



WILDCAT SILVER CORPORATION

Condensed Consolidated Interim Financial Statements

*For the Three Months Ended March 31, 2015*

**Notice to Reader**

These unaudited condensed consolidated interim financial statements have been prepared by management and have not been reviewed by the Company's auditor.

## Wildcat Silver Corporation

### Condensed Consolidated Interim Statements of Financial Position (Unaudited – U.S. dollars)

	March 31, 2015	December 31, 2014
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 72,696	\$ 46,910
Amounts receivable	19,135	19,588
Prepays and other	82,188	132,167
	<u>174,019</u>	<u>198,665</u>
Property, plant and equipment	46,611	53,945
Other assets (note 8)	237,761	259,937
Exploration and evaluation assets (note 5)	71,178,210	70,371,838
	<u>\$ 71,636,601</u>	<u>\$ 70,884,385</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,259,970	\$ 1,003,943
Due to related parties (note 8)	1,345,933	-
	<u>2,605,903</u>	<u>1,003,943</u>
Due to related party (note 8)	-	608,251
Deferred rental contribution (note 9)	491,258	594,235
	<u>3,097,161</u>	<u>2,206,429</u>
<b>Equity</b>		
Equity attributable to shareholders of the Company:		
Common shares	84,534,381	84,534,381
Reserves	5,849,422	5,740,931
Deficit	(27,593,048)	(27,292,971)
	<u>62,790,755</u>	<u>62,982,341</u>
Non-controlling interest (note 4)	5,748,685	5,695,615
Total equity	<u>68,539,440</u>	<u>68,677,956</u>
	<u>\$ 71,636,601</u>	<u>\$ 70,884,385</u>

Nature of operations and going concern (note 1)  
Subsequent event (note 11)

See accompanying notes to the condensed consolidated interim financial statements.

# Wildcat Silver Corporation

## Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss (Unaudited – U.S. dollars)

	Three months ended March 31,	
	2015	2014
Expenses:		
Salaries and benefits	\$ 163,823	\$ 145,939
Office and administrative	24,583	74,128
Filing and regulatory	21,475	15,710
Professional services	14,323	40,240
Directors' fees	13,354	19,374
Investor relations	6,948	26,350
Insurance	5,860	11,757
Stock based compensation (note 6)	2,648	63,412
Depreciation	2,128	2,273
Fiscal and advisory services	1,604	2,085
Travel	1,300	1,765
Legal	935	4,450
Loss from operations	(258,981)	(407,483)
Interest and finance charges	(46,747)	(991)
Foreign exchange gain (loss)	(3,249)	822
Interest and other income	7,287	126
Net loss	(301,690)	(407,526)
Other comprehensive loss (income):		
Items that may be reclassified to profit or loss:		
Foreign currency translation (gain) loss	(100,290)	34,952
	100,290	(34,952)
Comprehensive loss	\$ (201,400)	\$ (442,478)
Net loss attributable to:		
Shareholders of the Company	\$ (300,077)	\$ (403,057)
Non-controlling interest	(1,613)	(4,469)
	\$ (301,690)	\$ (407,526)
Comprehensive loss attributable to:		
Shareholders of the Company	\$ (199,787)	\$ (438,009)
Non-controlling interest	(1,613)	(4,469)
	\$ (201,400)	\$ (442,478)
Basic and diluted net loss per share attributable to shareholders of the Company	\$ (0.002)	\$ (0.003)
Weighted average number of shares outstanding	148,040,893	143,451,281

See accompanying notes to the condensed consolidated interim financial statements.

## Wildcat Silver Corporation

### Condensed Consolidated Interim Statements of Changes in Equity (Unaudited – U.S. dollars)

	Share Capital		Reserves				Non-controlling interest (note 4)	Total equity
	Number of Shares	Amount	Accumulated other comprehensive income	Options and warrants	Total	Deficit		
Balance, January 1, 2015	148,040,893	\$ 84,534,381	\$ (612,991)	\$ 6,353,922	\$ 5,740,931	\$ (27,292,971)	\$ 5,695,615	\$ 68,677,956
Stock based compensation expense	-	-	-	2,648	2,648	-	-	2,648
Stock based compensation applied to exploration and evaluation assets	-	-	-	5,553	5,553	-	-	5,553
Required contributions for project costs (note 4)	-	-	-	-	-	-	54,683	54,683
Comprehensive loss	-	-	100,290	-	100,290	(300,077)	(1,613)	(201,400)
Balance, March 31, 2015	148,040,893	\$ 84,534,381	\$ (512,701)	\$ 6,362,123	\$ 5,849,422	\$ (27,593,048)	\$ 5,748,685	\$ 68,539,440

	Share Capital		Reserves				Non-controlling interest (note 4)	Total equity
	Number of Shares	Amount	Accumulated other comprehensive income	Options and warrants	Total	Deficit		
Balance, January 1, 2014	143,399,836	\$ 83,075,289	\$ (613,130)	\$ 5,727,970	\$ 5,114,840	\$ (25,697,122)	\$ 5,438,510	\$ 67,931,517
Stock based compensation expense	-	-	-	63,412	63,412	-	-	63,412
Stock based compensation applied to exploration and evaluation assets	-	-	-	22,941	22,941	-	-	22,941
Issued on exercise of stock options (note 6)	110,239	-	-	-	-	-	-	-
Fair value of options exercised	-	104,405	-	(104,405)	(104,405)	-	-	-
Required contributions for project costs (note 4)	-	-	-	-	-	-	21,727	21,727
Comprehensive loss	-	-	(34,952)	-	(34,952)	(403,057)	(4,469)	(442,478)
Balance, March 31, 2014	143,510,075	\$ 83,179,694	\$ (648,082)	\$ 5,709,918	\$ 5,061,836	\$ (26,100,179)	\$ 5,455,768	\$ 67,597,119

See accompanying notes to the condensed consolidated interim financial statements.

# Wildcat Silver Corporation

## Condensed Consolidated Interim Statements of Cash Flows (Unaudited – U.S. dollars)

	Three months ended March 31,	
	2015	2014
Cash provided by (used in):		
Operating activities:		
Net loss	\$ (301,690)	\$ (407,526)
Items not affecting cash:		
Stock based compensation	2,648	63,412
Unrealized foreign exchange (gain) loss	24,250	(2,164)
Interest and finance charges	45,660	-
Amortization of deferred rental contribution	(53,424)	-
Depreciation	2,128	2,273
	<u>(280,428)</u>	<u>(344,005)</u>
Net changes in non-cash working capital items:		
Amounts receivable	(10,683)	(25,373)
Prepays and other	83,898	17,140
Accounts payable and accrued liabilities	(23,455)	68,160
Due to related parties	-	47,761
	<u>(230,668)</u>	<u>(236,317)</u>
Financing activities:		
Contributions from non-controlling interest (note 4)	114,500	106,592
Advances from related parties (note 8)	726,501	-
Finance fees paid (note 8)	(25,413)	-
	<u>815,588</u>	<u>106,592</u>
Investing activities:		
Purchase of property, plant and equipment	(256)	-
Additions to exploration and evaluation assets	(549,845)	(458,437)
	<u>(550,101)</u>	<u>(458,437)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(9,033)</u>	<u>(20,234)</u>
Increase (decrease) in cash and cash equivalents	25,786	(608,396)
Cash and cash equivalents, beginning of period	46,910	650,347
Cash and cash equivalents, end of period	<u>\$ 72,696</u>	<u>\$ 41,951</u>
Supplementary information:		
Cash and cash equivalents, end of year comprise:		
Cash and balances with banks	\$ 54,506	\$ 10,675
Short-term investments	18,190	31,276
	<u>\$ 72,696</u>	<u>\$ 41,951</u>
Change in accounts payable and accrued liabilities reflected in investing activities	\$ 279,482	\$ 477,617

See accompanying notes to the condensed consolidated interim financial statements.

# Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements  
For the Three Months Ended March 31, 2015  
(Unaudited – U.S. dollars unless otherwise noted)

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## 1. Nature of Operations and Going Concern

Wildcat Silver Corporation (the “Company” or “Wildcat”) is incorporated in British Columbia, Canada. The Company holds a majority ownership interest in the Hermosa property in Arizona, United States, through its ownership of 80% of the common shares and approximately 90% of the preference shares of Arizona Minerals Inc. (“Arizona Minerals”), a Nevada corporation and the holder of the property. The remaining 20% of the common shares and approximately 10% of the preference shares of Arizona Minerals are held by 5348 Investments Ltd. (“5348 Investments”), an indirect wholly-owned subsidiary of Diamond Hill Investment Corp. (“Diamond Hill”). Diamond Hill is a private British Columbia company controlled by R. Stuart Angus, a director of the Company. Diamond Hill also indirectly holds a 2% net smelter royalty interest in the patented claims and unpatented claims on the Hermosa property. The Company’s registered office is located at Suite 555 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1 and its shares are listed on the Toronto Stock Exchange.

The Company is engaged in the acquisition, exploration and development of mineral property interests. The business of mining and the exploration for minerals involves a high degree of risk and there can be no assurance that such activities will result in profitable mining operations. The amounts shown as exploration and evaluation assets represent acquisition and exploration costs and do not necessarily represent present or future values. Recoverability of the amounts shown for exploration and evaluation assets is dependent upon maintaining title and beneficial interest in the properties, the ability of the Company to obtain financing necessary to complete the exploration and development of its mineral properties, and on future profitable production or proceeds from the disposition of the mineral properties. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company’s title.

At March 31, 2015 the Company had cash and cash equivalents of \$72,696, negative working capital of \$2,431,884, a net loss for the three months ended March 31, 2015 of \$301,690, and a deficit of \$27,593,048. Subsequent to the period end, the Company received C\$720,000 from two directors of the Company on the same terms as the C\$1.6 million announced in February 2015 (note 11). The Company will require funding in the short-term and will continue to actively pursue financing to meet its ongoing requirements and to fund the advancement of its Hermosa projects. The Company has historically raised funds principally through the sale of securities and recently, through advances from Company insiders. The Company expects that it will continue to obtain funding through similar or other means depending on market conditions and other relevant factors at the time. However, there can be no assurance that the Company will be able to obtain such additional funding or obtain it on acceptable terms. This material uncertainty casts significant doubt about the Company’s ability to continue as a going concern.

These condensed consolidated interim financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of operations. These financial statements do not reflect the adjustments to carrying values of assets and liabilities that would be necessary should the going concern assumption prove to be inappropriate, and these adjustments could be material.

## 2. Basis of Presentation

### a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) 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”). Accordingly, they do not include all of the information and notes

## Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2015

(Unaudited – U.S. dollars unless otherwise noted)

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to the consolidated financial statements required by IFRS for complete financial statements and should be read in conjunction with the Company's most recent audited consolidated financial statements.

These unaudited condensed consolidated interim financial statements follow the same accounting policies and methods of application used in the Company's audited consolidated financial statements as at and for the year ended December 31, 2014. Under the authority delegated to them by the Board of Directors, the Audit Committee authorized these financial statements for issue on May 11, 2015.

### 3. Changes in Accounting Policies

#### a) New accounting standards, amendments and interpretations

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.

IFRS 9, *Financial Instruments: Classification and Measurement* is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value through profit or loss. The standard was initially effective for annual periods beginning on or after January 1, 2013, but the complete version of IFRS 9, issued in July 2014, moved the mandatory effective date to January 1, 2018. The Company expects to adopt this standard effective January 1, 2018 and has not yet assessed the impact on its financial reporting.

### 4. Non-Controlling Interest

Non-controlling interest ("NCI") represents the 20% interest in the common shares and approximately 10% interest in the preference shares of Arizona Minerals held by 5348 Investments, an indirect wholly-owned subsidiary of Diamond Hill.

Pursuant to a shareholders' agreement (the "Shareholders' Agreement") governing the affairs of Arizona Minerals, the Company controls the affairs of Arizona Minerals and acts as the operator of the Hermosa property. Funding is provided to Arizona Minerals in accordance with the Shareholders' Agreement and is by way of advances, which are subsequently converted to preference shares. The preference shares have priority over the common shares with respect to distributions and repayment. The Shareholders' Agreement generally requires 5348 Investments to fund 10% of Arizona Minerals costs incurred on the originally acquired patented and unpatented claims on the Hermosa property and 20% of Arizona Minerals costs incurred on any other claims subsequently acquired or staked. The Shareholders' Agreement provides for dilution of 5348 Investments' interest in the common shares to a minimum of 10% in the event it fails to fund its share of any funding for approved programs.

Non-controlling interest increased by \$53,070 in the three months ended March 31, 2015 (March 31, 2014 – \$17,258) as a result of \$54,683 (March 31, 2014 – \$21,727) of required contributions less the non-controlling interest share of Arizona Minerals loss for the period of \$1,613 (March 31, 2014 – \$4,469). Due to related parties includes \$48,681 (December 31, 2014 – \$11,136 included in amounts receivable) payable to 5348 Investments with respect to these arrangements.



## Wildcat Silver Corporation

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### 5. Exploration and Evaluation Assets

Exploration and evaluation assets relate to the acquisition costs and exploration and evaluation expenditures on the Company's interest in the Hermosa property, in Arizona, United States.

The following is a summary of changes in exploration and evaluation assets for the three months ended March 31, 2015 and 2014:

	2015		2014	
Balance, start of period	\$	70,371,838	\$	67,085,359
Additions:				
Drilling		396,491		-
Property access, restoration and maintenance		80,558		60,312
Assay and analysis		38,893		-
Salaries, benefits and stock based compensation		156,529		201,006
Geologic consulting and support		54,072		64,132
Engineering and metallurgy		-		332,157
Environmental baseline studies		-		17,458
Permitting		-		191,024
Claims maintenance		-		6,790
Other		79,829		91,147
		<u>806,372</u>		<u>964,026</u>
Balance, end of period	\$	<u>71,178,210</u>	\$	<u>68,049,385</u>

### 6. Stock Options

For the three months ended March 31, 2015, the Company recognized a stock-based compensation charge against income of \$2,648 (March 31, 2014 – \$63,412). A further \$5,553 (March 31, 2014 – \$22,941) was capitalized to exploration and evaluation assets.

The following table shows the change in the Company's stock options during the three months ended March 31, 2015 and 2014:

	2015		2014	
	Number of Options	Weighted Average Exercise Price (in CAD)	Number of Options	Weighted Average Exercise Price (in CAD)
Balance, start of period	4,171,160	\$0.96	6,218,160	\$0.84
Granted	-	-	52,000	\$0.59
Exercised	-	-	(307,000)	\$0.42
Forfeited	(41,500)	\$0.85	-	-
Expired	(1,082,501)	\$0.71	(147,000)	\$1.95
Balance, end of period	<u>3,047,159</u>	<u>\$1.05</u>	<u>5,816,160</u>	<u>\$0.83</u>

During the three months ended March 31, 2015, there were no options exercised under the cashless exercise provisions of the Company's stock option plan. During the three months ended March 31, 2014, 307,000 options with a weighted average exercise price of C\$0.42 were exercised under the cashless exercise provisions, resulting in the issuance of 110,239 common shares of the Company. The cashless exercise feature allows the optionee, on exercise, to receive that number of common shares in the Company equivalent to the market value of the common shares underlying the number of options exercised less the exercise price, without payment of cash or any other consideration.

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The following table provides information on outstanding and exercisable stock options at March 31, 2015:

Grant Date	Exercise Price (in CAD)	Options Outstanding		Options Exercisable	
		Number of Options	Weighted average remaining contractual life (years)	Number of Options	Weighted average remaining contractual life (years)
December 9, 2009 <sup>(2)</sup>	\$0.44	275,000	0.08	275,000	0.08
June 1, 2010	\$0.46	440,000	0.17	440,000	0.17
August 25, 2010	\$0.35	300,000	0.40	300,000	0.40
October 1, 2010	\$0.41	50,000	0.50	50,000	0.50
December 29, 2010	\$0.54	100,000	0.75	100,000	0.75
February 25, 2011	\$0.70	35,000	0.91	35,000	0.91
June 14, 2011	\$1.81	613,000	1.21	613,000	1.21
July 11, 2011	\$2.18	75,000	1.28	75,000	1.28
March 2, 2012	\$2.16	120,000	1.92	120,000	1.92
May 4, 2012	\$1.27	185,833	2.10	126,667	2.10
May 28, 2012	\$0.90	200,000	2.16	133,333	2.16
March 14, 2013	\$0.67	451,666	2.96	343,333	2.96
May 6, 2013 <sup>(1)</sup>	\$2.35	38,298	0.50	38,298	0.50
May 6, 2013 <sup>(1)</sup>	\$7.29	31,915	0.67	31,915	0.67
May 6, 2013 <sup>(1)</sup>	\$8.46	7,447	0.98	7,447	0.98
March 24, 2014	\$0.59	24,000	3.98	8,000	3.98
August 18, 2014	\$0.51	100,000	4.39	50,000	4.39
		<u>3,047,159</u>	<u>1.36</u>	<u>2,746,993</u>	<u>1.20</u>

<sup>(1)</sup> Represent Riva options convertible into Wildcat Silver common shares

<sup>(2)</sup> Expiry date extended in accordance with provisions of the stock option plan.

### 7. Warrants

The following summarizes the Company's warrants at March 31, 2015:

Date of Issue	Exercise Price	Expiry Date	December 31, 2014	Issued	Exercised	Expired	March 31, 2014
August 20, 2014	\$0.55	August 20, 2016	4,500,000	-	-	-	4,500,000
			<u>4,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500,000</u>

### 8. Related Party Transactions

In addition to the related party transactions or balances disclosed elsewhere in these consolidated financial statements, the Company had the following related party transactions.

The Company shares office space, equipment, personnel and various administrative services with other companies related by virtue of certain common directors and management. These services have been mainly provided through a management company equally owned by the related companies. Costs incurred by the management company are allocated between the related companies based on time incurred and use of services and are charged at cost. In addition, certain other professional administrative services have been provided by other related companies and charged at cost. The Company was charged for the following with respect to these arrangements in the three months ended March 31, 2015 and 2014:

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	2015		2014
Salaries and benefits	\$ 142,861	\$	129,404
Office and administrative	90,746		118,140
Other income	(7,253)		-
	<u>\$ 226,354</u>	\$	<u>247,544</u>

In addition, for the three months ended March 31, 2015, the Company charged out \$7,533 with respect to these arrangements (March 31, 2014 – \$1,999). At March 31, 2015, prepaids and other includes \$8,864 (December 31, 2014 – \$70,577) with respect to these arrangements.

Other assets of \$237,761 (December 31, 2014 – \$259,937) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

At March 31, 2015, due to related parties includes \$1,261,531 plus accrued interest of \$35,722 due to the Company's directors and officers for loans advanced in late 2014 and \$726,501 in early 2015. The loans are unsecured, bear interest at 12% per annum and are repayable on the earlier of (i) one year from January 30, 2015, (ii) the completion of a financing of \$3.5 million or more by way of sale of securities from treasury of the Company or through the issuance of debt or other form of financing, or (iii) a change of control of the Company. A fee of 2% of the principal amount of the loans was paid to the lenders.

### 9. Commitments

During the year ended December 31, 2014, the Company received \$743,873 from a company previously related through certain common directors and management with respect to the provisions of the agreements governing certain shared operating leases. The amount has been recorded as deferred rental contribution and will be amortized to office and administrative expense over the remaining term of the leases. The following is a summary of changes in deferred rental contribution:

	March 31, 2015		December 31, 2014
Balance, start of period	\$ 594,235	\$	-
Deferred rental contribution received	-		743,873
Amortization of deferred rental contribution	(53,424)		(98,985)
Effect of foreign currency exchange differences	(49,553)		(50,653)
Balance, end of period	<u>\$ 491,258</u>	\$	<u>594,235</u>

At March 31, 2015, the Company is committed to payments under operating leases for building and other commitments through 2018 in the total amount of approximately \$546,000. Payments by fiscal year are:

2015	132,500
2016	164,100
2017	157,500
2018	91,900

## Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2015

(Unaudited – U.S. dollars unless otherwise noted)

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### 10. Segment Information

The Company operates in one industry segment, being mineral exploration and development. Geographic information is as follows:

	United States	Canada	Total
Long-term assets as at:			
March 31, 2015	\$ 71,224,414	\$ 238,168	\$ 71,462,582
December 31, 2014	\$ 70,425,139	\$ 260,581	\$ 70,685,720

### 11. Subsequent event

Subsequent to March 31, 2015, two of the Company's directors including its Chairman and CEO have loaned an aggregate of C\$720,000 to the Company. The loans are unsecured, bear interest at 12% per annum and are repayable on the earlier of (i) one year from the date of advance, (ii) the completion of a financing of \$3.5 million or more by way of sale of securities from treasury of the Company or through the issuance of debt or other form of financing, or (iii) a change of control of the Company. A fee of 2% of the principal amount of the loans is payable to the lenders. The net proceeds from the loans are being used for general working capital purposes and project advancement.