

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

PMI GOLD
C O R P O R A T I O N

For the three and nine month period ended March 31, 2013
(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 nine months ended March 31, 2013, 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)

	March 31, 2013	June 30, 2012
		(Audited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 116,535,376	\$ 40,722,548
Receivables (note 4)	279,323	235,569
Prepaid expenses	172,924	475,601
	116,987,623	41,433,718
Property & equipment (note 5)	925,446	1,015,955
Exploration and evaluation assets (note 6)	92,617,444	64,203,875
Total Assets	\$ 210,530,513	\$ 106,653,548

Liabilities and Shareholders' Equity

Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 3,746,713	\$ 8,582,163
Provision (note 8)	1,507,264	-
Total Liabilities	5,253,977	8,582,163
Shareholders' equity:		
Share capital (note 9)	232,112,812	119,578,794
Reserves (note 9)	7,899,378	8,034,686
Deficit	(34,735,654)	(29,542,095)
	205,276,536	98,071,385
Total Equity	\$ 210,530,513	\$ 106,653,548

Corporate information (note 1)

Subsequent events (note 15)

See accompanying notes to the condensed consolidated interim financial statements.

Approved by the Board:

Collin Ellison

President & Chief Executive Officer

James Askew

Director

PMI GOLD CORPORATION

Condensed Consolidated Interim Statements of Operations, Loss and Comprehensive Loss

(Unaudited)

(Expressed in Canadian dollars)

	Three months March 31 2013	Three months March 31 2012	Nine months March 31 2013	Nine months March 31 2012
Expenses:				
Amortization	\$ 13,985	\$ 21,479	\$ 39,837	\$ 39,165
Professional and consulting fees	52,779	474,698	1,019,504	971,966
Directors' fees and costs	228,156	218,458	860,552	461,574
Foreign exchange (gain) loss	(381,391)	(23,497)	(1,101,918)	169,978
Office and support costs	255,263	235,734	846,285	813,118
Pre-exploration costs	249,441	-	249,441	-
Salaries and benefits	460,508	261,226	1,332,691	412,059
Shareholder communications	89,955	64,497	255,130	159,827
Share-based payments (note 10)	234,146	323,501	(88,370)	1,454,236
Transfer agent and regulatory fees	34,644	47,252	289,641	113,551
Travel and promotion	208,579	253,302	551,941	491,467
Write-off of mineral properties	-	-	-	13,396
Loss before other items	(1,446,065)	(1,876,650)	(4,254,734)	(5,100,337)
Other items:				
Transaction Costs (note 14)	(996,295)	-	(1,545,897)	-
Gain on disposal of equipment	-	-	-	2,817
Interest and financing costs	-	-	(90,557)	-
Interest income	402,976	436,333	717,590	1,005,921
	(593,319)	436,333	(918,864)	1,008,738
Loss and comprehensive loss before taxes	(2,039,384)	(1,440,317)	(5,173,598)	(4,091,599)
Income tax expense	8,706	12,685	19,961	12,685
Loss and comprehensive loss	\$ (2,048,090)	\$ (1,453,002)	\$ (5,193,559)	\$ (4,104,284)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding	413,848,001	228,816,667	344,496,754	213,472,533

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)
Nine months ended March 31,

	2013	2012
Cash provided by (used in):		
Operating activities:		
Loss for the period	\$ (5,193,559)	\$ (4,104,284)
Items not affecting cash:		
Amortization	39,837	39,165
Obsolete equipment expensed	7,800	-
Share-based payments	(88,370)	1,454,236
Foreign exchange on provision	31,055	-
Write-off of exploration and evaluation assets	-	13,396
Gain on sale of equipment	-	(2,817)
	(5,203,237)	(2,600,304)
Changes in non-cash working capital items:		
Receivables	(43,754)	297,924
Prepaid expenses	302,677	(66,818)
Accounts payable and accrued liabilities	292,515	465,960
	(4,651,799)	(1,903,238)
Investing activities:		
Proceeds from sale of equipment	-	11,616
Additions to property & equipment	(211,666)	(786,502)
Additions to exploration and evaluation assets	(31,633,924)	(18,092,497)
	(31,845,590)	(18,867,383)
Financing activities:		
Shares issued for cash	118,531,800	43,328,100
Share issuance costs	(6,221,583)	(1,960,143)
	112,310,217	41,367,957
Change in cash and cash equivalents during the period	75,812,828	20,597,336
Cash and cash equivalents, beginning of period	40,722,548	28,659,345
Cash and cash equivalents, end of period	\$ 116,535,376	\$ 49,256,681
Effect of exchange rate fluctuations on cash held	\$ 175,373	\$ (515,235)
Cash paid during the period for income taxes	19,961	-
Cash received during the period for interest	606,242	1,005,921

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	-	-	-	(4,104,284)	(4,104,284)
Private Placement	28,000,000	35,000,000	-	-	35,000,000
Share issuance costs	-	(2,198,589)	-	-	(2,198,589)
Exercise of options	3,737,500	1,497,181	(434,681)	-	1,062,500
Exercise of warrants	30,848,000	7,265,600	-	-	7,265,600
Share-based payments	-	-	1,454,236	-	1,454,236
Balance, March 31, 2012	260,520,084	\$ 118,266,107	\$ 7,276,018	\$ (27,276,596)	\$ 98,265,529
Balance, June 30, 2012	262,170,084	\$ 119,578,794	\$ 8,034,686	\$ (29,542,095)	\$ 98,071,385
Loss for the period	-	-	-	(5,193,559)	(5,193,559)
Shares issued	136,907,500	115,002,300	-	-	115,002,300
Share issuance costs	-	(6,221,583)	-	-	(6,221,583)
Exercise of options	967,500	328,500	-	-	328,500
Exercise of warrants	13,955,000	3,201,000	-	-	3,201,000
Reallocation on exercise of options	-	223,801	(223,801)	-	-
Share-based payments	-	-	88,493	-	88,493
Balance, March 31, 2013	414,000,084	\$ 232,112,812	\$ 7,899,378	\$ (34,735,654)	\$ 205,276,536

See accompanying notes to the condensed consolidated interim financial statements

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

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 nine months ended March 31, 2013 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 nine months ended March 31, 2013, the Company had net cash inflows of \$75,812,828 (2012 - \$20,597,336). At March 31, 2013, the Company's cash and cash equivalents balance was \$116,535,376 (June 30, 2012 - \$40,722,548) and working capital was \$113,240,910 (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 May 14, 2013.

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

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 number of new IFRS standards, and amendments to standards and interpretations, are not yet effective for the period ended March 31, 2013, 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:

	March 31, 2013	June 30, 2012
HST/GST receivable	\$ 113,344	\$ 163,635
Interest receivable	119,217	7,870
Other receivables	46,762	64,064
	\$ 279,323	\$ 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	1,533	39,688	157,153	211,666
Disposals	-	-	(16,333)	(24,411)	(40,744)
Balance at March 31, 2013	\$ 238,042	\$ 795,479	\$ 271,364	\$ 554,044	\$1,858,929
Amortization					
Balance at June 30, 2012	\$ 77,072	\$ 232,859	\$ 84,895	\$ 277,226	\$ 672,052
Additions	37,972	122,095	29,904	104,404	294,375
Disposals	-	-	(13,058)	(19,886)	(32,944)
Balance at March 31, 2013	\$ 115,044	\$ 354,954	\$ 101,741	\$ 361,744	\$ 933,483
Carrying amounts					
Balance at June 30, 2012	\$ 147,678	\$ 561,087	\$ 163,114	\$ 144,076	\$1,015,955
Balance at March 31, 2013	\$ 122,998	\$ 440,525	\$ 169,623	\$ 192,300	\$ 925,446

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
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(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

6. Exploration and evaluation assets:

The Company has incurred the following exploration and evaluation asset expenditures for the nine months ended March 31, 2013:

	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	7,878,242	-	-	7,878,242
Balance, March 31, 2013	14,409,916	1,506,965	5,621,700	21,538,581
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*	8,154,384	-	-	8,154,384
Assaying testing and analysis	653,450	656,769	411,767	1,721,986
Contract labour	78,094	27,507	31,021	136,622
Drilling	2,154,580	1,470,169	529,146	4,153,895
Field office	217,351	184,586	203,649	605,586
Geology and geophysics	591,221	164,832	98,065	854,118
Lease rental and claims maintenance	105,681	82,850	9,645	198,176
Legal	144,868	6,875	7,446	159,189
Project management and related exploration costs	1,955,834	603,879	1,923,497	4,483,210
Transportation and travel	44,046	15,957	8,158	68,161
	14,099,509	3,213,424	3,222,394	20,535,327
Balance, March 31, 2013	50,042,574	9,937,293	11,098,996	71,078,863
Total, March 31, 2013	\$ 64,452,490	\$ 11,444,258	\$ 16,720,696	\$92,617,444

* The company is currently incurring some capital costs associated with the development of the Obotan Gold Project, however until a development decision has been made these costs are being treated as pre-development costs.

7. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities are as follows:

	March 31, 2013	June 30, 2012
Trade payables	\$ 1,705,350	\$ 6,789,275
Accrued liabilities	2,041,363	1,792,888
	\$ 3,746,713	\$ 8,582,163

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

8. Provision:

The Company may be required to rehabilitate the Kubi property for prior mining activity.. 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 March 31, 2013 to be \$1,507,264 (June 30, 2012 - \$Nil). The present value of the future reclamation obligation as at December 31, 2012 assumes a discount rate of 1.8%, and an inflation rate of 1.7%.

Provision for reclamation	March 31, 2013	June 30, 2012
Balance, beginning of year	\$ -	\$ -
Liabilities incurred during the period	1,469,411	-
Accretion expense	6,798	-
Foreign exchange	31,066	-
	\$ 1,507,264	\$ -

9. Share capital and reserves:

Authorized:

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

During the nine months ended March 31, 2013, the Company:

- Issued 136,907,500 common shares for gross proceeds totaling \$115,002,300 pursuant to the completion of a private placement. In conjunction with the issuance of the shares, the Company incurred \$6,221,583 in share issuance costs
- Issued 13,955,000 common shares for gross proceeds totaling \$3,201,000 pursuant to the exercise of warrants.
- Issued 967,500 common shares for gross proceeds totaling \$328,500 pursuant to the exercise of stock options. As a result of the exercise, the Company reclassified \$223,801 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.

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

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	2,990,000	1.80
Exercised	(3,737,500)	0.28
Cancelled / expired	(606,875)	0.46
Balance, March 31, 2012	14,542,500	1.03
Balance, June 30, 2012	15,217,500	1.03
Exercised	(967,500)	0.34
Cancelled / expired ⁽¹⁾	(1,900,000)	1.01
Balance, March 31, 2013	12,350,000	\$ 1.08
Number of options currently exercisable	8,013,333	\$ 0.90

(1) A total of 1,900,000 options ranging from \$0.80 to \$1.75 expired due to performance conditions not being met before March 31, 2013.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2013 is 2.84 years (2012 – 3.63 years).

As at March 31, 2013, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

Number of options	Exercise price	Expiry date
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
375,000	1.28	June 7, 2017
300,000	0.86	June 12, 2017
12,350,000		

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

10. Stock options and warrants (continued):

(b) Share-based payments:

During the nine months ended March 31, 2013, the Company granted Nil (2012 – 2,990,000) and cancelled 1,900,000 (2012 – 606,875) stock options. For the nine months ended March 31, 2013, the share-based payments recovery recognized was \$26,090 (2012 – expense \$1,454,236).

(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	(30,848,000)	0.24
Expired	(275,000)	0.22
Balance March 31, 2012	15,680,000	0.27
Balance, June 30, 2012	14,055,000	0.23
Exercised	(13,955,000)	0.23
Expired	(100,000)	0.20
Issued	600,000	1.05
Balance, March 31, 2013	600,000	\$ 1.05

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

Number of warrants	Exercise price	Expiry date
600,000	\$ 1.05	September 26, 2015

During the nine months ended March 31, 2013, the share-based payments recognized was \$114,583 (2012 - \$Nil) in relation to the 600,000 (2012 – Nil) warrants issued during the period. The share-based payment expense was calculated using the Black-Scholes option pricing model, with a volatility of 75%, expected life of 3 years and a risk free rate of 1.11%.

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

11. Supplemental disclosure with respect to cash flows:

During the nine months ended March 31, 2013, significant non-cash investing and financing activities included:

- incurring \$254,538 of amortization expense capitalized to exploration and evaluation assets
- incurring exploration and evaluation asset expenditures of \$1,476,209 included in the provision for reclamation;
- incurring exploration and evaluation asset expenditures of \$2,258,881 included in accounts payable;
- incurring \$176,863 of share-based payment expense capitalized to exploration and evaluation assets;
- recording of a fair value reversal of \$223,801 out of contributed surplus on the exercise of stock options; and

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

- recording of a fair value reversal of \$434,681 out of contributed surplus on the exercise of stock options;
- incurring exploration and evaluation asset expenditures of \$6,243,181 included in accounts payable;
- incurring \$203,468 of amortization expense capitalized to exploration and evaluation assets; and
- incurring share issuance costs of \$238,446 included in accounts payable.

12. Related party transactions:

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

	March 31, 2013	March 31, 2012
Executive compensation ⁽¹⁾	\$ 1,472,233	\$ 692,005
Non-executive directors fees	455,221	169,065
Share-based payments (recoveries) ⁽²⁾	(269,228)	1,094,775
	\$ 1,658,226	\$ 1,955,845

(1) Of these, there are \$160,343 (2012 - \$110,027) for professional fees included in deferred exploration costs paid to a firm controlled by an executive director of the Company and \$47,475 (2012 - \$37,983) for property option payments included in deferred exploration costs, made to one company controlled by an executive director of the Company's Ghanaian subsidiary.

(2) A total of 1,400,000 options ranging from \$0.90 to \$0.80 expired due to performance conditions not being met before March 31, 2013

Included in accounts payable and accrued liabilities at March 31, 2013 is \$208,041 (June 30, 2012 - \$456,228) owing to related parties, all in respect of the above transactions.

PMI GOLD CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
(Expressed in Canadian dollars)

For the three and nine months ended March 31, 2013

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:

	March 31, 2013	June 30, 2012
Assets:		
Canada	\$ 107,619,804	\$ 34,443,768
Ghana	94,766,111	66,675,729
Australia	8,396,562	5,534,051
	<u>\$ 210,782,477</u>	<u>\$ 106,653,548</u>

14. Transaction costs:

During the nine months ended March 31, 2013, 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 would have received 0.21 Asanko shares for each PMI share. The merger would have created a combined company with an aggregate market capitalization expected to be in the \$700 million range. Existing Keegan and PMI shareholders would have each owned approximately 50% of the combined company, inclusive of currently in-the-money dilutive securities. The Company and Keegan terminated the definitive agreement on February 18, 2013.

15. Subsequent events:

Subsequent to March 31, 2013, the Company:

- a) Appointed Jim Askew as Chairman and Non-Executive Director;
- b) Granted 1,000,000 options to a director of the Company, exercisable at \$0.91 per share, for a period of 5 years; and
- c) Was granted a waiver from the ASX to increase the Company's placement capacity, without shareholder approval, up to 25%, being the private placement limit under the TSX Company Manual.