18	0.06	0.02	0.003	1.25	606,858	1,024,827
Lismer Extension	0.80	13,690,300	0.57	0.23	0.021	0.04	0.12	0.06	0.02	0.002	1.37	365,153	586,774
Razor	0.80	-	0.00	0.00	-	0.00	0.00	0.00	0.00	-	0.00	-	-
Varley	0.80	13,647,800	0.53	0.21	0.019	0.03	0.17	0.05	0.01	0.002	1.27	339,978	540,424
Total Measured+Indicated		**91,339,550**	**0.58**	**0.22**	**0.021**	**0.04**	**0.34**	**0.06**	**0.02**	**0.002**	**1.38**	**2,463,062**	**3,942,917**

Inferred												**Contained Metal**	
Zone	**PdEq Cut-off**	**TONNES**	**Pd**	**Pt**	**Rh**	**Au**	**Ag**	**Cu**	**Ni**	**Co**	**PdEq**	**PGM+Au**	**PdEq**
	(g/t)		**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(g/t)**	**(%)**	**(%)**	**(%)**	**(g/t)**	**(oz)**	**(oz)**
Azen	0.80	16,095,000	0.37	0.15	0.014	0.03	0.08	0.05	0.03	0.001	1.11	285,081	559,956
Banshee	0.80	3,320,000	0.35	0.19	0.015	0.03	-	0.05	0.01	-	1.00	61,659	103,387
Dana North	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Dana South	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Lismer	0.80	303,000	0.31	0.13	0.012	0.03	-	0.06	0.02	0.002	0.92	4,584	8,747
Lismer Extension	0.80	-	-	-	-	-	-	-	-	-	-	-	-
Razor	0.80	16,163,000	0.36	0.12	0.013	0.02	0.16	0.06	0.03	0.003	1.05	262,468	528,164
Varley	0.80	30,000	0.30	0.15	0.012	0.03	-	0.07	0.01	0.002	0.94	459	882
Total Inferred		**35,911,000**	**0.36**	**0.14**	**0.014**	**0.03**	**0.11**	**0.06**	**0.03**	**0.002**	**1.07**	**614,252**	**1,201,137**

Note: due to rounding, some totals may not appear to total properly

Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.

Notes to Mineral Resources in Table:

1. The mineral resource estimates use the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by CIM Standing Committee on Reserve Definitions and adopted by CIM Council on November 27, 2010. The mineral resource estimates provided in this report are classified as "measured", indicated", or "inferred" as defined by CIM. According to the CIM definitions, a Mineral Resource must be potentially economic in that it must be "in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction".

2. For the River Valley PGM Project, a PdEq cut-off grade was assigned based on economic assumptions from comparisons to other projects, and was used in the resource estimations. Resources reported in this press release use a cut-off of 0.80 g/t PdEq. Grades have assumed 100% recoveries. The parameters used to generate the PdEq value are provided below:

PdEq=((Au grade$Au*Factor1)+(Pt grade*$Pt*Factor1)+(Pd grade*$Pd*Factor1)+(Ni grade*$Ni*Factor2)+(Cu grade*$Cu*Factor2)+(Co grade*$Co*Factor3))/($Pd*Factor1)*

$Au = US$1271 per oz.

$Pt = US$1885 per oz.

$Pd = US$896 per oz.

$Ni = US$ 9.74 per lb.
$Cu = US$3.00 per lb.
$Co = US$15.90 per lb.
Factor1 = 0.0321508 (converts ounce per tonne to grams per tonne)
Factor2 = 22.04622 (converts pounds to grade percent)
Factor3 = 0.002205 (converts pounds to ppm)
3. The mineral resources were estimated using a block model with parent blocks of 10m x 10m x 5m and using ordinary kriging (OK) methods for grade estimation. A total of eight individual mineralized domains were identified. The determination technique of the mineral resource is based on the combination of geological modelling, geostatistics and conventional block modelling using the OK method of grade interpolation. The block model resource estimate prepared by the Tetra Tech, Inc., was based on more than 96,980 m of diamond drilling in 462 diamond drill holes. The assay data was reviewed and a composite interval of 2.0 m was used. Statistical and Variogram analyses were performed to determine the "nugget effect".
4. Rhodium grades were not estimated by the OK methodology. Rh values were determined using a regression formula based on the Pt and Pd grades. Rh values are not incorporated into the PdEq value. The PdEq value also does not include Ag.
5. The QAQC protocols and corresponding sample preparation and shipment procedures for the River Valley Project have been reviewed and approved by Tetra Tech, Inc.

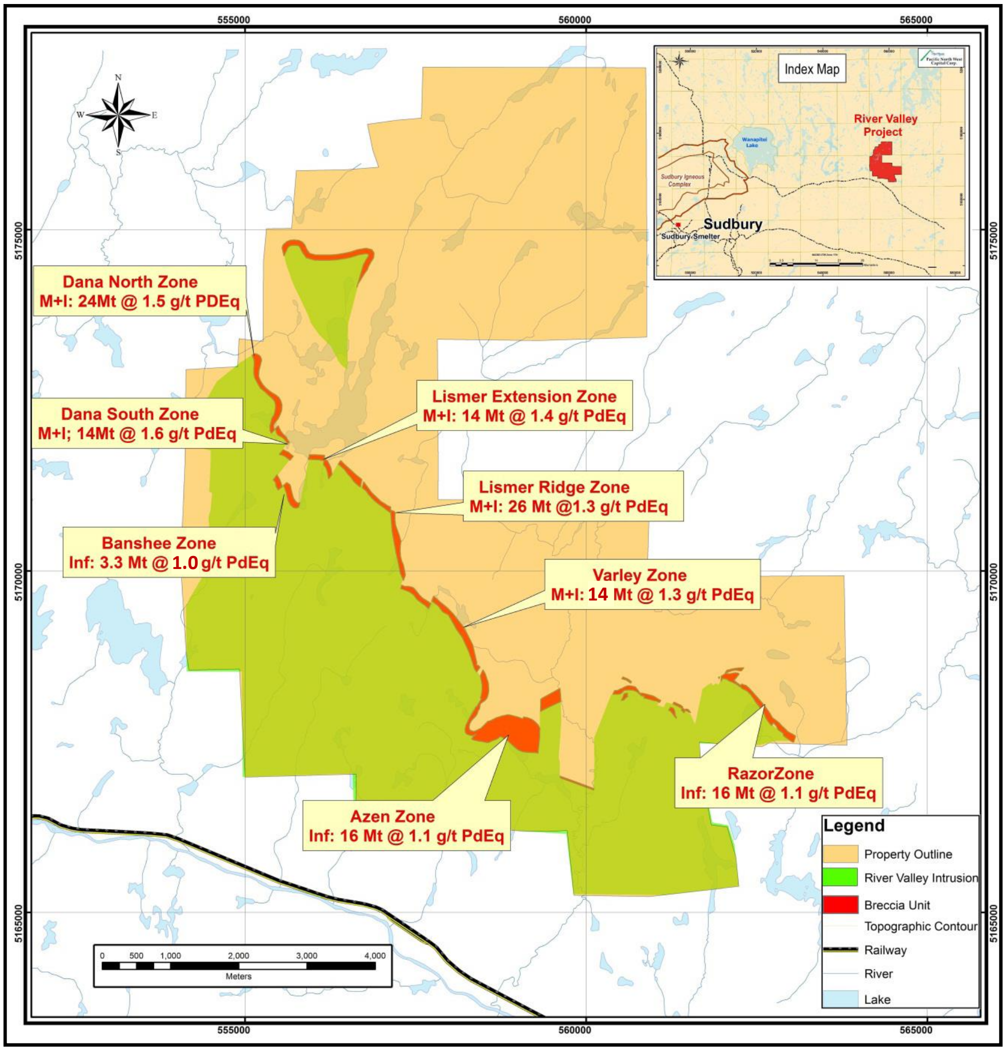

Figure 5 illustrates the distribution of the 2012 PGM mineral resources in the River Valley deposit.

D - Environmental baseline studies:

The Company commissioned DST Consulting Engineers of Thunder Bay, Ontario to complete a preliminary environmental baseline study in the area of the River Valley deposit.

The project is expected to require the completion of provincial and federal environmental assessments and permits prior to development. Environmental baseline studies are the foundation for the overall achievement of the environmental assessment under provincial and federal regulatory requirements. Baseline data collected in project development becomes important in facilitating future mine permitting such as meeting the requirements of the Metal Mining Effluent Regulations.

The Environmental Impact studies will be instrumental in moving the River Valley PGM Project through Preliminary Assessment studies with a view to advancing the project. More particularly, the studies are intended to assess the environmental impacts of the construction and operation of the possible mine site and related facilities.

The first component of the environmental baselines studies has been initiated, and covered the fourth quarter (Q4) of 2011. Aquatic baseline sampling performed in November 2011 for surface water, sediment quality and benthic invertebrates. Long-term monitoring of water quality, sediment, benthos, and fish are typical aspects of environmental effects monitoring (Environment Canada, 2002).

E - Metallurgical Studies

In September 2012 two diamond drill holes were drilled inside the River Valley PGM Project; one at Dana North Zone and the other 600 m to the south at Dana South Zone. The holes were planned to validate the geological models and maximize amount of mineralized sample material for the metallurgical test-work study. Dana North and Dana South Zones were selected for drill sampling because they are the most accessible and best understood of the eight known PGM mineralized zones, and therefore the likely starting location of any potential mining operation at River Valley. The hole at Dana North was drilled for 300 m obliquely down-dip where the zone shows a consistent orientation laterally. The Dana South hole was drilled vertically for 300 m in deference to its relatively more irregular orientation laterally.

The two drill holes each intersected PGM mineralization throughout their entire length. Dana North hole DNZ2012-MET1 intersected 298 m grading 1.9 g/t Pd+Pt+Au, 0.125% Cu and 0.024% (i.e., 2.9 g/t PdEq) Ni from 2 m down-hole. This long intersection included: 23 metres grading 2.5 g/t Pd+Pt+Au, 0.151% Cu and 0.033% Ni from 126 m down-hole (i.e., 3.8 g/t PdEq); and 144 m grading 2.6 g/t Pd+Pt+Au, 0.156% Cu and 0.028% Ni (i.e., 3.9 g/t PdEq) from 156 m down-hole. The hole ended in PGM mineralization.

Dana South hole DSZ2012-MET1 intersected 299 m grading 1.2 g/t Pd+Pt+Au, 0.076% Cu and 0.016% Ni (i.e., 1.9 g/t PdEq) from 1 m down hole (Table 4). This intersection included: 1) 46 m grading 2.8 g/t Pd+Pt+Au, 0.168% Cu and 0.031% Ni (i.e., 4.2 g/t PdEq) from 1 m down-hole; and 2) 90 m grading 1.8 g/t Pd+Pt+Au, 0.096% Cu and 0.018% Ni (i.e., 2.6 g/t PdEq) from 149 m down-hole. Lithologically the Dana South hole intersected more rock types than the Dana North hole, but it also ended in PGM mineralization.

Each hole provided approximately 700 kilograms "(kg") of core material, allowing for: 1) extensive test work on a single composite sample from each zone plus an overall composite sample of the two zones; and 2) comprehensive assaying and Quantitative Evaluation Of Minerals By Scanning Electron Microscopy ("QEMSCAN™") studies to follow the PGM during the test work.

The holes were drilled in July 2012 using a single drill rig operated by Major Drilling Group International Inc. After logging, each of the drill cores was cut into equal halves with a diamond saw. Half of the core was sent to SGS Canada Inc.'s processing facilities at Lakefield, Ontario ("SGS Lakefield") for the metallurgical testwork. The remaining half was cut into equal halves, one of which was kept in storage for reference and the other half sampled at 1 m intervals and shipped to SGS Lakefield for sample preparation and assay. In total, 567 samples from the two drill holes were assayed (plus 63 quality assurance/quality control ("QAQC") samples).

The metallurgical testwork samples were received by SGS Lakefield in early August. A total weight of 713 kg was received for the Dana North hole and 710 kg for the Dana South hole. Composite samples for each of the holes (Dana North and Dana South) and for both holes (Dana North plus Dana South) were prepared, for a total of three samples. The prepared composite samples are stored in freezer storage.

Mr. Al Hayden, P.Eng. and Associate of NordPro Mine & Project Management Services (Thunder Bay) was hired by PFN as its metallurgical consultant to supervise the study and review results.

The testwork completed by SGS Lakefield in April 2013 and involved Bond grindability and abrasion studies, sample compositing, physical and chemical analyses, and bench scale flotation tests to make high-grade sulphide concentrate. Results show that the PGMs float with Cu-Ni sulphides, and therefore demonstrate potential for a sulphide concentrator to effectively process River Valley deposit material. SGS Lakefield recommends additional testwork to determine the optimal grind size for PGM separation and further improve concentrate grade and metal recovery. A copy of the SGS Lakefield report is available for viewing on the Company's website.

<u>Metallurgical Testwork Results</u>

Metallurgical testwork was carried out on an Overall Composite sample prepared from half-core intervals from the Dana North Zone and the Dana South Zone of the River Valley PGM deposit. Testwork involved mineralogical and chemical analysis, Bond Rod and Ball mill grindability, and Bond abrasion testing on each of the Dana North and Dana South Zone composites. Mineralogical analysis determined that the main minerals are amphibole/pyroxene and plagioclase, consistent with gabbro-norite intrusive host rock type. Chalcopyrite is the sole copper mineral phase and pentlandite the primary nickel sulphide phase. However, sulphides hold only 35% to 45% of the total nickel; the remaining percentage is held in silicates and therefore unrecoverable. The Bond rod mill grindability tests at 14 mesh of grind (1180 micrometres) identified each of the two composites as very hard, with Rod Mill Work Index at ~20.0 kWh/t. A Bond ball mill grindability test at 150 mesh (106 micrometres) identified each of the two composites as hard to very hard, with a Ball Mill Work Index of 18.8 kWh/t for DNZ and 19.5 kWh/t for Dana South Zone. The Bond Abrasion tests determined each composite to be in the moderate to hard abrasive range

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Flotation testwork was completed on the Overall Composite in order to: 1) develop a viable flowsheet; 2) evaluate parameters such as primary grind and regrind fineness, reagents and dosages; and 3) generate a concentrate that targeted a grade of ~200 g/t PGM. Eleven rougher kinetics tests were performed to evaluate effective reagents, dosages, flotation time and primary grind fineness. Cleaner tests were undertaken to investigate cleaner circuit configuration, depressants and regrind fineness. The best test produced a concentrate grading 8.94% Cu, 1.22% Ni and 109 g/t PGM at recoveries of 86.8% for Cu, 26.7% for Ni and 73.1% for PGM.

A single locked cycle test ("LCT") was completed applying the flowsheet and conditions of the final cleaner test (Figure 6). The primary grind was at P80 = 71 µm and the regrind at P80 = 19 um. The LCT produced a concentrate grading 15.5% Cu, 1.67% Ni and 189 g/t PGM at recoveries of 84.4% Cu, 22.2% Ni and 68.7% PGM (Table 5). The 3rd cleaner concentrate from the LCT was submitted for multi-element analysis. In addition to Pt, Pd, Au, Cu and Ni, which would all be payable, Rh, Co and AG are present a levels which are likely also be payable. Conversely, contents of magnesium, arsenic, antimony, bismuth, and selenium are all below the problematic limits for marketability.

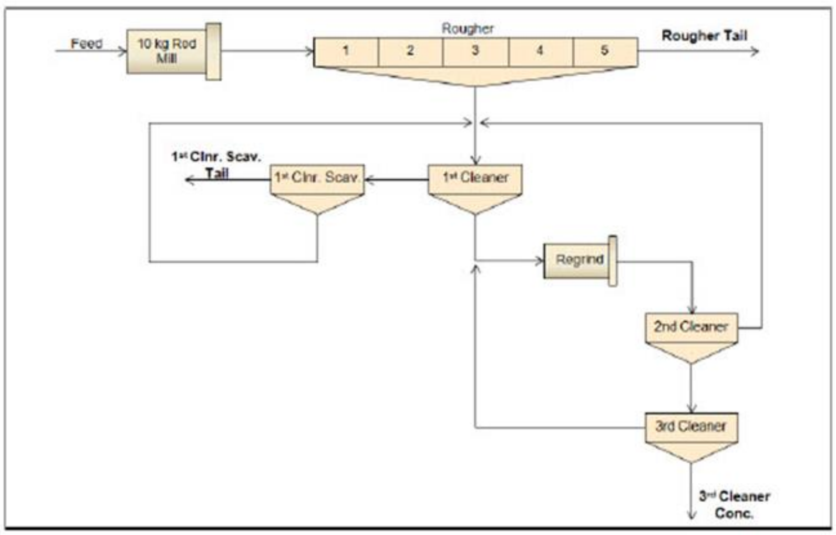

Figure 6. Flow sheet for Locked Cycle Test by SGS.

Table 4- Metallurgical Drill Hole Intersections

Hole	Zone	From (m)	To (m)	Interval (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	3E (g/t)	Cu%	Ni%	PdEq (g/t)*
DNZ2012-MET1	Dana North	2	300	**298**	1.397	0.449	0.086	1.932	0.125	0.024	2.929
including	**Dana North**	**126**	**149**	**23**	**1.780**	**0.599**	**0.130**	**2.509**	**0.151**	**0.033**	3.817
including	**Dana North**	**156**	**300**	**144**	**1.894**	**0.595**	**0.109**	**2.598**	**0.156**	**0.028**	3.867
DSZ2012-MET1	Dana South	1	300	**299**	0.874	0.292	0.052	1.218	0.076	0.016	1.856
including	**Dana South**	**1**	**47**	**46**	**2.001**	**0.652**	**0.125**	**2.778**	**0.168**	**0.031**	4.167
including	**Dana South**	**149**	**239**	**90**	**1.295**	**0.399**	**0.061**	**1.755**	**0.096**	**0.018**	2.576

**PdEq=((Au grade*$Au*0.03215)+(Pt grade*$Pt*0.03215)+(Pd grade*$Pd*0.03215)+(Ni grade*$Ni*22.046)+(Cu grade*$Cu*22.046)) /($Pd*0.03215)*

where $Au US$1271/oz, $Pt = US$1885/oz, $Pd = US$896/oz/, $Ni = US$9.74/lb, $Cu = US$3.00/lb

Table 5. Metallurgical results for the Locked Cycle Test by SGS.

		Assays				Distribution			
Product	**Weight%**	**Cu%**	**Ni%**	**S%**	**PGM g/t**	**Cu%**	**Ni%**	**S%**	**PGM%**
Head Grade*	100	0.11	0.043	0.25	1.58	100	100	100	100
Rough Conc	6.6	1.44	0.230	3.30	18.70	89.3	35.1	87.4	77.5
Rougher Tail	93.4	0.012	0.030	0.03	0.38	10.7	64.9	12.6	22.5
1st Cleaner Scav Tail	6.0	0.09	0.093	0.81	2.32	4.9	12.9	19.6	8.8
3rd Cleaner Conc	**0.6**	**15.50**	**1.670**	**29.10**	**189.00**	**84.4**	**22.2**	**67.7**	**68.7**
*Head grade of the Overall Composite for the Dana North and Dana South Zones									

<u>Metallurgical Testwork Recommendations;</u>

SGS Lakefield make the following recommendations for further testwork on River Valley:

1. Further investigate the effect of primary grind size on flotation recovery;
2. Flotation optimization testing in order to achieve further improvement of concentrate grade and metal recovery; and
3. Flotation and grindability variability testing on the composite samples in order to identify the variability of flotation performance. Subsequently, variability testing should be extended to investigate a broader range of samples from each of the mineralized zones at the River Valley PGN Project, to investigate the effect of feed grade and rock type on metallurgy.

5.1.4. Exploration & Development Plans

Plans for the foreseeable future include Phase 2 Metallurgical Studies and execution of the exploration drill program. A detailed plan is in preparation with SGS Lakefield for Phase 2 Metallurgical Studies. The testwork will involve an expanded range of samples, grades, rock types and depths for the River Valley deposit. The exploration drill program will consist of up to twenty drill holes, carefully designed to test the best two or three drill targets. Some of the holes will be selected for down-hole IP surveys in order to detect and model the location of off-hole mineralization for subsequent drilling.

PFN's technical team seized the opportunity afforded by the slowdown in exploration to reassess the potential exploration upside of the River Valley PGM Project. Compilation and integration of high quality geophysical and drilling datasets produced numerous drill-ready targets along strike, down-dip and in the immediate footwall to the main PGM mineralized zones. The targets have been ranked and prioritized for drill testing. A formal application for an exploration program, including drilling and geophysics, has won approval from the provincial government with input for local communities and Aboriginal Peoples, as mandated under the new mining laws of Ontario.

Figure 7 illustrates hundreds of anomalies that have been identified internally within River Valley Intrusion (reefs), adjacent country rocks (possible magmatic embayment and feeder features) and newly discovered River Valley like intrusions.

Potential exists for expanding the size of the PGM resources even more through extensional and additional drilling along strike, across strike and down-dip of the mineralized zones as currently defined. Inferred resources can be advanced to indicated and measured resources through denser drilling at the Banshee, Azen and Razor zones. Furthermore, exploration of new targets (i.e., reef-style mineralization) generated internally within the River Valley Intrusion) and in the adjacent country rocks (i.e., magmatic feeder zones) could result in discovery of new resources.

With regard to project development, the next logical steps are for proper metallurgical testing of fresh mineralized rock by an independent laboratory, continued baseline environmental studies, and development of a community relations program. Pending results, these steps would ultimately lead a Preliminary Economic Assessment (aka Scoping Study) of the economics and development potential of the River Valley PGM Project as a large open pit mine and mill operation.

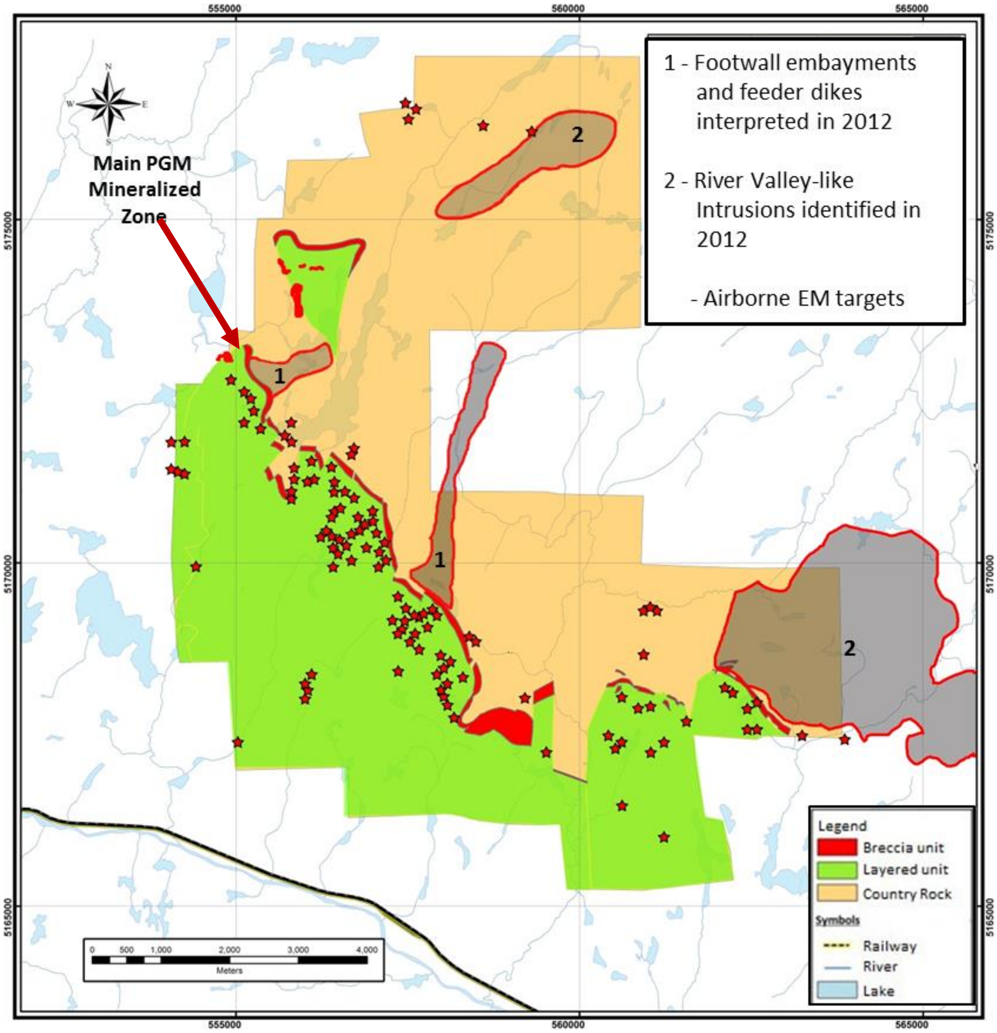

Figure 7. Location of hundreds of anomalies that has been identified in the River Valley Project

2011 and 2012 Quality Assurance and Quality Control (QA/QC)

All diamond drill core samples were submitted to SGS Laboratories, Toronto, Ontario and assayed for Pt, Pd, Au, Cu and Ni and a 33 element ICP (inductively coupled plasma) suite. Concentrations of Pt-Pd-Au were determined using standard lead fire assay, followed by dissolution with acqua-regia, and measurement with an ICP finish. Lower limited of detection (30 g sample) are 1 parts per billion ("ppb") for Au and Pd and 10 ppb for Pt; upper limits are 10,000 ppb by ICP. Concentrations of Cu-Ni were determined by ICP methods with detection limit of 0.5 parts per million ("ppm") for Cu and 1 ppm for Ni; upper limit for both Cu and Ni is 1 %.

One standard and one blank were inserted every 40 samples into the sample stream. Duplicates were taken each twentieth sample. This practice continued throughout 2011 Phase IA drilling and included the preparation and insertion of new and necessary standards at the cut-off grade and at the mean grade of the deposits. All sample preparation has been conducted and directed on site by contract geologists and samplers hired by PFN.

5.2. RIVER VALLEY EAST AND WEST PGM PROJECT, ONTARIO

The River Valley West Property is comprised of a contiguous group of 944 mining claims units in 72 mining claims and is located in Davis, Janes, Loughrin and Henry townships. The River Valley East Property claim group consists of 532 mining claims units in 35 claim units that sprawl over parts of Dana, Pardo, Hobbs and McWilliams Townships, Sudbury Mining Division. These claims were staked in May of 2011 (Figure 8). The property is situated to the east of the Sudbury Basin and north of Highway 17. It covers two rock groups that host significant concentrations of PGM mineralization; the River Valley-East Bull Lake Suite of rocks and the Nipissing Gabbro.

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River Valley West claims cover branches of the River Valley Intrusion from the main intrusive body that hosts the River Valley PGM resource and intrude Huronian sediments to the west. These units are under explored making them attractive exploration targets. The East Bull Lake Suite has the potential to contain at least two different styles of sulphide mineralization: 1) brecciated contact style mineralization (similar to PFN's River Valley PGM Project); and 2) reef style mineralization in the interior of these intrusive bodies, at the interface or zone of mixing of magmas of differing composition. The Nipissing Gabbro has been explored for PGM on some areas of the property. Public sector geochemical data from the newly acquired claims indicate widespread anomalous PGM, gold and base metals. Hypersthene-bearing gabbro and contact breccia appear to be the most favourable lithologies within the Nipissing for hosting significant PGM mineralization.

The Company completed a Geo-referencing program over selected claims as outlined in Geo-referencing *Standards for Unpatented Mining Claims*, Ministry of Northern Development and Mines. This undertaking was initiated on 1 March 2013 and it was completed on 21 March 2013.

A joint venture partner is being sought to further explore the project.

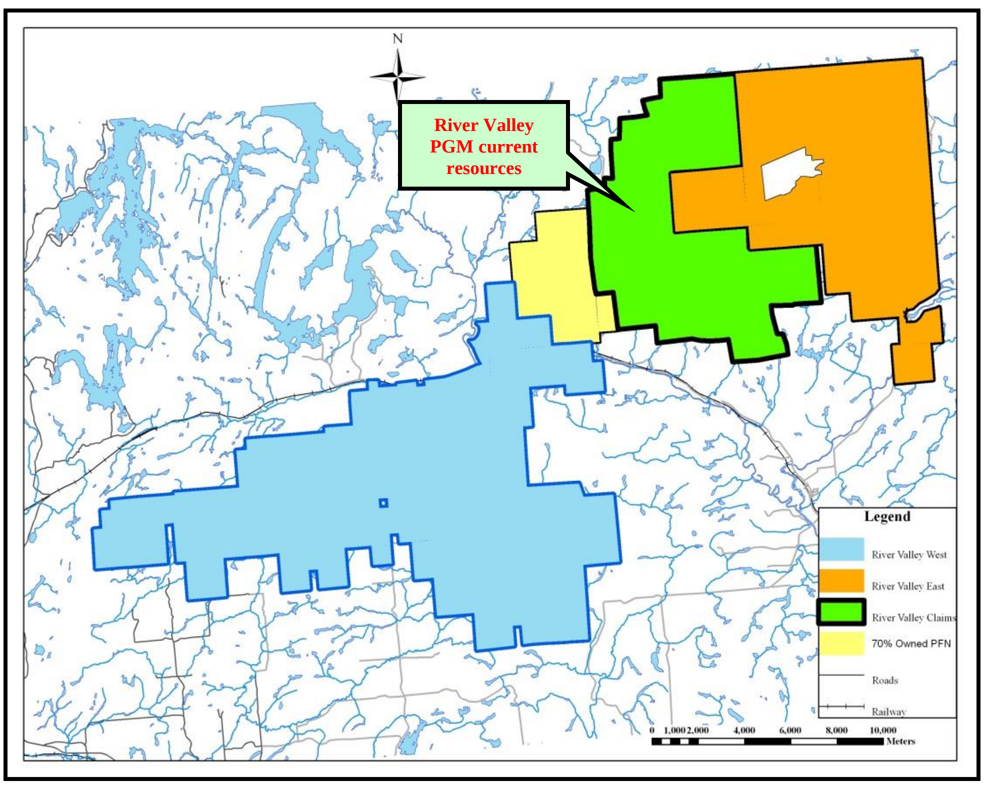

Figure 8- Location of the River Valley East and West Properties

5.3. HEAVEN LAKE PGM, GOLD PROJECT, ONTARIO

On 13 June 2011, the Company staked 220 square km 10 km north of Lac des Iles Mine, north of Thunder Bay, Ontario.

The Heaven Lake property is located 130 km north of the city of Thunder Bay and 15 km north of the Lac des Iles PGM Mine. Access is by all-season paved highways, logging gravel roads and bush trails (Figure 7). The roads and trails link to the access road system for the Lac des Iles Mine. The Heaven Lake claim group consists of 88 contiguous 16-unit claims on Crown Lands (1408 units), encompassing an area of 22,528 ha and owned 100% by PFN.

The Heaven Lake Property lies near the boundary of the Archean Superior Province to the west and the Mesoproterozoic Nipigon Embayment to the east (Figure 9). The property is underlain by metamorphosed and deformed Archean volcanic-sedimentary rocks and intermediate to felsic intrusions of the Wabigoon Terrane. The Archean rocks are disconformably overlain by Mesoproterozoic sedimentary rocks and intruded by Nipigon diabase sills. The latter bodies are related to the ~1100 million-year-old Midcontinent Rift (MacDonald et al., 2005).

Indicative Exploration Program

The exploration targets most commonly noted in the provincial assessment reports are Lac des Iles style PGM mineralization and, more recently, Thunder Bay North style Cu-Ni-PGM mineralization. At Heaven Lake, however, Ni-Cu-PGM mineralization near the base of the gabbro-pyroxenite intrusion could possibly indicate different target type. This target area should be ranked highly for IP and time-domain EM surveys on grids with 100 m line spacing and, pending results, drill testing. Elsewhere on the Heaven Lake property, geophysical surveys and mapping and prospecting surveys by experienced personnel should be carried out to find and explore other prospective mafic intrusions. An additional focus for exploration should be the unexplained airborne electro-magnetic ("EM") anomalies about Whitton Lake.

The presence of thick overburden and the flat-lying Nipigon Diabase unit hinders ground geophysical surveys and surface mapping and prospecting work. A modern airborne geophysical survey with higher resolution and increased depth penetration combined with inversion modelling of EM and magnetic anomalies of interest could better focus follow-up exploration activities on the ground. Indeed, OFR 6164 (MacDonald et al., 2005) reports the presence of a magnetic anomaly at depth beneath the northeastern part of the Heaven Lake Property. Gabbro has been reported in the area, but also present are thick horizons of magnetic massive pyrrhotite associated with chert. The significance of that magnetic anomaly remains to be determined. Inversion modelling combined with physical property studies warrants consideration, as a means of evaluating the potential of the Heaven Lake Property area to hold large mafic to ultramafic intrusions which do not outcrop.

Several exploration companies have recently staked properties around the Heaven Lake Property. These companies include Platinum Group Metals Ltd. and HTX Minerals Corp., which are known to have interest in Cu-Ni-PGMs.

In June 2013 the Heaven Lake property claims expired.

Figure 9- Location of the Heaven Lake Property, northwestern Ontario

5.4. GLITTER LAKE, QUÉBEC

The Company entered into an option agreement dated 15 August 2003, and amended 30 April 2006, with CanAlaska Uranium Ltd. ("CanAlaska") whereby the Company could earn a 50% interest in the mineral claims knows as the "Glitter Lake Property", located in Québec.

The Glitter Lake Property consists of 63 unpatented mining claims totaling 1,008 ha. The claims are owned 100% by PFN. Work requirements are $750 per claim. The claims are situated along the trend of the gabbroic sill that hosts the Horden Lake Cu-Ni deposit and form two groups, one situated to the southwest of the Horden Lake property, the other to the northeast.

The Glitter Lake claims surround, and extend along strike from, the Horden Lake Cu-Ni deposit, which hosts an indicated resource of 8.8 million tonnes ("Mt") at 0.88% Cu and 0.21% Ni, and an inferred resource of 7.8Mt at 0.87% Cu and 0.25% Ni (Southampton Ventures Inc., Press Release, 2 March 2009). The principal exploration target on the Glitter Lake Property is remobilized magmatic Cu-Ni sulphide mineralization along the contact of the metagabroic intrusion that hosts the Horden Lake deposit. Of particular interest is the potential for relatively high-grade Cu mineralization that could be used to augment the high grade, but relatively low tonnage portion (indicated resource of 2.4 Mt at 1.37% Cu, 0.25% Ni, and inferred resource of 2.0 Mt at 1.34% Cu, 0.34% Ni) of the Horden Lake deposit.

On 1 April 2008 the Company signed an amended agreement with CanAlaska whereby, in order to maintain the option, a total of $200,000 was to be spent by 15 April 2009 with an additional $300,000 to be spent by 15 April 2010. PFN has completed exploration expenditures in the amount of $248,891 fulfilling its 2003 and 2007 exploration commitments.

On 30 January 2009, PFN and CanAlaska signed an amendment to the option agreement whereby CanAlaska has assigned a 100% interest in the Glitter Lake Property to PFN in consideration of PFN assuming CanAlaska's remaining lease obligation of approximately $83,600 with respect to its office location to the end of the lease term in November 2010. CanAlaska retains a 0.5% NSR interest in the property along with the existing royalty agreement with the original prospectors of 1.5%. The original option agreement has thus been terminated.

On 24 April 2012, the Company entered into an agreement to provide El Condor Minerals Inc. ("LCO") an option to earn a 100% interest in the Glitter Lake Property. In order to exercise the option, LCO shall make the cash payments and issue shares as set forth below:

			Payments		Shares
On directors and regulatory approvals	*(received)*	$	50,000		350,000
On or before 24 April 2013			50,000		350,000
On or before 24 April 2014			50,000		300,000
Total		$	150,000		1,000,000

Upon completion of the option, the Company will retain a 2% NSR. A 1% NSR can be purchased from the Company for $1,000,000.

5.5. TONSINA PROPERTY, ALASKA

The Tonsina property, presently defined, consists of 46 State of Alaska mining claims known as the "Marc" claims 1-46 (ADL Nos. 610060 – 610105), which were staked in June 2006. These claims comprise a contiguous group of State of Alaska ¼ section claims covering approximately 29.78 sq. km (744.62 ha, or 7,360 acres), referred to as the "Tonsina property". The claims are owned 100% by the Company.

The property is located in the Valdez quadrangle in southeast Alaska on state select land, located approximately 6 km south of the village of Tonsina and 110 km north of Valdez. The property covers prospective PGM mineralization within the Tonsina ultramafic intrusive complex. Access is relatively good with bush roads 6 km north to the Richardson Highway which connects Anchorage to Fairbanks. Helicopters are still required to reach the higher elevations.

The 2007 exploration program identified significant PGM anomalies associated with a sulphide and chromite enriched layer in the Tonsina Ultramafic Complex. An IP survey designed to test the extent of the mineralization was completed in the summer of 2008, and was followed by a ground magnetic survey and surface channel sampling. The results suggest that the zone of sulphide mineralization is continuous over a 300 m strike length. Future work will focus on determining the total strike extent of this zone, and identifying the best locations for drill testing of the mineralization.

A joint venture partner is being sought to further explore the property.

5.6. NICKEL PLATS, SASKATCHEWAN

By agreement dated 30 April 2007, the Company optioned the Nickel Plats property from Diamond Hunter Ltd. ("Hunter") (Figure 10). The property is located approximately 50 km north of La Ronge, Saskatchewan. The property covers a Ni-Cu occurrence (historic resource of 1.7 Mt grading 0.74% combined Ni-Cu) within a sulphide rich (pyrrhotite, chalcopyrite and pyrite) gabbro intrusion.

On 30 March 2009, the Company and Hunter signed an amendment to the terms of the agreement ("amended Option Agreement") as follows:

			Payments	Shares		Exploration Expenditures
Upon execution of agreement	*(paid/issued)*	$	10,000	25,000	$	-
On or before 30 June 2007	*(paid)*		20,000	-		-
On or before 30 April 2008	*(paid/issued)*		30,000	25,000		-
On or before 30 April 2009	*(paid/issued)*		15,000	16,667		-
On or before 30 April 2010	*(paid/issued)*		15,000	16,667		-
On or before 30 April 2011	*(paid)*		20,000*	-		-
On or before 30 April 2012	*(paid)*		20,000*	-		-
On or before 30 April 2013	*(cancelled)*		20,000*	-		-
Total		$	150,000	83,334	$	-

**Advanced Royalty Payments to be made if Ni maintains a minimum price of US$6.00/lb in the 3 months preceding each of the 4th, 5th and 6th anniversaries.*

Approximately $678,609 in expenditures has been accrued by the Nickel Plats Project, thereby fulfilling all exploration expenditure requirements under the terms of the amended Option Agreement.

In 2007, the Nickel Plats project was evaluated, and a compilation was begun to understand the setting of the mineralization as well as develop an approach to test the known mineralization and other targets that were developed from the work. Five mineral claims (7,692 ha) were staked in the vicinity to expand to the property to include additional target areas.

The Nickel Plats Project area is located at or near a terrain boundary underlain by Proterozoic rocks of the Hearne-Reindeer and Reindeer zones to the east of the Archean Hearne Craton and northwest of the Archean Sask Craton. The Reindeer zone forms the core of the Trans-Hudson Orogen and is subdivided into the Rottenstone and La Ronge domains. The Rottenstone domain consists of mainly metasedimentary rocks intruded by tonalite-trondhjemite plutons and small mafic-ultramafic intrusions. The grade of regional metamorphism ranges from lower amphibolite to upper amphibolite. The mafic-ultramafic intrusions are the focus of PFN's exploration interest.

The property is underlain by gneissic to migmatitic metasedimentary rocks with or without metavolcanic rocks, intermediate to felsic intrusions and, locally, mafic-ultramafic plutons. The pluton at the Gochagar Lake Property is a multiphase intrusive complex consisting of a core of hornblendite and a margin of diorite that was intruded by gabbro. The gabbro is described as relatively fresh which contains xenoliths of the metasedimentary country rocks and hosts Ni-Cu sulphide mineralization. The mineralized host rock types are norite, websterite, hartzburgite, hornblendite and even the surrounding metasedimentary rocks.
Exploration work carried out by PFN consists of drill core resampling for modern assays and an airborne electromagnetic (EM) survey. Only a single drill hole was resampled. The assay results confirm the Ni-

enriched (up to 0.60% Ni) composition of the mineralization relative to Cu (up to 0.16% Cu), presence of Co (up to 0.022%) and minor amounts of PGM (up to 0.3 gpt Pt+Pd).

In 2008, a total of 2284 line km of Versatile Time Domain Electromagnetic ("VTEM")) was flown by Geotech over PFN's Nickel Plats Project area. Mr. Laurie Reed (a renowned geophysical consultant) completed an interpretation of the VTEM survey for PFN. The survey did detect the Gochagar A-Zone deposit.

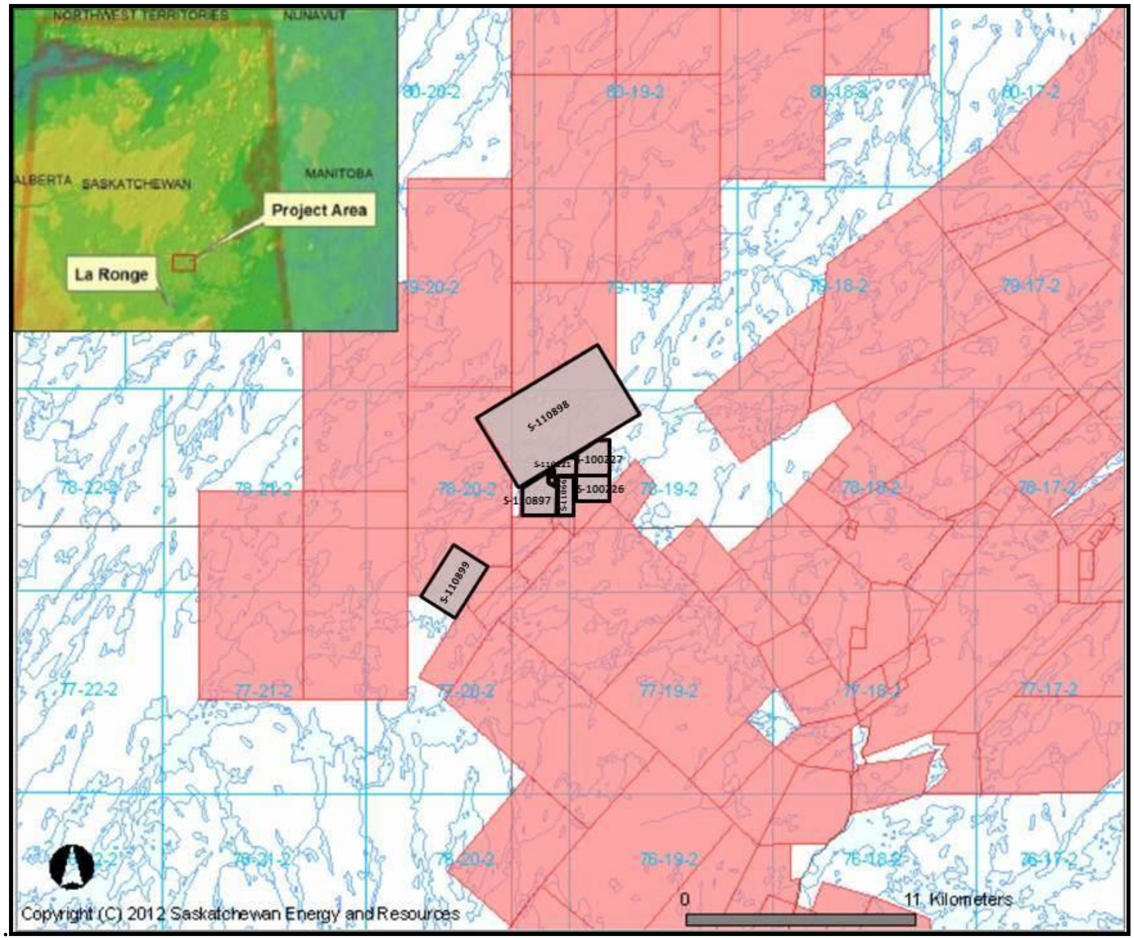

Figure 10- The claims of the PFNs Nickel Plats Project (in grey)

Several similar responses were identified in the vicinity of that zone and elsewhere on the Nickel Plats properties. These targets remain to be geologically proofed and drill tested.

The Nickel Plats adjunct property is subject to a 2.0% NSR. The Company has the right to purchase a 1.0% NSR for $750,000.

On 2 May 2013, PFN decided it would be in the best interest of the Company to not pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM project.

5.7. BURKINA FASO GOLD PROJECT, AFRICA

On 18 January 2011, the Company entered into an agreement with Somitra to acquire 100% interest in the properties of Kangara, Kalempo and Lhorosso. The Company can earn a 100% interest in the properties under the following terms of the agreements:

- US$75,000 on signing of the agreement (paid);
- US$30,000 on six months following the signing of the agreement (paid);
- US$105,000 on the first anniversary of the signing of the agreement (paid);
- US$120,000 on the second anniversary of the signing of the agreement;
- US$150,000 on the third anniversary of the signing of the agreement; and
- After completion of transferring the claims, the Company is required to issue 150,000 common shares of the Company to Somitra or pay the sum of US$135,000.

PFN's Burkina Faso gold projects lie within the Birimian Greenstone Belt of West Africa, one of the most prolific gold producing regions of the world. The Birimian Greenstone Belt consists of Lower Proterozoic age volcanic and sedimentary units intruded and surrounded by related plutonic rocks and has a long history of gold mining with industrial history beginning in Ghana at the end of the 19th century.

On 24 May 2012, the Company entered into an agreement to provide Roxgold Inc. ("ROG") an option to earn a 100% interest in company's all three gold exploration permits in Burkina Faso. In order to exercise the option, ROG shall make the cash payments, issue shares and warrants and incur exploration expenditures as set forth below:

			Payments		Shares, Warrants		Exploration Expenditures
On directors and regulatory approvals	*(received)*	$	50,000		-	$	-
On or before 1 October 2012		$	-		-	$	150,000
If decision is made to proceed (before October 7, 2012)			300,000		250,000 Warrants, 50,000 common shares	$	-
Total		$	350,000		300,000	$	150.000

The 250,000 share purchase warrants have an exercise price determined by the Roxgold share price as of the close of trading on 7 October 2012 and are exercisable for a period of two years from that date.

Upon completion of the option, the Company will retain 1% NSR. 0.5% NSR can be purchased from the Company for $500,000.

In February 2013 ROG elected to terminate its option agreement related to the Burkina Faso gold projects, subsequent to ROG's termination, PFN also elected terminate its agreement with Somitra.

Rock & Roll Property, British Columbia

On 28 July 2009, the Company obtained an option from Misty Creek Ventures Ltd. (Misty Creek Ventures Ltd. was dissolved in January 2010 and its interest was transferred to Equity Exploration Consultants Ltd. (“Equity”)), First Fiscal Enterprises Ltd. and Pamicon Developments Ltd. (collectively the “Vendors”) on the Rock & Roll property (the “Property”), located in the Liard Mining District approximately 9 km west of the Bronson airstrip and 37 km from the Eskay Creek Mine Road in northern British Columbia. Under the terms of the option, PFN can earn a 100% interest in the Property over a four-year period by completing $2,000,000 in exploration expenditures, paying the Vendors $130,000 and providing the Vendors with a total of 200,000 PFN shares. The Vendors will retain a 2% NSR, of which 1% can be purchased for $3,000,000. The Property is also subject to an underlying NSR of 3%, and an underlying Net Profits Interest ("NPI") of 15%, both of which are payable to Prime Equities International Corporation, and both of which can be purchased in their entirety for $1,500,000 each.

The Property hosts precious metals rich in volcanogenic massive sulphide (VMS) mineralization in a volcano-sedimentary host rock package of Triassic age. As such, the mineralization shows similarities to the Au and Ag rich mineralization of Barrick Gold’s past-producing Eskay Creek mine. Known mineralization on the Property occurs in multiple stacked sulphide lenses in two zones: the Black Dog and SRV Zones, over a total strike length of approximately 950 m. A total of approximately 14,000 m of core drilling in 110 drill holes was completed on the property from 1991 to 1997. Only six drill holes tested the host stratigraphy outside of the known mineralization, but at least 5km of strike length of the prospective lithologies is present on the property. There is the potential for additional mineralization along strike and at depth, as historic drilling tested the known mineralization down to depths of only about 160 m.

The 2009 exploration program included a 350 line km, AeroTem3, helicopter-borne magnetic/electromagnetic survey conducted by Aeroquest Limited and a drilling program consisting of a total of 540 m of core drilling completed in five holes. The first four holes were designed to test gaps in the historic drilling on the Black Dog Zone in order to establish the degree of continuity of the mineralization and to confirm the historic geological model. Each of the infill drill holes encountered the target mineralization, confirming the continuity of the sulphide lenses and the validity of previous geological interpretations. The table below illustrates selected assay results from this drill program, with Au and Ag measured in gpt and Cu, lead (“Pb”) and zinc (“Zn”) in percent (%).

The final drill hole of this program tested a strong electromagnetic anomaly that was thought to represent the westward continuation of the Black Dog Zone. Drilling at this location failed to return any significant assays.

The 2009 work program on the property was also designed to provide an initial evaluation of the validity of historic assay data. A total of 21 samples from five different historic drill holes were obtained for comparison with the original assays. In most cases the samples were taken from the same core interval as the original samples.

Overall historic assay results have been confirmed, and the Company can now embark on a systematic re-sampling of historic core to provide a statistical comparison of the historic assay data with modern data. Commencement of the 2010 Rock and Roll exploration program was announced on 27 September 2010. This program primarily focused on continuation of re-sampling previous drill core, coupled with geological mapping/prospecting that investigated airborne geophysical survey conductors and geological and geochemical targets. The fieldwork was supported by further compilation of data from the 1990-97 programs and the incorporation of new geological interpretations formulating in conjunction with members of the British Columbia Geological Survey.

The Rock & Roll Report, commissioned by Equity and PFN, included a new NI43-101 compliant mineral resource estimate for the Black Dog Deposit. The resource estimate incorporated the mineralized zones of the historic drill core and the 540 m (1,772 ft) of the five diamond drill holes that were completed by PFN in 2009/2010. Through this work, PFN significantly increased the resources contained within the Black Dog deposit over the previous resource estimate, completed prior to the implementation of NI43-101. The results of this study were announced in a news release 27 April 2011 which can be found under the Company's profile on SEDAR at www.sedar.com.

On 19 June 2012, the Company terminated the option agreement with the Vendors related to the Property.

5.8. DESTINY GOLD PROPERTY, QUÉBEC

On 14 August 2009, the Company entered into an option agreement with Alto Ventures Ltd. (“Alto”) to acquire the Destiny Gold Project (formerly the Despinassy Project) consisting of 175 mining claims totalling 7,260 ha.

On 8 August 2011 PFN announced that, subject to regulatory and shareholder approvals, it had entered into a letter agreement (“LA”) with Next Gen Metals Inc. (“Next Gen”) (TSX.V:N) whereby Next Gen was granted an option (“Option”) to acquire the Company’s 60% earn-in option interest (“Option Interest”) in the Destiny Gold Project located in Abitibi-Témiscamingue region of Québec, which Option Interest was granted to the Company pursuant to an agreement with Alto.

Under the terms of the LA, PFN will grant to Next Gen an irrevocable right and option to acquire PFN’s right, title and interest in and to the Option Interest in the Destiny Gold Project, for an aggregate purchase price of: (i) a total of $675,000 in cash; (ii) 15,000,000 Next Gen common shares; and (iii) 4,000,000 Next Gen share purchase warrants (“Warrants”) exercisable into 4,000,000 common shares of Next Gen at varying prices for four years from their date of issuance, all of which is due as follows:

Cash: Next Gen paid to PFN $50,000 on signing the LA and will make the balance of the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.

Next Gen Shares: The 15,000,000 common shares of Next Gen will be issued as fully paid and non-assessable common shares, in tranches, as to: (i) 4,550,000 common shares upon Next Gen’s delivery to PFN of a notice of commencement of the Option no later than November 15, 2011; (ii) 5,225,000 common shares on or before the first anniversary of the LA; and (iii) 5,225,000 common shares on or before the second anniversary of the LA.

Warrants: The 4,000,000 Next Gen Warrants shall be issued to PFN upon Next Gen’s delivery to PFN of a notice of commencement of the Option no later than November 15, 2011. The Warrants are exercisable as follows: (i) 1,000,000 Warrants are exercisable at $0.25 per share; (ii) 1,000,000 Warrants are exercisable at $0.30 per share; (iii) 1,000,000 Warrants are exercisable at $0.35 per share; and (iv) 1,000,000 Warrants are exercisable at $0.50 per share.

In addition to the cash, Next Gen Shares and Warrants payable by Next Gen, Next Gen shall also be responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN's agreement with Alto, along with any costs and expenditures associated with any resultant joint venture that arises between Next Gen and Alto. PFN will continue to be responsible for issuances of common shares to Alto under its agreement with Alto until the date of exercise of the option and the transfer and registration of the Option Interest from PFN to Next Gen in accordance with the terms of the LA.

On 26 September 2011, PFN announced that regulatory and shareholder approvals were received and the LA closed. In accordance with the terms of the LA, Next Gen delivered, on 26 September 2011, a Notice of Commencement of the Option to the Company as well as 4,550,000 common shares of Next Gen and 4,000,000 Next Gen share purchase warrants exercisable into 4,000,000 common shares of Next Gen at varying prices until 26 September 2015. The Warrants and any shares exercisable under the Warrants are subject to regulatory hold periods until January 2012. PFN is a controlling shareholder and therefore is required to file reports under National Instrument 62-103, *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

On 27 June 2012, Next Gen elected to terminate the Option with PFN on the Destiny Gold Project. Next Gen's decision to relinquish the Destiny Gold Project was made from an assessment of the 2012 exploration results not justifying any further capital outlay.

On 27 June 2012, PFN also terminated the agreement with Alto related to the Destiny Gold Project. PFN decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM Project.

5.9. KANE PROPERTY, ALASKA

The Company previously acquired certain mineral claims by staking in Alaska. On 6 June 2007, the Company entered into an option agreement with Stillwater Mining Company ("Stillwater") whereby Stillwater could earn 50% of the first selected property by spending US$3.5 million and US$4.0 million on each subsequent selected property by 31 December 2011. In March 2008, Stillwater elected not to continue with exploration on the property in order to evaluate new ground in southeast Alaska.

In October 2012, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM project, and allowed the Kane Property claims to lapse.

Union Bay, Alaska

By agreement dated 1 October 2002 and amended 2 April 2003 and 4 February 2004, the Company could acquire, from Freegold Ventures Limited ("Freegold"), a company that previously had certain directors and officers in common, an option to earn up to a 70% interest in the property.

In order to earn its 50% interest, the Company, purchased a private placement of $165,000 (2002), made cash payments, and issued common shares and incurred exploration expenditures as follows:

		Payments	Shares		Exploration Expenditures
- Within 5 days from approval date *(issued)*	$	-	10,000	$	-
- On or before 1 July 2003 (*paid / incurred)*		20,000	-		30,000
- On or before 30 January 2004 *(issued)*		-	10,000		-
		Payments	Shares		Exploration Expenditures
- On or before 1 July 2004 *(paid / incurred)*		20,000	-		30,000
- On or before 1 July 2005 *(paid / incurred)*		30,000	-		340,000
- On or before 1 July 2006 *(paid / incurred)*		30,000	-		600,000
	$	100,000	20,000	$	1,000,000

Following vesting with a 50% interest on 1 July 2006, the Company had the right to elect within 45 days to increase its interest to 60% by completing a feasibility study within 12 months of vesting with 50%. This election was not made.

As a term of the agreement the Company, upon vesting with 50%, issued 84,529 common shares at market value of $100,000 to Freegold. In a previous year, 44,846 common shares were issued, the value of which was accounted in the previous year.

By Memorandum of Agreement dated 4 May 2007, Freegold and the Company confirmed their 50/50 interest in the property, with the Company as Project Operator.

In October 2012, upon agreement between Freegold and the Company, it was agreed to cancel following claims:

604428 QTUBST 1	604431 QTUBST 4
604429 QTUBST 2	604432 QTUBST 5
604430 QTUBST 3	604476 QTUBST 6

No programs were carried out during the past year and Freegold and the Company are seeking a joint venture partner to further develop this project.

During the previous year ended 30 April 2013, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM project.

5.10. RAGLAN HILLS JOINT VENTURE, ONTARIO

The Company staked 6 claims (1,024 ha) in Raglan Township within the Raglan meta-gabbro mafic complex in June 2006.

The property covers at least one historical Ni-Cu showing within a sulphide zone that is approximately 155m long and 6m- to-15m wide. Reconnaissance prospecting, sampling and geochemical soil programs have been initiated over the property, as well as the historical showing areas.

In 2007 the Company entered into a 50/50 joint venture agreement with First Nickel Inc. ("First Nickel") to evaluate the claims as well as their adjoining claims (1,728 ha) as one property. Expenditures and programs on the project were determined by an annual joint management committee meeting.

In 2008 an airborne magnetic and electromagnetic survey was completed on the Raglan Hills property. This was followed by mapping and prospecting in the vicinity of anomalies generated by the airborne survey.

Due to the downturn in commodity prices, PFN informed First Nickel that it would not be participating in the funding of a 2009 exploration program and as a result the Company's participating interest has been decreased. As per the joint venture agreement with First Nickel, the Company's participating interest was converted to a 1.5% NSR over the Raglan Hills property.

QUALIFIED PERSON STATEMENT

"Project Overview" and "Subsequent Event" sections of this report have been reviewed and approved for technical content by William Stone Ph.D. P.Geo, President & COO of PFN and a Qualified Person under the provisions of NI 43-101.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Jan	31 Oct	31 Jul	30 Apr	31 Jan	31 Oct	31 Jul	30 Apr
	2014	2013	2013	2013	2013	2012	2012	2012
Total revenues	443	317	718	3,661	3,024	4,162	5,758	6,594
Net loss	(188,508)	(253,600)	(461,124)	(1,014,739)	(76,493)	(596,566)	(653,811)	(2,276,613)
Net loss per share	(0.005)	(0.002)	(0.004)	(0.020)	(0.001)	(0.010)	(0.010)	(0.020)
Total assets	9,147,083	9,204,598	9,532,835	9,999,021	11,332,833	11,890,322	12,509,532	13,200,115

6. RESULTS OF OPERATIONS

For the nine-month period ended 31 January 2014 compared to the nine-month period ended 31 January 2013

The nine-month period ended 31 January 2014 resulted in a loss from operations of $903,232 which compares with a loss of $1,326,870 for the same period in 2013. The decrease in loss of $423,638 was mainly attributable to net effect of the following:

- Decrease of $27,301 in consulting fees. Cost of $157,559 for the nine-month period ended 31 January 2014 compared to $184,860 for the same period in 2013.
- Decrease of $47,428 in corporate development. Cost of $2,325 for the nine-month period 31 January 2014 compared to $49,753 for the same period in 2013.
- Decrease of $9,075 in depreciation. Cost of $30,129 for the nine-month period ended 31 January 2014 compared to $39,204 for the same period in 2013.
- Decrease of $23,000 in director's fee. Cost of $Nil for the nine-month period ended 31 January 2014 compared to $23,000 for the same period in 2013.
- Decrease of $17,951 in insurance, licenses and fees. Cost of $33,936 for the nine-month period ended 31 January 2014 compared to $51,887 for the same period in 2013.
- Decrease of $145,781 in investor and shareholder relations. Cost of $60,257 for the nine-month period ended 31 January 2014 compared to $206,038 for the same period in 2013.
- Decrease of $9,075 in depreciation. Cost of $30,129 for the nine-month period ended 31 January 2014 compared to $39,204 for the same period in 2013.
- Decrease of $84,754 in management fees. Cost of $102,743 for the nine-month period ended 31 January 2014 compared to $187,497 for the same period in 2013 due to the voluntary and temporary cut in fees of CGR until the Company is able to resume regular operations.
- Decrease of $40,107 in office and miscellaneous. Cost of $24,907 for the nine-month period ended 31 January 2014 compared to $65,014 for the same period in 2013.
- Decrease of $21,075 in rent. Cost of $75,823 for the nine-month period ended 31 January 2014 compared to $96,898 for the same period in 2013.
- Decrease of $59,660 in salaries and benefits. Cost of $245,130 for the nine-month period ended 31 January 2014 compared to $304,790 for the same period in 2013.
- Decrease of $88,988 in share-based payment, due to non-issuance of stock options during the current period. Cost of $17,909 for the nine-month period ended 31 January 2014 compared to $106,097 for the same period in 2013.
- Decrease of $8,485 in telephone and utilities. Cost of $14,229 for the nine-month period ended 31 January 2014 compared to $22,714 for the same period in 2013.
- Decrease of $44,725 in travel, lodging and food. Cost of $19,199 for the nine-month period ended 31 January 2014 compared to $63,924 for the same period in 2013.
- Decrease of $9,172 in vehicle lese. Cost of $Nil for the nine-month period ended 31 January 2014 compared to $9,172 for the same period in 2013.
- Increase of $39,285 in transfer agent and regulatory fees. Cost of $81,235 for the nine-month period ended 31 January 2014 compared to $41,950 for the same period in 2013 due to voluntary delisting from TSX Exchange and application to TSX Venture Exchange.
- Increase of $311,218 in flow-through share income. Income of $Nil for the nine-month period ended 31 January 2014 compared to $311,218 for the same period in 2013.

For the three-month period ended 31 January 2014 compared to the three-month period ended 31 January 2013.

The three-month period ended 31 January 2014 resulted in a loss from operations of $253,600 which compares with a loss of $596,566 for the same period in 2013. The decrease in loss of $342,966 was mainly attributable to net effect of the following:

- Decrease of $23,038 in consulting fees. Cost of $10,932 for the three-month period ended 31 January 2014 compared to $33,970 for the same period in 2013.
- Decrease of $545 in corporate development. Cost of $Nil for the three-month period 31 January 2014 compared to $545 for the same period in 2013.
- Decrease of $3,025 in depreciation. Cost of $10,043 for the three-month period ended 31 January 2014 compared to $13,068 for the same period in 2013.
- Decrease of $7,500 in director's fee. Cost of $Nil for the three-month period ended 31 January 2014 compared to $7,500 for the same period in 2013.
- Decrease of $9,286 in insurance, licenses and fees. Cost of $12,431 for the three-month period ended 31 January 2014 compared to $21,717 for the same period in 2013.
- Decrease of $35,294 in investor and shareholder relations. Cost of $17,393 for the three-month period ended 31 January 2014 compared to $52,687 for the same period in 2013.
- Decrease of $3,025 in depreciation. Cost of $10,043 for the three-month period ended 31 January 2014 compared to $13,068 for the same period in 2013.
- Decrease of $34,723 in management fees. Cost of $27,776 for the three-month period ended 31 January 2014 compared to $62,499 for the same period in 2013 due to the voluntary and temporary cut in fees of CGR until the Company is able to resume regular operations.
- Decrease of $15,549 in office and miscellaneous. Cost of $7,501 for the three-month period ended 31 January 2014 compared to $23,050 for the same period in 2013.
- Increase of $19,059 in rent. Cost of $29,280 for the three-month period ended 31 January 2014 compared to $10,221 for the same period in 2013.
- Decrease of $80,117 in salaries and benefits. Cost of $10,799 for the three-month period ended 31 January 2014 compared to $90,916 for the same period in 2013.
- Decrease of $15,649 in share-based payment, due to non-issuance of stock options during the current period. Cost of $3,355 for the three-month period ended 31 January 2014 compared to $19,004 for the same period in 2013.
- Decrease of $2,134 in telephone and utilities. Cost of $5,749 for the three-month period ended 31 January 2014 compared to $7,883 for the same period in 2013.
- Decrease of $14,916 in travel, lodging and food. Cost of $2,744 for the three-month period ended 31 January 2014 compared to $17,660 for the same period in 2013.
- Decrease of $3,057 in vehicle lese. Cost of $Nil for the three-month period ended 31 January 2014 compared to $3,057 for the same period in 2013.
- Increase of $34,946 in transfer agent and regulatory fees. Cost of $41,582 the three-month period ended 31 January 2014 compared to $6,636 for the same period in 2013 due to voluntary delisting from TSX Exchange and application to TSX Venture Exchange.
- Increase of $311,218 in flow-through share income. Income of $Nil for the three-month period ended 31 January 2014 compared to $311,218 for the same period in 2013.

7. LIQUIDITY, CAPITAL RESOURCES AND CAPITAL RISK MANAGEMENT

During the nine-month period ended 31 January 2014, the Company's working capital, defined as current assets less current liabilities, was $822,545 compared with working capital of $1,637,523 as at 30 April 2013. The Company has a total of 36,515,738 common shares issued and outstanding as at 31 January 2014. The Company has a portfolio of investments with a book value of $1,668,003 and a market value of $399,422 as at 31 January 2014.

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

8. CONTRACTUAL COMMITMENTS

By agreement effective 1 December 2005, the Company entered into a five-year management agreement with a company controlled by a director and Chairman of the Company. Compensation is $7,350 per month for the first year, with a 5% increase on each anniversary date plus benefits. The director and Chairman is also entitled to receive up to 20% of all stock options granted during the period that the agreement is in place. This agreement is automatically renewable for two-year periods. The Company may terminate the agreement at any time but will be responsible to pay the greater of the remaining amount under the contract or two years' compensation.

By amended agreement effective 1 December 2008, the Company amended the 1 December 2005 agreement. The compensation under the original agreement was amended from $7,350 per month to $14,104 per month. The 5% increase under the original agreement was waived until 1 December 2009. All terms of the original agreement remained the same.

By amended agreement effective 1 April 2011, the Company amended the 1 December 2005 agreement as amended on 1 December 2008. The compensation under the amended agreement was further amended from $15,550 per month to $20,833 per month. The term of the amended agreement is for five years terminating on 31 March 2016. All other terms of the original agreement remained the same.

Effective 1 May 2013, Mr. Barr agreed to a 50% reduction in compensation per month until such time the Company is in more positive financial position and another 50% reduction effective 1 December 2013.

	2014	2015	2016	2017	2018	Total
Management agreement	$ 280,214	$ 294,225	$282,347	$ -	$ -	$ 856,786

The Company entered into a lease agreement, effective 1 April 2012, for the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7. The lease term expires on 31 March 2022.

	2014	2015	2016	2017	2018 to 2022	Total
Rent and lease payments	$ 111,802	$115,144	$118,607	$122,167	$655,918	$1,123,638

9. OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

10. CRITICAL ACCOUNTING ESTIMATES

The preparation of condensed consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in the preparation of these condensed consolidated financial statements include, but are not limited to, the recoverability of amounts receivable, valuation of warrants, the assumptions used in the accounting for share-based payments, the provision for income taxes and composition of deferred tax assets and liabilities, the expected economic lives of and the estimated future operating results and net cash flows from mining interests, the anticipated costs of reclamation and closure cost obligations, and the fair value measurement of certain financial instruments.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 to the condensed consolidated financial statements for the year ended 30 April 2013.

11. GOVERNMENT LAWS, REGULATION & PERMITTING

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

12. ESTIMATES OF MINERAL RESOURCES

The mineral resource estimates contained in this MD&A are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

If the Company's exploration programs are successful, additional funds will be required in order to complete the development of its properties. There is no assurance that the Company will be successful in raising sufficient funds to meet its obligation or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

13. KEY MANAGEMENT AND COMPETITION

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Company is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

14. TITLE TO PROPERTIES

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned.

15. COMMODITY PRICES

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of copper or gold.

16. FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and deficit.

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, advances and deposits, available-for-sale securities, share purchase warrants and trade payables. The fair value of these financial instruments, with the exception of available-for-sale and share purchase warrants, approximates their carrying value unless otherwise noted.

Fair Values

	Fair value hierarchy	**FVTPL, at fair value**	**Loans and receivables, at amortized cost**	**Available-for-sale, at fair value**	**Other liabilities, at amortized cost**
Cash and cash equivalents	Level 1	254,922	-	-	-
Amounts receivable	N/A	-	183,844	-	-
Available-for-sale securities	Level 1	-	-	364,592	-
Short term investments - warrants	Level 2	34,830	-	-	-
Trades payable	N/A	-	-	-	7,100

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing with only with highly-rated financial institutions. For the nine-month period ended 31 January 2014, amounts receivable was mainly comprised of Goods and Services Tax/Harmonized Sales Tax receivable and other receivables from related parties. As a result, credit risk is considered insignificant.

Currency Risk

The Company is exposed to currency risk to the extent of its acquisition and exploration expenditures on its US properties and African property. The Company's expenditures will be negatively impacted if the US dollar increases versus the Canadian dollar.

The majority of the Company's cash flows and financial assets and liabilities are denominated in Canadian dollars, which is the Company's functional and reporting currency. Foreign currency risk is limited to the portion of the Company's business transactions denominated in currencies other than the Canadian dollar. The Company has cash and cash equivalents held in US dollars.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows by holding most of its cash and cash equivalents in Canadian dollars. The Company monitors and forecasts the values of net foreign currency cash flow and balance sheet exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

The following table provides an indication of the Company's significant foreign currency exposures:

	31 January 2014		30 April 2013
Cash and cash equivalents	US$ 51,912		US$ 110,610

The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. For the nine-month period ended 31 January 2014, the Company had $254,992 (year ended 30 April 2013 - $848,953) in cash and cash equivalents to settle current liabilities of $32,100 (year ended 30 April 2013 - $75,355) and, accordingly, liquidity risk is considered insignificant.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

17. RELATED PARTY TRANSACTIONS

The remuneration of directors and other members of key management were as follows:

	31 January 2014	31 January 2013
	$	$
Management and consulting fees	399,384	675,975
Directors fees	-	23,000
Share-based payments	17,109	55,583
	416,493	**754,558**

Included in amounts receivable for the nine-month period ended 31 January 2014 are amounts totalling $174,431 (year ended 30 April 2013 – $170,416) which are receivable for expense advances from El Niño Ventures Inc. ("El Niño") and Next Gen , companies with directors and officers in common.

During the nine-month period ended 31 January 2014, the Company invoiced a total of $202,357 (31 January 2013: $427,698) related to shared office costs to El Niño, Next Gen, a company owned by the Vice President of Corporate Business Development of the Company, and a company owned by the Chief Executive Officer of the Company.

All related party transactions are in the normal course of operations and measured at the exchange amount agreed to between the related parties.

18. OUTSTANDING SHARE DATA

The Company is authorized to issue unlimited common shares without par value. As at 31 January 2014, there were 36,515,738 issued and outstanding common shares (34,682,405 - 30 April 2013).

Share Purchase Options

Directors, officers, employees and contractors are granted options to purchase common shares under the Company stock option plan. The terms and outstanding balance are disclosed in the table below:

Number outstanding 30 April 2013	Granted	Exercised	Expired	Cancelled	Number outstanding 31 January 2014	Exercise price per share	Expiry date
189,333	-	-	-	-	189,333	$0.75	5 November 2014
50,000	-	-	-	-	50,000	$0.75	14 February 2017
155,000	-	-	-	-	155,000	$0.75	18 May 2017
76,667	-	-	-	-	76,667	$0.75	11 October 2017
211,667	-	-	-	-	211,667	$0.75	22 April 2014
41,667	-	-	-	-	41,667	$0.75	14 July 2014
33,333	-	-	-	-	33,333	$0.75	5 January 2015
33,333	-	-	-	-	33,333	$1.50	5 January 2015
100,000	-	-	-	-	100,000	$0.75	1 February 2016
690,000	-	-	-	16,667	673,333	$0.90	24 February 2016
25,000	-	-	-	-	25,000	$0.90	15 March 2014
200,000	-	-	-	-	200,000	$0.81	7 September 2016
1,806,000	-	-	-	16,667	1,789,333		

Performance Shares

A total of 899,330 performance shares are reserved for issuance. At the discretion of the Board, these shares may be issued to such arm's length parties as the Board considers desirable to attract consultants to the Company.

To date, a total of 383,333 performance shares have been exercised and issued at $0.03 per share.

During the prior year, the Board authorized the issuance of up to 100,000 performance shares at an exercise price of $0.03 per share to the President and Chief Operating Officer of the Company and 50,000 performance shares at an exercise price of $0.03 per share to the former Vice President, Exploration of the Company. These shares are to be granted at the discretion of the Board.

19. DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws.

Based on the evaluation of the disclosure controls performed to date, the Company is determined to strengthen internal controls over financial reporting. Management has engaged the services of an additional external accounting firm to obtain more specific and detailed advice as to increasing the effectiveness of the Company's internal control.

20. INTERNAL CONTROLS AND PROCEDURES

Internal controls and procedures are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with the IFRS. As at the end of the year covered by this management's discussion and analysis, management had designed and implemented internal controls and procedures as required by Canadian securities laws.

The Company has evaluated the design of its internal controls and procedures over financial reporting for nine-month period ended 31 January 2014. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Management continues to review and refine its internal controls and procedures.

21. RISKS AND UNCERTAINTIES

The mineral industry is intensely competitive in all its phases. The Company competes with many other companies who have greater financial resources and experience. The market price of precious metals and other minerals is volatile and cannot be controlled. Exploration for minerals is a speculative venture.
There is no certainty that the money spent on exploration and development will result in the discovery of an economic ore body.

The Company's activities outside of Canada make it subject to foreign currency fluctuations and this may materially affect its financial position and results.

The Company has limited financial resources, no source of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements. If the Company's generative exploration programs are successful, additional funds will be required for development of one or more projects. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development or the possible loss of the Company's properties.

22. NEW PROJECT ACQUISITION PROGRAM

The current downturn in the metals market provides an excellent opportunity to acquire high quality projects under agreeable terms. The Company is reviewing properties for acquisition on an ongoing basis.

23. SUBSEQUENT EVENTS

17 February 2014, the Company announced appointment of Mr. Kevin Lawrence as new member of the Board of Director. Mr. Lawrence is an advisor to CEOs' and executive teams at SGI Synergy Group Inc. Established in 1996, Mr. Lawrence's wholly-owned Company assists entrepreneurs and business leaders in increasing revenue, profitability and productivity in business. He is also on the board of director of Next Gen Metals Inc. and Southern Sun Minerals Inc. Mr. Lawrence replaces Jordan Point as a director of the Company who has resigned from the Board to devote more time to his other commitments.

27 February 2014, the Company announced a non-brokered flow-through and non flow-through private placement of up to a combined 10,000,000 units for gross proceeds up to $500,000.

Each non flow-through unit ("NFT Unit") will consist of one common share at a price of $0.05 per NFT Unit and one-half of one non-transferable share purchase warrant ("Warrant"). Each Warrant will entitle the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year.

Each flow-through unit ("FT Unit") will consist of one common share at a price of $0.05 per FT Unit and one-half of one non flow-through, non-transferable share purchase warrant ("Warrant"). Each Warrant will entitle the holder thereof to purchase one additional non flow-through common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year

The proceeds from the private placement received from the sale of the FT units will be used for the further development and exploration of the River Valley PGM Project and exploration of two large adjacent properties for Canada's next PGM district, located in the Sudbury region of Ontario. The proceeds from the sale of NFT Units will be used to search for a strategic joint venture partner to share our vision and commitment in exploration and development of River Valley, for the evaluation of additional platinum group metals projects in North America, and working capital.

The shares to be issued with respect to the Offering will be subject to a four-month hold period in accordance with applicable Canadian Securities Laws. Completion of the Offering and any finder's fees payable is subject to regulatory approvals.

25 March 2014, the Company closed its non-brokered flow-through and non-flow through private placement for gross proceeds of $500,000. The Company issued 10,000,000 FT and NFT units at $0.05 per Unit. Each NFT Unit will consist of one common share at a price of $0.05 per NFT Unit and one-half of one non-transferable share purchase warrant. Each Warrant will entitle the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year. Each FT Unit will consist of one common share at a price of $0.05 per FT Unit and one-half of one non flow-through, non-transferable share purchase warrant. Each Warrant will entitle the holder thereof to purchase one additional non flow-through common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year.

The proceeds from the private placement received from the sale of the FT units will be used for the further development and exploration of the River Valley PGM Project and exploration of two large adjacent properties for Canada's next PGM district, located in the Sudbury region of Ontario. The proceeds from the sale of NFT Units will be used to search for a strategic joint venture partner to share our vision and commitment in exploration and development of River Valley, for the evaluation of additional platinum group metals projects in North America, and working capital. All subscribers who have participated in the private placement have entered into a voluntary pooling agreement with the Company. All of the securities to be issued by the Company in connection with this Closing of the private placement are subject to a hold period which expires 26 July 2014, four months and one day after the closing date. Finder's fees in the amount $5,250.00 will be paid in connection with the private placement and are subject to regulatory approval. Completion of the Offering and any finder's fees payable is subject to regulatory approvals.

TSX.V: PFN OTCQB: PAWEF FRANKFURT: P7J.F

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Pacific North West Capital Corp.
At the forefront of PGM exploration

Condensed Consolidated Interim Financial Statements
Nine months ended 31 January 2014 and 2013
(An Exploration Stage Company)
(Unaudited - Expressed in Canadian dollars)

MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Pacific North West Capital Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

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

Pacific North West Capital Corp.

Condensed Consolidated Interim Statements of Financial Position
As at 31 January 2014 and 30 April 2013
(Unaudited)
(Expressed in Canadian dollars)

	Notes	As at 31 January 2014	As at 30 April 2013 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	254,992	848,953
Amounts receivable	6, 17	183,844	206,831
Short term investments	7	399,422	586,964
Prepaid expenses		16,387	70,130
		854,645	1,712,878
Long-term prepaid expenses	20	158,356	170,000
Investment in associate	8	153,436	194,561
Exploration and evaluation properties	9	7,825,125	7,735,932
Property and equipment	10	155,521	185,650
Total assets		9,147,083	9,999,021
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	11, 17	32,100	75,355
Total liabilities		32,100	75,355
Equity			
Share capital	12	34,719,801	34,558,392
Reserves	12	6,070,318	6,137,178
Deficit		(31,675,136)	(30,771,904)
Total equity		9,114,983	9,923,666
Total equity and liabilities		9,147,083	9,999,021

APPROVED BY THE BOARD:

"Harry Barr"
Director

"John Londry"
Director

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

Pacific North West Capital Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the nine months ended 31 January 2014 and 2013
(Unaudited)
(Expressed in Canadian dollars)

	Notes	**Three months ended 31 January 2014**	Three months ended 31 January 2013	**Nine months ended 31 January 2014**	Nine months ended 31 January 2013
		$	$	$	$
Expenses					
Accounting and audit		**-**	-	6,455	3,955
Bank charges and interest		**1,222**	165	2,782	2,132
Consulting fees	17	**10,932**	33,970	157,559	184,860
Corporate development		**-**	545	2,325	49,753
Depreciation	10	**10,043**	13,068	30,129	39,204
Director fees	17	**-**	7,500	-	23,000
Insurance, licenses and fees		**12,431**	21,717	33,936	51,887
Investor and shareholder relations		**17,393**	52,687	60,257	206,038
Legal fees		**2,511**	2,283	5,190	3,545
Management fees	17	**27,776**	62,499	102,743	187,497
Office and miscellaneous		**7,501**	23,050	24,907	65,014
Rent		**29,280**	10,221	75,823	96,898
Salaries and benefits	17	**10,799**	90,916	245,130	304,790
Share-based payments	13, 17	**3,355**	19,004	17,109	106,097
Telephone and utilities		**5,749**	7,883	14,229	22,714
Transfer agent and regulatory fees		**41,582**	6,636	81,235	41,950
Travel, lodging and food		**2,744**	17,660	19,199	63,924
Vehicle lease		**-**	3,057	-	9,172
Loss before other items		**(183,318)**	(372,861)	(879,008)	(1,462,430)
Other items					
Foreign exchange gain (loss)		**4,068**	(1,347)	11,158	7,739
Loss on sale of short term investments	7	**4,265**	-	4,265	(109,022)
Interest and other income		**443**	3,024	1,478	12,944
Flow-through share income		**-**	311,218	-	311,218
Net loss from associate	8	**(13,966)**	(16,527)	(41,125)	(87,319)
Net loss for the period		**(188,508)**	(76,493)	(903,232)	(1,326,870)
Other comprehensive loss					
Unrealized gain (loss) on short term investments	7	**138,414**	(171,662)	(160,610)	(321,781)
Net comprehensive loss		**(50,094)**	(248,155)	(1,063,542)	(1,648,651)
Loss per share					
Basic	14	**(0.005)**	(0.001)	(0.025)	(0.010)
Diluted	14	**(0.005)**	(0.001)	(0.025)	(0.010)

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

Pacific North West Capital Corp.
Condensed Consolidated Interim Statements of Cash Flows
For the nine months ended 31 January 2014 and 2013
(Unaudited)
(Expressed in Canadian dollars)

		Nine months ended	
	Notes	**31 January 2014**	31 January 2013
		$	$
OPERATING ACTIVITIES			
Loss before tax		**(903,232)**	(1,326,870)
Adjustments for:			
Depreciation	10	**30,129**	39,204
Share-based payments	13	**17,109**	106,097
Gain on sale of short-term investment	7	**4,265**	109,022
Flow-through share income		**-**	(311,218)
Net loss from associate	8	**41,125**	87,319
Operating cash flows before movements in working capital			
(Increase) decrease in amounts receivables		**22,987**	(138,877)
(Increase) decrease in prepaid expenses		**53,743**	59,330
Increase (decrease) in trade payables and accrued liabilities		**(43,255)**	(16,508)
Cash used in operating activities		**(777,129)**	(1,392,501)
INVESTING ACTIVITIES			
Cash spent on exploration and evaluation properties	9	**(86,080)**	(461,184)
Purchase of property and equipment	10	**-**	(13,307)
Purchase of short term investments	7	**-**	(458,000)
Proceeds from sale of short term investments	7	**31,498**	93,237
Cash used in investing activities		**(54,582)**	(839,254)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	12	**250,000**	3,000
Share issue costs		**(12,250)**	-
Cash from financing activities		**237,750**	3,000
Increase (decrease) in cash and cash equivalents		**(593,961)**	(2,228,755)
Cash and cash equivalents, beginning of period		**848,953**	3,440,410
Cash and cash equivalents, end of period		**254,992**	1,211,655

Supplemental cash flow information (Note 18)

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

Pacific North West Capital Corp.

Condensed Consolidated Interim Statements of Changes in Equity

For the nine months ended 31 January 2014 and 2013

(Unaudited)

(Expressed in Canadian dollars)

	Number of shares	Share capital	Share-based payments reserve	Warrant reserve	Investment revaluation reserve	Deficit	Total
		$	$	$	$	$	$
Balances, 1 May 2012	34,582,405	34,494,642	3,295,413	3,664,115	(237,475)	(28,430,295)	12,786,400
Shares issued for							
Cash	-	-	-	-	-	-	-
Exercise of performance share	100,000	63,750	(60,750)	-	-	-	3,000
Value assigned to warrants	-	-	-	55,177	-	-	55,177
Share-based payments	-	-	50,920	-	-	-	50,920
Unrealized loss on available-for-sale assets	-	-	-	-	(321,781)	-	(321,781)
Net loss for the period	-	-	-	-	-	(1,326,870)	(1,326,870)
Balances, 31 January 2013	**34,682,405**	**34,558,392**	**3,285,583**	**3,719,292**	**(559,256)**	**(29,757,165)**	**11,246,846**
Shares issued for							
Cash	-	-	-	-	-	-	-
Share-based payments	-	-	28,261	-	-	-	28,261
Unrealized loss on available-for-sale assets	-	-	-	-	(599,402)	-	(599,402)
Reclassification of loss on investments	-	-	-	-	110,042	-	110,042
Net loss for the period	-	-	-	-	-	(1,091,232)	(1,091,232)
Balances, 30 April 2013	**34,682,405**	**34,558,392**	**3,350,017**	**3,664,115**	**(876,954)**	**(30,771,904)**	**9,923,666**
Shares issued for							
Cash	1,833,333	250,000	-	-	-	-	250,000
Value assigned to warrants	-	(76,341)	-	76,341	-	-	-
Share-based payments	-	-	17,109	-	-	-	17,109
Share issue costs	-	(12,250)	-	-	-	-	(12,250)
Unrealized loss on available-for-sale assets	-	-	-	-	(160,310)	-	(160,310)
Net loss for the period	-	-	-	-	-	(903,232)	(903,232)
Balances, 31 January 2014	**36,515,738**	**34,719,801**	**3,367,126**	**3,740,456**	**(1,037,264)**	**(31,675,136)**	**9,114,983**

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

1. CORPORATE INFORMATION

The Company was incorporated under the Business Corporations Act (Alberta) on 29 May 1996 and on 13 July 2004, the Company continued out of the Province of Alberta and into the Province of British Columbia. The Company is a reporting issuer in British Columbia, Alberta and Ontario, on the TSX Venture Exchange under the trading symbol "PFN", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "P7JF" and on the OTC Pink (United States) under the symbol "PAWEF". The Company was listed on the TSX Exchange until 13 January 2014, when the Company voluntarily delisted its shares from trading on the TSX. The Company is in the process of acquiring, exploring and developing Platinum Group Metals ("PGMs"), precious and base metals mineral properties. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties, or sell the properties outright. The Company has not yet determined whether these properties contain ore reserves which are economically recoverable and the Company is considered to be in the exploration stage.

On 14 January 2014, the Company consolidated its share capital on a one (1) new common share for every three (3) existing common shares. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 12).

The Company's head office, principal address and records office are located at Suite 650 - 555 West 12th Avenue, Vancouver, British Columbia, V5Z 3X7.

The Company's condensed consolidated interim financial statements as at 31 January 2014 and for the three-month period ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has a net loss of $903,232 for the nine-month period ended 31 January 2014 (2012: $1,326,870) and has a working capital of $822,545 at 31 January 2014 (30 April 2013: $1,637,523).

The Company had cash and cash equivalents of $254,992 as at 31 January 2014 (30 April 2013: $848,953), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or to be able to raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms, pursue other remedial measures and/or cease operations. These consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of

2.1 Basis of consolidation, continued

an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation.

An associate is an entity in which the Company or any of its subsidiaries has significant influence, and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies and is presumed to exist when the Company holds

between 20 and 50 percent of the voting power of another entity. Investments in associates are accounting for by using the equity method.

The subsidiaries and associate of the Company as at 31 January 2014 and 2013 are described below:

		% equity interest as at	
Name	**Country of incorporation**	**31 January 2014**	30 April 2013
Subsidiaries			
Pacific North West Capital Corp. USA[1]	United States	**100%**	100%
Pacific North West Capital de México, S.A. de C.V. [1]	Mexico	**100%**	100%
Associate			
Next Gen Metals Inc.	Canada	**22%**	22%

[1] Inactive entities.

2.2 Basis of presentation

These condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 16, and are presented in Canadian dollars, except where otherwise indicated.

2.4 Statement of compliance

The condensed consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.5 Adoption of new and revised standards and interpretations not yet adopted

At the date of authorization of these financial statements, the IASB and IFRIC have issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 31 January 2014:

- IFRS 9 '*Financial Instruments'* is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.

- IFRS 10 '*Consolidated Financial Statements*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces consolidation requirements in IAS 27 (as amended in 2008) and SIC-12.

- IFRS 11 '*Joint Arrangements*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces IAS 31 and SIC-13.

- IFRS 12 '*Disclosure of Interests in Other Entities*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces disclosure requirements in IAS 27 (as amended in 2008), IAS 28 (as revised in 2003) and IAS 31.

- IFRS 13 '*Fair Value Measurement'* is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces fair value measurement guidance in other IFRSs.

- IAS 1 (Amendment) '*Presentation of Financial Statements*' is effective for annual periods beginning on or after 1 July 2012 and 1 January 2013, and includes amendments regarding presentation of items of other comprehensive income and clarification of the requirements for comparative information, respectively.

- IAS 19 (Amendment) '*Employee Benefits*' is effective for annual periods beginning on or after 1 January 2013 and revises recognition and measurement of post-employment benefits.

- IAS 27 (Amendment) '*Separate Financial Statements*' is effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

- IAS 28 (Amendment) '*Investments in Associates and Joint Ventures*' is effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

2.5 Adoption of new and revised standards and interpretations not yet adopted, continued

- IAS 32 *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 and 1 January 2013 that includes amendments that clarify the application of offsetting requirements and presentation of interest, dividends, losses and gains.

- IFRIC 20 '*Stripping Costs in the Production Phase of a Surface Mine*' is a new interpretation effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting for stripping costs in the production phase of a surface mine.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3.1 These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual financial statements for the year ended 30 April 2013.

3.2 Significant accounting judgments, estimates and assumptions

The preparation of the Company's condensed consolidated financial statements is in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the recoverability and measurement of exploration and evaluation properties and deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

(Expressed in Canadian dollars)

4. SEGMENTED INFORMATION

The following is an analysis of the net loss, current assets and non-current assets by geographical area:

	Canada	United States	Burkina Faso	Total
	$	$	$	$
Net loss				
For the nine months ended 31 January 2014	**903,232**	**-**	**-**	**903,232**
For the nine months ended 31 January 2013	1,326,870	-	-	1,326,870
Current assets				
As at 31 January 2014	**854,645**	**-**	**-**	**854,645**
As at 30 April 2013	1,712,878	-	-	1,712,878
Investment in associate				
As at 31 January 2014	**153,436**	**-**	**-**	**153,436**
As at 30 April 2013	194,561	-	-	194,561
Exploration and evaluation properties				
As at 31 January 2014	**7,825,125**	**-**	**-**	**7,825,125**
As at 30 April 2013	7,735,932	-	-	7,735,932
Property and equipment				
As at 31 January 2014	**155,521**	**-**	**-**	**155,521**
As at 30 April 2013	185,650	-	-	185,650

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 31 January 2014	As at 30 April 2013
	$	$
Denominated in Canadian dollars	**196,902**	738,343
Denominated in U.S. dollars	**58,090**	110,610
Total cash and cash equivalents	**254,992**	848,953

During the nine-month period ended 31 January 2014, the Company issued a total of 1,166,667 flow-through shares (30 April 2013: Nil flow-through shares) for a total of $175,000 (30 April 2013: $Nil) (Notes 11 and 12). As at 31 January 2014, the Company has $130,000 (30 April 2013: $Nil) remaining to be spent on qualifying Canadian exploration expenditures under the terms of the flow-through share agreements. Included in the cash and cash equivalent balance is a deposit of $Nil (30 April 2013: $132,250) being held as collateral by the Bank of Montreal as the bank required the deposit to be held in order to issue a credit card to the Company.

6. AMOUNTS RECEIVABLE

The Company's amounts receivables are as follows:

	As at 31 January 2014	As at 30 April 2013
	$	$
GST/HST receivable	**9,412**	20,005
Interest receivable	**-**	413
Advances receivable	**-**	15,997
Shared office costs receivable (Note 17)	**174,431**	170,416
Other receivables	**-**	-
Total trade and other receivables	**183,844**	206,831

Included in amounts receivable of the Company are amounts due from related parties which are disclosed in Note 17. The amounts are unsecured, interest-free and repayable upon written notice given from the Company.

(Expressed in Canadian dollars)

7. SHORT-TERM INVESTMENTS

The Company's available-for-sale investments and share purchase warrants are as follows:

	As at 31 January 2014		As at 30 April 2013	
	Cost	**Fair Value**	Cost	Fair Value
	$	**$**	$	$
Fire River Gold Corp. 5,000 shares (30 April 2013: 5,000 shares).	**2,420**	**25**	2,420	100
El Niño Ventures Inc. 2,852,925 shares (30 April 2013: 2,852,925 shares) 848,148 warrants (30 April 2013: 1,240,020 warrants). 370.370 warrants expire on 2 April 2014 and 477,778 warrants expire on 30 June 2014.	**859,027**	**159,911**	955,577	278,129
Next Gen Metals Inc. 4,000,000 warrants expiring on 27 September 2015 (30 April 2013: 4,000,000 warrants).	**223,690**	**34,830**	223,690	34,830
Gensource Capital Corp. (formerly Augen Capital Corp.) 2,257,000 shares (30 April 2013: 2,257,000 shares).	**166,664**	**67,710**	166,664	135,420
Benton Capital Corp. 300,000 shares (30 April 2013: 300,000 shares).	**67,270**	**21,000**	67,270	12,000
Benton Resources Inc. CM 300,000 shares (30 April 2013: 300,000 shares).	**67,270**	**18,000**	67,270	36,000
Calais Resources Inc. 2,083,000 shares (30 April 2013: 2,083,000 shares).	**125,000**	**-**	125,000	-
Goldtrain Resources Inc. 976,000 shares (30 April 2013: 976,000 shares).	**29,280**	**9,760**	29,280	-
Nevada Sunrise Gold Corp. Nil shares (30 April 2013: 300,000 shares).	**15,233**	**-**	15,233	18,000
Others	**112,149**	**88,186**	139,382	72,485
Total short term investments	**1,668,003**	**399,422**	1,791,786	586,964

(Expressed in Canadian dollars)

7. SHORT-TERM INVESTMENTS, continued

El Niño Ventures Inc. ("El Niño") and Next Gen Metals Inc. ("Next Gen") are companies with certain directors in common.

8. INVESTMENT IN ASSOCIATE

The Company's investment in its associate is as follows:

	As at 31 January 2014		As at 30 April 2013	
	Net Book Value	**Fair Value**	Net Book Value	Fair Value
	$	**$**	$	$
Next Gen	**153,436**	**140,244**	194,561	173,000

The Company accounts for its investment in Next Gen under the equity method of accounting.

As at 31 January 2014	Number of shares	Company's interest	Quoted market price/share
Next Gen	5,766,667	22%	$0.01

The Company acquired the investment in Next Gen through a combination of cash transactions and as part of the agreement related to the sale of Destiny Gold Project (Note 9).

	Date acquired	Number of shares	Acquisition value	Company's interest at the date of transaction
Next Gen	3 August 2010	1,216,667	$140,830	5%
	26 September 2011	4,550,000	$591,500	17%
As at 31 January 2014		**5,766,667**	**$732,330**	**22%**

(Expressed in Canadian dollars)

8. INVESTMENT IN ASSOCIATE, continued

Movements on equity investments for the six-month period ended 31 January 2014 are as follows:

	Next Gen
	$
Balance, 30 April 2013	194,561
Additions	-
Company's share of net loss	(41,125)
Balance, 31 January 2014	153,436

Summary of financial information as at and for period ended 31 January 2014 for the equity accounted investment, not adjusted for percentage of ownership held by the Company, is as follows:

	Current Assets	Non-current Assets	Total Assets	Total Liabilities	Net Loss
	$	$	$	$	$
Next Gen	289,124	457,259	746,382	519	185,763

(Expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the period ended 31 January 2014 are as follows:

	River Valley	BC Rock & Roll	Destiny Gold	Burkina Faso	Other properties	Total
	$	$	$	$	$	$
ACQUISITION COSTS						
Balance, 30 April 2013	3,372,042	-	-	-	-	3,372,042
Additions	-	-	-	-	17,887	17,887
Impairment	-	-	-	-	-	-
Recovery of write-down	-	-	-	-	-	-
Balance, 31 January 2014	**3,372,042**	**-**	**-**	**-**	**17,887**	**3,389,929**
EXPLORATION AND EVALUATION COSTS						
Balance, 30 April 2013	4,363,890	-	-	-	-	4,363,890
Assaying	-	-	-	-	-	-
Drilling	-	-	-	-	-	-
Engineering and consulting	57,185	-	-	-	-	57,185
Field expenses	12,638	-	-	-	-	12,638
Geology	-	-	-	-	-	-
Geophysics	-	-	-	-	-	-
Metallurgical study	717	-	-	-	-	717
Cost recovery	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Balance, 31 January 2014	**4,434,430**	**-**	**-**	**-**	**-**	**4,434,430**
Total costs	**7,775,528**	**-**	**-**	**-**	**17,887**	**7,825,125**

(Expressed in Canadian dollars)

The Company's exploration and evaluation properties expenditures for the year ended 30 April 2013 are as follows:

	River Valley	BC Rock & Roll	Destiny Gold	Burkina Faso	Other properties	Total
	$	$	$	$	$	$
ACQUISITION COSTS						
Balance, 30 April 2012	3,341,289	-	-	210,000	21,370	3,572,659
Additions	30,753	-	-	-	-	30,753
Payments received	-	-	-	(50,000)	(78,000)	(128,000)
Impairment	-	-	-	(160,000)	(20,000)	(180,000)
Recovery of write-down	-	-	-	-	76,630	76,630
Balance, 30 April 2013	3,372,042	-	-	-	-	3,372,042
EXPLORATION AND EVALUATION COSTS						
Balance, 30 April 2012	3,730,499	-	-	174,268	208,683	4,113,450
Assaying	5,962	-	-	-	-	5,962
Drilling	1,350	-	-	-	-	1,350
Engineering and consulting	306,140	1,258	-	-	21,587	328,985
Field expenses	31,735	-	-	-	-	31,735
Geology	4,967	-	-	-	-	4,967
Geophysics	8,225	8,000	-	-	-	16,225
Metallurgical study	275,012	-	-	-	-	275,012
Payments received	-	-	-	-	(7,881)	(7,881)
Cost recovery	-	-	(65,423)	-	-	(65,423)
Recovery of write-down	-	-	65,423	-	-	65,423
Impairment	-	(9,258)	-	(174,268)	(222,389)	(405,915)
Balance, 30 April 2013	4,363,890	-	-	-	-	4,363,890
Total costs	7,735,932	-	-	-	-	7,735,932

Project Overview:

River Valley, Ontario

By agreement dated 14 July 1999, the Company granted to Kaymin Resources Limited ("Kaymin"), a wholly-owned subsidiary of Anglo Platinum Limited, an option to earn up to a 65% interest in the Company's portion of certain properties, including the River Valley property, the Goldwright property, the Frontier property (these claims were allowed to lapse on 12 December 2006), the Washagami property (these claims were allowed to lapse on 10 December 2008), the Razor property and the Western Front property, in the Sudbury Region of Ontario. During a prior year, Kaymin elected to vest its option obtaining a 50% interest in the properties, upon having paid the Company $300,000 (received in a prior year) and advanced and spent in excess of $4,000,000 for exploration on the properties.

Kaymin continued to fund exploration under the terms of a joint venture until 2007 and invested over $22 million in the exploration of the property; however, as a result of capital expenditure reductions during the global financial crisis in 2008, no new funds were allocated to the River Valley Project above and beyond the minimal holding costs.

By way of a Mineral Interest Assignment Agreement dated for reference 13 December 2010, as amended on 6 April 2011 (the "Assignment Agreement"), the Company completed the purchase of Kaymin's 50% interest in the River Valley claims, providing the Company with an undivided 100% interest in the River Valley Platinum Group Metals (PGM) Project. Under the terms of the Assignment Agreement, Kaymin exchanged its 50% interest in the joint venture, for a 12% interest in the Company, based on the issued and outstanding common shares of the Company as of 30 November 2010 (22,514,336 common shares). The aggregate purchase price for the 50% interest in the River Valley PGM project was:

- 2,705,720 fully paid and non-assessable common shares of the Company (issued); and
- Three-year warrants exercisable to purchase 1,000,000 common shares of the Company at a price of $0.90 per common share (issued).

Included in the River Valley PGM Project are the following:

(i) River Valley Property, Ontario

By agreement dated 15 January 1999 and amended 11 March 1999, the Company acquired a 100% interest in 226 claim units, known as the River Valley Property, located in the Dana and Pardo Townships, Sudbury Mining District, Ontario. As consideration, the Company paid $265,000 and issued 200,000 common shares to the optionors. In addition, minimum annual exploration expenditures of $100,000 were completed. The property is subject to a 3% Net Smelter Return ("NSR"). The Company, at its option, can purchase up to 2% of the NSR from the vendors for $2,000,000.

(ii) Goldwright Property, Ontario

By agreement dated 30 June 1998 and subsequently amended, the Company earned a 25% interest in certain mineral claims known as the Janes property, located in the Janes Township, Sudbury Mining District, Ontario. Certain claims are subject to a 2% NSR.

(iii) Razor Property, Ontario

The Company acquired a 100% interest in certain mineral claims located in the Dana Township, Sudbury Mining District, Ontario for consideration of $30,000.

The property is subject to a 2% NSR.

(iv) Western Front Property, Ontario

By agreement dated 16 November 2001, the Company earned a 70% interest in certain mineral claims known as the Western Front property from a company (the “optionor”) with certain directors in common, for consideration of $55,000 and issuance of 20,000 shares. In addition, an exploration expenditure of $50,000 was incurred.

The Company has the right to purchase an additional 30% interest in the property by paying $750,000 to the optionor.

The property is subject to a 3% NSR, the first 1% of which the Company can purchase for $1,000,000; the second 1% can be purchased for $2,000,000. The Company and the optionor will share the NSR buyout privileges in proportion to their respective interests.

Heaven Lake PGM Gold Project, Ontario

On 13 December 2010, the Company staked 220 square kilometres (“km”), 10 km north of Lac des Iles Mine, North of Thunder Bay, Ontario. The Heaven Lake claim group consists of 88 contiguous 16-unit claims on Crown Lands (1408 units), encompassing an area of 22,528 hectares (“ha”) and owned 100% by PFN.

The property covers the entire Heaven Lake Greenstone Belt. The project lies near the junction of Highway 527 and Road 811, midway between Thunder Bay and the railway community of Armstrong.

In June 2013 the Heaven Lake property claims expired.

River Valley East and West PGM Project, Ontario

On 15 September 2011, the Company staked 132 mining claims covering approximately 58,000 acres adjacent to its River Valley palladium (Pd), platinum (Pt) and gold (Au) project in the Sudbury area of Ontario. The claim group is located east of the city of Sudbury, in the townships of Davis, Henry, Janes, Loughgrin, Pardo, Dana Hobbs and McWilliams. The property is situated to the east of the Sudbury Basin and north of Highway 17. It covers two rock groups that host

River Valley East and West PGM Project, Ontario, continued

significant concentrations of Platinum Group Metals mineralization - the River Valley-East Bull Lake Suite of rocks and the Nipissing Gabbro.

In March 2013, the Company completed a Geo-referencing program over selected claims as outlined in *Geo-referencing Standards for Unpatented Mining Claims,* Ministry of Northern Development and Mines.

Rock & Roll Property, British Columbia

On 28 July 2009, the Company obtained an option by Letter Agreement from Misty Creek Ventures Ltd. (Misty Creek Ventures Ltd. was dissolved in January 2010 and its interest was transferred to Equity Exploration Consultants Ltd.), First Fiscal Enterprises Ltd. and Pamicon Developments Ltd. (collectively the “Vendors”) on the Rock & Roll property (the “Property”), located in the Liard Mining District approximately 9 km west of the Bronson airstrip and exploration camp in northern British Columbia. Under the terms of the Letter Agreement, the Company can earn a 100% interest in the Property over a four-year period by completing $2,000,000 in exploration expenditures, paying the Vendors $130,000 and providing the Vendors with a total of 200,000 of the Company's shares (Note 12). The Vendors will retain a 2% Net Smelter Return royalty (“NSR”), of which 1% can be purchased for $3,000,000. The Property is also subject to an underlying NSR of 3% and an underlying Net Profits Interest royalty ("NPI") of 15%, both of which are payable to Prime Equities International Corporation, and both of which are purchasable by the Forrest Syndicate and/or heirs and assignees in their entirety for $1,500,000 each.

On 19 June 2012, the Company terminated the option agreement with the Vendors related to the Property. During the year ended 30 April 2013, the Company recorded a provision for write-down of $9,258 related to the Rock & Roll Property.

Destiny Gold Project, Québec

In September 2009, the Company entered into an option agreement with Alto Ventures Ltd. ("Alto") on the Destiny Gold Project (formerly the Despinassy Project) located approximately 75 km north of Val d’Or in the Abitibi-Témiscamingue region of Québec (the "Alto Option Agreement”). The property consists of 175 mining claims totaling 7,260 hectares ("ha"). Under the terms of the Alto Option Agreement, the Company will pay Alto $200,000, provide Alto with 250,000 common shares of the Company, and complete a cumulative total of $3,500,000 in exploration expenditures over a four-year period, with minimum exploration expenditures of $1,400,000, to earn a 60% interest in the Destiny Gold property.

On 8 August 2011, the Company entered into a Letter Agreement (the “LA”) with Next Gen whereby Next Gen was granted an option to acquire the Company's 60% earn-in option interest ("Option Interest") in the Destiny Gold Project which Option Interest was granted to the Company pursuant to an agreement with Alto.

Destiny Gold Project, Québec, continued

Under the terms of the LA, the Company will grant to Next Gen an irrevocable right and option to acquire the Company's right, title and interest in and to the Option Interest in the Destiny Gold Project, for an aggregate purchase price of: (i) a total of $675,000 in cash; (ii) 15,000,000 Next Gen common shares; and (iii) 4,000,000 Next Gen share purchase warrants exercisable into 4,000,000 common shares of Next Gen at varying prices for four years from the date of issuance, all of which are due as follows:

Cash: Next Gen paid to the Company $50,000 on signing the LA and will make the balance of the cash payments to the Company in tranches of: (i) $75,000 on or before the first anniversary of the

LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.

Next Gen Shares: The 15,000,000 common shares of Next Gen will be issued as fully paid and non-assessable common shares, in tranches of: (i) 4,550,000 common shares (issued) (Note 8) upon Next Gen's delivery to the Company of a notice of commencement of the Option; (ii) 5,225,000 common shares on or before the first anniversary of the LA; and (iii) 5,225,000 common shares on or before the second anniversary of the LA.

Warrants: The 4,000,000 Next Gen Warrants shall be issued to the Company upon Next Gen's delivery to the Company of a notice of commencement of the option. The Warrants are exercisable as follows: (i) 1,000,000 Warrants are exercisable at $0.25 per share; (ii) 1,000,000 Warrants are exercisable at $0.30 per share; (iii) 1,000,000 Warrants are exercisable at $0.35 per share; and (iv) 1,000,000 Warrants are exercisable at $0.50 per share.

In addition to the cash, shares and warrants payable by Next Gen, Next Gen shall also be responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under the Company’s agreement with Alto, along with any costs and expenditures associated with any resultant joint venture that arises between Next Gen and Alto. The Company will continue to be responsible for issuances of common shares to Alto under its agreement with Alto until the date of exercise of the option and the transfer and registration of the Option Interest from the Company to Next Gen in accordance with the terms of the LA.

On 27 June 2012, Next Gen elected to terminate its option with the Company on the Destiny Gold Project. Next Gen’s decision to relinquish the Destiny Project was made from an assessment of the 2012 exploration results not justifying any further capital outlay.

On 27 June 2012, the Company also terminated the Alto Option Agreement related to the Destiny Gold Project. The Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM Project. During the year ended 30 April 2013, the Company recorded a recovery of write-down of $65,423 related to a tax refund for mineral property expenditures related to the Destiny Gold Project.

(Expressed in Canadian dollars)

Glitter Lake Property, Québec

By agreement dated 15 August 2003, as amended on 30 April 2006, the Company could acquire, from CanAlaska Uranium Ltd. ("CanAlaska"), a company that previously had certain directors in common, a 50% interest in certain mineral claims known as the Glitter Lake property, located in the province of Québec. As consideration, the Company, at its option, could issue shares, make payments and incur exploration expenditures (the expenditure commitments for 2008 and 2009 have been extended to 2009 and 2010 as agreed to in an amendment dated 1 April 2008).

On 30 January 2009, the Company and CanAlaska signed an amendment to the option agreement whereby CanAlaska assigned 100% interest in the Glitter Lake property to the Company for approximately $83,600 in payment of CanAlaska's remaining lease obligations to the Company that ended in November 2010. CanAlaska retains a 0.5% NSR interest in the property. The original option agreement has thus been terminated.

On 24 April 2012, the Company entered into an agreement to provide El Condor Minerals Inc. ("LCO") an option to earn a 100% interest in the Glitter Lake Property, subject to a two-week due diligence period. In order to exercise the option, LCO shall make the cash payments and issue shares as set forth below:

	Payments	Shares
	$	
On directors and regulatory approvals *(received)*	50,000	350,000
On or before 24 April 2013	50,000	350,000
On or before 24 April 2014	50,000	300,000
Total	150,000	1,000,000

Upon completion of the option, the Company will retain 2% NSR. A 1% NSR can be purchased from the Company for $1,000,000.

During the previous year ended 30 April 2013, the Company recorded a recovery of write-down of $76,630 related to cash and share payments received by the Company related to the Glitter Lake property.

(Expressed in Canadian dollars)

Nickel Plats, Saskatchewan

By agreement dated 30 April 2007, the Company can acquire, from Diamond Hunter Ltd. ("Hunter"), a 100% interest in certain mineral claims known as the Nickel Plats property, located in the province of Saskatchewan.

On 30 March 2009, the Company and Hunter signed an amendment to the terms of the agreement as follows:

		Payments	Shares	Exploration Expenditures
		$		$
Upon execution of agreement	*(paid/issued)*	10,000	25,000	-
On or before 30 June 2007	*(paid)*	20,000	-	-
On or before 30 April 2008	*(paid/issued)*	30,000	25,000	-
On or before 30 April 2009	*(paid/issued)*	15,000	16,667	-
On or before 30 April 2010	*(paid/issued)*	15,000	16,667	-
On or before 30 April 2011*	*(paid)*	20,000	-	-
On or before 30 April 2012*	*(paid)*	20,000	-	-
On or before 30 April 2013*	*(cancelled)*	20,000	-	-
Total		150,000	83,334	-

* *The payments of $20,000 are Advanced Royalty Payments based on the price of nickel maintaining a minimum price of US$6.00/lb in the three months preceding each of the 4th, 5th and 6th anniversary of the agreement. In the case that the price of nickel does not maintain a minimum price of US$6.00/lb in the three months preceding each of the 4th, 5th and 6th anniversary of the agreement, the dollar amount of the Advanced Royalty Payments will be less than $20,000 on the 4th, 5th and 6th anniversary of the agreement and the actual dollar amount will be negotiated between Hunter and the Company at the time of the anniversary.*

An additional 33,333 shares may be issued upon the vesting of a 100% interest if the results of feasibility studies are positive.

The property is subject to a 2.0% NSR. The Company shall have the right to purchase a 1.0% NSR for $750,000.

By agreement dated 16 May 2007, the Company can acquire for $10,000 (paid), from Hunter, a 100% interest in certain mineral claims known as the Nickel Plats adjunct property, located in the province of Saskatchewan.

The Nickel Plats adjunct property is subject to a 2.0% NSR. The Company has the right to purchase a 1.0% NSR for $750,000.

On 2 May 2013, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM Project (Note 21).
During the previous year ended 30 April 2013, the Company recorded a provision for write-down of $20,000 related to the Nickel Plats property.

Tonsina Property, Alaska

The Tonsina property, presently defined, consists of 46 mining claims in the State of Alaska, known as the "Marc" claims 1-46 (ADL Nos. 610060 – 610105) which were staked in June, 2006. These claims comprise a contiguous group of State of Alaska ¼ section claims covering approximately 29.78 sq. km (744.62 ha, or 7,360 acres), herein referred to as the "Tonsina Property". The claims are owned 100% by the Company.

During the previous year ended 30 April 2013, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM Project.

During the previous year ended 30 April 2013, the Company recorded a provision for write-down of $114,410 related to the Tonsina Property.

Kane Property, Alaska

The Company acquired certain mineral claims by staking in Alaska. On 6 June 2007, the Company entered into an option agreement with Stillwater pertaining to ongoing exploration on the property (the "Stillwater Option Agreement"). Under the terms of the Stillwater Option Agreement, Stillwater could elect to spend US$3.5 million to earn 50% of the first selected property and US$4.0 million on each subsequent selected property by 31 December 2011.

In March 2008, Stillwater elected not to continue with exploration on the property in order to evaluate new ground in southeast Alaska.

During the previous year ended 30 April 2013, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM project and let the Kane Property claims lapse.

During the previous year ended 30 April 2013, the Company recorded a provision for write-down of $98,102 related to the Kane property.

Union Bay Property, Alaska

By agreement dated 1 October 2002 and amended 2 April 2003 and 4 February 2004, the Company acquired from Freegold Ventures Limited ("Freegold"), a company that formerly had certain directors and officers in common, an option to earn up to a 70% interest in the Union Bay Property.

In order to earn a 50% interest, the Company purchased a private placement of $165,000 (2002) and made cash payments, issued shares and incurred exploration expenditures.

Following the vesting of its 50% interest on 1 July 2006, the Company had the right to elect within 45 days to increase its interest to 60% by completing a feasibility study within 12 months of vesting. This election was not made.

Union Bay Property, Alaska, continued

Under the terms of the agreement, the Company, upon the vesting of its 50%, issued 84,529 shares at market value for $100,000 to Freegold.

By Memorandum of Agreement dated 4 May 2007, Freegold and the Company confirmed their 50/50 interest in the property.

In October 2012, upon agreement between Freegold and the Company, it was agreed to cancel six of the claims. There were 86 claims outstanding as at 30 April 2013. Freegold and the Company are seeking a joint venture partner to further develop this project.

During the previous year ended 30 April 2013, the Company decided not to pursue additional exploration on these properties and to concentrate efforts on advancing its 100% owned River Valley PGM Project.

During the previous year ended 30 April 2013, the Company recorded a provision for write-down of $9,877 related to the Union Bay property.

Burkina Faso, Africa

On 18 January 2011, the Company entered into an agreement with Somitra to acquire a 100% interest in the properties of Kangara, Kalempo and Lhorosso. The Company can earn a 100% interest in the properties under the following terms of the agreements:

- US$75,000 on signing of the agreement (paid);
- US$30,000 on six months following the signing of the agreement (paid);
- US$105,000 on the first anniversary of the signing of the agreement (paid);
- US$120,000 on the second anniversary of the signing of the agreement;
- US$150,000 on the third anniversary of the signing of the agreement; and
- After completion of transferring the claims, the Company is required to issue 150,000 common shares of the Company to Somitra or pay the sum of US$135,000.

Each property is subject to a 1.0% NSR with the buyout price of US$1,000,000 for any deposit over 1 million ounces and US$500,000 for any deposit under 1 million ounces.

On 24 May 2012, the Company entered into an agreement to provide Roxgold Inc. (“Roxgold”) an option to earn a 100% interest in the Kalempo I, Kangara I and Lhorosso I exploration permits located in the Burkina Faso property.

In order to exercise the option, Roxgold shall make the cash payments, issue shares and warrants, and incur exploration expenditures as set forth below:

(Expressed in Canadian dollars)

Burkina Faso, Africa, continued

	Payments	Shares	Warrants	Exploration Expenditures
	$			$
On signing *(received)*	50,000	-	-	-
On or before 1 October 2012	-	-	-	150,000
On or before 7 October 2012 if decision is made to proceed	300,000	16,667	83,333	-
Total	350,000	16,667	83,333	150,000

The 83,333 share purchase warrants have an exercise price determined by the Roxgold share price as of the close of trading on 7 October 2012 and are exercisable for a period of two years from that date.

Upon completion of the option, the Company would retain 1% NSR. A 1% NSR can be purchased from the Company for $500,000.

In February 2013, Roxgold elected to terminate its option agreement related to the Burkina-Faso gold projects. Subsequent to Roxgold’s termination, PFN also elected terminate its agreement with Somitra.

During the previous year ended 30 April 2013, the Company recorded a provision for write-down of $334,268 related to the Burkina Faso property.

(Expressed in Canadian dollars)

10. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the six months ended 31 January 2014 are as follows:

	Automotive	Office equipment	Software	Leasehold improvements	Total
	$	$	$	$	$
COST					
As at 30 April 2013	122,947	289,522	72,865	76,871	562,205
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at January 2014	**122,947**	**289,522**	**72,865**	**76,871**	**562,205**
DEPRECIATION					
As at 30 April 2013	95,053	206,001	66,212	9,288	376,554
Depreciation	6,276	12,528	4,989	6,336	30,129
As at 31 January 2014	**101,329**	**218,530**	**71,201**	**15,624**	**409,684**
NET BOOK VALUE					
As at 30 April 2013	27,894	83,521	6,653	67,583	185,651
As at 31 January 2014	**21,618**	**70,992**	**1,664**	**61,247**	**155,521**

(Expressed in Canadian dollars)

11. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade and other payables are broken down as follows:

	As at 31 January 2014	As at 30 April 2013
	$	$
Trade payables	**7,100**	44,157
Accrued liabilities	**25,000**	31,198
Total trade payables and accrued liabilities	**32,100**	75,535

During the nine-month period ended 31 January 2014, the Company issued 1,166,667 flow-through shares (30 April 2013: Nil flow-through shares) for total proceeds of $175,000 (30 April 2013: $Nil) This issuance of flow-through shares resulted in a flow-through premium liability of $25,000 (30 April 2013: $Nil) (Note 5 and 12).

12. SHARE CAPITAL

12.1 Authorized share capital

The Company is authorized to an issue unlimited common shares without par value. As at 31 January 2014, there were 36,515,738 common shares issued and outstanding (30 April 2013: 34,682,405).

12.2 Share issuances

During the nine-month period ended 31 January 2013 and the year ended 30 April 2013, the Company issued common shares as follows:

On 25 July 2013, the Company closed the first tranche of a non-brokered private placement of 1,000,000 flow-through units at $0.15 per unit for a gross proceeds of $150,000 (Note 11), with each unit consisting of one fully paid and non-assessable common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The issuance of flow-through shares resulted in a flow-through share premium liability of $20,000 at the date of issue.

On 19 August 2013, the Company closed the second tranche of a non-brokered private placement of 166,667 flow-through units at $0.15 per unit for a gross proceeds of $25,000 (Note 11), with each unit consisting of one fully paid and non-assessable common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The issuance of flow-through shares resulted in a flow-through share premium liability of $5,000 at the date of issue.

(Expressed in Canadian dollars)

12.2 Share issuances, continued

On 20 September 2013, the Company closed the third and final tranche of its non-brokered flow-through and non flow-through private placement, the Company issued 666,667 non flow-through units at $0.15 per unit for gross proceeds of $100,000. Each non flow-through unit consisting of one fully paid and non-assessable common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The Company paid finder's fee of $12,250 in cash.

As at 31 January 2014, a total of Nil performance shares have been exercised and issued (30 April 2013: 100,000) at $0.03 per share.

During the previous year ended 30 April 2012, 33,333 shares at a deemed price of $0.33 per share were issued for the acquisition of the Rock & Roll Property (Note 9) and 25,000 shares at a deemed price of $0.33 per share were issued for the acquisition of Destiny Gold Project (Note 9).

During the previous year ended 30 April 2012, 33,333 performance shares were exercised for proceeds of $1,000 and 103,333 stock options were exercised for proceeds of $77,500.

12.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the nine-month period ended 31 January 2014 and the year ended 30 April 2013:

	31 January 2014		30 April 2013	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning	**1,267,250**	**0.92**	3,904,071	1.05
Granted	**1,018,333**	**0.30**	-	-
Exercised	**-**	**-**	-	-
Forfeited	**(1,267,250)**	**0.92**	(2,636,821)	1.11
Outstanding, end of period	**1,018,333**	**0.30**	1,267,250	0.92

The following table summarizes information regarding share purchase warrants outstanding as at 31 January 2014 (Note 21):

Number of warrants	**Exercise price**	**Expiry date**
590,000	$0.30	25 July 2014
95,000	$0.30	19 August 2014
333,333	$0.30	20 September 2014
1,018,333		

(Expressed in Canadian dollars)

12.4 Performance shares

A total of 899,330 performance shares are reserved for issuance. At the discretion of the Board, these shares may be issued to such arm's length parties as the Board considers desirable to attract consultants to the Company.

As at 31 January 2014, a total of Nil performance shares have been exercised and issued (2013: 383,333 shares) at $0.03 per share.

During the previous year, the Board authorized the issuance of up to 100,000 performance shares at an exercise price of $0.03 per share to the President and Chief Operating Officer of the Company. These shares are to be granted at the discretion of the Board as follows:

Shares	Scheduled Grant Date	
33,333	6 September 2012	(allotted *)
33,333	6 September 2013	
33,333	6 September 2014	
99,99		

* 33,933 performance shares were reserved for issuance at $0.03 per share during the year ended 30 April 2013. The fair market value of the performance shares at the date of allotment/accrual was $5,000 and was recorded in the accounts as share-based payments (Note 13). The offsetting entry is to share-based payments reserve.

During the previous year, the Board authorized the issuance of up to 50,000 performance shares at an exercise price of $0.03 per share to the former Vice President Exploration of the Company. These shares are to be granted at the discretion of the Board as follows:

Shares	Scheduled Grant Date	
10,000	15 December 2012	(allotted*)
10,000	15 December 2013	
10,000	15 December 2014	
10,000	15 December 2015	
10,000	15 December 2016	
50,000		

* 10,000 performance shares were reserved for issuance at $0.03 per share during the year ended 30 April 2013. The fair market value of the performance shares at the date of allotment/accrual was $900 and was recorded in the accounts as share-based payments (Note 13). The offsetting entry is to share-based payments reserve.

(Expressed in Canadian dollars)

12.4 Performance shares, continued

During a prior year, the Board authorized the issuance of up to 100,000 performance shares at an exercise price of $0.03 per share to the Senior Vice-President of Corporate and Business Development of the Company. These shares are to be granted at the discretion of the Board as follows:

Shares	Scheduled Grant Date	
50,000	1 February 2011	(allotted as at 30 April 2011*)
25,000	1 August 2011	(allotted as at 30 April 2012**)
25,000	1 February 2012	(allotted as at 30 April 2012**)
100,000		

* 50,000 performance shares were reserved for issuance at $0.03 per share during the year ended 30 April 2011. The fair market value of the performance shares at the date of allotment/accrual was $28,500 and was recorded in the accounts as share-based payments (Note 13). The offsetting entry is to share-based payments reserve.

** 50,000 performance shares were reserved for issuance at $0.03 per share during the year ended 30 April 2012. The fair market value of the performance shares at the date of allotment/accrual was $32,250 and was recorded in the accounts as share-based payments (Note 13). The offsetting entry is to share-based payments reserve.

During the previous year ended 30 April 2013, 100,000 performance shares granted to the Senior Vice-President of Corporate and Business Development of the Company were exercised at $0.03 per share for total proceeds of $3,000. The fair market value of the performance shares recorded in prior years related to the performance shares $60,750. The fair market value of $60,750 was transferred from share-based payment reserve to share capital.

12.5 Stock options

The Company has adopted a stock option plan whereby the Company may grant stock options to employees, directors and/or consultants of the Company. The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

(Expressed in Canadian dollars)

12.5 Stock options, continued

The following is a summary of the changes in the Company's stock option plan for the nine-month period ended 31 January 2014 and the year ended 30 April 2013:

	Nine-month period ended 31 January 2014		Year ended 30 April 2013	
	Number of options	**Weighted-average exercise price**	Number of options	Weighted-average exercise price
		$		$
Outstanding, beginning	**1,806,000**	**0.84**	2,411,000	0.96
Granted	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	(225,000)	1.80
Forfeited	**16,667**	**0.90**	(380,000)	0.99
Outstanding, end of period	**1,789,333**	**0.84**	1,806,000	0.84

There were no options granted during the nine-month period ended 31 January 2014 (30 April 2013: $Nil) per option at the grant date using the Black-Scholes Option Pricing Model.

	31 January 2014	30 April 2013
Risk free interest rate	**-**	-
Expected life	**-**	-
Expected volatility	**-**	-
Expected dividend per share	**-**	-

(Expressed in Canadian dollars)

12.5 Stock options, continued

The following table summarizes information regarding stock options outstanding and exercisable as at 31 January 2014:

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted-average exercise Price
Options outstanding			
$0.60 - $0.87	1,057,667	7.68	$0.75
$0.90 - $1.17	698,333	8.25	$0.90
$1.20 - $1.80	33,333	5.04	$1.50
Total options outstanding	**1,789,333**	**7.86**	**$0.84**

Exercise price	Number of options exercisable	Weighted-average remaining contractual life (years)	Weighted-average exercise Price
Options exercisable			
$0.60 - $0.87	1057,667	7.68	$0.75
$0.90 - $1.17	698,333	8.25	$0.90
$1.20 - $1.80	33,333	5.04	$1.50
Total options exercisable	**1,789,333**	**7.86**	**$0.84**

(Expressed in Canadian dollars)

13. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $17,109 was recognized in the nine-month period ended 31 January 2014 (2013: $99,597):

Grant date of stock options	Fair value of options granted	**Amount vested for three months ended 31 January 2014**	Amount vested for the three months ended 31 January 2013	**Amount vested for nine months ended 31 January 2014**	Amount vested for the nine months ended 31 January 2013
	$	**$**	$	**$**	$
11 June 2008	18,701	**-**	-	**-**	-
15 July 2009	8,613	**-**	-	**-**	-
4 January 2010	42,773	**-**	262	**-**	262
5 January 2010	71,056	**-**	-		1,042
1 February 2011	45,030	**-**	-	**-**	-
24 February 2011	667,912	**-**	9,675	**-**	56,768
15 March 2011	22,705	**-**	853	**-**	3,502
14 June 2011	81,708	**-**	-	**-**	-
7 September 2011	163,298	**3,355**	8,214	**17,109**	38,023
Share-based payments from stock options	1,121,796	**3,355**	19,004	**17,109**	99,597
Performance shares allotted (Note 12)		**-**	-	**-**	6.500
Total		**3,355**	19,004	**17,109**	106,097

(Expressed in Canadian dollars)

14. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Three months ended 31 January 2014	Three months ended 31 January 2013	**Nine months ended 31 January 2014**	Nine months ended 31 January 2013
Net loss for the period	**$ (188,508)**	$ (596,566)	**$ (903,232)**	$ (1,250,377)
Weighted average number of shares – basic and diluted	**38,010,303**	34,680,231	**35,791,705**	34,681,318
Loss per share, basic and diluted	**$ (0.005)**	$ (0.001)	**$ (0.025)**	$ (0.010)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, performance shares and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options, performance shares and the share purchase warrants were anti-dilutive for the period ended 31 January 2014 and 2013.

15. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its exploration and evaluation properties.

The Company is dependent upon external financing to fund its activities. In order to carry out the planned exploration and to pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

(Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS

16.1 Categories of financial instruments

	As at 31 January 2014	As at 30 April 2013
FINANCIAL ASSETS	**$**	$
FVTPL, at fair value		
Cash and cash equivalents	**254,922**	848,953
Short term investments – warrants	**34,830**	56,196
Loans and receivables, at amortized cost		
Amounts receivable	**183,844**	206,831
Available-for-sale, at fair value		
Short term investments – shares	**364,592**	530,768
Total financial assets	**838,188**	1,642,748
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**7,100**	44,157
Total financial liabilities	**7,100**	44,157

16.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 30 April 2013, the Company does not have any Level 3 financial instruments.

(Expressed in Canadian dollars)

16.2 Fair value, continued

As at 31 January 2014	Level 1	Level 2	Total
	$	$	$
Financial assets at fair value			
Cash and cash equivalents	254,922	-	254,922
Short term investments – Shares	364,592	-	364,592
Short term investments – Warrants	-	34,830	34,830
Total financial assets at fair value	**619,514**	**34,830**	**654,344**

As at 30 April 2013	Level 1	Level 2	Total
	$	$	$
Financial assets at fair value			
Cash and cash equivalents	848,953	-	848,953
Short term investments – Shares	530,768	-	530,768
Short term investments – Warrants	-	56,196	56,196
Total financial assets at fair value	1,379,721	56,196	1,435,917

There were no transfers between Level 1 and 2 in the nine months ended 31 January 2014 and year ended 30 April 2013.

16.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing with only with highly-rated financial institutions. As at 31 January 2014, amounts receivable was mainly comprised of Goods and Services Tax/Harmonized Sales Tax receivable and amounts receivable from related entities for shared office and administrative costs (Notes 6 and 17). As a result, credit risk is considered insignificant.

16.3 Management of financial risks, continued

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. As at 31 January 2014, the Company had $254,992 (30 April 2013: $848,953) in cash and cash equivalents to settle current liabilities of $32,100 (30 April 2013: $75,355) and, accordingly, liquidity risk is considered insignificant.

Currency risk

The Company is exposed to currency risk to the extent of its acquisition and exploration expenditures on its US properties and African property. The Company's expenditures will be negatively impacted if the US dollar increases versus the Canadian dollar.

The majority of the Company's cash flows and financial assets and liabilities are denominated in Canadian dollars, which is the Company's functional and reporting currency. Foreign currency risk is limited to the portion of the Company's business transactions denominated in currencies other than the Canadian dollar.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows by holding most of its cash and cash equivalents in Canadian dollars (Note 5). The Company monitors and forecasts the values of net foreign currency cash flow and balance sheet exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations. The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

17. RELATED PARTY TRANSACTIONS

For the six-month period ended 31 January 2014, the Company had related party transactions with the following companies related by way of directors or shareholders in common:

- Next Gen, a company with management and certain directors in common with the Company. Next Gen pays shared office costs to the Company on a month-to-month basis.

- El Niño, a company with management and certain directors in common with the Company. El Niño pays shared office costs to the Company on a month-to-month basis.

(Expressed in Canadian dollars)

17. RELATED PARTY TRANSACTIONS, continued

- Canadian Gravity Recovery Inc. ("CGR"), a company owned by the Chief Executive Officer of the Company. CGR provides management services on a month-to-month basis.

- Onestar Consulting Inc. ("Onestar"), a company owned by the Senior Vice President of Business and Corporate Development. Onestar provides consulting services on a month–to-month basis.

17.1 Related party expenses

Related party expenses are summarized as follows:

	Three months ended 31 January 2014	Three months ended 31 January 2013	**Nine months ended 31 January 2014**	Nine months ended 31 January 2013
	$	$	**$**	$
Management fees	**27,776**	62,499	**102,743**	187,497
Consulting fees	**7,333**	27,000	**31,333**	75,000
Shared office costs paid by related parties	**90,570**	146,552	**245,567**	427,698
Total related party expenses	**125,679**	236,051	**379,643**	690,195

Related party expense recoveries related to shared office and operating costs are summarized as follows:

	Three months ended 31 January 2014	Three months ended 31 January 2013	**Nine months ended 31 January 2014**	Nine months ended 31 January 2013
	$	$	**$**	$
Next Gen	**25,076**	33,796	**95,737**	120,645
El Nino	**25,887**	112,856	**106,620**	307,053
CGR	**27,776**	62,499	**102,743**	187,497
Onestar	**7,333**	27,000	**31,333**	75,000
Total related party expenses	**86,072**	236,151	**336,433**	690,195

The above amounts have been recorded as a reduction in the respective expense amounts of the Company.

(Expressed in Canadian dollars)

17.2 Due from/to related parties

The Company has a sub-lease agreement with Next Gen and El Niño in which Next Gen and El Niño each pays 25% of the total lease payments of the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7 (Note 20). The Company provides invoices to Next Gen and El Niño for shared office costs, including the lease payments, on a monthly basis.

The assets of the Company include the following amounts due from related parties:

	31 January 2014	30 April 2013
	$	$
Next Gen	**-**	57,631
El Niño	**174,431**	112,785
Total amount due from related parties (Note 6)	**174,431**	170,416

17.3 Key management personnel compensation

The remuneration of directors and other members of key management for the nine-month period ended 31 January 2014 and 2013 were as follows:

	Three months ended 31 January 2014	Three months ended 31 January 2013	**Nine months ended 31 January 2014**	Nine months ended 31 January 2013
	$	**$**	**$**	**$**
Short-term benefits - management and consulting fees	**63,842**	219,825	**399,384**	675,975
Short-term benefits – directors fees	**-**	7,500	**-**	23,000
Share-based payments	**3,355**	20,572	**17,109**	55,583
Total key management personnel compensation	**67,197**	247,897	**416,493**	754,558

(Expressed in Canadian dollars)

18. SUPPLEMENTAL CASH FLOW INFORMATION

18.1 Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Nine-month period ended 31 January	**2014**	2013
	$	$
Interest paid	**-**	-
Taxes paid	**-**	-
Total cash payments	**-**	-

18.2 Non-cash financing and investing activities

The Company incurred the following non-cash investing and financing transactions:

	31 January 2014	30 April 2013
	$	$
Common shares received for properties	**-**	28,000
Warrants received for properties	**-**	-
Total non-cash financing and investing activities	**-**	28,000

19. COMMITMENTS

As at 31 January 2014, the Company had the following commitments:

	< 1 year	**2-5 years**	**> 5 years**	**Total**
	$	$	$	$
Management fees	280,214	576,572	-	856,786
Rent and lease payments	111,802	481,746	530,090	1,123,638
Total commitments	**392,016**	**1,058,318**	**530,090**	**1,980,424**

The Company has a management agreement with CGR, a company owned by the Chief Executive Officer of the Company, effective 1 April 2012.

The Company has a sub-lease agreement with Next Gen and El Niño in which Next Gen and El Niño each pays 25% of the total lease payments of the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7 (Note 17).

Included in the long-term prepaid expenses is a deposit related to the current office space of $158,356 (30 April 2013 - $170,000).

20. SUBSEQUENT EVENTS

17 February 2014, the Company announced appointment of Mr. Kevin Lawrence as new member of the Board of Director. Mr. Lawrence is an advisor to CEOs' and executive teams at SGI Synergy Group Inc. Established in 1996, Mr. Lawrence's wholly-owned Company assists entrepreneurs and business leaders in increasing revenue, profitability and productivity in business. He is also on the board of director of Next Gen Metals Inc. and Southern Sun Minerals Inc. Mr. Lawrence replaces Jordan Point as a director of the Company who has resigned from the Board to devote more time to his other commitments.

27 February 2014, the Company announced a non-brokered flow-through and non flow-through private placement of up to a combined 10,000,000 units for gross proceeds up to $500,000.

Each non flow-through unit ("NFT Unit") will consist of one common share at a price of $0.05 per NFT Unit and one-half of one non-transferable share purchase warrant ("Warrant"). Each Warrant will entitle the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year.

Each flow-through unit ("FT Unit") will consist of one common share at a price of $0.05 per FT Unit and one-half of one non flow-through, nontransferable share purchase warrant ("Warrant"). Each Warrant will entitle the holder thereof to purchase one additional non flow-through common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year

The proceeds from the private placement received from the sale of the FT units will be used for the further development and exploration of the River Valley PGM Project and exploration of two large adjacent properties for Canada's next PGM district, located in the Sudbury region of Ontario. The proceeds from the sale of NFT Units will be used to search for a strategic joint venture partner to share our vision and commitment in exploration and development of River Valley, for the evaluation of additional platinum group metals projects in North America, and working capital.

The shares to be issued with respect to the Offering will be subject to a four-month hold period in accordance with applicable Canadian Securities Laws. Completion of the Offering and any finder's fees payable is subject to regulatory approvals.

25 March 2014, the Company closed its non-brokered flow-through and non-flow through private placement for gross proceeds of $500,000. The Company issued 10,000,000 FT and NFT units at $0.05 per Unit. Each NFT Unit will consist of one common share at a price of $0.05 per NFT Unit and one- half of one non- transferable share purchase warrant. Each Warrant will entitle the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year.

17. SUBSEQUENT EVENTS, continued

Each FT Unit will consist of one common share at a price of $0.05 per FT Unit and one-half of one non flow-through, non-transferable share purchase warrant. Each Warrant will entitle the holder thereof to purchase one additional non flow-through common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 per share during the second year and $0.30 per share during the third year.

The proceeds from the private placement received from the sale of the FT units will be used for the further development and exploration of the River Valley PGM Project and exploration of two large adjacent properties for Canada's next PGM district, located in the Sudbury region of Ontario. The proceeds from the sale of NFT Units will be used to search for a strategic joint venture partner to share our vision and commitment in exploration and development of River Valley, for the evaluation of additional platinum group metals projects in North America, and working capital. All subscribers who have participated in the private placement have entered into a voluntary pooling agreement with the Company. All of the securities to be issued by the Company in connection with this Closing of the private placement are subject to a hold period which expires 26 July 2014, four months and one day after the closing date. Finder's fees in the amount $5,250.00 will be paid in connection with the private placement and are subject to regulatory approval. Completion of the Offering and any finder's fees payable is subject to regulatory approvals.

20. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the nine months ended 31 January 2014 were approved and authorized for issue by the Board of Directors on 26 March 2014.

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, ***Robert Guanzon, Chief Financial Officer of Pacific North West Capital Corp.***, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of ***Pacific North West Capital Corp.*** (the "issuer") for the interim period ended ***January 31, 2014***.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the ***Internal Control – Integrated Framework*** issued by the Committee of sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on ***November 1, 2013*** and ended on ***January 31, 2014*** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: ***March 26, 2014***

"Robert Guanzon"

Robert Guanzon

Chief Financial Officer

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, ***Harry Barr, Chief Executive Officer of Pacific North West Capital Corp.***, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of ***Pacific North West Capital Corp.*** (the "issuer") for the interim period ended ***January 31, 2014***.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the ***Internal Control – Integrated Framework*** issued by the Committee of sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on ***November 1, 2013*** and ended on ***January 31, 2014.*** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: ***March 26, 2014***

"Harry Barr"

Harry Barr
Chief Executive Officer