WILDCAT SILVER CORPORATION

Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 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)

	June 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents (note 11)	$ 48,562	$ 650,347
Amounts receivable	10,529	122,737
Prepaids and other	70,835	129,495
	129,926	902,579
Due from related party	1,476,000	1,459,000
Property, plant and equipment	62,400	77,037
Other assets (note 7)	311,879	330,849
Exploration and evaluation assets (note 5)	68,512,952	67,085,359
	$ 70,493,157	$ 69,854,824
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,120,139	$ 453,046
Other liabilities	1,476,000	1,459,000
Due to related parties (note 7)	648,477	11,261
	3,244,616	1,923,307
Equity		
Equity attributable to shareholders of the Company:		
Common shares	83,194,372	83,075,289
Reserves	5,138,684	5,114,840
Deficit	(26,571,316)	(25,697,122)
	61,761,740	62,493,007
Non-controlling interest (note 4)	5,486,801	5,438,510
Total equity	67,248,541	67,931,517
	$ 70,493,157	$ 69,854,824

Nature of operations and going concern (note 1)
Subsequent events (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 – in U.S. dollars)

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
Expenses:				
Salaries and benefits	$ 151,053	$ 219,602	$ 296,992	$ 657,336
Professional services	99,150	29,629	139,390	80,957
Office and administrative	81,295	77,692	155,423	147,319
Stock based compensation	65,569	149,626	128,981	306,279
Directors' fees	19,601	17,268	38,975	19,995
Insurance	11,896	16,816	23,653	35,787
Filing and regulatory	9,510	7,195	25,220	27,029
Travel	7,585	14,503	9,350	18,768
Investor relations	7,354	23,880	33,704	73,780
Legal	3,551	12,602	8,001	20,269
Depreciation	2,277	2,314	4,550	4,790
Fiscal and advisory services	1,121	14,530	3,206	16,689
Loss from operations	(459,962)	(585,657)	(867,445)	(1,408,998)
Impairment of marketable securities	-	-	-	(289,454)
Interest and finance charges	(5,991)	(8,250)	(6,982)	(11,653)
Foreign exchange gain	(9,511)	11,687	(8,689)	14,430
Interest and other income	-	3,527	126	4,600
Net loss	(475,464)	(578,693)	(882,990)	(1,691,075)
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	(2,735)	204,563	32,217	224,099
	2,735	(204,563)	(32,217)	15,767
Comprehensive loss	$ (472,729)	$ (783,256)	$ (915,207)	$ (1,675,308)
Net loss attributable to:				
Shareholders of the Company	$ (471,137)	$ (573,316)	$ (874,194)	$ (1,681,544)
Non-controlling interest	(4,327)	(5,377)	(8,796)	(9,531)
	$ (475,464)	$ (578,693)	$ (882,990)	$ (1,691,075)
Comprehensive loss attributable to:				
Shareholders of the Company	$ (468,402)	$ (777,879)	$ (906,411)	$ (1,665,777)
Non-controlling interest	(4,327)	(5,377)	(8,796)	(9,531)
	$ (472,729)	$ (783,256)	$ (915,207)	$ (1,675,308)
Basic and diluted net loss per share attributable to shareholders of the Company	$ (0.003)	$ (0.004)	$ (0.006)	$ (0.012)
Weighted average number of shares outstanding	143,518,317	139,007,657	143,484,984	135,835,079

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					
	Number of Shares	Amount	Accumulated other comprehensive income	Options and warrants	Total	Deficit	Non-controlling interest (note 4)	Total equity
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	-	-	-	128,981	128,981	-	-	128,981
Stock based compensation applied to exploration and evaluation assets	-	-	-	46,163	46,163	-	-	46,163
Issued on exercise of stock options (note 6)	126,906	-	-	-	-	-	-	-
Fair value of options exercised	-	119,083	-	(119,083)	(119,083)	-	-	-
Required contributions for project costs (note 4)	-	-	-	-	-	-	57,087	57,087
Comprehensive loss	-	-	(32,217)	-	(32,217)	(874,194)	(8,796)	(915,207)
Balance, June 30, 2014	143,526,742	$ 83,194,372	$ (645,347)	$ 5,784,031	$ 5,138,684	$ (26,571,316)	$ 5,486,801	$ 67,248,541

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					
	Number of Shares	Amount	Accumulated other comprehensive income	Options and warrants	Total	Deficit	Non-controlling interest (note 4)	Total equity
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	-	-	-	306,279	306,279	-	-	306,279
Stock based compensation applied to exploration and evaluation expenditures	-	-	-	133,432	133,432	-	-	133,432
Issued on acquisition of Riva Gold Corporation ("Riva")	9,871,492	7,377,713	-	-	-	-	-	7,377,713
Share issue costs	-	(165,495)	-	9,991	9,991	-	-	(155,504)
Issued pursuant to change of control of Riva	767,037	295,437	-	-	-	-	-	295,437
Issued on exercise of stock options	68,750	-	-	-	-	-	-	-
Fair value of options exercised	-	61,190	-	(61,190)	(61,190)	-	-	-
Required contributions for project costs (note 4)	-	-	-	-	-	-	480,740	480,740
Comprehensive loss	-	-	15,767	-	15,767	(1,681,544)	(9,531)	(1,675,308)
Balance, June 30, 2013	143,334,530	$ 83,047,067	$ (627,100)	$ 5,611,889	$ 4,984,789	$ (26,110,352)	$ 4,080,550	$ 66,002,054

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 June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
Cash provided by (used in):				
Operating activities:				
Net loss	$ (475,464)	$ (578,693)	$ (882,990)	$ (1,691,075)
Items not affecting cash:				
Stock based compensation	65,569	149,626	128,981	306,279
Unrealized foreign exchange (gain) loss	(6,631)	(118,171)	(8,795)	(113,262)
Impairment of marketable securities	-	-	-	289,454
Interest expense	4,723	-	4,723	-
Depreciation	2,277	2,314	4,550	4,790
	(409,526)	(544,924)	(753,531)	(1,203,814)
Net changes in non-cash working capital items:				
Amounts receivable	90,445	(144,120)	65,072	18,049
Prepaids and other	35,403	(59,449)	52,543	(143,079)
Accounts payable and accrued liabilities	73,676	(491,766)	141,836	(271,771)
Due to related parties	69,329	(19,792)	117,090	(10,946)
	(140,673)	(1,260,051)	(376,990)	(1,611,561)
Financing activities:				
Cash acquired on acquisition of Riva	-	7,068,311	-	7,068,311
Share issue costs	-	(155,504)	-	(155,504)
Cash advance from Riva prior to acquisition	-	-	-	973,331
Contributions from non-controlling interest	15,361	348,570	121,953	504,639
Advances from related party (note 7)	515,302	-	515,302	-
	530,663	7,261,377	637,255	8,390,777
Investing activities:				
Purchase of property, plant and equipment	-	(1,888)	-	(1,888)
Additions to exploration and evaluation expenditures	(381,558)	(3,349,493)	(839,995)	(4,784,125)
	(381,558)	(3,351,381)	(839,995)	(4,786,013)
Effect of exchange rate changes on cash and cash equivalents	(1,821)	(73,457)	(22,055)	(81,316)
Increase (decrease) in cash and cash equivalents	6,611	2,576,488	(601,785)	1,911,887
Cash and cash equivalents, beginning of period	41,951	471,592	650,347	1,136,193
Cash and cash equivalents, end of period	$ 48,562	$ 3,048,080	$ 48,562	$ 3,048,080
Supplementary information:				
Cash equivalents, end of period comprise:				
Cash and balances with banks	$ 16,181	$ 636,611	$ 16,181	$ 636,611
Short-term investments	32,381	2,411,469	32,381	2,411,469
	$ 48,562	$ 3,048,080	$ 48,562	$ 3,048,080

Supplemental cash flow information (note 10)

See accompanying notes to the condensed consolidated interim financial statements.

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 June 30, 2014 the Company had cash and cash equivalents of $48,562, negative working capital of $1,638,690 excluding other liabilities, a net loss for the six months ended June 30, 2014 of $882,990, and a deficit of $26,571,316. During the second quarter the Company received financial support from the Company's Chairman and CEO by way of loan advances totaling CAD$515,302. 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. Subsequent to the quarter end, the Company received approximately CAD$800,000 from Augusta Resource Corporation ("Augusta"), a company previously related by virtue of certain common directors and management. The payment was received in accordance with the provisions of agreements governing certain shared operating leases following a change of control of Augusta. The Company also expects to receive cash of approximately CAD$1.4 million, after taking account of the contribution of the loan advances discussed above, from the proceeds of a CAD $2.0 million private placement with the Company's Chairman and CEO that was announced on July 31, 2014. The Company expects to use the funds received subsequent to the quarter end to fund a 4 to 5 hole drilling program to test the extension of the Skarn Zone, fund its operations for the next two to three months and reduce its accounts payable. The Company will continue to actively pursue financing to meet its ongoing requirements and to fund the advancement of its Hermosa project. 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 and recently, through loans from Company insiders. 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.

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 August 11, 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.

(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 $48,291 in the six months ended June 30, 2014 (June 30, 2013 – $471,209) as a result of $57,087 (June 30, 2013 – $480,740) of required contributions less the non-controlling interest share of Arizona Minerals loss for the period of $8,796 (June 30, 2013 – $9,531). Amounts receivable includes $1,527 (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 June 30,		Six months ended June 30,	
	2014	2013	2014	2013
Balance, start of period	$ 68,049,385	$ 60,772,575	$ 67,085,359	$ 58,399,753
Additions:				
Property access, restoration and maintenance	50,938	165,281	111,250	224,898
Assay and analysis	561	13,409	561	18,198
Salaries, benefits and stock based compensation	194,342	294,742	395,348	794,701
Geologic consulting and support	38,951	131,178	103,083	383,969
Engineering and metallurgy	77,080	1,347,737	409,238	2,439,944
Environmental baseline studies	-	294,083	17,458	628,881
Permitting	43,360	34,657	234,384	68,547
Claims maintenance	-	8,402	6,790	22,332
Other	58,335	136,746	149,481	217,587
	463,567	2,426,235	1,427,593	4,799,057
Balance, end of period	$ 68,512,952	$ 63,198,810	$ 68,512,952	$ 63,198,810

6. Stock Options

For the six months ended June 30, 2014, the Company recognized a stock-based compensation charge against income of $128,981 (June 30, 2013 – $306,279). A further $46,163 (June 30, 2013 – $133,432) was capitalized to exploration and evaluation assets.

(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 six months ended June 30, 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	(357,000)	$0.41
Expired	(147,000)	$1.95
Balance, end of period	5,766,160	$0.84

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 six months ended June 30, 2014, 50,000 options (June 30, 2013 – 200,000) with a weighted average exercise price of C$0.38 (June 30, 2013 – $0.33) were exercised under the cashless exercise provisions of the Company's stock option plan resulting in the issuance of 16,667 (June 30, 2013 – 68,750) 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 June 30, 2014:

		Options Outstanding		Options Exercisable	
Grant Date	Exercise Price (in CAD)	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	0.18	1,391,000	0.18
December 9, 2009	$0.44	275,000	0.44	275,000	0.44
June 1, 2010	$0.46	440,000	0.92	440,000	0.92
August 25, 2010	$0.35	300,000	1.15	300,000	1.15
October 1, 2010	$0.41	125,000	1.25	125,000	1.25
December 29, 2010	$0.54	1,050,000	1.50	1,050,000	1.50
February 25, 2011	$0.70	35,000	1.66	35,000	1.66
June 14, 2011	$1.81	675,500	1.96	675,500	1.96
July 11, 2011	$2.18	75,000	2.03	50,000	2.03
March 2, 2012	$2.16	180,000	2.67	180,000	2.67
May 4, 2012	$1.27	250,000	2.85	166,667	2.85
May 28, 2012	$0.90	200,000	2.91	133,333	2.91
March 14, 2013	$0.67	590,000	3.71	316,667	3.71
May 6, 2013 (1)	$2.35	38,298	1.25	38,298	1.25
May 6, 2013 (1)	$7.29	31,915	1.42	31,915	1.42
May 6, 2013 (1)	$8.46	7,447	1.73	7,447	1.73
June 25, 2013	$0.38	50,000	3.99	50,000	3.99
March 24, 2014	$0.59	52,000	4.73	-	4.73
		5,766,160	1.54	5,265,827	1.36

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

(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:

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
Salaries and benefits	$ 136,672	$ 359,713	$ 266,076	$ 559,170
Office and administrative	81,094	94,732	199,234	221,146
Other assets	-	41,931	-	41,931
	217,766	496,376	465,310	822,247

At June 30, 2014, amounts receivable includes a balance due from related companies of $nil (December 31, 2013 – $42,493) and there is an amount due to related companies of $128,351 (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 $311,879 (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.

At June 30, 2014, due to related parties includes loan advances totaling CAD$550,137 (December 31, 2014 – $nil) 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.

8. Commitments

The Company is committed to payments under operating leases for building and other commitments through 2018 in the total amount of approximately $1,268,500. Payments by fiscal year are:

2014	200,900
2015	383,900
2016	275,700
2017	257,700
2018	150,300

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:			
June 30, 2014	$ 68,574,095	$ 1,789,136	$ 70,363,231
December 31, 2013	$ 67,160,449	$ 1,791,796	$ 68,952,245

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

10. Supplemental Cash Flow Information

	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
Change in accounts payable and accrued liabilities reflected in investing activities	$ 47,640	$ (1,001,608)	$ 525,257	$ (129,162)
Change in accounts payable and accrued liabilities reflected in financing activities	$ -	$ (295,437)	$ -	$ (295,437)

11. Subsequent Events

Subsequent to the quarter end, the Company received approximately CAD$800,000 from Augusta Resource Corporation ("Augusta"), a company previously related by virtue of certain common directors and management. The payment was received in accordance with the provisions of agreements governing certain shared operating leases following a change of control of Augusta. The amount will be recorded as a deferred liability and will be amortized to office and administrative expense over the remaining term of the lease.

The Company has arranged for a non-brokered private placement with its Chairman and CEO of 4.5 million units at CAD$0.45 per unit for gross proceeds of CAD$2 million. Each unit is comprised of one Wildcat common share and one common share purchase warrant exercisable into one additional Wildcat common share at a price of C$0.55 per Wildcat common share for a period of two years. The private placement includes the conversion into common shares of loan advances and interest at 7% totalling approximately CAD$0.6 million that were previously provided by the Company's Chairman and CEO (see note 7). The net proceeds from the financing of approximately CAD$1.4 million will be used for drilling to test the extension of the skarn resource and for general working capital purposes. Closing of the private placement is subject to regulatory approval.