Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

PMI GOLD
CORPORATION

For the three and six month period ended December 31, 2012

(Unaudited)

Notice of no auditor review of the interim financial statements

The accompanying unaudited interim financial statements of PMI Gold Corporation ("PMI" or the "Company"), for the three and six months ended December 31, 2012, have been prepared by management and have been approved by the Audit Committee and board of Directors of the Company.

These unaudited interim financial statements have not been the subject of a review by the Company's auditor.

PMI GOLD CORPORATION

Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

	December 31, 2012	June 30, 2012 (Audited)
Assets		
Current assets:		
Cash and cash equivalents	$ 125,259,076	$ 40,722,548
Receivables (note 4)	310,120	235,569
Prepaid expenses	618,073	475,601
	126,187,269	41,433,718
Property & equipment (note 5)	1,032,567	1,015,955
Exploration and evaluation assets (note 6)	86,186,784	64,203,875
Total Assets	$ 213,406,620	$ 106,653,548
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	$ 5,238,728	$ 8,582,163
Provision (note 8)	1,469,411	-
Total Liabilities	6,708,139	8,582,163
Shareholders' equity:		
Share capital (note 9)	231,721,560	119,578,794
Reserves (note 9)	7,664,485	8,034,686
Deficit	(32,687,564)	(29,542,095)
	206,698,481	98,071,385
Total Equity	$ 213,406,620	$ 106,653,548

Corporate information (note 1)
Significant event (note 14)
Subsequent event (note 15)

See accompanying notes to the condensed consolidated interim financial statements.

Approved by the Board:

President & Chief Executive Officer

Director

PMI GOLD CORPORATION

Condensed Consolidated Interim Statements of Operations, Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

	Three months December 31 2012	Three months December 31 2011	Six months December 31 2012	Six months December 31 2011
Expenses:				
Amortization	$ 12,911	$ 9,474	$ 25,852	$ 17,686
Professional and consulting fees	592,146	243,742	966,725	476,120
Directors' fees and costs	412,577	121,981	632,396	243,116
Foreign exchange (gain) loss	(792,123)	(330,356)	(720,527)	193,475
Office and support costs	264,404	200,957	591,022	373,982
Salaries and benefits	630,589	163,402	872,183	293,294
Shareholder communications	86,964	90,913	165,175	131,344
Share-based payments (note 10)	(571,012)	570,625	(322,516)	1,130,735
Transfer agent and regulatory fees	179,102	15,439	254,997	66,299
Travel and promotion	150,392	185,725	343,362	284,240
Write-off of mineral properties	-	-	-	13,396
Loss before other items	(965,950)	(1,271,902)	(2,808,669)	(3,223,687)
Other items:				
Merger costs	(549,602)	-	(549,602)	-
Gain on disposal of equipment	-	2,817	-	2,817
Interest and financing costs	(90,557)	-	(90,557)	-
Interest income	249,951	454,519	314,614	569,588
	(390,208)	457,336	(325,545)	572,405
Loss and comprehensive loss before taxes	(1,356,158)	(814,566)	(3,134,214)	(2,651,282)
Income tax expense recovery	(8,988)	-	(11,255)	-
Loss and comprehensive loss	$ (1,365,146)	$ (814,566)	$ (3,145,469)	$ (2,651,282)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	311,464,649	213,514,535	310,574,948	205,883,853

See accompanying notes to the condensed consolidated interim financial statements.

PMI GOLD CORPORATION

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)
Six months ended December 31,

	2012	2011
Cash provided by (used in):		
Operating activities:		
Loss for the period	$ (3,145,469)	$ (2,651,282)
Items not affecting cash:		
Amortization	25,852	17,686
Obsolete equipment expensed	7,800	-
Share-based payments	(322,516)	1,130,735
Write-off of exploration and evaluation assets	-	13,396
Gain on sale of equipment	-	(2,817)
	(3,434,333)	(1,492,282)
Changes in non-cash working capital items:		
Receivables	(74,551)	(344,749)
Prepaid expenses	(142,472)	(59,699)
Accounts payable and accrued liabilities	524,960	94,706
	(3,126,396)	(1,802,024)
Investing activities:		
Proceeds from sale of equipment	-	11,616
Additions to property & equipment	(214,571)	(641,237)
Additions to exploration and evaluation assets	(24,059,526)	(11,908,381)
	(24,274,097)	(12,538,002)
Financing activities:		
Shares issued for cash	118,209,300	5,908,100
Share issuance costs	(6,272,279)	-
	111,937,021	5,908,100
Increase in cash and cash equivalents during the period	(84,536,528)	(8,431,926)
Cash and cash equivalents, beginning of period	40,722,548	28,659,345
Cash and cash equivalents, end of period	$ 125,259,076	$ 20,227,419
Effect of exchange rate fluctuations on cash held	$ (2,506)	$ (35,325)
Cash paid during the period for income taxes	2,813	-
Cash received during the period for interest	211,348	195,257

Supplemental disclosure with respect to cash flows (note 11)

See accompanying notes to the condensed consolidated interim financial statements.

PMI GOLD CORPORATION

Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares	Share capital	Reserves	Deficit	Total
Balance, June 30, 2011	197,934,584	$ 76,701,915	$ 6,256,463	$ (23,172,312)	$ 59,786,066
Loss for the period	-	-	-	(2,651,282)	(2,651,282)
Exercise of options	2,787,500	782,500	-	-	782,500
Exercise of warrants	20,648,000	5,125,600	-	-	5,125,600
Reallocation on exercise of options	-	331,684	(331,684)	-	-
Share-based payments	-	-	1,130,735	-	1,130,735
Balance, December 31, 2011	221,370,084	82,941,699	7,055,514	(25,823,594)	64,173,619
Balance, June 30, 2012	262,170,084	$ 119,578,794	$ 8,034,686	$ (29,542,095)	$ 98,071,385
Loss for the period	-	-	-	(3,145,469)	(3,145,469)
Shares issued	136,907,500	115,002,300	-	-	115,002,300
Share issuance costs	-	(6,272,279)	-	-	(6,272,279)
Exercise of options	880,000	311,000	-	-	311,000
Exercise of warrants	13,455,000	2,896,000	-	-	2,896,000
Reallocation on exercise of options	-	205,745	(205,745)	-	-
Share-based payments	-	-	(164,456)	-	(164,456)
Balance, December 31, 2012	413,412,584	$ 231,721,560	$ 7,664,485	$ (32,687,564)	$ 206,698,481

See accompanying notes to the condensed consolidated interim financial statements

1. Corporate Information

PMI Gold Corporation ("PMI" or the "Company") was incorporated in British Columbia. The consolidated financial statements of the Company as at and for the six months ended December 31, 2012 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The principal business of the Group is the acquisition, exploration, and development of mineral properties. The Company has two subsidiaries; Adansi Gold Company Ghana Limited ("Adansi") is incorporated in Ghana and Nevsun Resources (Ghana) Ltd ("NS Ghana") is incorporated in Barbados. The Group's principal properties are located in Ghana, West Africa with the Obotan Project advancing towards a development decision and the Kubi Project subject to advanced exploration. The Group has several other mineral concessions in Ghana in various stages of exploration to determine whether they contain economically viable mineral deposits.

The Company's head office, principal address and registered and records office is 408-837 West Hastings Street, Vancouver, British Columbia, Canada, V6C 3N6.

The Company has not generated revenues from operations. These condensed consolidated interim financial statements have been prepared assuming the Company will continue as a going concern which contemplates the ability of the Company to realize its assets and discharge its liabilities in the normal course of business. These condensed consolidated interim financial statements do not include adjustments that would have been required if going concern were not an appropriate basis for preparation of the financial statements.

The Company, through acquisition and exploration of mineral properties, has incurred losses since inception and is currently not generating any revenues aside from interest income. For the six months ended December 31, 2012, the Company had net cash inflows of $84,536,528 (2011 - outflows $8,431,926). At December 31, 2012, the Company's cash and cash equivalents balance was $125,259,076 (June 30, 2012 - $40,722,548) and working capital was $120,948,541 (June 30, 2012 - $32,851,555).

The Company's ability to continue as a going concern on a longer term basis depends on its ability to successfully raise additional financing for further exploration activity and development or to enter into profitable operations. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

2. Basis of presentation and statement of compliance:

(a) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34-Interim Financial Reporting. The accounting policies followed in these condensed consolidated interim financial statements are the same as those applied in the Company's audited annual financial statements for the year ended June 30, 2012.

These consolidated financial statements were authorized for issue by the Board of Directors on February 13, 2013.

(Expressed in Canadian dollars)

2. Basis of presentation and statement of compliance (continued):

(b) Basis of consolidation and presentation:

These condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2012.

Certain comparative figures have been reclassified for current period presentation purposes.

3. Accounting standards, amendments and interpretation issued but not yet effective:

A new number of IFRS standards, and amendments to standards and interpretations, are not yet effective for the period ended December 31, 2012, and have not been applied in preparing these condensed consolidated interim financial statements. None of these standards are expected to have a significant effect on the condensed consolidated interim financial statements of the Group.

4. Receivables:

The Company's receivables are as follows:

	December 31, 2012	June 30, 2012
HST/GST receivable	$ 155,524	$ 163,635
Interest receivable	111,136	7,870
Other receivables	43,460	64,064
	$ 310,120	$ 235,569

5. Property & equipment:

	Field tools & equipment	Vehicles	Furniture & equipment	Computer equipment	Total
Cost					
Balance at June 30, 2012	$ 224,750	$ 793,946	$ 248,009	$ 421,302	$1,688,007
Additions	13,292	-	38,862	162,417	214,571
Disposals	-	-	(16,333)	(24,411)	(40,744)
Balance at December 31, 2012	$ 238,042	$ 793,946	$ 270,538	$ 559,308	$1,861,834
Amortization					
Balance at June 30, 2012	$ 77,072	$ 232,859	$ 84,895	$ 277,226	$ 672,052
Additions	27,976	85,949	20,243	55,991	190,159
Disposals	-	-	(13,058)	(19,886)	(32,944)
Balance at December 31, 2012	$ 105,048	$ 318,808	$ 92,080	$ 313,331	$ 829,267
Carrying amounts					
Balance at June 30, 2012	$ 147,678	$ 561,087	$ 163,114	$ 144,076	$1,015,955
Balance at December 31, 2012	$ 132,994	$ 475,138	$ 178,458	$ 245,977	$1,032,567

(Expressed in Canadian dollars)

6. Exploration and evaluation assets:

The Company has incurred the following exploration and evaluation asset expenditures for the six months ended December 31, 2012:

	Obotan	Asanko	Kubi	Total
Acquisition costs:				
Balance, June 30, 2012	$ 6,531,674	$ 1,506,965	$ 5,621,700	$13,660,339
Additions during the period	7,880,872	-	-	7,880,872
Balance, December 31, 2012	14,412,546	1,506,965	5,621,700	21,541,211
Exploration and evaluation expenditures:				
Balance, June 30, 2012	35,943,065	6,723,869	7,876,602	50,543,536
Additions during the period:				
Feasibility and pre-development costs	4,621,983	-	-	4,621,983
Assaying testing and analysis	399,345	356,291	330,851	1,086,487
Contract labour	57,748	8,833	24,319	90,900
Drilling	2,148,690	684,311	529,146	3,362,147
Field office	83,092	158,468	188,436	429,996
Geology and geophysics	436,422	79,547	49,513	565,482
Lease rental and claims maintenance	90,203	21,461	6,485	118,149
Legal	178,344	3,186	7,446	188,976
Project management and related exploration costs	1,480,617	257,344	1,864,678	3,602,639
Transportation and travel	24,812	4,220	6,246	35,278
	9,521,256	1,573,661	3,007,120	14,102,037
Balance, December 31, 2012	45,464,321	8,297,530	10,883,722	64,645,573
Total, December 31, 2012	$ 59,876,867	$ 9,804,495	$ 16,505,422	$86,186,784

7. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities are as follows:

	December 31, 2012	June 30, 2012
Trade payables	$ 4,390,290	$ 6,789,275
Accrued liabilities	848,438	1,792,888
	$ 5,238,728	$ 8,582,163

(Expressed in Canadian dollars)

8. Provision :

The Company is required to reclaim the Kubi property mine, and any land it disturbs during mine construction and operations. Although the timing and the amount of the actual expenditures are uncertain, the Company has estimated the present value of the future reclamation obligation arising from its activities to December 31, 2012 to be $1,469,411 (June 30, 2012 - $Nil). The present value of the future reclamation obligation as at December 31, 2012 assumes a discount rate of 1.8%, an inflation rate of 1.7%.

Provision for reclamation	December 31, 2012	June 30, 2012
Balance, beginning of year	$ -	$ -
Liabilities incurred during the period	1,469,411	-
Accretion expense	-	-
	$ 1,469,411	$ -

9. Share capital and reserves:

Authorized:

- Unlimited common shares, without par value and are fully paid.

During the six months ended December 31, 2012, the Company:

- Issued 136,907,500 common shares for gross proceeds totaling $115,002,300 pursuant the completion of a private placement. In conjunction with the issuance of the shares, the Company incurred $6,272,279 in share issuance costs
- Issued 13,455,000 common shares for gross proceeds totaling $2,896,000 pursuant to the exercise of warrants.
- Issued 880,000 common shares for gross proceeds totaling $311,000 pursuant to the exercise of stock options. As a result of the exercise, the Company reclassified $205,745 from contributed surplus to share capital.

During the year ended June 30, 2012, the Company:

- Issued 32,373,000 common shares for gross proceeds totaling $8,181,550 pursuant to the exercise of warrants.
- Issued 3,862,500 common shares for gross proceeds totaling $1,087,500 pursuant to the exercise of stock options. As a result of the exercise, the Company reclassified $791,228 from contributed surplus to share capital.
- Issued 28,000,000 common shares for gross proceeds totaling $35,000,000 pursuant to the completion of a private placement. The Company paid $2,183,399 in share issuance costs relating to the private placement.

(Expressed in Canadian dollars)

10. Stock options and warrants:

(a) Stock options:

(*i*) Option plan:

The Company has adopted a stock option plan (first adopted during the year ended June 30, 2011) covering the grant of options to its directors, officers and employees and has reduced the limit to acquire from 20% to 10% of the issued and outstanding common shares. It also limits the number of shares that may be allocated for subscription (upon exercise of the options) to eligible persons in Australia to 5% of the number of issued and outstanding shares. The stock option plan provides that the options are for a maximum term of five years and that the option exercise price shall be for not less than the market price on the grant date.

	Number of options	Weighted average exercise price
Balance, June 30, 2011	15,896,875	$ 0.68
Granted	990,000	1.40
Exercised	(2,787,500)	0.28
Cancelled / expired	(606,875)	0.46
Balance, December 31, 2011	13,492,500	0.83
Balance, June 30, 2012	15,217,500	1.03
Exercised	(880,000)	0.35
Cancelled / expired (1)	(1,650,000)	0.97
Balance, December 31, 2012	12,687,500	$ 1.08
Number of options currently exercisable	7,934,167	$ 0.89

(1) A total of 1,650,000 options ranging from $0.80 to $1.75 expired due to performance conditions not being met before December 31, 2012.

The weighted average remaining contractual life for the share options outstanding as at December 31, 2012 is 3.09 years (2011 – 3.74 years).

(Expressed in Canadian dollars)

10. Stock options and warrants (continued):

As at December 31, 2012, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

Number of options	Exercise price	Expiry date
87,500	$ 0.20	March 26, 2013
400,000	0.30	September 9, 2014
2,000,000	1.05	December 15, 2015
4,000,000	0.90	January 20, 2016
500,000	0.90	February 18, 2016
1,600,000	0.80	June 1, 2015
1,750,000	2.00	March 11, 2016
560,000	0.80	June 1, 2016
240,000	0.77	October 2, 2016
200,000	1.17	November 18, 2016
425,000	1.75	November 18, 2016
625,000	1.28	June 7, 2017
300,000	0.86	June 12, 2017
12,687,500		

(b) Share-based payments:

During the six months ended December 31, 2012, the Company granted Nil (2011 – 990,000) and cancelled 1,650,000 (2011 – 606,875) stock options. For the six months ended December 31, 2012, the share-based payments recovery recognized was $164,456 (2011 – expense $1,130,735).

(c) Warrants:

Warrant transactions and the number of warrants are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance June 30, 2011	46,803,000	$ 0.25
Exercised	(20,648,000)	0.25
Expired	(50,000)	0.30
Balance December 31, 2011	26,105,000	0.24
Balance, June 30, 2012	14,055,000	0.29
Exercised	(13,455,000)	0.22
Expired	(100,000)	0.20
Balance, December 31, 2012	500,000	$ 0.61

As at December 31, 2012, warrants were outstanding enabling the holders to acquire common shares as follows:

Number of warrants	Exercise price	Expiry date
500,000	$ 0.61	December 17, 2013*

*Subsequent to December 31, 2012, these warrants were exercised for proceeds of $305,000.

(Expressed in Canadian dollars)

11. Supplemental disclosure with respect to cash flows:

During the six months ended December 31, 2012, significant non-cash investing and financing activities included:

- incurring $164,307 of amortization expense capitalized to exploration and evaluation assets
- incurring exploration and evaluation asset expenditures of $1,469,411 included in the provision for reclamation;
- incurring exploration and evaluation asset expenditures of $3,518,451 included in accounts payable;
- incurring $158,060 of share-based payment expense capitalized to exploration and evaluation assets;
- recording of a fair value reversal of $205,745 out of contributed surplus on the exercise of stock options; and

During the six months ended December 31, 2011, significant non-cash investing and financing activities included:

- recording of a fair value reversal of $331,684 out of contributed surplus on the exercise of stock options;
- incurring exploration and evaluation asset expenditures of $5,734,919 included in accounts payable; and
- incurring $95,523 of amortization expense capitalized to exploration and evaluation assets.

12. Related party transactions:

The Company incurred the following expenses charged by key management personnel and companies controlled by key management personnel:

	December 31, 2012	December 31, 2011
Executive compensation [(1)]	$ 1,012,754	$ 384,224
Non-executive directors fees	332,287	109,503
Share-based payments (recoveries) [(2)]	(372,246)	942,014
	$ 972,795	$ 1,435,741

(1) Of these, there are $121,525 (2011 - $77,603) for professional fees included in deferred exploration costs paid to a firm controlled by an executive director of the Company and $31,923 (2011 - $22,029) for property option payments included in deferred exploration costs, made to two companies controlled by an executive director of the Company's Ghanaian subsidiary.

(2) A total of 1,650,000 options ranging from $0.80 to $1.75 expired due to performance conditions not being met before December 31, 2012.

Included in accounts payable and accrued liabilities at December 31, 2012 is $213,755 (June 30, 2012 - $456,228) owing to related parties, all in respect of to the above transactions.

(Expressed in Canadian dollars)

13. Segmented information:

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's capital assets are located primarily in the Republic of Ghana.

Geographic information is as follows:

	December 31, 2012	June 30, 2012
Assets:		
Canada	$ 111,942,053	$ 34,443,768
Ghana	88,256,683	66,675,729
Australia	13,207,884	5,534,051
	$ 213,406,620	$ 106,653,548

14. Significant event:

During the six months ended December 31, 2012, the Company entered into a definitive agreement with Keegan Resources Inc. to merge and form a new company under the name "Asanko Gold Inc." ("Asanko"). Each PMI shareholder will receive 0.21 Asanko shares for each PMI share. The merger would create a combined company with an aggregate market capitalization expected to be in the $700 million range. Existing Keegan and PMI shareholders will each own approximately 50% of the combined company, inclusive of currently in-the-money dilutive securities.

15. Subsequent event:

Subsequent to December 31, 2012, 500,000 warrants were exercised for proceeds of $305,000.