



Unaudited Condensed Consolidated Restated  
Interim Financial Statements  
As at September 30, 2014  
(expressed in Canadian dollars)

The attached financial statements have been prepared by Management of Matamec Explorations Inc. and have not been reviewed by the auditor.

# MATAMEC EXPLORATIONS INC.

Condensed Consolidated Interim Statements of Financial Position restated  
(unaudited)

(In Canadian dollars)

	Notes	September 30, 2014	December 31, 2013
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		-	783,400
Short-term deposit, rate of 0,9%, maturing on November 2014		10,005	100,259
Sales taxes recoverable		12,511	147,329
Tax credits recoverable	5	775,180	1,397,897
Other receivables		35,349	25,726
Prepaid expenses		22,634	22,870
		<b>855,679</b>	<b>2,477,481</b>
<b>Non-current assets</b>			
Non-current portion of tax credits recoverable	5	845,047	105,546
Investment in shares of a private company		1	1
Available-for-sale financial assets (cost: \$31,700)	6	-	23,000
Property and equipment	7	167,185	182,260
Exploration and evaluation assets	8	10,978,193	10,135,612
		<b>11,990,426</b>	<b>10,446,419</b>
<b>Total assets</b>		<b>12,846,105</b>	<b>12,923,900</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Bank overdraft		2,290	-
Credit margin		95,535	-
Accounts payable and accrued liabilities	9	2,330,288	1,166,098
Current portion of long term liability	10	35,000	-
Deposit on sale of interest in a property		-	22,500
		<b>2,463,113</b>	<b>1,188,598</b>
<b>Non-current liabilities</b>			
Long term liability	10	70,000	-
Deferred income taxes		2,488,000	2,312,000
<b>Total liabilities</b>		<b>5,021,113</b>	<b>3,500,598</b>
<b>Equity attributable to Matamec Explorations Inc.'s shareholders</b>			
Share capital		23,256,671	23,256,671
Contributed surplus		4,836,237	4,795,828
Accumulated other comprehensive income		32,560	(8,700)
Deficit		(20,300,476)	(18,620,497)
<b>Total equity</b>		<b>7,824,992</b>	<b>9,423,302</b>
<b>Total liabilities and equity</b>		<b>12,846,105</b>	<b>12,923,900</b>

ON BEHALF OF THE BOARD OF DIRECTORS  
(signed) André Gauthier, Director

(signed) Marcel Bergeron, Director

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

# MATAMEC EXPLORATIONS INC.

Condensed Consolidated Interim Statements of Profit and Loss restated  
(unaudited)

(In Canadian dollars, except number of shares)

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
	\$	\$	\$	\$
<b>Administrative expenses</b>				
Salaries and fringe benefits	51,143	210,977	214,523	498,830
Rent and office expenses	23,865	215	89,611	85,060
Consulting fees	40,630	1,125	182,923	55,625
Stock-based compensation	17,213	186,669	40,409	186,669
Trustees and registration fees	3,027	32,921	19,801	48,327
Shareholders' reports	26,126	18,235	43,796	59,913
Professional fees	84,129	147,693	404,297	474,138
Insurance, taxes and licenses	4,362	4,545	15,644	13,473
Travelling and entertainment expenses	9,875	58,664	85,363	303,047
Telecommunications	8,745	4,016	19,725	20,092
Amortization of property and equipment	4,149	4,919	12,447	14,735
Write-off of exploration and evaluation assets	204,912	-	369,692	-
	<b>478,176</b>	<b>669,979</b>	<b>1,498,231</b>	<b>1,759,909</b>
<b>Operating loss</b>	<b>478,176</b>	<b>669,979</b>	<b>1,498,231</b>	<b>1,759,909</b>
<b>Financial revenues</b>				
Interest income	(25,093)	(14,622)	(28,070)	(35,266)
Financing fees, interest and bank charges	11,176	337	33,818	1,523
	(13,917)	(14,285)	5,748	(33,743)
<b>Loss before income taxes</b>	<b>464,259</b>	<b>655,694</b>	<b>1,503,979</b>	<b>1,726,166</b>
Deferred Income tax expenses	182,000	406,591	176,000	243,948
<b>Net loss</b>	<b>646,259</b>	<b>1,062,285</b>	<b>1,679,979</b>	<b>1,970,114</b>
<b>Net loss per share, basic and diluted</b>	0.005	0.009	0.014	0.016
<b>Weighted-average number of common shares outstanding basic and diluted (in thousands)</b>	120,300	120,300	120,300	120,300

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

# MATAMEC EXPLORATIONS INC.

## Condensed Consolidated Interim Statements of Comprehensive Income Restated

(unaudited)

(In Canadian dollars)

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
	\$	\$	\$	\$
Net loss for the year	646,259	1,062,285	1,679,979	1,970,114
Available for sale financial assets:				
Gain (loss) on change in fair value of available for sale financial assets	(10,000)	(15,000)	(23,000)	(10,000)
Gain on sales of available for sale financial assets	(18,260)	-	(18,260)	-
Other comprehensive loss, net of income taxes	(28,260)	(15,000)	(41,260)	(10,000)
<b>Total comprehensive gain for the year attributable to Matamec Explorations Inc. shareholders</b>	<b>617,999</b>	<b>1,047,285</b>	<b>1,638,719</b>	<b>1,960,114</b>

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

# MATAMEC EXPLORATIONS INC.

## Condensed Consolidated Interim Statements of Changes and Equity Restated (unaudited)

(In Canadian dollars, except number of shares)

	Number of common shares outstanding	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive income	Deficit	Total of equity attributable to Matamec shareholders
	#	\$	\$	\$	\$	\$	\$
<b>Balance - January 1st, 2014 as previously stated</b>	120,300,186	23,256,671	-	4,795,828	(8,700)	(12,506,793)	<b>15,537,006</b>
Restatement						(6,113,704)	<b>(6,113,704)</b>
<b>Balance - January 1st, 2014 restated</b>	120,300,186	23,256,671	-	4,795,828	(8,700)	(18,620,497)	9,423,302
Net loss for the period	-	-	-	-	-	(1,679,979)	<b>(1,679,979)</b>
Other comprehensive income	-	-	-	-	41,260	-	<b>41,260</b>
Comprehensive income for the year	-	-	-	-	41,260	(1,679,979)	<b>(1,638,719)</b>
<b>Stock options</b>							
Share-based compensation	-	-	-	40,409	-	-	<b>40,409</b>
<b>Balance - September 30, 2014</b>	<b>120,300,186</b>	<b>23,256,671</b>	<b>-</b>	<b>4,836,237</b>	<b>32,560</b>	<b>(20,300,476)</b>	<b>7,824,992</b>
<b>Balance - January 1st, 2013 as previously stated</b>	120,300,186	23,256,671	-	4,590,366	800	(11,937,145)	<b>15,910,692</b>
Restatement						(3,982,372)	<b>(3,982,372)</b>
<b>Balance - January 1st, 2013 restated</b>	120,300,186	23,256,671	-	4,590,366	800	(15,919,517)	11,928,320
Net loss for the year	-	-	-	-	-	(1,970,114)	<b>(1,970,114)</b>
Other comprehensive income	-	-	-	-	10,000	-	<b>10,000</b>
Comprehensive income for the year	-	-	-	-	10,000	(1,970,114)	<b>(1,960,114)</b>
<b>Stock options</b>							
Share-based compensation	-	-	-	186,669	-	-	<b>186,669</b>
Property acquisition	-	-	-	-	-	-	
<b>Balance - September 30, 2013</b>	<b>120,300,186</b>	<b>23,256,671</b>	<b>-</b>	<b>4,777,035</b>	<b>10,800</b>	<b>(17,889,631)</b>	<b>10,154,875</b>

# MATAMEC EXPLORATIONS INC.

## Condensed Consolidated Interim Statements of Cash Flows Restated

(unaudited)

(In Canadian dollars)

	Notes	September 30, 2014	September 30, 2013
		\$	\$
<b>Operating activities</b>			
Net loss		(1,679,979)	(1,970,114)
Adjustment for :			
Share-based compensation		40,409	186,669
Amortization of property and equipment		12,447	14,735
Deferred income tax expense		176,000	403,000
Write-off of exploration and evaluation assets		369,692	-
		(1,081,431)	(1,365,710)
Change in non-cash working capital items	13	560,465	1,451,605
<b>Cash flows used in operating activities</b>		<b>(520,966)</b>	<b>85,895</b>
<b>Investing activities</b>			
Short-term deposit acquisition		(10,005)	-
Short-term deposit disposal		100,259	-
Government assistance received		-	2,000,000
Deposit on sale of interest in a property		-	(22,500)
Proceeds on disposal of available-for-sale financial assets		41,760	-
Exploration and evaluation assets		(597,273)	(954,418)
Property and equipment acquisition		-	(3,983)
<b>Cash flows used in investing activities</b>		<b>(465,259)</b>	<b>1,019,099</b>
<b>Financing activities</b>			
Long term liability		105,000	-
<b>Cash flows generated from financing activities</b>		<b>105,000</b>	<b>-</b>
<b>Increase (decrease) in cash and cash equivalent</b>		<b>(881,225)</b>	<b>1,104,994</b>
<b>Cash and cash equivalents – beginning of period</b>		<b>783,400</b>	<b>609,466</b>
<b>Cash and cash equivalents – end of period</b>		<b>(97,825)</b>	<b>1,714,460</b>

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

# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 1. Incorporation, nature of operations and going concern

The Company, incorporated under Part 1A of the Québec Companies Act, is a mining exploration business. Since February 14, 2011 the Company is regulated by the Business Corporation Act (Quebec). The Company's head office is located at 1010 Sherbrooke Street West, suite 700, Montreal (Quebec) Canada, H3A 2R7. Shares of the Company are traded on TSX Venture Exchange under the symbol "MAT" and OTC QX stock exchange under the symbol "IMREF". Matamec Explorations Inc. is the ultimate parent company of the group. It has not yet determined whether the mining properties contain economically recoverable ore reserves. The recoverability of the amounts shown for mining properties depends upon the existence of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to continue exploration work and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

The Company has not yet determined whether the mining properties and the deferred exploration and evaluation ("E&E") expenditures have economically recoverable ore reserves. Recovery of amounts indicated under mining properties, the deferred exploration and evaluation expenditures and the property and equipment are subject to the discovery of economically recoverable reserves, the Company's ability to obtain the financing required to complete exploration, evaluation, development, construction and profitable future production on its assets or the proceeds from the sale of such assets

These consolidated financial statements have been prepared using generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. In making its assessment, management is aware of material uncertainties related to events and conditions that lend a significant doubt on the Corporation's ability to continue as a going concern and, accordingly, of the appropriateness of the use of accounting principles applicable to a going concern, as described in the following paragraph. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

The Company recorded a net loss of \$1,679,979 for the nine-month period ended September 30th, 2014, and has an accumulated deficit of \$14,186,772 as at September 30th, 2014. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its obligations and existing commitments for exploration and evaluation programs and pay general and administration costs. As at September 30th, 2014, the company had a negative working capital of \$1,607,435. Management estimates that these funds will not be sufficient to meet the Company's obligations and budgeted expenditures through September 30th, 2015. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the issuance of new debt or equity instruments, expenditures reductions and/or the introduction of joint venture partners and/or business combinations. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these unaudited condensed interim financial statements.

If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these unaudited condensed interim financial statements.

The Company's financial year ends on December 31. These unaudited condensed interim financial statements restated were approved for issue by the Board of Directors on February 17, 2014.

## 2. Basis of preparation and significant accounting policies in effect

These unaudited condensed interim financial statements restated have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The financial statements should be read in conjunction with the Company's audited annual financial statements restated for the year ended December 31, 2013, which have been prepared in accordance with IFRS as issued by the IASB.

The accounting policies followed in these unaudited condensed interim financial statements restated are consistent with those of previous financial year, except as described below.

The significant accounting policies used in the preparation of the Company's unaudited condensed financial statements restated are described below.

### a) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments to their fair value (available-for-sale financial assets). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flows information.

### b) Basis of consolidation

#### Subsidiary

The consolidated financial statements include the accounts of Matamec Explorations Inc., and its wholly owned subsidiary Mabec Uranium Inc. The subsidiary is inactive. The reporting date of the annual information of the subsidiary is December 31.

The subsidiary is an entity controlled by the Company since it has the power to govern the subsidiary's financial and operating policies. The existence and effect of potential rights to vote that can actually be exercised or converted are taken into account to evaluate if the Company controls another entity. The subsidiary accounts are consolidated from the date the Company gets control and cease to be consolidated from the date the Company ceases to have that control. The subsidiary accounting policies are in compliance with the Company's policies.

#### Jointly controlled asset

Following the signature of the agreement between Matamec Explorations Inc and Toyotsu Rare Earth Canada on September 18th, 2014, Toyotsu Rare Earth Canada agreed to terminate the joint venture against a Net Profit Royalty on the property and an amount of \$280,141.75 payable within 90 days after the signature. This amount has been paid on November 18th, 2014.

#### Transactions eliminated on consolidation

Intercompany balances and transactions, including unrealized gains and losses arising from intercompany transactions, are eliminated in the preparation of the consolidated financial statements.

#### Changes in accounting policies

The Company has adopted IFRIC 21 provides guidance on accounting for levies in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. The adoption of IFRIC 21 did not require any adjustments as at January 1st, 2014.

# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 3. Judgments, estimates and assumption

Many of the amounts included in the financial statements require Management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on Management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the financial statements.

Management's opinions and estimates could have an appreciable impact on the amounts reported in the financial statements with respect to the following items, which have changed significantly since the audited annual financial statements for the year ended December 31, 2013:

### Impairment of non-financial assets

The Company's evaluation of the recoverable amount with respect to the non-financial assets is based on numerous assumptions and may differ significantly from actual values. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Company's control. This evaluation involves a comparison of the estimated recoverable amounts of non-financial assets to their carrying values.

The Company's fair value estimates are based on numerous assumptions. The recoverable amount estimates may differ from actual values and these differences may be significant and could have a material impact on the Company's financial position and result of operations. Assets are reviewed for an indication of impairment at each statement of financial position date and when there are indicators of impairment. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation ("E&E") expenditures in a specific area is neither budgeted nor planned; E&E of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale, significant negative industry or economic trends.

## 4. Restated financial statements

The financial statements of the company for the period ending on September 30, 2014 and the comparative figures for the period ending on September 30, 2013 and for the year ended December 31, 2013 and the comparative figures for the year ended December 31, 2012 have been restated to correct the accounting treatment of the taking of participation of Toyotsu Rare Earth Canada Inc. (« TRECan ») in the Kipawa property.

The initial accounting treatment of the transaction which resulted in a gain on disposal of exploration and evaluation assets in the consolidated statements of operations was reversed. In accordance with the most commonly used practices in the industry, the transaction is presented as a farm-out contract using the method proposed by the mining industry task Force on IFRS without regards to the legal form of the transaction.

According to this method :

- The Company uses the book value of its participation before the conclusion of the farmout agreement as the book value of the remaining participation
- The Company deducts the cash consideration received, if any, of the book value of the book value of the remaining participation, any surplus being recorded as profit in net results.
- The Company does not record the prospection expenses engaged made with the funds supplied by TRECan for the feasibility study.
- The impact on the financial statement is as follows :

	Balance as previously stated	Restatement increase (decrease)	Restated balance
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### Consolidated Statements of Cash Flows for the period ending on September 30, 2014

#### Operating Activities

Net loss	\$ (1,679,979)	\$ -	\$ (1,679,979)
Change in non-cash working capital items	\$ 555,524	\$ 4,941	\$ 560,465
<b>Total Operating activities</b>		<b>4,941</b>	
Increase (decrease) in cash and cash equivalents	\$ (886,166)	\$ 4,941	\$ (881,225)
Cash and cash equivalents - beginning of period	\$ 788,341	\$ (4,941)	\$ 783,400
Cash and cash equivalents - end of period	\$ (97,825)	\$ -	\$ (97,825)



# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 4. Restated financial statements (cont'd)

	Balance as previously stated	Restatement increase (decrease)	Restated balance
<b>Consolidated Statements of Operations for the period ended September 30, 2013</b>			
<i>Revenues</i>			
Gain on disposal of exploration and evaluation assets	\$ 2,131,332	\$ (2,131,332)	\$ -
Net earnings (Loss) before income taxes	\$ 405,166	\$ (2,131,332)	\$ (1,726,166)
Net Loss	\$ 161,218	\$ (2,131,332)	\$ (1,970,114)
Net Loss per share, basic and diluted	0.0013		(0.016)
<b>Consolidated Statements of Comprehensive loss for the period ended September 30, 2013</b>			
Net earnings (Net loss) for the year	\$	\$ (1,970,114)	\$ (1,970,114)
Total of comprehensive loss attributable to Matamec Explorations Inc.'s shareholders	\$	\$ (1,960,114)	\$ (1,960,114)
<b>Flux de trésorerie pour pour la période terminée le 30 septembre 2013</b>			
<i>Operating activities</i>			
Net earnings (net loss)	\$ 161,218	\$ (2,131,332)	\$ (1,970,114)
Gain on disposal of exploration and evaluation assets	\$ (2,131,332)	\$ 2,131,332	\$ -
Change in non-cash working capital items	\$ 1,410,949	\$ 40,656	\$ 1,451,605
Total Operating activities		40,656	
<i>Investing activities</i>			
Proceeds on disposal of exploration and evaluation assets	\$ 7,500,817	\$ (7,500,817)	\$ -
Exploration and evaluation assets	\$ (9,397,679)	\$ 8,443,261	\$ (954,418)
Total Investing activities		942,444	
Increase (decrease) in cash and cash equivalents	\$ 121,894	\$ 983,100	\$ 1,104,994
Cash and cash equivalents - beginning of period	\$ 1,692,598	\$ (1,083,132)	\$ 609,466
Cash and cash equivalents - end of period	\$ 1,714,460	\$ -	\$ 1,714,460

## 5. Tax credits recoverable

	September 30, 2014	December 31, 2013
<b>Quebec refundable credit on mining duties at rate of 12%, 13.51%, 15% and 16%</b>		
Property Kipawa JV		
2012	340,622	306,427
2013	342,125	91,651
2014	14,982	-
	697,729	398,078
Other properties		
2012	55,985	55,985
2013	51,869	13,895
2014	439	-
	108,293	69,880
<b>Refundable credit for resources related to exploration at rates of 35% and 38.75%</b>		
Property Kipawa JV		
2012	-	325,078
2013	616,880	616,880
2014	100,843	-
	717,723	941,958
Other properties		
2013	93,527	93,527
2014	2,955	-
	96,482	93,527
Total	1,620,227	1,503,443
Less: Non-current portion of tax credits recoverable	(845,047)	(105,546)
<b>Current portion of tax credits recoverable</b>	<b>775,180</b>	<b>1,397,897</b>

# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 6. Available-for-sale financial assets

The Company owned 100,000 shares of Northern Superior Resources Inc. ("Northern"). During the quarter, the company has sold the shares for an amount of \$3,350.

On August 19, 2013, the Company has signed an agreement with Canada Strategic Metals. This Company can acquire a 50% undivided interest in Sakami property by issuing 2 million common shares and will spend \$2,250,000 in deferred exploration, left on 3 years. At the date of the agreement 500,000 shares were issued for a consideration of \$22,500. During the quarter, the company has sold the shares for an amount of \$38,410.

## 7. Property and equipment

	Buildings and land	Computer equipment	Office furniture	Exploration amenities and facilities	Total
Net book value					
As at January 01, 2014	128,493	59,313	49,842	70,775	308,423
Additions	-	-	-	-	0
As at September 30, 2014	128,493	59,313	49,842	70,775	308,423
Accumulated depreciation					
As at January 01, 2014	9,568	36,386	22,990	57,219	126,163
Depreciation	3,492	4,509	4,023	3,051	15,075
As at September 30, 2014	13,060	40,895	27,013	60,270	141,238
<b>Net book value as at September 30, 2014</b>	<b>115,433</b>	<b>18,418</b>	<b>22,829</b>	<b>10,505</b>	<b>167,185</b>
Net book value					
As at January 01, 2013	128,493	53,717	47,703	70,775	300,688
Additions	-	5,595	2,140	-	7,735
As at September 30, 2013	128,493	59,312	49,843	70,775	308,423
Accumulated depreciation					
As at January 01, 2013	4,719	29,078	16,143	51,409	101,349
Depreciation	2,424	2,568	4,422	2,904	12,318
As at September 30, 2013	7,143	31,646	20,565	54,313	113,667
<b>Net book value as at September 30, 2013</b>	<b>121,350</b>	<b>27,666</b>	<b>29,278</b>	<b>16,462</b>	<b>194,756</b>

# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 8. Deferred exploration

### Mining properties

	Interest	December 31, 2013	Additions	Disposal	Write off	September 30, 2014
Sakami	100%	112,610	-	-	-	112,610
Zeus	100%	54,234	-	-	(18,908)	35,326
Kipawa JV	100%	421,667	280,142	-	-	701,809
Tansim	100%	44,368	-	-	-	44,368
Valmont	100%	112,318	-	-	-	112,318
Vulcaín	100%	175,687	-	-	(7,332)	168,355
Matheson Pelangio	100%	27,141	-	-	-	27,141
Matheson JV	50%	1,581,454	-	-	-	1,581,454
		<b>2,529,479</b>	<b>280,142</b>	<b>-</b>	<b>(26,240)</b>	<b>2,783,381</b>

### Deferred exploration and evaluation expenditures

	December 31, 2013	Additions	Disposal	Tax credits	Write off	September 30, 2014
Sakami	2,206,869	7,356	-	(54)	-	2,214,171
Zeus	1,701,925	14,375	-	(35,879)	(190,591)	1,489,830
Kipawa JV	429,083	604,731	-	299,161	-	1,332,975
Tansim	227,317	-	-	(464)	(2,116)	224,737
Valmont	351,691	-	-	(4,971)	(4,828)	341,892
Vulcaín	1,512,030	-	-	-	(145,917)	1,366,113
Matheson Pelangio	304,971	-	-	-	-	304,971
Matheson JV	872,247	47,877	-	-	-	920,124
	<b>7,606,133</b>	<b>674,339</b>	<b>-</b>	<b>257,793</b>	<b>(343,452)</b>	<b>8,194,813</b>
<b>Total</b>	<b>10,135,612</b>	<b>954,481</b>	<b>-</b>	<b>257,793</b>	<b>(369,692)</b>	<b>10,978,194</b>

### Mining properties

	Interest	December 31, 2012	Additions	Disposal	Write off	September 30, 2013
Sakami	100%	114,701	-	-	-	114,701
Zeus	100%	52,468	-	-	-	52,468
Kipawa JV	75%	421,667	-	-	-	421,667
Tansim	100%	46,712	-	-	-	46,712
Valmont	100%	110,400	-	-	-	110,400
Vulcaín	100%	183,023	-	-	-	183,023
Matheson Pelangio	100%	27,141	-	-	-	27,141
Matheson JV	50%	1,581,454	-	-	-	1,581,454
		<b>2,537,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,537,566</b>

### Deferred exploration and evaluation expenditures

	December 31, 2012	Additions	Disposal	Tax credits	Write off	September 30, 2013
Sakami	2,216,093	16,399	-	(3,047)	-	2,229,445
Zeus	1,496,007	253,976	-	(98,005)	-	1,651,978
Kipawa JV	-	61,885	-	(61,885)	-	0
Tansim	226,772	47,615	-	(19,094)	-	255,293
Valmont	332,147	17,430	-	(6,966)	-	342,611
Vulcaín	1,510,341	13,615	-	(3,213)	-	1,520,743
Matheson Pelangio	304,971	-	-	-	-	304,971
Matheson JV	840,487	29,429	-	-	-	869,916
	<b>6,926,818</b>	<b>440,349</b>	<b>-</b>	<b>(192,210)</b>	<b>-</b>	<b>7,174,957</b>
<b>Total</b>	<b>9,464,384</b>	<b>440,349</b>	<b>-</b>	<b>(192,210)</b>	<b>-</b>	<b>9,712,523</b>

# MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

## 9. Financial instruments and risk management

The fair value of the investment in a private company cannot be determined since it does not trade on an active market.

The estimative fair value is established at the date of the consolidated statement of financial position using the relevant information available on the market and other information on financial instruments.

Above Company's financial instruments, classified as loans and receivables, have a fair value which approximates their carrying value due to their short-term maturity. The fair value of the investment in listed shares is based on market prices.

### Fair value hierarchy

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities: -Investment in shares of a listed company;
- Level two includes inputs that are observable other than quoted prices included in level one:- None;
- Level three includes inputs that are not based on observable market data.

Input level used by the Company to assess fair value is level one.

### Fair value

Fair value of financial instruments is presented as follow:

	September 30, 2014		December 31, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalent	-	-	783,400	783,400
Short-term deposit	10,005	10,005	100,259	100,259
Other receivables	35,349	35,349	25,726	25,726
Total	45,354	45,354	909,385	909,385
<b>Available-for-sale</b>				
Investment in share of a private company	1	1	1	1
Investment in shares of a listed company	-	-	23,000	23,000
	1	1	23,001	23,001
<b>Financial liabilities</b>				
Bank overdraft	2,290	2,290	-	-
Bank overdraft	95,535	-	-	-
Trade payable and accrued liabilities	2,330,288	2,330,288	1,166,098	1,166,098
	2,428,113	2,332,578	1,166,098	1,166,098

## 10. Credit Margin

The company has a credit margin with an authorised limit of \$100,000 at canadian variable rate which increases 1.5% a year ending on May 31st, 2015, secured by the building owned in Temiscaming.

## 11. Long term liability

The Company has signed an agreement with a supplier for the repayment of his debt of \$105,000. This agreement is without interest and payable by annual payment of \$35,000 ending on December 31st, 2016.

## 12. Commitments and contingencies

May 1st, 2013, the Company agreed to pay to its president, André Gauthier, compensation equivalent to four months 'pay plus two months' salary per year of service up to a maximum of 24 months in case of termination of employment subject to additional conditions. At September 30, 2014, the balance of the commitment is \$ 364,000 and \$ 60,667 representing four month salary included in accrued liabilities

## MATAMEC EXPLORATIONS INC.

Condensed Notes to the Interim Consolidated Financial Statements Restated

For the nine months period ended September 30, 2014 and 2013

(unaudited)

(In Canadian dollars)

### 13. Cash flow information

	Nine months period ended	
	September 30, 2014	September 30, 2013
	\$	\$
<b>Changes in non-cash working capital items</b>		
Decrease sales tax recoverable	134,818	398,189
Increase of other receivables	(9,623)	(56,563)
Decrease of prepaid expenses	236	(85,681)
Decrease of tax credits recoverable	(116,784)	1,625,064
Decrease (Increase) of accounts payable and accrued charges	551,818	(470,059)
	<u>560,465</u>	<u>1,410,949</u>

### 14. Subsequent events

On October 3, 2014, Ressources Québec subscribed to 16,666,666 common shares of the company at a price of \$0.06 per share. As a result of this investment, RQ held 12.17% of the common shares issued and outstanding of Matamec.

On January 26, 2015 concluded a joint venture agreement with Ressources Québec inc. Pursuant to the Agreement, Ressources Québec, acting as agent for the Québec government, has acquired a 28% undivided interest in the Kipawa property for a consideration of \$3 million paid into the joint account of the Joint Venture.