



WILDCAT SILVER CORPORATION

Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2014

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 – in U.S. dollars)

	March 31, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 41,951	\$ 650,347
Amounts receivable	81,717	122,737
Prepays and other	112,355	129,495
	<u>236,023</u>	<u>902,579</u>
Due from related party	1,468,000	1,459,000
Property, plant and equipment	69,661	77,037
Other assets (note 7)	318,367	330,849
Exploration and evaluation assets (note 5)	<u>68,049,385</u>	<u>67,085,359</u>
	<u>\$ 70,141,436</u>	<u>\$ 69,854,824</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 998,823	\$ 453,046
Other liabilities	1,468,000	1,459,000
Due to related parties (note 7)	77,494	11,261
Total liabilities	<u>2,544,317</u>	<u>1,923,307</u>
Equity		
Equity attributable to shareholders of the Company:		
Common shares	83,179,694	83,075,289
Reserves	5,061,836	5,114,840
Deficit	<u>(26,100,179)</u>	<u>(25,697,122)</u>
	62,141,351	62,493,007
Non-controlling interest (note 4)	<u>5,455,768</u>	<u>5,438,510</u>
Total equity	<u>67,597,119</u>	<u>67,931,517</u>
	<u>\$ 70,141,436</u>	<u>\$ 69,854,824</u>

Nature of operations and going concern (note 1)

See accompanying notes to the condensed consolidated interim financial statements.

Wildcat Silver Corporation

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

	Three months ended March 31,	
	2014	2013
Expenses:		
Salaries and benefits	\$ 145,939	\$ 437,734
Office and administrative	74,128	69,627
Stock based compensation	63,412	156,653
Professional services	40,240	51,328
Investor relations	26,350	49,900
Directors' fees	19,374	2,727
Filing and regulatory	15,710	19,834
Insurance	11,757	18,971
Legal	4,450	7,667
Depreciation	2,273	2,476
Fiscal and advisory services	2,085	2,159
Travel	1,765	4,265
Loss from operations	(407,483)	(823,341)
Impairment of marketable securities	-	(289,454)
Interest and finance charges	(991)	(3,403)
Foreign exchange gain	822	2,743
Interest and other income	126	1,073
Net loss	(407,526)	(1,112,382)
Other comprehensive loss (income):		
Items that may be reclassified to profit or loss:		
Impairment of marketable securities reclassified to loss	-	(239,866)
Foreign currency translation loss	34,952	19,536
	(34,952)	220,330
Comprehensive loss	\$ (442,478)	\$ (892,052)
Net loss attributable to:		
Shareholders of the Company	\$ (403,057)	\$ (1,108,228)
Non-controlling interest	(4,469)	(4,154)
	\$ (407,526)	\$ (1,112,382)
Comprehensive loss attributable to:		
Shareholders of the Company	\$ (438,009)	\$ (887,898)
Non-controlling interest	(4,469)	(4,154)
	\$ (442,478)	\$ (892,052)
Basic and diluted net loss per share attributable to shareholders of the Company	\$ (0.003)	\$ (0.008)
Weighted average number of shares outstanding	143,451,281	132,627,251

See accompanying notes to the condensed consolidated interim financial statements.

Wildcat Silver Corporation

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

	Share Capital		Reserves					Non-controlling interest	Total equity
	Number of Shares	Amount	Accumulated other comprehensive income	Options and warrants	Total	Deficit			
Balance, January 1, 2013	132,627,251	\$ 75,478,222	\$ (642,867)	\$ 5,223,377	\$ 4,580,510	\$ (24,428,808)	\$ 3,609,341	\$ 59,239,265	
Stock based compensation expense	-	-	-	156,653	156,653	-	-	156,653	
Stock based compensation applied to exploration and evaluation expenditures	-	-	-	60,465	60,465	-	-	60,465	
Required contributions for project costs (note 4)	-	-	-	-	-	-	128,428	128,428	
Comprehensive loss	-	-	220,330	-	220,330	(1,108,228)	(4,154)	(892,052)	
Balance, March 31, 2013	132,627,251	\$ 75,478,222	\$ (422,537)	\$ 5,440,495	\$ 5,017,958	\$ (25,537,036)	\$ 3,733,615	\$ 58,692,759	

See accompanying notes to the condensed consolidated interim financial statements.

Wildcat Silver Corporation

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

	Three months ended March 31,	
	2014	2013
Cash provided by (used in):		
Operating activities:		
Net loss	\$ (407,526)	\$ (1,112,382)
Items not affecting cash:		
Stock based compensation	63,412	156,653
Unrealized foreign exchange (gain) loss	(2,164)	4,909
Impairment of marketable securities	-	289,454
Depreciation	2,273	2,476
	<u>(344,005)</u>	<u>(658,890)</u>
Net changes in non-cash working capital items:		
Amounts receivable	(25,373)	162,169
Prepays and other	17,140	(83,630)
Accounts payable and accrued liabilities	68,160	219,995
Due to related parties	47,761	8,846
	<u>(236,317)</u>	<u>(351,510)</u>
Financing activities:		
Contributions from non-controlling interest	106,592	156,069
Cash advance from Riva Gold Corporation prior to acquisition	-	973,331
	<u>106,592</u>	<u>1,129,400</u>
Investing activities:		
Additions to exploration and evaluation assets	<u>(458,437)</u>	<u>(1,434,632)</u>
	<u>(458,437)</u>	<u>(1,434,632)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(20,234)</u>	<u>(7,859)</u>
Decrease in cash and cash equivalents	(608,396)	(664,601)
Cash and cash equivalents, beginning of period	650,347	1,136,193
Cash and cash equivalents, end of period	<u>\$ 41,951</u>	<u>\$ 471,592</u>
Supplementary information:		
Cash and cash equivalents, end of period comprise:		
Cash and balances with banks	\$ 10,675	\$ 437,553
Short-term investments	31,276	34,039
	<u>\$ 41,951</u>	<u>\$ 471,592</u>
Change in accounts payable and accrued liabilities reflected in investing activities	\$ 477,617	\$ 872,446

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, 2014

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

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 of Arizona Minerals Inc. (“Arizona Minerals”), a Nevada corporation and the holder of the property. The remaining 20% of the common shares of Arizona Minerals are held by 5348 Investments Ltd. (“5348 Investments”), a wholly-owned subsidiary of Diamond Hill Investment Corp. (“Diamond Hill”). Diamond Hill, a private British Columbia company controlled by R. Stuart Angus, a director of the Company, also holds a 2% net smelter royalty interest in the approximately 152 acres of patented claims and approximately 478 acres of the 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, 2014 the Company had cash and cash equivalents of \$41,951, negative working capital of \$840,294 excluding other liabilities, a net loss for the three months ended March 31, 2014 of \$407,526, and a deficit of \$26,100,179. Subsequent to the quarter end the Company received loan advances totaling CAD\$211,100 from the Company’s Chairman and CEO. The loan advances are unsecured, bear interest at 7% and are repayable on the Company completing a financing for in excess of CAD\$1 million or on a change of control. The Company is actively pursuing financing to meet its ongoing requirements and to fund the advancement of its Hermosa project. In the interim, the Company expects to continue to receive financial support from Company insiders. This material uncertainty casts significant doubt about the Company’s ability to continue as a going concern. The Company has historically raised funds principally through the sale of securities. The Company expects that it will obtain funding through equity financing, debt financing 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.

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.

Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2014
(Unaudited – in U.S. dollars unless otherwise noted)

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 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, 2013. Under the authority delegated to them by the Board of Directors, the Audit Committee authorized these financial statements for issue on May 12, 2014.

3. Changes in Accounting Policies

a) New accounting policies adopted during the period

Effective January 1, 2014, the Company adopted IAS 36, *Impairment of Assets*, which provides for additional disclosures that may be required in the event the Company recognises an impairment loss or the reversal of an impairment loss. The adoption of IAS 36 did not result in any changes in the disclosure in the Company’s financial statements.

b) 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 IASB has deferred the mandatory effective date to no earlier than January 1, 2018 and has left it open pending the finalization of the impairment and classification and measurement requirements. The Company has not yet assessed the impact of this standard on its financial reporting.

4. Non-Controlling Interest

Non-controlling interest (“NCI”) represents the 20% interest in the common shares of Arizona Minerals held by 5348 Investments, a wholly-owned subsidiary of Diamond Hill.

Wildcat Silver Corporation

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

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 and provides 5348 Investments with a 10% carried interest in the approximately 152 acres of patented claims and approximately 3,100 acres of the unpatented claims on the Hermosa property. The Shareholders' Agreement provides for dilution of 5348 Investments' non-carried equity interest in the event it fails to fund its share of any funding for approved programs.

Non-controlling interest increased by \$17,258 in the three months ended March 31, 2014 (March 31, 2013 – \$124,274) as a result of \$21,727 (March 31, 2013 – \$128,428) of required contributions less the non-controlling interest share of Arizona Minerals loss for the period of \$4,469 (March 31, 2013 – \$4,154). Due to related parties includes \$18,472 (December 31, 2013 – \$nil) due to 5348 Investments and amounts receivable includes \$nil (December 31, 2013 – \$66,393) outstanding from 5348 Investments with respect to these arrangements.

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:

	Three months ended March 31, 2014	Three months ended March 31, 2013
Balance, start of period	\$ 67,085,359	\$ 31,716,967
Additions:		
Property access, restoration and maintenance	60,312	59,617
Assay and analysis	-	4,789
Salaries, benefits and stock based compensation	201,006	499,958
Geologic consulting and support	64,132	252,792
Engineering and metallurgy	332,157	1,092,208
Environmental baseline studies	17,458	334,798
Permitting	191,024	33,890
Claims maintenance	6,790	13,930
Other	91,147	80,840
	<u>964,026</u>	<u>2,372,822</u>
Balance, end of period	\$ 68,049,385	\$ 34,089,789

6. Stock Options

For the three months ended March 31, 2014, the Company recognized a stock-based compensation charge against income of \$63,412 (March 31, 2013 – \$156,653). A further \$22,941 (March 31, 2013 – \$60,465) was capitalized to exploration and evaluation assets.

Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2014
(Unaudited – in U.S. dollars unless otherwise noted)

The following table shows the change in the outstanding stock options to acquire the Company's shares during the three months ended March 31, 2014:

	Number of Options	Weighted Average Exercise Price (in C\$)
Balance, start of period	6,218,160	\$0.84
Granted	52,000	\$0.59
Exercised	(307,000)	\$0.42
Expired	(147,000)	\$1.95
Balance, end of period	<u>5,816,160</u>	<u>\$0.84</u>

On March 24, 2014, 52,000 stock options with an exercise price of C\$0.59 per share were granted to employees of the Company. The fair value of the options of C\$22,286 was estimated using the Black-Scholes option-pricing model. The assumptions used in the pricing model were: an expected life of 5 years; annualized volatility of 95%; a risk free interest rate of 1.7%; and zero expected dividend yield. The expected volatility is based on the historical volatility of the Company's shares.

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 of the Company's stock option plan 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.

The following table provides information on outstanding and exercisable stock options at March 31, 2014:

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)
September 4, 2009	\$0.49	1,391,000	0.43	1,391,000	0.43
December 9, 2009	\$0.44	275,000	0.69	275,000	0.69
June 1, 2010	\$0.46	440,000	1.17	440,000	1.17
August 25, 2010	\$0.35	300,000	1.40	300,000	1.40
October 1, 2010	\$0.41	125,000	1.50	125,000	1.50
December 29, 2010	\$0.54	1,050,000	1.75	1,050,000	1.75
February 25, 2011	\$0.70	35,000	1.91	35,000	1.91
June 14, 2011	\$1.81	675,500	2.21	506,333	2.21
July 11, 2011	\$2.18	75,000	2.28	50,000	2.28
March 2, 2012	\$2.16	180,000	2.92	180,000	2.92
May 4, 2012	\$1.27	250,000	3.10	83,333	3.10
May 28, 2012	\$0.90	200,000	3.16	66,667	3.16
March 14, 2013	\$0.67	590,000	3.96	316,667	3.96
May 6, 2013 ⁽¹⁾	\$2.35	38,298	1.50	38,298	1.50
May 6, 2013 ⁽¹⁾	\$7.29	31,915	1.67	31,915	1.67
May 6, 2013 ⁽¹⁾	\$8.46	7,447	1.98	7,447	1.98
June 25, 2013	\$0.38	100,000	4.24	50,000	4.24
March 24, 2014	\$0.59	52,000	4.98	-	4.98
		<u>5,816,160</u>	<u>1.81</u>	<u>4,946,660</u>	<u>1.54</u>

⁽¹⁾ Represent Riva options convertible into Wildcat Silver common shares.

Wildcat Silver Corporation

Notes to the Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2014
(Unaudited – in U.S. dollars unless otherwise noted)

7. Related Party Transactions

In addition to the related party transactions or balances disclosed elsewhere in these condensed consolidated interim 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, 2014	March 31, 2013
Salaries and benefits	\$ 129,404	\$ 199,457
Office and administrative	118,140	126,414
	<u>\$ 247,544</u>	<u>\$ 325,871</u>

At March 31, 2014, amounts receivable includes a balance due from related companies of \$73,420 (December 31, 2013 – \$42,493) and there is an amount due to related companies of \$77,494 (December 31, 2013 – \$11,261) with respect to these arrangements. Amounts are due on demand, unsecured, and have no terms of repayment.

Other assets of \$318,367 (December 31, 2013 – \$330,849) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

8. Commitments

The Company is committed to payments under operating leases for building and other commitments through 2018 in the total amount of approximately \$835,300. Payments by fiscal year are:

2014	161,500
2015	198,500
2016	179,000
2017	178,600
2018	117,700

9. 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, 2014	\$ 68,117,501	\$ 1,787,912	\$ 69,905,413
December 31, 2013	\$ 67,160,449	\$ 1,791,796	\$ 68,952,245