



(An Exploration Stage Company)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2014

EMC Metals Corp.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED BALANCE SHEETS
(Expressed in US Dollars) (Unaudited)

As at:	March 31, 2014	December 31, 2013
ASSETS		
Current		
Cash	\$ 233,903	\$ 785,075
Prepaid expenses and receivables	19,308	127,410
Total Current Assets	253,211	912,485
Restricted cash (Note 3)	144,188	149,868
Property, plant and equipment (Note 5)	9,320	10,278
Mineral interests (Note 6)	1,613,203	1,613,203
Total Assets	\$ 2,019,922	\$ 2,685,834
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 310,339	\$ 247,613
Convertible debentures (Note 8)	-	650,000
Promissory notes payable (Note 9)	1,204,875	1,204,875
Total Liabilities	1,515,214	2,102,488
Stockholders' Equity		
Capital stock (Note 10) (Authorized: Unlimited number of shares; Issued and outstanding: 173,891,597 (2013 – 165,358,337))	87,502,708	87,310,708
Treasury stock (Note 11)	(1,264,194)	(1,264,194)
Additional paid in capital (Note 10)	2,109,493	2,108,327
Accumulated other comprehensive loss	(853,400)	(853,400)
Deficit accumulated during the exploration stage	(86,989,899)	(86,718,095)
Total Stockholders' Equity	504,708	583,346
Total Liabilities and Stockholders' Equity	\$ 2,019,922	\$ 2,685,834

Nature and continuance of operations (Note 1)
Subsequent events (Note 14)

The accompanying notes are an integral part of these condensed consolidated financial statements.

EMC Metals Corp.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in US Dollars) (Unaudited)

	Cumulative amounts from incorporation on July 17, 2006 to March 31, 2014	Quarter ended March 31, 2014	Quarter ended March 31, 2013
EXPENSES			
Amortization (Note 5)	\$ 2,149,755	\$ 958	\$ 1,075
Consulting	2,261,234	-	35,288
Exploration	15,126,677	52,756	307,071
General and administrative	7,304,237	47,322	75,247
Insurance	951,065	6,689	7,422
Professional fees	3,215,555	21,122	46,922
Research and development	3,042,091	-	-
Salaries and benefits	7,478,292	97,294	143,002
Stock-based compensation (Note 10)	5,416,151	1,166	21,032
Travel and entertainment	1,626,589	7,266	8,846
Loss from continuing operations before other items	(48,571,646)	(234,573)	(645,905)
OTHER ITEMS			
Foreign exchange gain (loss)	351,781	(7,231)	(10,316)
Gain on transfer of marketable securities	181,238	-	-
Gain on settlement of convertible debentures	1,268,246	-	-
Gain on sale of marketable securities	1,720,016	-	-
Write-off of mineral interests and property, plant and equipment (Note 5 and 6)	(16,015,169)	-	-
Write-off of land and water rights	(2,800,000)	-	-
Gain on insurance proceeds	912,534	-	-
Interest expense	(847,974)	(30,000)	(146,279)
Other income	466,463	-	-
Gain on disposition of assets	933,075	-	-
Change in fair value of derivative liability	453,790	-	-
Unrealized loss on marketable securities	(3,070,425)	-	-
	(16,446,425)	(37,231)	(156,595)
Loss from continuing operations before income taxes	(65,018,071)	(271,804)	(802,500)
Deferred income tax recovery	6,020,527	-	-
Loss from continuing operations for the period	(58,997,544)	(271,804)	(802,500)
Loss from discontinued operations (Note 4)	(25,501,664)	-	(107,788)
Loss for the period	(84,499,208)	(271,804)	(910,288)
Foreign currency translation adjustment	(2,844,668)	-	-
Comprehensive loss for the period	\$ (87,343,876)	\$ (271,804)	\$ (910,288)
Basic and diluted loss per common share			
Loss from continuing operations		\$ (0.00)	\$ (0.01)
Loss from discontinued operations		\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding		166,022,035	165,358,337

The accompanying notes are an integral part of these condensed consolidated financial statements.

EMC Metals Corp.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US Dollars) (Unaudited)

	Cumulative amounts from incorporation on July 17, 2006 to March 31, 2014	Quarter ended March 31, 2014	Quarter ended March 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period	\$ (84,499,208)	\$ (271,804)	\$ (910,288)
Items not affecting cash:			
Amortization	2,360,301	958	5,927
Research and development	3,042,091	-	-
Consulting paid with common shares	9,379	-	-
Gain on disposal of assets	(933,075)	-	-
Convertible debenture costs	(1,149,630)	-	-
Unrealized foreign exchange	799,920	5,680	3,266
Stock-based compensation	5,416,151	1,166	21,032
Unrealized gain on marketable securities	(46,707)	-	-
Realized gain on marketable securities	(1,720,016)	-	-
Write-off of mineral properties and property, plant & equipment	39,442,452	-	-
Write-off of land and water rights	3,243,685	-	-
Realized loss on transfer of marketable securities	2,935,895	-	-
Change in fair value of derivative liability	(453,790)	-	-
Deferred income tax recovery	(6,020,527)	-	-
Finance charge	504,479	-	87,190
	(37,068,600)	(264,000)	(792,873)
Changes in non-cash working capital items:			
Decrease (increase) in prepaids and receivables	(4,929)	108,102	32,247
Increase (decrease) in accounts payable and accrued liabilities	(393,907)	62,726	171,206
Increase in due to related parties	1,091,043	-	-
Asset retirement obligations	(999,176)	-	-
	(37,375,569)	(93,172)	(589,420)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash acquired from subsidiary	4,543,435	-	-
Cash paid for Subsidiary	(10,602,498)	-	-
Spin-out of Golden Predator Corp.	(66,890)	-	-
Restricted cash	(161,161)	-	-
Reclamation bonds	747,862	-	-
Proceeds from sale of marketable securities, net	(3,881,287)	-	-
Proceeds from sale of property, plant and equipment	5,633,294	-	-
Purchase of property, plant and equipment	(19,920,751)	-	-
Proceeds from sale of mineral interests	517,550	-	-
Additions to unproven mineral interests	(4,224,388)	-	-
	(27,414,834)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Common shares issued	52,676,603	192,000	-
Share issuance costs	(1,190,801)	-	-
Special warrants	12,095,274	-	-
Options exercised	370,812	-	-
Warrants exercised	10,534,109	-	-
Notes payable	(11,412,423)	-	-
Receipt of promissory note	2,344,874	-	-
Convertible debenture	2,650,000	-	649,175
Debt issuance costs	(249,827)	-	-
Payment of promissory note and convertible debenture	(3,335,228)	(650,000)	-
Advances from related party	191,508	-	-
Loans advanced to Midway	(1,822,651)	-	-
Loan repayment from Midway	1,760,221	-	-
	64,612,471	(458,000)	649,175
Effect of foreign exchange on cash flows	411,835	-	-
Change in cash during the period	233,903	(551,172)	59,755
Cash, beginning of period	-	785,075	190,215
Cash, end of period	\$ 233,903	\$ 233,903	\$ 249,970

Supplemental disclosure with respect to cash flows (Note 13)

The accompanying notes are an integral part of these condensed consolidated financial statements.

EMC Metals Corp.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(Expressed in US Dollars) (Unaudited) Page 1 of 2

	Capital Stock		Additional Paid in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Deficit Accumulated During the Exploration Stage	Total
	Number of Shares	Amount					
		\$	\$	\$	\$	\$	\$
Balance, July 17, 2006	-	-	-	-	-	-	-
Private placements	5,000,000	3,017,350	-	-	-	-	3,017,350
Excess of exchange amount over carrying	-	-	-	-	-	-	-
Excess of exchange amount over carrying	-	-	-	-	-	(2,490,691)	(2,490,691)
Loss for the period	-	-	-	-	-	(316,382)	(316,382)
Balance, December 31, 2006	5,000,000	3,017,350	-	-	-	(2,807,073)	210,277
Private placements	17,577,500	35,598,475	-	-	-	-	35,598,475
Conversion of special warrants	5,390,000	5,590,529	-	-	-	-	5,590,529
Exercise of warrants	50,000	74,235	-	-	-	-	74,235
Share issuance costs – broker's fees	-	(1,202,721)	97,565	-	-	-	(1,105,156)
Share issuance costs – shares issued	100,000	99,910	-	-	-	-	99,910
Shares issued for mineral properties	100,000	95,822	-	-	-	-	95,822
Stock-based compensation	40,000	38,314	472,489	-	-	-	510,803
Loss for the year	-	-	-	-	-	(5,579,477)	(5,579,477)
Balance, December 31, 2007	28,257,500	43,311,914	570,054	-	-	(8,386,550)	35,495,418
Private placements	-	10,543,444	-	-	-	-	10,543,444
Conversion of special warrants	-	7,484,629	-	-	-	-	7,484,629
Share issuance costs – broker's fees	-	(263,169)	-	-	-	-	(263,169)
Shares issued for mineral properties	110,000	206,229	-	-	-	-	206,229
Acquisition of Gold Standard Royalty Corp.	2,050,000	4,088,552	138,529	-	-	-	4,227,081
Acquisition of Great American Minerals Inc.	1,045,775	2,065,059	419,891	-	-	-	2,484,950
Acquisition of Fury Explorations Ltd.	10,595,814	12,963,070	7,343,879	(1,964,364)	-	-	18,342,585
Exercise of stock options	6,637,224	9,690,543	(178,482)	-	-	-	9,512,061
Shares issued for repayment of promissory note	4,728,000	2,017,257	-	-	-	-	2,017,257
Stock-based compensation	-	-	2,251,500	-	-	-	2,251,500
Loss for the year	-	-	-	-	-	(16,979,873)	(16,979,873)
Balance, December 31, 2008	66,356,813	92,107,528	10,545,371	(1,964,364)	-	(25,366,423)	75,322,112
Private placements	14,500,000	1,123,489	-	-	-	-	1,123,489
Exercise of stock options	101,000	110,689	(92,970)	-	-	-	17,719
Shares issued for mineral properties	2,765,643	311,606	-	-	-	-	311,606
Settlement of convertible debentures	7,336,874	2,299,061	49,278	-	-	-	2,348,339
Shares issued for consulting	89,254	9,168	-	-	-	-	9,168
Shares issued for acquisition of TTS	19,037,386	1,976,697	-	-	-	-	1,976,697
Stock-based compensation before spin-out	-	-	799,008	-	-	-	799,008
Spin-out of GPD	-	(18,044,538)	(11,300,687)	-	-	-	(29,345,225)
Stock-based compensation after spin-out	-	-	935,995	-	-	-	935,995
Foreign currency translation adjustment	-	-	-	-	(2,536,527)	-	(2,536,527)

EMC Metals Corp.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(Expressed in US Dollars) (Unaudited) Page 2 of 2

	Capital Stock			Treasury Stock	Accumulated Other Comprehensive Loss	Deficit Accumulated During the Exploration Stage	Total
	Number of Shares	Amount	Additional Paid in Capital				
		\$	\$	\$	\$	\$	\$
Loss for the year	-	-	-	-	-	(18,954,099)	(18,954,099)
Balance, December 31, 2009	110,186,970	79,893,700	935,995	(1,964,364)	(2,536,527)	(44,320,522)	32,008,282
Private placements	30,252,442	4,563,680	441,565	-	-	-	5,005,245
Exercise of stock options	1,320,000	443,329	(219,732)	-	-	-	223,597
Exercise of warrants	7,300,000	1,060,257	-	-	-	-	1,060,257
Stock-based compensation	-	-	772,179	-	-	-	772,179
Foreign currency translation adjustment	-	-	-	-	99,091	-	99,091
Loss for the year	-	-	-	-	-	(4,585,644)	(4,585,644)
Balance, December 31, 2010	149,059,412	85,960,966	1,930,007	(1,964,364)	(2,437,436)	(48,906,166)	34,583,007
Exercise of stock options	250,000	140,466	(76,796)	-	-	-	63,670
Exercise/expiry of warrants	1,369,301	378,563	(700,170)	700,170	-	-	378,563
Stock-based compensation	-	-	296,127	-	-	-	296,127
Foreign currency translation adjustment	-	-	-	-	(984,896)	-	(984,896)
Loss for the year	-	-	-	-	-	(7,156,033)	(7,156,033)
Balance, December 31, 2011	150,678,713	86,479,995	1,449,168	(1,264,194)	(3,422,332)	(56,062,199)	27,180,438
Private placements	13,679,624	790,508	-	-	-	-	790,508
Stock-based compensation	-	-	331,794	-	-	-	331,794
Shares issued for mineral properties	1,000,000	40,205	-	-	-	-	40,205
Issue of convertible debenture warrants	-	-	252,756	-	-	-	252,756
Foreign currency translation adjustment	-	-	-	-	577,664	-	577,664
Loss for the year	-	-	-	-	-	(4,965,297)	(4,965,297)
Balance, December 31, 2012	165,358,337	87,310,708	2,033,718	(1,264,194)	(2,844,668)	(61,027,496)	24,208,068
Stock-based compensation	-	-	74,609	-	-	-	74,609
Foreign currency translation adjustment on disposal of Springer Mining Company	-	-	-	-	1,991,268	-	1,991,268
Loss for the year	-	-	-	-	-	(25,690,599)	(25,690,599)
Balance, December 31, 2013	165,358,337	87,310,708	2,108,327	(1,264,194)	(853,400)	(86,718,095)	583,346
Private placement	8,533,260	192,000	-	-	-	-	192,000
Stock-based compensation	-	-	1,166	-	-	-	1,166
Loss for the period	-	-	-	-	-	(271,804)	(271,804)
Balance, March 31, 2014	173,891,597	87,502,708	2,109,493	(1,264,194)	(853,400)	(86,989,899)	504,708

The accompanying notes are an integral part of these condensed consolidated financial statement

1. NATURE AND CONTINUANCE OF OPERATIONS

EMC Metals Corp. (the "Company") is incorporated under the laws of the Province of British Columbia. The Company is focused on specialty metals exploration and production and has recently acquired various metallurgical technologies and licenses that it is utilizing to gain access to a number of specialty metals opportunities. The Company's principal properties are located in Australia and Norway.

The Company's principal asset was the Springer Tungsten mine and mill, held by the Springer Mining Company. On September 13, 2013, the Company signed a binding Letter Of Intent ("LOI") to sell 100% of the Springer Mining Company entity, its assets and mineral and water rights to Americas Bullion Royalty Corp. ("AMB"), for \$5 million cash. The transaction was finalized on December 31, 2013.

At the signing of the LOI, AMB paid \$3.1 million directly to the existing convertible debt holder to retire a maturing debt plus accumulated interest.

- Cash paid by AMB to the convertible debt holder paid the debt in full and released the security interest in the Springer property and assets,
- The cash advanced by AMB formed a new loan, with AMB as lender, as at September 13, 2013,
- The new loan carries a zero interest rate, and
- AMB agreed to additionally fund all Springer property carrying costs until the final payment and closing date.

The sale also included the transfer of interests in the Company's Carlin Vanadium property mineral assets and the Copper King property tungsten assets in Nevada to AMB, along with Springer Tungsten.

One of EMC's directors is also a director of the company that purchased Springer. The common director recused himself from director level voting on all board level decisions related to the sale.

With the completion of the sale of the Tungsten asset, the Company's focus is on the exploration and evaluation of its specialty metals assets, specifically the Nyngan scandium deposit located in New South Wales, Australia and the Tørdal scandium/rare earth minerals deposit in Norway. The Company is an exploration stage company and anticipates incurring significant additional expenditures prior to production at any and all of its properties.

These consolidated financial statements have been prepared on a going concern basis that contemplates the realization of assets and discharge of liabilities at their carrying values in the normal course of business for the foreseeable future. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company currently earns no operating revenues and will require additional capital in order to advance both the Nyngan and Tørdal properties. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing and maintaining continued support from its shareholders and creditors. These are material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

2. BASIS OF PRESENTATION

Basis of presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). The interim condensed consolidated financial statements include the consolidated accounts of EMC Metals Corp. (the "Company") and its wholly-owned subsidiaries with all significant intercompany transactions eliminated. In the opinion of management, all adjustments necessary for a fair statement of the consolidated financial position, results of operations and cash flows for the interim periods have been made. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such SEC rules and regulations. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2013 and with our Annual Report on Form 10-K filed with the SEC on March 25, 2014. Operating results for the three-month period ended March 31, 2014 may not necessarily be indicative of the results for the year ending December 31, 2014.

Change in functional and presentation currency

The Company's expenses and overheads are now primarily being incurred in United States Dollars ("USD") and it is anticipated that cash flows will continue to be primarily in USD. Accordingly the Company determined that effective January 1, 2013, the functional currency of the Company would change from the Canadian Dollar to the USD for the parent company and its wholly owned subsidiaries.

2. BASIS OF PRESENTATION (cont'd...)

Use of estimates

The preparation of interim condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the deferred income tax asset valuations, asset impairment, stock-based compensation and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between estimates and the actual results, future results of operations will be affected.

Fair value of financial assets and liabilities

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

Financial instruments, including receivables, accounts payable and accrued liabilities, convertible debentures and promissory notes payable are carried at amortized cost, which management believes approximates fair value due to the short term nature of these instruments.

The following table presents information about the assets that are measured at fair value on a recurring basis as at March 31, 2014, and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and included situations where there is little, if any, market activity for the asset:

	March 31, 2014	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and restricted cash	\$ 378,091	\$ 378,091	\$ —	\$ —
Total	\$ 378,091	\$ 378,091	\$ —	\$ —

The fair values of cash and restricted cash are determined through market, observable and corroborated sources.

Recently Adopted Accounting Policies

Accounting Standards Update 2013-05 - Foreign Currency Matters (Topic 830) - Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity. This standard provides guidance with respect to the treatment of the cumulative translation adjustment upon the sale of a foreign subsidiary whereby the cumulative translation adjustment associated with that subsidiary are taken into net income of the parent company.

Accounting Standards Update 2013-11 - Income Taxes (Topic 740) - Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carry forward, a Similar Tax Loss, or a Tax Credit Carry forward Exists. This accounting standard deals with the treatment of tax loss carry forwards. The Company has reviewed this standard and has determined that it has little impact on the presentation of its financial statements.

2. BASIS OF PRESENTATION (cont'd...)

Recent Accounting Pronouncements

Accounting Standards Update 2014-08 - Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. This accounting pronouncement provides guidance on the treatment of Property, Plant and Equipment plus the reporting of discontinued operations and disclosure of disposals of components of an entity. The policy is effective December 15, 2014. The Company is evaluating this guidance and believes it will have little impact on the presentation of its financial statements.

3. RESTRICTED CASH

The Company has a Bank of Montreal letter of credit of up to C\$159,400 as a security deposit related to a Vancouver office lease obligation. The letter of credit is secured by a short-term cash investment of C\$159,400 with the bank bearing interest at prime less 2.05% maturing on May 8, 2014. The office lease expires on June 30, 2014.

4. DISCONTINUED OPERATIONS

During fiscal 2013, the Company identified a buyer for its tungsten properties and related plant and mill held by its subsidiary, Springer Mining Company ("Springer") and on December 31, 2013 sold the Springer subsidiary for \$5 million (Note 1). Springer was actively involved in the evaluation and re-start of the Company's tungsten property, located in Pershing County, Nevada. Going forward, the Company has no further assets located in the US or continuing involvement with Springer.

A comparison of the Net Loss results from discontinued operations for Q1 of 2013 and 2014 is as follows:

	Quarter ended March 31, 2014	Quarter ended March 31, 2013
EXPENSES		
Amortization	\$ -	\$ 4,852
Consulting	-	9,615
General and administrative	-	36,012
Insurance	-	11,974
Professional fees	-	237
Salaries and benefits	-	104,177
Travel and entertainment	-	1,853
OTHER ITEMS		
Interest expense	-	56,250
Other income	-	(117,182)
Net loss from discontinued operations	\$ -	\$ (107,788)

	Quarter ended March 31, 2014	Quarter ended March 31, 2013
Cash flows from discontinued operations		
Net cash used in (from) operating activities	\$ -	\$ (1,789)
Net cash used in (from) investing activities	-	-
Net cash used in (from) financing activities	-	-
Net cash used in (from) discontinued operations	\$ -	\$ (1,789)
Non-cash transactions from discontinued operations	\$ -	\$ -

5. PROPERTY, PLANT AND EQUIPMENT

2014 Continuing Operations

	December 31, 2013 Net Book Value	Additions (disposals) (write-offs)	Amortization	March 31, 2014 Net Book Value
Computer equipment	\$ 2,375	\$ -	\$ (169)	\$ 2,206
Office equipment	7,903	-	(789)	7,114
Property, plant and equipment	\$ 10,278	\$ -	\$ (958)	\$ 9,320

2013 Continuing Operations

	December 31, 2012 Net Book Value	Additions (disposals) (write-offs)	Amortization	March 31, 2013 Net Book Value
Computer equipment	\$ 3,402	\$ -	\$ (286)	\$ 3,116
Office equipment	11,058	-	(789)	10,269
Property, plant and equipment	\$ 14,460	\$ -	\$ (1,075)	\$ 13,385

2013 Discontinued Operations

	December 31, 2012 Net Book Value	Additions (disposals) (write-offs)	Amortization	March 31, 2013 Net Book Value
Land and water rights	\$ 4,252,146	\$ (4,252,146)	\$ -	\$ -
Plant and equipment	25,749,852	(25,749,852)	-	-
Buildings	165,959	(163,235)	(2,724)	-
Automobiles	11,262	(9,134)	(2,128)	-
Property, plant and equipment	\$ 30,179,219	\$ (30,174,367)	\$ (4,852)	\$ -

Land and water rights are in respect of properties in Nevada. The plant and equipment is comprised of the Springer Plant and Mill in Nevada which was sold to AMB as part of the binding LOI signed September 13, 2013.

6. MINERAL INTERESTS

March 31, 2014	Scandium and other	Tungsten	Total
Acquisition costs, continuing operations			
Balance, March 31, 2014 and December 31, 2013	\$ 1,613,203	\$ -	\$ 1,613,203
December 31, 2013			
Acquisition costs, continuing operations			
Balance, December 31, 2012	\$ 554,719	\$ -	\$ 554,719
Additions	1,108,484	-	1,108,484
Write-off	(50,000)	-	(50,000)
Balance, December 31, 2013	\$ 1,613,203	\$ -	\$ 1,613,203
Acquisition costs, discontinued operations			
Balance, December 31, 2012	\$ -	\$ 198,463	\$ 198,463
Disposal	-	(198,463)	(198,463)
Balance, December 31, 2013	\$ -	\$ -	\$ -

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral

6. MINERAL INTERESTS (contd...)

property interests. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its properties is in good standing.

SCANDIUM PROPERTIES

Nyngan, New South Wales Property

On February 5, 2010, the Company entered in to an earn-in agreement with Jervois Mining Limited ("Jervois"), whereby it would acquire a 50% interest in the Nyngan Scandium property (the "Nyngan Project") located in New South Wales, Australia. The JV Agreement, as amended, gave the Company the right to earn a 50% interest in a joint venture with Jervois, for the purpose of holding and developing the Nyngan Project. On June 22, 2012, the Company received notice of a lawsuit filed against the Company with regard to the achievement of certain milestones required under the JV Agreement. On February 6, 2013, the Company announced agreement of an out of court settlement to the dispute with Jervois. The terms of the settlement transferred 100% ownership and control of the Nyngan Project to the Company, in return for AUD\$2.6 million cash payments and a percentage royalty payable to Jervois on sales of product from the project. A total of \$1,108,484 (AUD\$1.2 million) was paid in June 2013 as part of the settlement. A total of AUD\$1.4 million is due June 30, 2014.

Tørdal and Evje-Iveland properties, Norway

During fiscal 2012 the Company entered into an option agreement with REE Mining AS ("REE") to earn up to a 100% interest in the Tørdal and Evje-Iveland properties pursuant to which the Company paid \$130,000 and issued 1,000,000 common shares valued at \$40,000. To earn its interest, the original agreement required the Company to pay REE an additional \$500,000, incur \$250,000 of exploration work and issue 250,000 common shares upon releasing the second of two full feasibility studies on the two properties. The Company subsequently renegotiated the payments required to earn the interest and the Evje-Iveland property was removed from the option agreement. Pursuant to the amendment, the Company earned a 100% interest in the Tørdal property by paying an additional \$35,000 and granting a 1% Net Smelter Return ("NSR") payable to REE.

Hogtuva property, Norway

During fiscal 2011 the Company entered into an option agreement with REE to earn a 100% interest in three scandium and beryllium exploration sites in Norway pursuant to which the Company paid \$50,000. To earn its interest, the original agreement required the Company to pay REE an additional \$100,000 and issue up to 200,000 common shares. During fiscal 2013, the Company renegotiated the payments required to earn the interest and removed two of the exploration sites from the agreement.

Pursuant to the amendment, the Company earned a 100% interest in the Hogtuva property in consideration for the \$50,000 original payment and the grant of a 1% NSR payable to REE. In early fiscal 2014 a decision was made by the Company not to renew its interest in the Hogtuva property and \$50,000 in acquisition costs were written off during the year ended December 31, 2013.

TUNGSTEN PROPERTY

Springer Property

On November 21, 2006, the Company acquired all outstanding and issued shares of Springer Mining Company ("Springer"). Included in the assets of Springer and allocated to property, plant and equipment (Note 5) are the Springer Mine and Mill located in Pershing County, Nevada. The Company agreed to sell Springer Mining Company on September 13, 2013 (see Note 1), for \$5 million, along with the Copper King Tungsten property and the Carlin Vanadium property. The transaction was completed and fully funded on December 31, 2013.

7. RELATED PARTY TRANSACTIONS

Accounts payable on March 31, 2014 included \$97,000 owed to related parties. Accounts payable on December 31, 2013 included \$170,000 owed to related parties.

A total of \$350,000 from the loan financing completed on February 22, 2013, \$579,875 from the loan financing completed on June 24, 2013 and all of the \$100,000 financing completed on August 27, 2013, were funded from a combination of Directors, insiders, and independent shareholders. The Company has paid \$78,500 in interest to related parties relating to these loans.

The \$100,000 loan financing completed in 2013 was from directors and officers. The loan was repaid in full in 2013.

The loan financing completed on February 22, 2013, of which \$350,000 was contributed from directors and officers was repaid in the three months ending March 31, 2014.

Of the \$30,000 interest expensed in the three months, \$14,375 was payable to a director of the Company.

During the three months ended March 31, 2013, the Company accrued a consulting fee of \$25,500 for one of its directors. There were no such expenses incurred during the three month period ended March 31, 2014.

8. CONVERTIBLE DEBENTURES

On February 22, 2013, the Company completed a \$650,000 loan financing consisting of convertible debentures. The convertible debenture had a maturity date of February 22, 2014 and bore interest at 10% per annum. The lenders had the option to convert the loan into 13,000,000 common shares of the Company. There was no beneficial conversion feature associated with the conversion option. The loan was secured by an interest in the assets of the Company's wholly owned subsidiary, Wolfram Jack Mining Corp. and the Company's interest in the Høgtuva and Tørdal properties in Norway. This financing was repaid in full in February 2014.

On February 17, 2012, the Company completed a \$3,000,000 loan financing consisting of a term loan of \$1,000,000 (Note 9), a convertible debenture of \$2,000,000 and warrants to acquire 3,000,000 common shares. The convertible debenture had a maturity date of August 15, 2013 and bore interest at 7% per annum. The lender had the option to convert a maximum of \$2,000,000 of the principal amount of the loan into 10,000,000 common shares of the Company. The loan was secured by an interest in the assets of the Company's subsidiary, Springer Mining Company. There was no beneficial conversion feature associated with the conversion option. The warrants were exercisable at C\$0.20 per share expiring February 15, 2014. A relative fair value of \$217,267 was assigned to the warrants and recorded in additional paid in capital. The Company paid financing costs of \$249,827 and also issued 750,000 purchase warrants exercisable at C\$0.20 per share expiring February 15, 2014. These warrants were valued at \$58,716 with a volatility of 120%, expected life of 2 years, risk free rate of 1.0% and expected dividend yield of 0.0% and recorded in additional paid in capital. The financing costs were allocated between debt and the equity components. This resulted in a convertible debenture carrying amount of \$1,663,681 upon deducting a debt discount of \$336,319 from the principal balance of \$2,000,000. During fiscal 2013, the Company recognized \$138,627 in accretion through interest expense. During fiscal 2012, the Company recognized \$197,692 in accretion through interest expense. This financing was repaid in full on September 13, 2013.

9. PROMISSORY NOTES PAYABLE

	March 31, 2014	December 31, 2013
<u>Promissory Note related to discontinued operations</u>		
Promissory note with a principal balance of \$3,750,000, bearing interest at 6% per annum, maturing July 3, 2013 and secured by land and water rights.		
During fiscal 2008 the Company entered into a promissory note for \$6,750,000 as consideration for the acquisition of land and water rights. The Company subsequently made principal payments of \$3,000,000 consisting of a cash payment of \$1,000,000 and 4,728,000 units of the Company equity valued at \$2,000,000. Each unit consisted of one common share and one-half share purchase warrant exercisable at C\$0.75 each and exercisable for a period of two years. The note was secured by a First Deed of Trust on the Cosgrave property land and water rights.		
In June 2013 the Company returned, to the note holder, the Cosgrave Ranch for the value of the promissory note thereby extinguishing this debt. (Note 5)	\$ Nil	\$ Nil
<u>Promissory Notes related to continuing operations</u>		
During the year ended December 31, 2012 the Company completed a \$3,000,000 loan financing which included a \$1,000,000 note payable bearing interest at 7% per annum maturing August 15, 2013. Presented is this principal balance, less financing and costs, which are amortized over the term of the debt using the effective interest method. This resulted in a carrying amount of \$831,841 upon deducting a debt discount of \$168,159 from the principal balance of \$1,000,000. During fiscal 2013, the Company recognized \$69,313 in accretion through interest expense. During fiscal 2012, the Company recognized \$98,847 in accretion through interest expense. The note payable is secured by an interest in the assets of the Company's subsidiary, Springer Mining Company. This financing was repaid in full on September 13, 2013.	\$ Nil	\$ Nil
On June 24, 2013 the Company completed a \$1,204,875 financing consisting of a series of insider and non-insider loans. The loans have a maturity date in June 2014 and bear interest at 10% per annum. The loans are secured by the ownership interest the Company has or earns in the Nyngan Scandium Project. As an inducement to enter into this loan, the lenders received a royalty of 0.2% of average scandium sales value, produced from the Nyngan property, on the first 100 tonnes of scandium oxide product produced and sold. The royalty is capped at \$370,000 and EMC retains a right to buy back the royalty from the lenders or their assigns for \$325,000 at any time up to the commencement of first production, or three years from loan date, whichever occurs first.	1,204,875	1,204,875
Less current portion	(1,204,875)	(1,204,875)
	\$ Nil	\$ Nil

10. CAPITAL STOCK AND ADDITIONAL PAID IN CAPITAL

On March 25, 2014, the Company issued 8,533,260 common shares at a value of C\$0.025 per common share for total proceeds of \$192,000.

On December 20, 2012, the Company issued 1,000,000 common shares at a value of \$40,205 for the Tørdal and Høgtuva projects in Norway.

On December 16, 2012, the Company issued 2,000,000 common shares at a value of C\$0.05 per common share for total proceeds of C\$100,000.

On July 24, 2012, the Company issued 11,679,624 common shares at a value of C\$0.06 per common share for total proceeds of C\$700,777.

On December 3, 2010, the Company issued 18,929,740 common shares at a value of C\$0.19 per common share for total proceeds of C\$3,596,651. A total of C\$210,249 was received during fiscal 2011.

On November 25, 2010, the Company issued 6,100,000 units at a value of C\$0.10 per unit for total proceeds of C\$610,000. Each unit consisted of one common share and one-half of one share purchase warrant exercisable at C\$0.18 expiring on November 25,

2011. The warrants have a calculated total fair value of C\$142,358 using the Black-Scholes pricing model with a volatility of 142.52%, risk-free rate of 1.73%, expected life of 1 year, and a dividend rate of 0%.

On June 30, 2010, the Company issued 2,947,702 units at a value of C\$0.10 per unit for total proceeds of C\$294,770. Each unit consisted of one common share and one-half of one share purchase warrant exercisable at C\$0.18 until June 30, 2011. The warrants have a calculated total fair value of C\$35,638 using the Black-Scholes pricing model with a volatility of 123.84%, risk-free rate of 1.39%, expected life of 1 year, and a dividend rate of 0%.

On February 17, 2010, the Company issued 2,275,000 units at a value of C\$0.20 per unit for total proceeds of C\$455,000. Each unit consisted of one common share and one-half of one share purchase warrant exercisable at C\$0.25 until February 17, 2011. The warrants have a calculated total fair value of C\$78,113 using the Black-Scholes pricing model with a volatility of 131.19%, risk-free rate of 1.34%, expected life of 1 year, and a dividend rate of 0%. All of the warrants were exercised during fiscal 2011.

On November 17, 2009, the Company issued 13,000,000 units at a value of C\$0.08 per unit for total proceeds of C\$1,040,000. Each unit consisted of one common share and one-half of one share purchase warrant. Each full warrant entitled the holder to purchase an additional share at C\$0.15 per share until November 17, 2010.

On October 13, 2009, the Company issued 500,000 common shares at a value of C\$45,000 for the Fostung Tungsten project.

On August 27, 2009, the Company issued 1,500,000 units at a value of C\$0.10 per unit, pursuant to a non-brokered private placement for proceeds of C\$150,000. Each unit consisted of one common share and one-half of one share purchase warrant. Each full warrant entitled the holder to purchase an additional share at C\$0.15 per share until August 27, 2010.

On May 13, 2009, the Company issued 89,254 common shares at a value of C\$0.12 per share to a consultant for settlement of consulting fees for Fury Explorations Ltd. ("Fury"), a subsidiary of GPD, under the plan of Arrangement of spin-out. On April 21, 2009, the Company issued 51,859 common shares at a value of C\$0.10 per share for the Platte River property.

On January 21, 2009, the Company issued 66,784 common shares at a value of C\$0.20 per share for the Guijoso property for Fury.

On January 6, 2009, the Company issued 2,147,000 common shares at a value of \$250,000 for the Adelaide and Tuscarora projects for Golden Predator Mines US Inc., a wholly owned subsidiary of the Company prior to the spin out.

On November 17, 2008, the Company issued 76,274 common shares in connection with the acquisition of the subsidiary, Great American Minerals Inc.

On October 18, 2008, the Company issued 4,728,000 units to Cosgrave for repayment of a promissory note at a value of \$2,000,000. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant with a two year life and exercisable at C\$0.75.

In July 2008, the Company completed a private placement consisting of 2,500,000 common shares at C\$2.00 per share for proceeds of C\$5,000,000. In connection with this private placement the Company paid a finder's fee of \$250,000.

In January 2008, the Company completed a private placement consisting of 2,822,500 units at C\$2.00 per unit for gross proceeds of C\$5,645,000. Included in the proceeds was C\$3,620,000 received in advance as of December 31, 2007. Each unit consisted of one common share and one half of one share purchase warrant. Each whole warrant entitled the holder to acquire one additional common share at C\$3.00 for a period of 12 months.

10. **CAPITAL STOCK AND ADDITIONAL PAID IN CAPITAL (cont'd...)**

In November 2007, the Company completed private placements consisting of 17,577,500 units at C\$2.00 per unit for proceeds of C\$35,155,000. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitled the holder to acquire one additional common share at C\$3.00 for a period of 12 months following the closing of the placement.

In December 2007, the Company issued 5,390,000 common shares pursuant to the conversion of special warrants. The Company paid C\$1,016,074 and issued 100,000 common shares valued at C\$100,000 as issuance costs and finder's fees. The Company also granted warrants to acquire 300,000 common shares exercisable at C\$1.50 expiring September 22, 2008. The warrants were valued at C\$99,000 with the Black-Scholes option pricing model using an expected volatility of 115%, life of one year, a risk free interest rate of 4% and a dividend yield of 0%.

In December 2006, the Company issued 5,000,000 common shares at C\$0.70 per common share for gross proceeds of C\$3,500,000.

Stock Options and Warrants

The Company established a stock option plan (the "Plan") under which it is authorized to grant options to executive officers and directors, employees and consultants and the number of options granted under the Plan shall not exceed 15% of the shares outstanding. Under the Plan, the exercise period of the options may not exceed five years from the date of grant and vesting is determined by the Board of Directors.

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted average exercise price in Canadian \$	Number	Weighted average exercise price in Canadian \$
Outstanding, December 31, 2012	3,750,000	\$ 0.20	13,546,250	\$ 0.14
Granted	-	-	2,100,000	0.07
Cancelled	-	-	(1,477,500)	0.34
Exercised	-	-	-	-
Outstanding, December 31, 2013	3,750,000	0.20	14,168,750	0.12
Granted	-	-	-	-
Cancelled	(3,750,000)	0.20	(1,070,000)	0.20
Exercised	-	-	-	-
Outstanding, March 31, 2014	-	\$ -	13,098,750	\$ 0.11
Number currently exercisable	-	\$ -	12,951,750	\$ 0.11

As at March 31, 2014, incentive stock options were outstanding as follows:

	Number of options	Exercise Price in Canadian \$	Expiry Date
Options	1,020,000	0.160	June 16, 2014
	225,000	0.120	August 27, 2014
	200,000	0.105	December 16, 2014
	568,750	0.250	January 4, 2015
	500,000	0.050	May 9, 2015
	4,800,000	0.100	November 5, 2015
	250,000	0.315	May 4, 2016
	500,000	0.250	May 16, 2016
	300,000	0.155	September 15, 2016
	2,335,000	0.080	April 24, 2017
	1,400,000	0.070	August 8, 2017
	1,000,000	0.100	May 9, 2018
	13,098,750		

10. CAPITAL STOCK AND ADDITIONAL PAID IN CAPITAL (cont'd...)

As at March 31, 2014, there were no warrants outstanding.

Stock-based compensation

During the three months ended March 31, 2014, the Company recognized stock-based compensation of \$1,166 (March 31, 2013 - \$21,032) in the statement of operations as a result of incentive stock options granted and vested in the current period. There were no stock options issued during the three months ended March 31, 2014 (March 31, 2013 – 600,000).

The weighted average fair value of the options granted in the period was C\$Nil (2013 - C\$0.08).

The fair value of all compensatory options and warrants granted is estimated on grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

	2014	2013
Risk-free interest rate	N/A	0.40%
Expected life	N/A	5 years
Volatility	N/A	143.82%
Forfeiture rate	N/A	0.00%
Dividend rate	N/A	0.00%

11. TREASURY STOCK

	Number	Amount
Treasury shares, March 31, 2014 and December 31 2013	1,033,333	\$ 1,264,194
	1,033,333	\$ 1,264,194

Treasury shares comprise shares of the Company which cannot be sold without the prior approval of the TSX.

12. SEGMENTED INFORMATION

The Company's mineral properties are located in Norway and Australia. The Company's capital assets' geographic information is as follows:

March 31, 2014	Norway	Australia	United States	Total
Property, plant and equipment	\$ -	\$ -	\$ 9,320	\$ 9,320
Mineral interests	203,181	1,410,022	-	1,613,203
	\$ 203,181	\$ 1,410,022	\$ 9,320	\$ 1,622,523
December 31, 2013	Norway	Australia	United States	Total
Property, plant and equipment	\$ -	\$ -	\$ 10,278	\$ 10,278
Mineral interests	203,181	1,410,022	-	1,613,203
	\$ 203,181	\$ 1,410,022	\$ 10,278	\$ 1,623,481

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2014	2013
Cash paid during the three months for interest	\$ 30,000	\$ 56,250
Cash paid during the three months for income taxes	\$ -	\$ -

There were no significant non-cash transactions in either of the three month periods ending March 31, 2014 and March 31, 2013.

14. SUBSEQUENT EVENTS

Subsequent to March 31, 2014, the Company issued a second tranche of financing of 4,122,150 shares at C\$0.025.