WILDCAT SILVER CORPORATION

Management's Discussion and Analysis

For the Year Ended December 31, 2013

Introduction

This management's discussion and analysis ("MD&A") of Wildcat Silver Corporation (the "*Company*", "*Wildcat*", *"we"*, "*us*", or "*our")* covers the year ended December 31, 2013, with comparative information for the year ended December 31, 2012. This MD&A takes into account information available up to and including March 24, 2014. This MD&A should be read in conjunction with the accompanying consolidated financial statements and notes for the year ended December 31, 2013, which are available on the Company's website at www.wildcatsilver.com and on the SEDAR website at www.sedar.com.

The Company has prepared the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All dollar amounts reported herein are in US dollars unless indicated otherwise.

Cautionary Note Regarding Forward-Looking Information

Certain information contained in this document constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including without limitation, statements with respect to the Company's expectations for obtaining funding, the amount of mineral resources and mineral reserves, and statements with respect to the Company's pre-feasibility study including without limitation, expected future mineral production, expected metal grades and metal recoveries, expected future capital and operating costs, expected realizable metal prices, expected markets for EMM and the statements under "Objectives and Outlook" later in this document including expected timing for future metallurgical and other work and expected timing for the completion of a feasibility study. Forward-looking statements are often, but not always, identified by the use of words such as *may*, *will*, *seek*, *anticipate*, *believe*, *plan*, *estimate*, *budget*, *schedule*, *forecast*, *project*, *expect, intend*, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties. The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of silver and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.

About Reserves and Resources

This MD&A uses the terms measured, indicated and inferred resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that: (a) mineral resources are not economic mineral reserves; (b) the economic viability of resources that are not mineral reserves has not been demonstrated; and (c) it should not be assumed that further work on the stated resources will lead to mineral reserves that can be mined economically. In addition, inferred resources are considered too geologically speculative to have any economic considerations applied to them. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for preliminary economic assessments as defined under NI 43-101. Readers should also refer to the Company's Annual Information Form for the period ended December 31, 2013 and other continuous disclosure documents available at www.sedar.com, which is subject to the qualifications and notes set forth therein.

Description of Business

Wildcat is a mineral exploration company engaged in the exploration of the Hermosa property, which is located in Santa Cruz County, Arizona. The Company is incorporated in British Columbia, Canada with one primary operating subsidiary: Arizona Minerals Inc. ("Arizona Minerals"), which is 80% owned. The remaining 20% interest in Arizona Minerals is held by 5348 Investments Ltd. ("5348 Investments"), a wholly owned subsidiary of Diamond Hill Investment Corp. ("Diamond Hill"), which is controlled by R. Stuart Angus, a director of the Company. Diamond Hill also has a 2% net smelter royalty interest in the approximately 152 acres of patented claims and approximately 478 acres of the total 13,516 acres of unpatented mining claims held by the Company. The Company's common shares trade under the symbol WS on the Toronto Stock Exchange.

The Hermosa property is a polymetallic mineral exploration project located approximately 100 kilometres southeast of Tucson, Arizona and about 15 kilometres north of the US – Mexico border. The primary metals at Hermosa are silver and manganese with gold, zinc and copper as by-products. During 2013, the Company completed an updated resource estimate, issued its first mineral reserve estimate and completed a pre-feasibility study for the Hermosa project, which documents are available at www.sedar.com.

Objectives and Outlook

Following the completion of a financially and technically robust prefeasibility study as described in the following section of this MD&A, the Company's next step for Hermosa is to advance the project into the feasibility stage. The Company believes there are many key opportunities to improve on the results of the pre-feasibility study and as a consequence work contributing to the feasibility study will focus primarily on:

- Open pit mine optimization including potentially expanding the resource and reserve through additional drilling of in-pit inferred resources;
- Metallurgical testing to further optimize plant operating efficiency and metal recoveries.

The Company will also be assessing the geotechnical and hydrologic characterization for the area around the proposed project and continuing its base-line environmental studies. A feasibility study for Hermosa is expected to be completed in the first half of 2015.

In addition to the work program to advance the Hermosa project highlighted above, the Company is also evaluating other opportunities and strategies to increase shareholder value including potentially extending exploration to existing and new targets outside the resource area and strategic transactions.

In the short-term, the Company will seek to secure additional financing to support these activities.

Going Concern

At December 31, 2013 the Company had cash and cash equivalents of $650,347, working capital of $438,272 excluding other liabilities, a net loss for the year ended December 31, 2013 of $1,173,357, and a deficit of $25,697,122. The Company will require financing early in the second quarter of fiscal 2014 to meet its ongoing requirements. 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.

The Company's 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 were the going concern assumption inappropriate, and these adjustments could be material.

Pre-Feasibility Study

On December 10, 2013 the Company announced the results of the pre-feasibility study on its Hermosa project. The pre-feasibility study includes the contribution from the projects' two primary metals, silver and electrolytic manganese metal (EMM), and three by-product metals, gold, zinc and copper. The Company also announced an updated resource estimate and an initial mineral reserve for Hermosa.

<u>Highlights</u>(1)

- After-tax NPV (5%) of $830 million, after-tax IRR of 21.3%, and payback of 2.8 years(2)
- Average silver production of 12.2 million ounces per year for the first five years and 5.7 million ounces per year for the life of mine (LOM)
- Average EMM production of 110 million pounds per year for the LOM
- Average cash costs of $4.35 per ounce silver and $0.74 per pound of EMM for the first five years and $4.45 per ounce of silver and $0.73 per pound of EMM for the LOM (2,3)
- Average silver cash costs, considering all other metals as by-products(2), of $(4.37) per ounce for the LOM
- Mine life of 18 years
- Initial capital expenditures of $834.6 million including $189.3 million for a 55,000 tons per annum (tpa) EMM plant
- The mineral resource includes a proven and probable mineral reserve of 59.7 million tons averaging 2.43 ounces per ton (opt) silver, containing 145 million ounces. The proven and probable mineral reserve also includes 43.5 million tons averaging 8.31% manganese, containing 7.2 billion pounds
- Measured and indicated mineral resource of 189.6 million tons averaging 1.29 opt silver, containing 245 million ounces. The measured and indicated mineral resource also includes 91.2 million tons averaging 5.67% manganese, containing 10.3 billion pounds
- Inferred mineral resource of 49.6 million tons averaging 1.02 opt silver, containing 50 million ounces. The inferred resource also includes 16.3 million tons averaging 3.80% manganese, containing 1.2 billion pounds

1) *Results are reported on a 100% ownership basis (Wildcat's interest in Hermosa is 80%). All dollars are U.S. dollars and all tons are short tons unless noted otherwise throughout this press release.*
2) *Based on metal prices of: $23.50/oz Ag, $1,250/oz Au, $1.19/lb EMM, $0.92/lb Zn, $3.25/lb Cu*
3) *Cash costs are calculated on a co-product basis whereby production costs are allocated to silver and manganese based on the relative revenues of each metal. Silver cash costs are net of gold, zinc and copper by-products.*

The pre-feasibility study reflects the results of significant metallurgical and engineering test-work completed, which principally focused on using magnetic separation for the recovery of manganese and by-product metals. The Company has now successfully produced a 35% manganese concentrate that will be used as the feed-stock to an EMM plant. The stand-alone nature of the EMM facility provides the Company greater flexibility as that part of the project could be financed separately or phased in and funded through cash flow from production.

Economic Analysis

The base case economics in the pre-feasibility study assume metal prices of $23.50 per ounce silver, $1,250 per ounce gold, $0.92 per pound zinc and $3.25 per pound copper. The assumed forecast average realized price of EMM flake of $1.19 per pound is based on the current market price expected to be obtained based on current conditions in the target markets as projected from independent research by a third party consultant. For comparison, the average realized price assuming a three-year trailing price for the target markets would be $1.40 per pound. A summary of the economic analysis is provided below.

	Base Case
After-tax NPV (0%)	$1.50 billion
After-tax NPV (5%)	$830 million
After-tax NPV (7.5%)	$611 million
After-tax IRR	21.3%
Payback	2.8 years

Sensitivity analysis for the base case on an after-tax NPV and after-tax IRR, including all by-product metals, at varying silver and EMM prices is summarized below.

		After-tax NPV (5%)				After-tax IRR		
		EMM Price ($/lb)				EMM Price ($/lb)		
Silver Price ($/oz)		$1.07	$1.19	$1.31		$1.07	$1.19	$1.31
	$19.00	$468M	$574M	$685M		14.5%	16.1%	17.8%
	$23.50	$724M	$830M	$942M		19.8%	21.3%	22.8%
	$29.00	$1,038M	$1,144M	$1,255M		26.2%	27.5%	28.9%

Mining and Processing

The Hermosa project is based on a conventional open pit operation expected to produce run of mine (ROM) ore over 10.5 years with an additional 7.5 years of processing to come from the reclaiming of stockpiles, for a total mine life of 18 years. Average annual production is estimated to be 12.2 million ounces of silver for the first five years and 5.7 million ounces per year for the LOM, for a total of 103 million recoverable silver ounces.

The mine plan incorporates the mining of 60 million tons of ore and 338 million tons of waste for a total of 398 million tons of material mined. The waste to ore (strip) ratio is therefore estimated at 5.67:1, which includes the inferred mineral resource as waste. A summary of the production and operating metrics from the pre-feasibility study for the Hermosa project is provided below:

Average annual silver production (first 5 years)	12.2 million oz
Average annual silver production (LOM)	5.7 million oz
Average annual EMM production (LOM)	110 million lbs
Average annual gold production (LOM)	10,000 oz
Average annual zinc production (LOM)*	10 million lbs
Average annual copper production (LOM)*	3 million lbs
Total recovered silver	103 million oz
Total recovered EMM	1.98 billion lbs
Average silver grade	2.43 opt
Average Mn grade	8.1%
Mine life	18 years

** Annual production for zinc and copper averaged over 10.5 years of Manto Oxide processing*

Hermosa's capacity is expected to be 13,700 tons per day (tpd) or 5.0 million tons per annum (tpa). The plant will accommodate the two major types of ore present in the Hermosa open pit: Manto Oxide and Upper Silver. Average throughput is expected to be 4.3 million tpa for the first ten years when Manto Oxide ores are primarily being processed and 1.9 million tpa for the remainder of the mine life when the Upper Silver ore is processed.

The Manto Oxide ore, which represents approximately 73% of the total ore reserve, will be fine crushed, passed through magnetic separation, calcined and then leached. The leached filtrate will proceed to the Merrill Crowe process for the recovery of silver and gold to produce a silver/gold doré on site. The Hardshell ore type, which is a subset of the Manto Oxide ore, makes up 4.2% of the total ore and will be processed the same as the Manto Oxide ores except that it will not be passed through magnetic separation. Silver recoveries for the Manto Oxide ore average 79%, including Hardshell ore at 59%, while gold recoveries average 90% for both types of ore. The use of magnetic separation for the Manto Oxide ores at the front end of the process enables the non-magnetic fraction, which has a very low metal content and represents approximately 44% by weight of the ROM ore, to go directly to the tailings facility. This allows for a greater throughput rate at relatively lower capital and operating costs.

Zinc in solution after the Merrill Crowe process will be recovered using existing SX/EW technology producing zinc cathodes on site. Copper in solution after the Merrill Crowe process will be recovered using SART technology and precipitated as a high grade copper concentrate (79% Cu). Overall, approximately 8% of the contained zinc and 61% of the contained copper is expected to be recovered.

The tails will be processed through a Wet High Intensity Magnetic Separator (WHIMS) to produce a manganese concentrate averaging approximately 35% Mn. These concentrates will be further processed through the onsite stand-alone 55,000 tpa EMM facility. The EMM facility is expected to produce high grade manganese flake metal for sale in the North American marketplace. The balance of the manganese concentrate recovered in excess of that required to produce 55,000 tons of EMM will be stored on site for future processing. The stand-alone nature of the EMM facility provides the Company greater flexibility as it could be financed separately or deferred and phased in and funded through cash flow from production.

Upper Silver ores make up the remaining 27% of the total ore tons. These ores will be processed by fine crushing, leaching and recovery of silver and gold in the Merrill Crowe circuit to produce a silver/gold doré on site. These ores contain no appreciable zinc, copper or manganese. Recoveries of silver and gold average 46% and 90%, respectively.

A summary of the average recoveries for each ore type are as follows:

Silver recovery (Manto Oxide)	79%
Silver recovery (Upper Silver)	46%
Manganese recovery (Manto Oxide)	28%
Gold recovery (Manto Oxide and Upper Silver)	90%
Copper recovery (Manto Oxide)	61%
Zinc recovery (Manto Oxide)	8%

The bench and pilot plant test-work incorporated in the pre-feasibility was performed by Hazen Research Inc. in Golden, Colorado and included the processing of approximately 14 tons of Manto Oxide and Upper Silver Zone material. Metallurgical development work will continue, with the focus on advancing it to feasibility level.

<u>Capital Costs</u>

The total capital cost for constructing the Hermosa project is estimated at $835 million including a $105 million contingency. The capital cost includes $189 million for the EMM plant for the recovery of the manganese. Sustaining capital expenditures are estimated to total $124 million over the life of mine. A summary of the capital cost estimate is provided below:

Hermosa Pre-feasibility Study CAPEX ($ millions)	
General site	$34.5
Mining and predevelopment	$40.3
Process plant	$338.4
Tailings	$28.0
Other infrastructure	$100.5
EPCM	$85.5
Owner's Cost	$48.3
Other	$54.1
Contingency	$104.9
Total CAPEX	$834.6

Operating Costs

Average annual cash costs are estimated at $4.35 per ounce of silver and $0.74 per pound of EMM for the first five years and $4.45 per ounce of silver and $0.73 per pound of EMM, for the life of mine. Cash costs are calculated whereby common production costs are allocated to silver and manganese based on the relative revenues of each metal in each year. Silver cash costs are net of gold, zinc and copper by-products. Average annual silver cash costs for the life of mine considering all other metals as by-products are negative $4.37 per ounce.

Total operating costs are estimated at $39.49 per ton of ROM ore and include mining, processing, general and administration (G&A), refining, treatment and transportation costs and other costs (royalties, reclamation and property and severance taxes). Total mining cost is $1.26 per ton mined or $8.41 per ton of ore processed. The processing cost per ton is estimated at $24.69, which includes a cost of operating the EMM plant of $11.88 per ton.

The operating cost breakdown as estimated in the pre-feasibility study is as follows:

Operating costs (per ton of ore processed)	
Mining	$8.41
Processing	$24.69
G&A	$1.57
Refining, treatment & transportation	$2.08
Other	$2.74
Total operating costs	$39.49

Mineral Reserve and Resource Estimate

As part of the pre-feasibility study, as well as recently completed re-assays on historical drill data, the Company completed an updated mineral resource estimate, which includes its initial mineral reserve estimate for Hermosa. The mineral reserve and resource estimate includes drill and assay data up to June 2013 which contains a total of 349 drill holes totalling 256,242 feet and is summarized below. *It should be noted that mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resources are inclusive of mineral reserves.*

Hermosa Mineral Reserve Estimate (1) (3) (4)								
Ore Type	Tons (000s)	Ag (opt)	Au (opt)	Mn (2) %	Zn (2) %	Cu (2) %	Contained Ag Ounces (000s)	Contained Mn lbs (000s)
Proven Mineral Reserve								
Manto Oxide	22,262	2.97	0.004	8.83	1.85	0.07	66,164	3,933,000
Upper Silver	7,454	2.19	0.003	N/A	N/A	N/A	16,314	N/A
Hardshell	1,351	1.67	0.002	4.37	0.63	0.05	2,259	118,000
Total Proven	31,067	2.73	0.003	8.58	1.78	0.07	84,737	4,051,000
Probable Mineral Reserve								
Manto Oxide	18,773	2.17	0.003	8.25	1.88	0.07	40,713	3,097,000
Upper Silver	8,687	2.05	0.003	N/A	N/A	N/A	17,782	N/A
Hardshell	1,130	1.63	0.002	3.78	0.57	0.05	1,844	85,000
Total Probable	28,589	2.11	0.003	7.99	1.80	0.07	60,339	3,182,000
Proven & Probable Mineral Reserve								
Manto Oxide	41,035	2.60	0.003	8.57	1.86	0.07	106,877	7,030,000
Upper Silver	16,140	2.11	0.003	N/A	N/A	N/A	34,096	N/A
Hardshell	2,481	1.65	0.002	4.10	0.61	0.05	4,103	203,000
Total Proven & Probable	59,656	2.43	0.003	8.31	1.79	0.07	145,076	7,233,000

(1) Tons are reported to the nearest thousand (1,000). Gold and silver are reported in ounces per ton, all other metals are reported in percentages. Therefore, different totals may be calculated due to rounding errors.

(2) Average grade is based only on material processed for the specific product.

(3) Based on Hermosa Mineral Reserve Criteria:

Hermosa Mineral Reserve Criteria							
Ore Type	Recovery					Process Cost	
	Ag	Au	Mn	Zn	Cu	Process	G&A
Manto Oxide	80.2%	90.0%	28.3%	7.4%	61.1%	$13.78/t	$1.44/t
Upper Silver	46.0%	90.0%	0.0%	0.0%	0.0%	$10.97/t	$3.03/t
Hardshell	56.0%	90.0%	22.4%	25.0%	64.0%	$25.08/t	$2.41/t

The unit cost of operating the EMM plant has been netted from the manganese price.

(4) Metal Prices Used: $22.00/oz Ag, $0.82/lb Mn, $1,250/oz Au, $0.82/lb Zn, $3.00/lb Cu

Hermosa Mineral Resource Estimate (Inclusive of Reserve) (1)(3)(4)(5)(6)									
Ore Type	Tons (000s)	Ag (opt)	Au (opt)	Mn (2) %	Zn (2) %	Cu (2) %	Pb (2) %	Contained Ag Ounces (000s)	Contained Mn lbs (000s)
Measured Mineral Resource									
Manto Oxide (Inc. Hardshell)	37,136	2.06	0.003	6.60	1.55	0.06	N/A	76,569	4,898,000
Upper Silver	38,978	1.07	0.003	N/A	N/A	N/A	N/A	41,551	N/A
Skarn	2,398	1.25	0.001	N/A	1.70	0.07	1.49	2,996	N/A
Total Measured	78,512	1.54	0.003	6.60	1.56	0.06	1.49	121,115	4,898,000

Indicated Mineral Resource									
Manto Oxide (Inc. Hardshell)	54,067	1.24	0.002	5.03	1.59	0.06	N/A	67,010	5,443,000
Upper Silver	51,501	0.97	0.002	N/A	N/A	N/A	N/A	50,033	N/A
Skarn	5,488	1.18	0.001	N/A	1.75	0.07	1.46	6,496	N/A
Total Indicated	111,056	1.11	0.002	5.03	1.60	0.06	1.46	123,539	5,443,000
Measured & Indicated Mineral Resource									
Manto Oxide (Inc. Hardshell)	91,202	1.57	0.002	5.67	1.57	0.06	N/A	143,579	10,341,000
Upper Silver	90,479	1.01	0.002	N/A	N/A	N/A	N/A	91,584	N/A
Skarn	7,886	1.20	0.001	N/A	1.74	0.07	1.47	9,492	N/A
Total Measured & Indicated	189,568	1.29	0.002	5.67	1.59	0.06	1.47	244,654	10,341,000

(1) Tons are reported to the nearest thousand (1,000). Gold and silver are reported in ounces per ton, all other metals are reported in percentages. Therefore, different totals may be calculated due to rounding errors.
(2) Average grade is based only on material processed for the specific material.
(3) Mineral resources are inclusive of mineral reserves.
(4) Mineral resources are constrained to a whittle pit shell demonstrating the potential for economic extraction
(5) Based on Hermosa Mineral Resource Criteria provided below.
(6) Metal Prices used are provided below.

Hermosa Inferred Mineral Resource Estimate (1)(3)(4)(5)(6)									
Ore Type	Tons (000s)	Ag (opt)	Au (opt)	Mn(2) %	Zn(2) %	Cu(2) %	Pb (2) %	Contained Ag Ounces (000s)	Contained Mn lbs (000s)
Manto Oxide (Inc. Hardshell)	16,304	1.09	0.001	3.80	1.65	0.06	N/A	17,811	1,238,000
Upper Silver	28,847	0.94	0.003	N/A	N/A	N/A	N/A	27,257	N/A
Skarn	4,471	1.20	0.001	N/A	1.88	0.07	1.60	5,369	N/A
Total Inferred	49,622	1.02	0.002	3.80	1.70	0.06	1.60	50,437	1,238,000

(1) Tons are reported to the nearest thousand (1,000). Gold and silver are reported in ounces per ton, all other metals are reported in percentages. Therefore, different totals may be calculated due to rounding errors.
(2) Average grade is based only on material processed for the specific material
(3) Mineral resources are inclusive of mineral reserves.
(4) Mineral resources are constrained to a whittle pit shell demonstrating the potential for economic extraction.

(5) Based on Hermosa Mineral Resource Criteria:

Hermosa Mineral Resource Criteria							
Ore Type	Recovery						Process Cost
	Ag	Au	Mn	Zn	Cu	Pb	
Manto Oxide	85%	90%	35%	35%	85%	0%	$9.00/t
Upper Silver	60%	90%	0%	0%	0%	0%	$9.00/t
Skarn	80%	90%	0%	85%	80%	90%	$5.00/t

(6) *Metal Prices Used: $27.06/oz Ag, $0.82/lb Mn, $1,468/oz Au, $0.92/lb Zn, $3.54/lb Cu, $0.90/lb Pb*

About Manganese

Manganese is the world's fourth most heavily consumed metal with a global output of approximately 18 million tons annually, of which more than 90% is used in the manufacture of steel. Consumption of manganese ore has more than doubled since 2000 with China consuming just over half of all output. There are currently no North American producers of manganese ore, a strategically important metal. Most manganese used in steel making is consumed in the form of alloys such as silicomanganese and ferromanganese. Consumption of EMM, a pure manganese product produced electrolytically, is also used in steel production as well as in aluminum alloys. EMM consumption grew approximately five-to-six fold since 2000 to an estimated 1.3 million tons annually representing approximately 8% of the global manganese alloy market. Approximately 97% of the world's EMM is produced in China, with North America importing 100% of the EMM it consumes.

EMM in North America is primarily used as an alloy in the aluminum and steel industries. In aluminum it is used both in commercial and defense applications. Many aerospace aluminum alloys require EMM as an alloy. Also, for strength, aluminum beverage cans require EMM as an alloy. Increasingly high-grade steels require the purity of EMM relative to other lower grade ferromanganese alloys. In addition to the growth of EMM being used in steelmaking, EMM adoption is growing due to the use of 200 series stainless, where manganese as EMM substitutes nickel to produce a lower cost stainless steel, which is used primarily in consumer products. Another growing and relatively new source of demand for manganese is the use of EMM in lithium batteries for hybrid vehicles for some of the Hybrid battery designs.

NI 43-101 Technical Report

The complete NI 43-101 Technical Report is available on SEDAR (www.sedar.com) and the Company's website (www.wildcatsilver.com).

Financing Through Acquisition of Riva Gold Corporation

On May 6, 2013, the Company closed the acquisition of all of the outstanding common shares of Riva Gold Corporation ("Riva"), a company related to Wildcat through certain common directors and officers. Riva was a Canadian-based mineral exploration company that had been assessing strategic alternatives and evaluating potential opportunities and did not hold any mineral properties. As a result of the acquisition, the Company acquired Riva's cash balance of $7.1 million, which is net of the C$1.0 million loan that was previously advanced to the Company in March 2013 and is now eliminated.

Consideration for the acquisition consisted of 9,871,492 common shares of the Company based on the agreed share exchange ratio of one common share of Wildcat for each 4.7 Riva common shares. The acquisition has been accounted for as an acquisition of assets and assumption of liabilities at fair values as follows:

Assets acquired:		
Cash and cash equivalents	$	7,068,311
Loan due from Wildcat Silver Corporation		992,556
Amounts receivable		19,234
Prepaids and other		5,463
Other assets (non-current)		69,768
		8,155,332
Liabilities assumed:		
Accounts payable and accrued liabilities		(645,158)
Due to related parties		(3,429)
Net assets acquired		7,506,745
Less: existing investment in Riva Gold Corporation		(129,032)
Value ascribed to common shares issued as consideration for the acquisition	$	7,377,713

Accounts payable and accrued liabilities assumed include change of control payments and associated withholdings due to certain of Riva's former management totaling $491,648, of which $295,437 was subsequently settled through the issuance of 767,037 Wildcat common shares.

In accordance with the terms of the acquisition agreement, Riva's 1,790,000 stock options outstanding at the date of the acquisition vested on the change of control and may be converted into 380,851 Wildcat common shares based on the exchange ratio of one Wildcat common share for each 4.7 Riva stock options.

The Company's costs associated with completing the transaction of $198,478 have been included in share issue costs. Included in this amount is $9,991 with respect to the fair value of the Riva options.

Project Costs Capitalized to Exploration and Evaluation Assets

The following shows total costs deferred on the Company's Hermosa property during the respective periods:

	Year ended December 31, 2013	Year ended December 31, 2012
Drilling	$ -	$ 1,631,903
Property access, restoration and maintenance	264,164	1,764,808
Assay and analysis	35,823	851,589
Salaries, benefits and stock based compensation	1,207,627	1,101,568
Geologic consulting and support	548,176	1,086,068
Engineering and metallurgy	3,860,159	2,623,400
Environmental baseline studies	1,001,632	951,645
Permitting	283,879	130,247
Claims maintenance	121,343	62,874
Other	449,123	674,884
	$ 7,771,926	$ 10,878,986

During the year ended December 31, 2013 the Company capitalized expenditures of $7,771,926 on its Hermosa property compared to $10,878,986 in the year ended December 31, 2012. The costs for 2013 primarily reflect engineering and metallurgical test-work associated with the pre-feasibility study that was released on December 10, 2013 as well as ongoing environmental baseline studies. The costs for 2012 relate to: exploration drilling through to the completion of the drilling program in March 2012, the first update to the Company's resource estimate that was released in February 2012, finalization of drill-hole assays and the further update to the Company's resource estimate in August, 2012, and pilot plant test-work and engineering in connection with the preliminary economic assessment that was released on October 1, 2012.

Property access, restoration and maintenance costs incurred in the year ended December 31, 2013 primarily relate to ongoing property maintenance costs to remain in compliance with the Company's permits. The decrease compared to 2012 reflects that the cost for the restoration and reclamation relating to the Company's exploration drilling program were accrued in 2012, when the drilling program was completed.

The increase in salaries, benefits and stock based compensation capitalized to the project in 2013 compared to 2012 is primarily due to bonus incentives for 2012 performance accrued and paid in 2013 together with hiring additional personnel partially offset by lower stock based compensation cost capitalized (see discussion under "Costs expensed, net loss and comprehensive loss" for factors impacting the stock based compensation cost).

The decrease in geologic consulting and support in 2013 compared to 2012 is primarily due to the completion of the drilling program in 2012 resulting in fewer consultants and the hiring of full time staff in place of consultants.

Engineering and metallurgy costs increased in 2013 compared to 2012 reflecting the work that was undertaken to determine the economic recoverability of the manganese, zinc and copper by-products and process optimization of the silver recoveries. These costs also include resource estimation, mine planning, engineering and similar costs associated with the work on the pre-feasibility study.

Environmental baseline studies costs were higher in 2013 as a result of the higher number of studies being undertaken and work associated with the Company's drilling permit application. Permitting costs were also higher in 2013 compared to 2012 as a result of the same permit application.

Claims maintenance costs increased to $121,343 in 2013 from $62,874 in 2012 as a result of the acquisition and staking of new mining claims. The Company now holds a total of 152 acres of patented claims and 13,516 acres of unpatented claims.

Costs Expensed, Net Loss and Comprehensive Loss

	Year ended December 31, 2013	2012
Expenses:		
Salaries and benefits	$ 1,055,215	$ 1,839,942
Stock based compensation	455,567	1,407,522
Office and administrative	326,098	360,423
Professional services	135,416	168,357
Investor relations	119,656	189,391
Directors' fees	65,759	11,006
Insurance	62,341	84,919
Legal	41,561	97,979
Filing and regulatory	34,427	41,121
Travel	23,885	32,118
Fiscal and advisory services	23,107	20,594
Depreciation	9,457	10,421
Loss from operations	(2,352,489)	(4,263,793)
Impairment of marketable securities	(289,454)	-
Interest and finance charges	(14,822)	(6,725)
Foreign exchange gain (loss)	9,504	(146,812)
Interest and other income	14,753	40,420
Gain on extinguishment of debt	1,459,151	-
Net loss	(1,173,357)	(4,376,910)
Other comprehensive loss (income):		
Items that may be reclassified to profit or loss:		
Unrealized loss on marketable securities	-	144,096
Impairment of marketable securities reclassified to loss	(239,866)	-
Foreign currency translation (gain) loss	210,129	(263,057)
	29,737	118,961
Comprehensive loss	$ (1,143,620)	$ (4,257,949)

For the year ended December 31, 2013, the Company reported a net loss of $1,173,357 compared to a net loss of $4,376,910 in 2012. After accounting for the loss attributable to the non-controlling interest, the net loss attributable to the Company was $1,152,442 ($0.008 per common share) for 2013 compared to a net loss attributable to the Company of $4,358,029 ($0.033 per common share) in 2012.

The decrease in the net loss in 2013 primarily reflects the inclusion of a gain of $1,459,151 on receipt of cash of the same amount with respect to 117,246 common shares of Ventana Gold Corp. ("Ventana") held by the Company. The shares were held in connection with a Plan of Arrangement by the Company in 2006 under which it spun out Ventana, which was until that time a wholly owned subsidiary. Shares held by non-resident shareholders of the Company that did not obtain the required clearance certificate from Canada Revenue Agency were held in the Company's name pending subsequent receipt of the documentation. In the spring of 2011, Ventana was acquired in an all cash transaction at C$13.06 per share. The $1,459,151 is being utilized by the Company for general corporate purposes. A recent decision in the Supreme Court of British Columbia with respect to a similar case but with a different fact pattern supports the Company's position that as a result of the Court Orders approving the plans of arrangement, the passage of time and the application of the Limitations Act the Company is able to utilize the funds.

The reduced loss in 2013 is also due to lower stock based compensation expense, an overall reduction in the level of corporate activity and because the 2012 comparatives include costs associated with the departure of the Company's former President and CEO.

The decrease in stock based compensation expense in 2013 compared to 2012 primarily reflects the impact of the grant of stock options to the Company's non-executive directors, which vest 50% on the date of the grant and 50% one year from the grant date. The stock options granted in June 2011 and March 2012 when the Company's share price was higher resulted in a higher Black-Scholes valuation compared to the options granted to the non-executive directors in March 2013 when the share price was lower. The higher valued options would have been primarily expensed in the 2012 periods and the lower valued options expensed in 2013. This would also apply but to a lesser extent with respect to the stock based compensation expense of options granted to officers and employees of the Company. In addition, stock based compensation expense in 2012 included additional expense with respect to the accelerated vesting of the former President and CEO's options following his departure from the Company.

The decrease in the salary and benefits expense in 2013 compared to 2012 is primarily due to the 2012 comparatives including the severance costs associated with the departure of the Company's former President and CEO, as noted above, and to a lesser extent the reduction in overall corporate activity.

There was a foreign exchange gain included in income of $9,504 for the year ended December 31, 2013 compared to a loss of $146,812 for 2012. The foreign exchange arises primarily on the Company's US$ cash holdings and reflects movements in the US to Canadian dollar exchange rates and the relative size of the US$ holdings during the respective periods. The loss is included in income as the parent company's functional currency is Canadian dollars. A loss on the translation of the parent's Canadian dollar financial statements into US dollars for presentation purposes of $210,129 (December 31, 2012 gain of $263,057) is included in other comprehensive income.

As a consequence of the previously discussed acquisition of Riva, the Company recorded an unrealized permanent impairment loss of $49,588 in the income statement in 2013 with respect to the mark-to-market of the one million Riva shares the Company held at that time. The Company also transferred the unrealized loss of $239,866 previously recorded in accumulated other comprehensive loss to the income statement. After taking account of the transfer of this unrealized loss and the loss on the translation of the financial statements into US dollars noted above that were both reported through other comprehensive income, there was a comprehensive loss of $1,143,620 in 2013 compared to a comprehensive loss of $4,257,949 in 2012.

Liquidity and Capital Resources

At December 31, 2013, the Company had cash and cash equivalents of $650,347 compared to $1,136,193 at December 31, 2012.

Operating activities used cash in the amount of $2,305,248 in the year ended December 31, 2013 compared to a use of cash of $3,100,572 in the same period of 2012. The decreased use of cash is primarily attributable to the lower corporate cash costs as discussed under "Costs Expensed, Net Loss and Comprehensive Loss" above.

Cash inflow from financing activities of $8,718,524 for the year ended December 31, 2013 compares to an inflow of $1,267,124 in the comparative period of 2012. The cash inflow in 2013 primarily reflects the closing of the acquisition of Riva on May 6, 2013 that contributed $7,068,311 less associated cash transaction costs of $188,487 and also includes the loan the Company obtained from Riva prior to its acquisition of $973,331 (C$1.0 million). Following the closing of the acquisition of Riva, the loan eliminated on the consolidation of Riva with the Company. The Company also received funding from non-controlling interests of $874,590 in 2013 compared to $1,235,071 in 2012, with respect to its share of costs incurred on the Hermosa project. The decrease from 2012 reflects the lower spending on the project, as previously discussed. The funding of expenditures on the Hermosa property are in accordance with a Shareholders' Agreement and essentially requires the non-controlling interest to fund 10% of the project expenditures and provides them with a 10% carried interest.

Investing activities for the year ended December 31, 2013 used cash of $6,832,283 compared to $10,992,255 in 2012. The decreased use of cash primarily reflects the overall decrease in cash outflows on the Company's Hermosa project, which used $8,110,409 in 2013 compared to $10,959,497 in 2012. The decrease is attributable to the same factors as previously discussed for project expenditures (calculated on an accrual basis) under "Project Costs Capitalized to Exploration and Evaluation Assets", above. The decrease also reflects the inclusion of the receipt of $1,459,151 with respect to 117,246 common shares of Ventana Gold Corp. ("Ventana") held by the Company, as discussed above. The use of cash of $178,039 for other assets in 2013 relates to the Company's share of deposits and other costs with respect to offices that it shares with certain related companies.

At December 31, 2013 the Company had contractual cash flow commitments as follows ($000's):

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$ 453	$ -	$ -	$ -	$ 453
Other liabilities	1,459				1,459
Due to related parties	11	-	-	-	11
Operating lease obligations	245	423	317	-	985
	$ 2,168	$ 423	$ 317	$ -	$ 2,908

Selected Financial Information

Information for the years ended December 31, 2013 and 2012 and the six months ended December 31, 2011, as extracted from the Company's audited financial statements, is presented as follows:

	December 31, 2013	December 31, 2012	December 31, 2011
Net Loss	$ (1,173,357)	$ (4,376,910)	$ (1,185,980)
Net Loss per share (basic and diluted)	$ (0.01)	$ (0.03)	$ (0.01)
Cash and cash equivalents	$ 650,347	$ 1,136,193	$ 13,885,594
Exploration and evaluation asset additions	$ 7,771,926	$ 10,878,986	$ 8,066,796
Total Assets (1)	$ 69,854,824	$ 62,698,212	$ 64,612,801

(1) Total assets as at December 31, 2012 and 2011 revised to increase exploration and evaluation assets by $913,680 with respect to an increase in the non-controlling interests share of the underlying assets in Arizona Minerals as at the date of acquisition by the Company.

Quarter Ended December 31, 2013

For the quarter ended December 31, 2013 the Company recorded net income of $986,434 ($0.007 per common share) compared to a net loss of $636,912 ($0.005 per common share) in the same period of 2012. The net income in the fourth quarter of 2013 reflects the inclusion of the gain of $1,459,151 with respect to 117,246 common shares of Ventana Gold Corp. ("Ventana") held by the Company, as discussed previously. Excluding the gain there would have been a net loss in the quarter of $472,717. The decrease in the net loss (as adjusted) was primarily attributable to lower stock based compensation expense at $69,816 in the fourth quarter of 2013 compared to $151,734 in the fourth quarter of 2012 reflecting the timing of the vesting of non-executive director's stock options, as discussed previously.

The Company capitalized $1,037,078 of exploration and evaluation expenditures during the quarter ended December 31, 2013 compared to $2,134,312 in the comparable quarter of 2012. The lower expenditures in 2013 reflect the impact of focusing only on the completion of the prefeasibility study in an overall effort to conserve cash. In addition, 2012 reflects the inclusion of provisions for reclamation and restoration work

Quarterly Review of Financial Information

The following table is a summary of the Company's results for the eight most recently completed quarters.

Unaudited	Year ended December 31, 2013				Year ended December 31, 2012			
($000s, unless otherwise stated)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income (loss)	$ 986	$ (469)	$ (579)	$ (1,112)	$ (637)	$ (894)	$ (1,524)	$ (1,321)
Exploration and evaluation assets additions	$ 1,037	$ 1,936	$ 2,426	$ 2,373	$ 2,135	$ 2,482	$ 2,240	$ 4,022
US$ to C$ Exchange rate - period end	$ 1.0636	$ 1.0285	$ 1.0512	$ 1.0156	$ 0.9949	$ 0.9837	$ 1.0191	$ 0.9991
Basic and diluted net income (loss) per share	$ 0.01	$ -	$ -	$ (0.01)	$ -	$ (0.01)	$ (0.01)	$ (0.01)

The most significant factors influencing the Company's quarterly results over the last eight quarters are:

- The gain of $1,459,151 recorded in the fourth quarter of 2013 with respect to 117,246 common shares of Ventana Gold Corp. ("Ventana") held by the Company, as previously discussed.
- The loss of $289,454 on the impairment of the Company's one million shares in Riva recorded in the first quarter of 2013.
- The increase in salaries and benefits expense associated with severance paid on the departure of the Company's former President and Chief Executive Officer in the second quarter of 2012.
- The timing of stock option grants on stock based compensation expense including the higher expense where a portion of the grant vests immediately.
- The impact on additions to exploration and evaluation assets of the drilling exploration program. The drilling was initiated in late 2010 and completed in the first quarter of 2012 and the final assays completed in the second quarter of 2012.
- Additions to exploration and evaluation assets in the second and third quarters of 2012 primarily reflect engineering and metallurgical work associated with the updated Preliminary Economic Assessment and environmental base-line studies. Additions for the fourth quarter of 2012 forward primarily reflect engineering and metallurgical work with respect to the pre-feasibility study work and ongoing environmental base-line studies.

Share Capital Information

As at March 24, 2014, the Company had an unlimited number of common shares authorized for issuance with 143,510,075 issued and outstanding and an unlimited number of preferred shares authorized with nil outstanding. Also at March 24, 2014, the Company had outstanding 5,911,160 stock options held by directors, officers, consultants and employees.

Proposed Transactions

There are no undisclosed proposed transactions that will materially affect the performance of the Company.

Off-Balance Sheet Arrangements

The Company does not have any material off-balance sheet arrangements.

Related Party Transactions

In addition to the related party transactions or balances disclosed elsewhere in this MD&A, the Company had the following related party transactions.

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 $799,617 in the year ended December 31, 2013 (December 31, 2012 – $1,072,879) as a result of $820,532 (December 31, 2012 – $1,091,760) of contributions less the non-controlling interest share of Arizona Minerals loss for the year of $20,915 (December 31, 2012 – $18,881). Amounts receivable includes $66,393 (December 31, 2012 – $120,451) outstanding from 5348 Investments with respect to these arrangements, which was subsequently received by the Company.

The Company acquired its 80% interest in the common shares of Arizona Minerals from Diamond Hill in May 2006. Based on the purchase consideration and related tax filings, at December 31, 2013, the Company has an estimated withholding tax obligation with respect to the acquisition of $1,459,000 (December 31, 2012 – $1,427,000), including penalties and interest, which has been included in other liabilities. Diamond Hill and 5348 Investments have provided indemnification to the Company in the event the Company is required to pay the withholding tax, which is secured against 5348 Investments' 20% ownership interest in Arizona Minerals. As a consequence of the indemnification the Company has recorded an amount due from related party for $1,459,000 (December 31, 2012 – $1,427,000).

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 years ended:

		December 31, 2013		December 31, 2012
Salaries and benefits	$	902,097	$	849,930
Office and administrative		399,973		412,983
Other assets		183,323		25,370
	$	1,485,393	$	1,288,283

Included in these amounts is $42,378 (December 31, 2012 – $110,959) with respect to office space owned by Diamond Hill. At December 31, 2013, amounts receivable includes a balance due from related companies of $42,493 (December 31, 2012 – $49,921) and there is an amount due to related companies of $11,261 (December 31, 2012 – $8,559) with respect to these arrangements. Amounts are due on demand, unsecured, and have no terms of repayment.

Other assets of $330,849 (December 31, 2012 – $92,710) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in its consolidated financial statements for the year ended December 31, 2013. The preparation of its consolidated financial statements requires management to make judgements, estimates and assumptions in the process of applying the Company's accounting policies that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continually evaluated. However, actual outcomes could materially differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Information about critical judgements and estimates in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements are as follows:

- Exploration and evaluation assets impairment estimation – The Company assesses its exploration and evaluation assets on a periodic basis to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate is made of the recoverable amount, which is the higher of the fair market value less costs to sell and its value in use. In determining the value in use the Company will develop an estimated cash flow for the mineral property, which will be based on the Company's estimates of ore reserves and mineral resources. The Company estimates its ore reserves and mineral resources based on information compiled by qualified persons as defined in accordance with Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements. The estimation of mineral reserves and resources is based upon the results, assumptions and interpretation of various exploration techniques and information and includes additional factors such as metallurgical assumptions, expected commodity prices, capital requirements and operating costs that will also be used to develop the cash flow model. The Company must also determine an appropriate discount rate at which to discount the cash flows to determine the net present value. Changes in any of these assumptions, interpretations and estimates may have a significant impact on the net present value and therefore may impact the carrying value of the exploration and evaluation assets.

- Stock based compensation – In determining the fair value of stock based compensation, which the Company both expenses and capitalizes to exploration and evaluation assets, the Company uses the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions such as the expected life of the options, estimates of interest rates and share price volatility that can materially affect the fair value estimate.

- Gain on extinguishment of debt – The Company recorded a gain of $1,459,131 with respect to cash it received in October, 2013 for unclaimed shares relating to the spin-out in 2006 of a former subsidiary of the Company. Based on legal advice and its judgement, the Company determined that the cash can be utilized for operating purposes and accordingly, has recorded a gain in the consolidated statements of net loss and comprehensive loss.

- Other liabilities – estimation of ultimate withholding tax liability with respect to the Company's acquisition of 80% of the common shares of Arizona Minerals.

Changes in Accounting Policies

a) New accounting policies adopted during the year

Effective January 1, 2013, the Company adopted the following changes in accounting standards: IFRS 10, *Consolidated Financial Statements*, IFRS 11, *Joint Arrangements*, IFRS 12, *Disclosures of Interest in Other Entities* and IFRS 13, *Fair Value Measurement*. The changes adopted from IFRS 12 are reflected in note 6 to the Company's consolidated financial statements. Adoption of IFRS 10, IFRS 11 and IFRS 13 did not result in any significant changes to the Company's accounting or in the disclosure in its consolidated financial statements.

b) New accounting standards, amendments and interpretations

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board (IASB) or International Financial Reporting Interpretations Committee (IFRIC). Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

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 for annual periods beginning on or after January 1, 2015 and has left it open pending the finalization of the impairment and classification and measurement requirements.

IAS 36, *Impairment of Assets* provides for additional disclosures that may be required in the event the Company recognises an impairment loss or the reversal of an impairment loss. IAS 36 is effective for years beginning on or after January 1, 2014.

The Company has not yet assessed the impact of these standards on its financial reporting.

Financial Instruments

The Company's financial instruments are classified into the following categories of financial assets and liabilities (shown at carrying value):

Category	Measurement		December 31, 2013		December 31, 2012
Cash and cash equivalents	Loans and receivables	$	650,347	$	1,136,193
Amounts receivable	Loans and receivables	$	122,737	$	310,891
Due from related party	Loans and receivables	$	1,459,000	$	1,427,000
Investment in marketable securities	Available for sale	$	-	$	180,923
Accounts payable and accrued liabilities	Other financial liabilities	$	453,046	$	684,008
Other liabilities	Other financial liabilities	$	1,459,000	$	1,427,000
Due to related parties	Other financial liabilities	$	11,261	$	8,559

The carrying values of the Company's financial instruments in the table above approximate their fair values as a result of their short-term nature except for the investment in marketable securities and due from related party. Investment in marketable securities at December 31, 2012 was carried at fair value and was classified as Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. Due from related party, which is not classified as a current asset, is carried in the consolidated financial statements at the same amount as the Company's withholding tax obligation and accordingly, approximates its fair value.

Financial risk management

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure and attempts to manage the risk, where possible. These risks include market risk, liquidity risk and credit risk.

a) Market risk

Market risk represents the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in market prices. In particular:

Foreign exchange risk

Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company incurs expenditures in Canadian and US dollars with the majority of the expenditures being incurred in US dollars exploring on its Hermosa property. The parent company has adopted a policy of converting the majority of its cash balances into US dollars, except to the extent Canadian dollars are required to fund corporate operations. As the functional currency of the parent company is Canadian dollars, foreign exchange risk arises because the amount of the US dollar cash and cash equivalents will vary in Canadian dollar terms due to changes in exchange rates. However, to the extent the US dollar balances will be used to fund future exploration expenditures on the Hermosa property the risk is negated and provides more certainty in terms of the funds available for that purpose.

At December 31, 2013, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars held by the Canadian parent company:

		December 31, 2013		December 31, 2012
Cash and cash equivalents	US$	40,099	US$	281,688
Amounts receivable		-		8,125
Due from related party		1,525,393		1,547,451
Accounts payable and accrued liabilities		(457)		(7,565)
Other liabilities		(1,459,000)		(1,427,000)
	US$	106,035	US$	402,699

As at December 31, 2013, based on the above net exposures a 10% change in the Canadian-US dollar exchange rate would impact the Company's earnings by approximately $11,000 (December 31, 2012 – $40,000). As the Company reports in US dollars this amount would be offset by an approximately equivalent amount as part of other comprehensive income.

Price and Interest rate risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate and currency risk. The Company is not materially exposed to price risk at this time.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not materially exposed to interest rate risk at this time.

b) Liquidity risk

Liquidity risk represents the risk that the Company will be unable to meet its obligations associated with its financial liabilities. The Company endeavours to manage its liquidity risk by maintaining sufficient readily available cash in order to meet its liquidity requirements at any point in time (see discussion on going concern in "Going Concern").

c) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises for the Company from cash and cash equivalents held with banks and financial institutions, as well as credit exposure on outstanding amounts receivable and amounts due from a related party. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company manages its exposure to credit risk by holding its cash and cash equivalents through Canadian or US chartered banks, with short-term investments held in high-interest bank accounts and GIC's.

Risks and Uncertainties

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described below and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described below are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of the following risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose part or all of their investment.

Dependence on one principal exploration stage project

At present, the Company's only mineral project is its Hermosa project in Arizona. As a result, any significant adverse development that impacts the progress or financial or technical characteristics of the Hermosa project may have a material adverse effect on the Company's share price, financial position, results of operations and future prospects.

The Company will require external financing or may need to enter into a strategic alliance to develop its mineral property

As discussed under "Going Concern" earlier in this MD&A, at December 31, 2013 the Company had cash and cash equivalents of $650,347, working capital of $438,272 excluding other liabilities, a net loss for the year ended December 31, 2013 of $1,173,357, and a deficit of $25,697,122. The Company will require financing early in the second quarter of fiscal 2014 to meet its ongoing requirements. 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.

In addition to these funding requirements, the Company requires additional financing to enable it to complete its feasibility study and other goals as described under "Objectives and Outlook". Should the results of the feasibility study prove to be positive and development of the Hermosa project proceeds, the Company expects it will incur net cash outlays until such time as its Hermosa property enters into commercial production and generates sufficient revenues to fund its continuing operations, if at all.

The continued development of the Hermosa project will require the commitment of substantial resources for operating expenses and exploration and development expenditures, which may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Hermosa project are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the acquisition of additional properties, and other factors, many of which are beyond the Company's control.

The Company has no source of operating income. Historically, the Company has raised funds principally through the sale of its securities. The sources of financing the Company may use to fund future expenditures on the project may include public or private offerings of equity or debt, streaming and offtake agreements, and project or bank financing. In addition, the Company may enter into a strategic alliance, sell certain of its assets or utilize a combination of all of these alternatives. Additional equity financing may cause dilution to Wildcat's existing shareholders. In addition, the unrestricted resale of shares resulting from the exercise of dilutive securities may have a depressing effect on the market for the Company's common shares. There can be no assurance that financing will be available on acceptable terms, if at all.

The Company may be adversely affected by fluctuations in silver, manganese and other metal prices

The development of the Company's Hermosa project and future profitable operations is dependent, to a large extent, on the market price of the Hermosa project's two primary metals, silver and manganese and to a lesser extent the gold, copper and zinc by-product metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Lower mineral prices, especially if over extended periods, could result in a reduction in the Company's ore reserves and resources and a re-evaluation of the economics of the Hermosa project. This could result in the delay or deferral of the development of the Hermosa project. It could also result in difficulty in the Company raising new funding, the possible impairment to the carrying value of the exploration and evaluation assets and a decrease in the Company's share price.

The Company may be subject to risks relating to the global economy

Market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase the cost of capital.

The Company is also exposed to liquidity risks in meeting its operating and capital expenditure requirements in instances where its cash position is unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. Increased market volatility may impact the Company's operations which could adversely affect the trading price of the Company's common shares.

The Company will require various permits to enable it to conduct its current and anticipated future operations

The Company's current and anticipated future operations, including further exploration and development activities and commencement of any production from the Company's property in Arizona require permits from various United States federal, state and local authorities. The granting, continuing validity and enforcement of the terms of such permits are, as a practical matter, often subject to the discretion of the applicable governments or government officials. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all, or will continue to be valid. To the extent such permits are delayed or not obtained the Company may be curtailed or prohibited from proceeding with the development, construction or operation of its Hermosa project. Failure to comply with applicable laws, regulations and permitting requirements may also result in enforcement actions thereunder including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation or additional equipment, or remedial actions including compensation and civil or criminal fines or penalties.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof could have a material adverse impact on the Company and cause increases in costs and delays or abandonment of new mining projects.

The Company is subject to government regulation

The Company's mineral exploration is, and any development activities will be, subject to various United States laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. At present, there is no royalty payable to the United States on production from unpatented mining claims, although legislative attempts to impose a royalty have occurred in recent years. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a material adverse impact on our business and financial condition. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

The Company's business activities are subject to environmental laws and regulations

The Company's operations are subject to United States federal, state and local laws and regulations regarding environmental matters. These laws address, among other things, emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. Environmental laws and regulations change frequently, and are generally becoming more stringent. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on our business and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production, when producing, or require abandonment or delays in development of our mineral properties.

The Company has no history of developing properties into production

The Company's property is not in commercial production, and the Company has not recorded any revenues from mining operations. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The future development of any properties found to be economically feasible will require permits, financing and the construction and operation of mines, processing plants and related infrastructure. As a result, the Company will be subject to all of the risks associated with establishing new mining operations including: the timing and cost of the construction of mining and processing facilities; the availability and cost of skilled labour and mining equipment; the availability and costs of suitable refining and smelting arrangements; the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; the availability of funds to finance the development and construction activities; the impact of any opposition to the developmental activities from non-governmental, environmental, local or other groups that may delay or prevent development; potential increases in construction or operating costs due to changes in the cost of supplies and materials and changes in foreign exchange rates.

Mineral reserve and resource estimates

The Company's reserves and resources as reported herein are estimates only and no assurance can be given that any particular level of recovery of silver, manganese or other metals will in fact be realized or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be economically exploited. Mineral resources which are not mineral reserves do not have demonstrated economic viability. Any material change in the quantity of mineralization, grade, mineral prices, metal recoveries, costs or other assumptions used to calculate mineral reserves and resources may affect the economic viability of any property held by the Company.

Exploration, development and mining activities can be hazardous and involve a high degree of risk

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding, fires and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

The Company has a history of losses and anticipates that it will continue to incur losses for the foreseeable future

The Company has historically incurred losses as evidenced by the consolidated statements of operations and deficit, which can be found on SEDAR at www.sedar.com. The Company incurred a net loss of $1,173,357 for the year ended December 31, 2013 and has an accumulated deficit of $25,697,122 as at December 31, 2013.

The Company's efforts to date have been focused on acquiring and exploring its mineral property. The Company does not anticipate that it will earn any revenue from operations or other means unless and until its property is placed into production, which is not expected to be for several years, if at all, or is sold to a third party.

Inadequate infrastructure may delay or prevent the Company's operations

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its project and could result in higher costs.

The Company does not and likely will not insure against all risks

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

The Company's common shares may be subject to price and volume fluctuations and the market price for the common shares of the Company may drop below the price at which such common shares were purchased

Securities markets experience considerable price and volume volatility, and the market prices of securities of many companies may be subject to wide fluctuations not necessarily related to the operating performance, underlying asset values, exploration success or prospects of such companies. The market price of a publicly traded stock, especially a junior resource issuer, may be affected by many variables including the market for junior resource stocks, the strength of the economy generally, commodity prices, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of securities on the stock exchanges on which the Company trades, suggest the trading price of the common shares will continue to be volatile. There can be no assurance that such fluctuations will not affect the price of the Company's common shares and that the price of such common shares may decline below the purchase price paid for such common shares.

In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm the Company's profitability and reputation.

The Company is dependent on key personnel

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

The Company competes with larger, better-capitalized competitors in the mining industry

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious or other metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Wildcat. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all.

Title to the Company's property may be subject to other claims

Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties it owns, controls or has the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unrecorded agreements or transfers or other land claims and title may be affected by undetected defects. There may be valid challenges to the title of the Company's properties, which, if successful, could impair development and/or operations. In addition, mineral properties may be leased and may be subject to defects in title.

Litigation may adversely affect the Company

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on the Company.

The Company's officers and directors may have potential conflicts of interest

The Company's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting. As required by National Instrument 52-109 issued by the Canadian Securities Administrators, the Company carried out an evaluation of the design and effectiveness of the Company's disclosure controls and procedures and internal controls over financial reporting as of December 31, 2013. The evaluation was carried out under the supervision and with the participation of the CEO and the CFO. Based on the evaluation, the Company's CEO and CFO concluded that: (i) the Company's disclosure controls and procedures are effective in providing reasonable assurance that material information relating to the Company and its consolidated subsidiaries is made known to them by others within those entities, particularly during the period in which the annual filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. In addition, the Company's CEO and CFO concluded that the Company's internal controls over financial reporting are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for the Company and its consolidated subsidiaries for the period in which the annual filings are being prepared.

There were no changes in the controls, which materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting during the year ended December 31, 2013.

Assays and Quality Assurance/Quality Control

To ensure reliable sample results, the Company has a rigorous QA/QC program in place that monitors the chain-of-custody of samples and includes the insertion of blanks, duplicates, and certified reference standards in each batch of samples. Core is photographed and split in half with one-half retained in a secured facility for verification purposes. Sample preparation (crushing and pulverizing) is performed at Skyline Laboratories, an ISO/IEC accredited lab located in Tucson, Arizona. Skyline Laboratories prepares two pulps of all samples and completes analysis of one pulp sample by ICP for Cu% (copper), Pb% (lead), Zn% (zinc) and Mn% (manganese). The second pulp is shipped to Inspectorate Labs, an ISO: 9001-2008 accredited laboratory in Reno, Nevada, where the duplicate pulp is analyzed for Au (gold) and Ag (silver). Silver values are determined by gravimetric fire assay (1 AT) with gold values determined by an AA finish from the same dore bead: Final silver value is the weight of the dore bead minus the AA gold value. In certain drill holes Skyline completes analyses of pulps for gold (FA-1AT/AA) and silver is determined by multi-acid digestion/AA finish. If the silver value is greater than 150 gpt the sample is redone by gravimetric FA (1AT) with the gravimetric gold value subtracted. At both labs if the FA/AA Au value is greater than 3 gpt the Au assay is repeated by FA gravimetric methods. Certain duplicate pulps have gold-silver QA/QC checks run at Skyline by the above methods. Also certain duplicate pulps also have Cu, Pb, Zn, Mn QA/QC checks using ICP/AA methods and 30 element spectral ICP determined at Inspectorate after 4-acid digestion.

Pre-feasibility Study Contributors and Qualified Persons

The Hermosa pre-feasibility study was completed by M3 Engineering & Technology Corporation (M3) of Tucson, Arizona, with the support of Metal Mining Consultants of Highlands Ranch, Colorado (Mineral reserve and mineral resource); Newfields Inc., Denver Colorado (Tailings/Coarse Rock storage); Hazen Research Inc., Golden, Colorado (processing and metallurgy); Easton Process Consulting Inc., Highlands Ranch, Colorado (metallurgy); and Mine Mappers LLC (geology/wire framing). The information contained in the December 10, 2013 press release announcing the results of the pre-feasibility study, resource update and reserve statement, which are replicated in this MD&A were reviewed by Joshua Snider and the relevant contributors.

M3 Engineering and Technology Corporation of Tucson, Arizona worked under the supervision of Joshua Snider, PE, an independent Qualified Person under the standards set forth by NI 43-101. Mr. Snider is a Civil Engineer with M3 and has over 15 years of experience in the engineering and mining industry.

Metallurgical test results have been reviewed, verified, and interpreted by Christopher Easton, BSc. Chemical Engineering, a Qualified Person under the standards set forth by NI 43-101. Mr. Easton is the president of Easton Process Consulting Inc. has 24 years of mineral processing and metallurgical engineering experience, and is a Qualified Professional Member in Metallurgy of MMSA.

Scott Wilson, President of Metal Mining Consultants, is an independent qualified person as defined by National Instrument 43-101 and approved and verified the information in relation to the Hermosa mineral reserve and mineral resource estimates. Mr. Wilson is a Certified Professional Geologist and member of the American Institute of Professional Geologists (CPG #10965) and a Registered Member (#4025107) of the Society of Mining, Metallurgy and Exploration, Inc., a professional association and designation recognized by the Canadian regulatory authorities.

Timothy George, PE, an independent Qualified Person under the standards set forth by NI 43-101, reviewed the information in relation to the Hermosa reserve determination and mine plan. Mr. George is a Mining Engineer with Metal Mining Consultants.

Process design criteria and cost estimates for the EMM facility have been reviewed by Terry McNulty, D Sc, PE., a Qualified Person under the standards set forth by NI 43-101. Dr. McNulty is President of T. P. McNulty and Associates, Inc., has over 50 years of experience in mineral processing and extractive metallurgical engineering, and is a Registered Member of SME.

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