(FORMERLY MANTIS MINERAL CORP.)

(An Exploration Stage company)

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2014

AT NOVEMBER 26, 2014

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GONDWANA OIL CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

September 30, 2014

This Management's Discussion and Analysis ("MD&A") of Gondwana Oil Resources Corp. ("Gondwana" or the "Company") is dated November 26th, 2014, and provides an analysis of the Company's financial condition and performance as at and for the three and nine months ended September 30, 2014 as well as an analysis of future prospects. The Board of Directors carries out its responsibility for review of this disclosure principally through its audit committee, comprised of independent directors. The audit committee reviews this disclosure and recommends its approval to the Board of Directors.

This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2013, including the related note disclosure, as well as the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2014. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including the Company's Certifications of Annual and Interim Filings and press releases, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below under "Risk Factors". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

OVERALL PERFORMANCE

(1) Name Change

On November 6, 2014 the Company announced that Articles of Amendment under the Business Corporations Act were issued to reflect the Change of Name of the Company from "Gondwana Oil Corp." to "European Metals Corp." on September 18, 2014.

The name of the Company was changed to better reflect the ongoing operations of the Company, in particular, to reflect the option to acquire an 80% interest in the Berehaven Copper Mines located in the Allihies Mining District, County Cork, Ireland, for consideration of 300 million shares at a deemed price of $0.05 per common share in the Company and work commitments of $250,000 on or before February 1, 2015 and $2,000,000 on or before March 31, 2016.

The name change was authorized by the voting at its Annual General Meeting of its shareholders held on September 11, 2014 in Toronto, Ontario at which Gondwana received shareholder approval to change the name of the Company to European Metals Corp. To reflect the name change, the Company has obtained a new CUSIP number - 29880P108 and a new ISIN number - CA29880P1080 for its common shares and a new CUSIP number -29880P116 and a new ISIN number - CA29880P1163 for its warrants. The Company commenced trading under the new name on The Canadian Securities Exchange (the "CSE") with the new trading symbol "ECU" at the opening of trading on November 7, 2014. Since the approval from the CSE was finalized on November 7, 2014, the name change has not been reflected on the financial statements at September 30, 2014.

There is no change in the share capital of the Company, and shareholders are not required to exchange their existing share certificates for new certificates.

(2) Berehaven Copper Property

On August 1, 2014 the Company entered into a Letter of Intent to enter into an option agreement to acquire an 80% interest in the historically producing Berehaven Copper Mines located in the Allihies Mining District, County Cork, Ireland. Pursuant to the Letter of Intent, the Company was to acquire the interest from Westcork Copper Mining Company, Limited ("Westcork").

(2) Berehaven Copper Property (continued)

Completion of acquisition

On September 9, 2014 the Company completed its acquisition of the above option agreement to acquire an 80% interest, for the consideration of 300 million shares at a deemed price of $0.05 per common share in the Company and work commitments of $250,000 on or before February 1, 2015 and $2,000,000 on or before March 31, 2016.

The valuation of the property has been based upon the trading price of the shares in the Company on September 9, 2014 which was $0.005. Therefore 300,000,000 shares had a value of $1,500,000 at that date. The shares were not issued until October 1, 2014.

The Mines

Westcork successfully consolidated the entire district including 5 historic mines - the Mountain, Dooneen, Kealogue, Caminches, and Coom Mines.("the Mines"),Westcork holds 65.25 Sq Km under its permits. Historical figures of estimates of mined material from these mines range from 962,000 tonnes to 1,219,000 tonnes with grades ranging from 2.3% to 3.0%. The average historical copper grade for the ore zone at the Caminches mine, which varied in average width from 2.4 to 4.0-meters, was reported to be 10% along a 174-meter vertical section, (Mathews 1964). Between 1813 and 1913, published figures indicate that 290,170 tonnes of concentrate were produced from the Allihies mines, yielding 28,615 tonnes of copper metal. (1 metric tonne = 2,204.6 lbs). Cautionary Note: A Qualified Person has not been able to independently verify the above information and that the information is not necessarily indicative of the mineralization on the properties. The information was sourced from Public Archives residing with the Department of Communications, Energy and Natural Resources, Ireland.

A 2011 Technical Report prepared for Westcork Copper Mining Company, Limited, which is being updated to comply with National Instrument 43-101 Standards of Disclosure for Mineral Projects, concludes that;

"The Allihies district and the immediate mine environments of the area are very much underexplored. On a local scale, old mine environments offer excellent exploration targets, for down dip extensions of known zones and for potential sub-parallel zones. The Mountain, Caminches and Kealogue mines present such potentials, and being located within a 900-meter radius of each other having the advantage of being developed by a central infrastructure. On a regional scale, the favourable geological setting of the Allihies district warrants regional contemporary geological and geophysical assessment."

"Gold mineralization can be associated with vein copper deposits, contributing significantly to total recoverable metal. At Allihies, the gold concentration of the vein systems has never been thoroughly determined."

Recent Work

Over the last two years Westcork has performed various work including a ground magnetometer survey between the Mountain Mine and Coom Mine, and between the Caminches and Kealogue Mines. In addition, Westcork undertook a structural lineament, satellite imagery study, and conducted a VLF survey between the Caminches and Kealogue Mines, as well as VLF surveys over the Mountain Mine, and other select areas. This work has generated targets which the Company intends to further explore. Ireland is one of the few countries in the European Union where significant mineral exploration work is currently being undertaken.

(3) Orphan Gold Mine Property

The company acquired in 2007, 100% interest in the mineral rights in the former Orphan Gold Mine. In November 2007, the Company acquired the surface rights for the Property, additionally; the Company increased its land holdings at the Orphan Mine Project by staking five contiguous claims totaling 1,280-hectares, located 3,000-meters north east of Mantis' Orphan Mine. As at December 31, 2012, based on the review of this project, management determined that it was necessary to record an impairment on this property in the amount of $1,780,890 as there were no planned expenditures in the near future.

On September 30, 2014 an agreement to sell this property to an arm's length third party was completed. The sale price consists of the following:

(i) On closing, 983,500 common shares in Signature Resources Ltd. with a value of $0.015 per share(received).

(ii) On or before eighteen months (18) months following the closing date, at the Purchasers sole election:-
(a) the transfer of an aggregate of a further one million (1,000,000) common shares of Signature Resources Ltd.
(b) cash payment of fifty thousand dollars ($50,000).

(4) The East Lingman Lake Gold Property

On October 25, 2012, Mantis announced that it had entered into an option agreement (the "Agreement") to acquire a 100% registered undivided interest in The East Lingman Lake Gold Property consisting of twelve (12) staked claims, totalling 538.3-hectares and located in the Kenora District, Province of Ontario, approximately 325-kilometers north of the Town of Red Lake. The twelve (12) staked claims surround the Lingman Lake Gold Property.

In November 2013, the Company entered into an option agreement to grant an option to acquire a 100% registered undivided interest in the East Lingman Lake Gold Property to Signature Resources Ltd. (SGU: TSX-V) ("Signature"). In order to acquire the option currently held by the Company, Signature agreed to pay $127,500 or the number of common shares in the capital of SGU equal to $127,500, each such common share at an attributed value of $0.085 or such value allowable under the TSXV Exchange policies. The original agreement stated that the payment would be made on June 30, 2014, the Company has agreed to an extension for the receipt of these shares to December 31, 2014.

(5) Application for Oil and Gas Permits in Ghana

The Ministry of Energy and Petroleum of Ghana ("The Ministry") issued a press release ("The Announcement") dated April 10, 2014 in connection with the activities of the Company's 70% held subsidiary, Miura Petroleum Limited. The Announcement made allegations with respect to the authenticity of certain documentation issued by the Ministry in connection with Miura's application for the Offshore Cape Three Point South block. Based on the facts that the Company was not given prior notification of the matters relating to The Announcement, which is not in line with the usual protocol expected in these matters, and that the Ministry had removed The Announcement from its website, appeared to be constructive. Subsequently the Ministry re-instated The Announcement dated April 10, 2014.

During the period following this re-instatement, investigations were commenced by the Economic and Organized Crime Office of Ghana ("The Crime Office") which resulted in the Company being notified on July 7, 2014 by The Crime Office that their investigations did not produce evidence that Miura/Gondwana and its directors were criminally culpable for all the allegations that had been leveled against them. Consequently, directors and associates of the Company that had been assisting the investigations had been discharged on Thursday the 3rd day of July, 2014.

Furthermore, the Company became aware that the Ministry of Energy and Petroleum of Ghana decided to award the OCTPS Block to third parties. The Company continues to work co-operatively with Miura and the Ministry of Energy and Petroleum of Ghana with respect to acquiring an actual offshore oil and gas permit in the Jubilee area of offshore Ghana. There can be no assurance at this time that a new Block Application will be processed on terms acceptable to the Company or at all.

1. NATURE OF OPERATIONS AND GOING CONCERN

a) History of the entity

Reverse takeover transaction ("RTO")

On December 23, 2013 Mantis Mineral Corp. ("Mantis") and Gondwana Energy Crop. ("Gondwana Energy") entered into an agreement for a business combination for the two companies. On January 31, 2014, all the required approvals had been received and the reverse takeover transaction became effective on February 24, 2014 (date of filings for the required documentation). As the former shareholders of Gondwana Energy controlled more than 50% of the Company, the acquisition constituted a reverse takeover transaction. The transaction has been accounted for under IFRS 3, Business Combinations, as a reverse acquisition where the Company is the legal acquirer and the accounting acquiree. As a result of the reverse acquisition, the consolidated financial statements represent the continuation of the financial statements of Gondwana Energy, except for its capital structure. As part of the transaction all of the common shares outstanding for the two companies were exchanged to form Gondwana Oil Corp. ("Gondwana Oil")("The Company").

Under the terms of the agreement, each Gondwana Energy and Mantis common share was exchanged for one common share of Gondwana Oil. On amalgamation, the existing shareholders of Mantis received 140,754,363 common shares and Gondwana Energy received 945,972,201 common shares. In addition, the existing 2,450,000 stock options for Mantis and the 112,500,000 stock options for Gondwana Energy were exchanged for the equivalent amount of stock options of Gondwana Oil having the same terms and conditions.

The identified assets and liabilities below are a result of management's best estimates and assumptions after taking into account all relevant information available. All financial assets acquired and financial liabilities assumed were recorded at fair value in the table below.

Subsequent to the reverse takeover, the company changed its name from Mantis Mineral Corp. ("Mantis") to Gondwana Oil Corp. (CSE: GO).

The assets and liabilities of Mantis acquired in the RTO, at estimated fair values, were as follows:

Cash and cash equivalents	$ 55,981
Marketable securities	$ 66,550
Other assets	$ 24,980
Accounts payable	$ (692,693)
Net liability assumed	**$ 545,182**

b) Nature of operations

Gondwana Oil Corp. is in the exploration stage and is subject to the risks and challenges similar to other companies in a comparable stage of exploration and is carrying on the business of the acquisition and exploration of properties for mining of precious and base metals. The Company has not earned any revenue to date from its mining operations and is therefore considered to be in the exploration ("exploration") stage. These risks include, but are not limited to, dependence on key individuals, successful exploration results and the ability to secure adequate financing to meet the minimum capital required to successfully advance the projects and continue as a going concern.

Up to the acquisition of the Berehaven Copper Property Option in September 2014 the Company was in the exploration stage and was engaged principally in the identification, acquisition and development of petroleum and natural gas licenses in the Republic of Ghana. Although the Company, currently, is to carry on the business of the acquisition and exploration of properties for mining of precious and base metals, an application for petroleum and natural gas licenses in the Republic of Ghana will still be a part of the Company's plans going forward.

The address of the head office is at 131 Bloor Street West, Suite 202 Toronto, Ontario. M5S 3L7.

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These unaudited interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at September 30, 2014 the Company has not generated any revenues from operations, has a working capital deficit of $577,594 and has an accumulated deficit of $18,618,386 attributable to the owners of the parent.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to acquire, explore and develop mining properties as well as funding ongoing administration expenses by issuance of share capital or through joint ventures. There can be no assurance that management's future financing actions will be successful. Management is not able to assess the likelihood or timing of improvements in the equity markets for raising capital for future acquisitions or expenditures. These uncertainties represent a liquidity risk and impact the Company's ability to continue as a going concern in the future.

Basis of presentation

Adoption of International Financial Reporting Standards ("IFRS")

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies applied in the consolidated financial statements are based on IFRS issued and outstanding as of November 26, 2014, the date the Board of Directors approved the financial statements.

Factors Affecting Quarterly Results

RESULTS OF OPERATIONS

The Company has no revenue or operating cash flow. As a result of its activities, the Company incurs net losses. For the three months and nine months ended September 30, 2014, the Company's net loss and comprehensive loss were $13,621,291 and $15,111,967 respectively.

The main components of the Company's loss for the nine month period ended September 30, 2014 were:

	$
Consulting fees	778,585
Investor relations	425,014
Management	37,289
Shareholder communications	62,249
General and office administration	70,990
Loss on valuation of exploration and evaluation assets	13,500,000
Legal and audit	142,943
Insurance	18,845
Fees	20,406
	15,056,322

The Company had a working capital deficit of $577,594 at the end of the third quarter (working capital at Dec 31, 2013- $496,037). The company expended money on commissions and fees for the RTO financing together with consulting fees for work done on the RTO, together with administrative expenses as detailed in the table above. The loss on valuation of exploration and evaluation assets arises from the valuation of the Berehaven Copper Property option payment. The acquisition price was based on the deemed value of $0.05 per share, however the shares of the Company were trading at $0.005 on September 9, 2014 therefore 300,000,000 shares had a value of $1,500,000 at that date, resulting in a loss in value of $13,500,000. The shares were not issued until October 1, 2014.

LIQUIDITY AND CAPITAL RESOURCES

Selected financial Information

	September 30, 2014	December 31, 2013
	$	$
Cash	25,662	468,577
Total assets	90,768	570,587
Total current liabilities	561,906	74,550
Total liabilities	561,906	74,550
Working capital (deficit)	(471,138)	496,037
Shareholders' equity (deficit) attributable to owners of the parent	(441,354)	496,037
Shares issued and outstanding	1,102,762,564	111,564,115

Outstanding Share Data

Share Capital

As at November 26th, 2014, the Company's share position consisted of:

Shares outstanding	1,102,762,564
Options outstanding	111,500,000

Stock Options

The following table summarizes information about stock options outstanding and exercisable at September 30, 2014:

	September 30,2014	
	Number of options outstanding	Weighted Average Exercise Price
		$
Outstanding, beginning of period	112,500,000	0.005
Effective RTO options	2,450,000	0.05
Exercised during the period (i)	(1,000,000)	0.005
Expired during the period (ii)	(2,450,000)	(0.05)
Outstanding, end of period	111,500,000	0.005

(i) 1,000,000 stock options were exercised during the period for $0.005 per option.
(ii) 2,450,000 stock options from the RTO expired during the period.

Weighted Average Remaining Contractual Life	Fair Value of Options	Number of options and exercisable options	Exercise price	Expiry Date
Years	$	#	$	
4.17	527,272	111,500,000	0.005	November 18,2018
4.17	527,272	111,500,000	0.005	

Warrants

	Number of Warrants	Weighted Average Exercise Price
	September 30	September 30
	2014	2014
	#	$
Outstanding, beginning of period	-	-
Granted during period	749,958,200	0.05
Cancelled or expired during period	-	-
Outstanding, end of period	749,958,200	0.05

Expiry date quarter ended	Exercise price	Number of warrants outstanding and exercisable	Black Scholes value
	$		$
February-19	0.05	745,972,200	1,065,621
March-19	0.05	3,986,000	13,704
Apr-19	0.05	1,050,000	3,600
Balance, September 30, 2014		749,958,200	1,082,925

The warrants are valued using the Black-Scholes option pricing model with the following assumptions:
Term - 5 years; Volatility – 138%; Interest rate – 1.63%

ENVIRONMENTAL LIABILITIES

The Company is not aware of any environmental liabilities, obligations or responsibilities associated with the Company's mining interests.

COURSE OF BUSINESS TRANSACTIONS

COMMITMENTS

Contracts

On March 14, 2014, the amalgamated entity entered three contracts as follows:

(a) A consulting contract with the Chairman and President for services for $5,000 per month payable in cash or in equal value of common shares, subject to a four month regulatory hold and regulatory approval. The valuation of the common shares is based on the five day volume weighted average price as calculated on the Canadian Securities Exchange for the five trading days immediately preceding the applicable month end of the amalgamated entity. The term of the contract is for a period of a year renewable with the agreement of the parties. On August 1, 2014 the Company announced the resignation of the Chairman and President, as a result the consulting contract with the Chairman and President was cancelled pursuant to the terms of the contract.

(b) A settlement agreement with the former Chairman and Chief Executive Officer ("the Executive") to repay the outstanding shareholder's loan of $266,879, beginning monthly at the option of the Executive. The payment of any or all of the loan may be paid in cash or equal value of common shares, subject to a four month regulatory hold and regulatory approval.

(c) A consulting contract with the former Chairman and Chief Executive for $10,000 per month payable in equal value of common shares, subject to a four month regulatory hold and regulatory approval.

RELATED PARTY TRANSACTIONS

(a) Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company incurred the following related party expenses during the period ended September 30, 2014.

Included in accounts payable is an amount of $267,065 owing to the former Chief Executive Officer of the Company for wages earned in prior years.

These transactions are in the normal course of operations and are measured at the exchange amounts, which are the amounts of consideration established and agreed to by the parties.

(b) In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key management of the Company was as follows:

	Nine months ended September 30,2014
	$
Salary (i)	26,606
Consulting fees (i)	60,000
Consulting fees (ii)	74,664

(i) Former Chairman and Chief Executive Officer(accrued - not paid)
(ii) Current Chief Executive Officer and Chief Financial Officer

Liquidity and Capital Resources

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company considers its capital to be equity, comprising share capital, reserves and deficit which at September 30, 2014 totaled a surplus of $956,889 attributable to the owners of the parent. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, and acquire or dispose of assets to adjust the amount of cash and cash equivalents.

Balance-Sheet Arrangements

The Company has no off-balance-sheet arrangements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These interim condensed unaudited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the period for the nine months ended September 30, 2014.

b) Basis of presentation

The interim condensed unaudited consolidated financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

i) Use of estimates and judgements

The preparation of the interim condensed unaudited consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

ii) Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets or liabilities recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

iii) Share-based payments

Management determines costs for share-based payments using the Black-Scholes option pricing model. The fair value of the market-based and performance-based share awards are determined at the date of grant and incorporates certain input assumption's including the future volatility of the stock price, expected dividend yield, and expected life. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

iv) Comparative figures

As a result of the reverse takeover acquisition, the interim condensed unaudited consolidated financial statements represent the continuation of the financial statements of Gondwana Energy which was incorporated on September 6, 2013. Accordingly the statement of financial position is compared to December 31, 2013 balances, and the statements of loss and comprehensive loss, changes in equity and cash flows do not have comparative figures that existed for the nine months ended September 30, 2014.

c) Principles of Consolidation

The consolidated financial statements include the accounts of Gondwana Oil Corp. (the "Company") and it's wholly owned subsidiaries Mantis Explorations Inc., Mantis Explorations Ltd., Avenue Bancorp Ltd., and University Avenue Management Ltd. In addition the Company owns a 70% interest in Miura Petroleum Limited. On consolidation, all intercompany transactions and balances have been eliminated.

d) Business Combinations

Business combinations are accounted for using the acquisition method of accounting. The cost of an acquisition is measured as cash paid and the fair value of other assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The acquired identifiable assets and liabilities assumed, including contingent liabilities, are measured at their fair values at the date of acquisition. Associated transaction costs are expensed when incurred.

e) Financial Instruments

Financial assets:

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through profit or loss' ["FVTPL"], 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities:

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities:

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or [where appropriate] to the net carrying amount on initial recognition.

De-recognition of financial liabilities:
The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expired.

The Company's financial instruments consist of the following:

Financial assets:		Classification:
Cash Other marketable securities		FVTPL FVTPL
Prepaid and sundry receivables		Receivables
Financial liabilities:		Classification:
Accounts payable and accrued liabilities		Other financial liabilities
Loan payable		Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts or loan receivable, where the carrying amount is reduced through the use of an allowance account. When an accounts or loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or

loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices [unadjusted] in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly [i.e. as prices] or indirectly [i.e. derived from prices]; and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data [unobservable inputs]. As of September 30, 2014, cash was classified as Level 1 on the interim condensed unaudited consolidated balance sheet.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at September 30, 2014:

	Financial assets at fair value as at September 30, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash	$ 3,889	$ -	$ -	$ 3,889
Prepaid and sundry receivables	$ 10,589	$ -	$ -	$ 10,589
Other marketable securities	$ 21,601	$ -	$ -	$ 21,601
	$ 36,079	$ -	$ -	$ 36,079

f) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment. The Company has assessed its assets and has determined that there is no impairment of its non-financial assets.

g) Exploration and Evaluation Assets

The Company is in the exploration stage with respect to its investment in mineral properties. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized on a property by property basis. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

i) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a

contract are lower than the unavoidable cost of meeting its obligations under the contract. The Company had no material provisions at September 30, 2014.

j) Share based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

k) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

l) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options outstanding that may add to the total number of common shares.

m) New IFRS Pronouncements

The following IFRS pronouncements have been issued by the IASB as at September 30, 2014 but are not yet effective. The Company does not plan to early adopt any of these new or amended standards and interpretations and is currently assessing the impact of these new or amended standards and interpretations. Certain other new standards and interpretations have been issued but are not shown as they are not expected to have a material impact on the Company's financial statements.

a) IFRS 2,"Share-based Payment". Issued in December 2013, amendments were made to the definitions of 'vesting conditions' and 'market conditions' and the definitions of 'performance condition' and 'service condition' were added. A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are to be prospectively applied to share-based payment transactions for which the grant date is on or after 1 July 2014.

(b) IFRS 3, "Business combinations". The amendments to IFRS 3, issued in December 2013, clarify the accounting for contingent consideration in a business combination. At each reporting period, an entity measures contingent consideration classified as an asset or a financial liability at fair value, with changes in fair value recognized in profit or loss. The amendments are effective for business combinations for which the acquisition date is on or after July 1, 2014.

(c) IFRS 9, "Financial instruments". In November 2013, IFRS 9 was amended with significant changes to hedge accounting. In addition, an entity can now apply the "own credit requirement" in isolation without the need to change any other accounting for financial instruments. The standard is effective for annual periods beginning on or after January 1, 2018.

(d) IFRS 13, "Fair value measurement". The amendments to IFRS 13, issued in December 2013, clarify that companies that use the "portfolio exception" apply it to all contracts within the scope of IFRS 9 Financial instruments or IAS 39 Financial instruments: Recognition and measurement, regardless of whether they meet the definitions of financial assets or financial liabilities in IAS 32 Financial instruments: Presentation. The amendments are effective for annual periods beginning on or after July 1, 2014.

(e) IAS 24, "Related party disclosures". The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

(f) IAS 36, "Impairment of Assets". Issued in May 2013, the amendment limits disclosure requirements to the recoverable amounts of an impaired CGU when the carrying value is based on fair value less cost to sell. The amendments are to be applied retrospectively for annual periods beginning on or after January 1, 2014.

(g) IFRIC 21, "Levies". IFRIC 21 Levies, issued in May 2013, provides guidance on the accounting for levies within the scope of IAS 37 Provisions, contingent liabilities and contingent assets. The main features of IFRIC 21 are as follows:

- The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation; and
- The liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

The standard is effective for annual periods beginning on or after January 1, 2014.

PROPERTY AND FINANCIAL RISK FACTORS

The Company is exposed to property risk and a variety of financial risks: credit risk, liquidity risk and market risk [including interest rate and foreign exchange rate risks] as explained below. Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(a) Property risk

With the entering into the Option agreement to acquire the Berehaven Copper Property Option in September 2014, the Company's focus will be on this project. Unless the Company acquires or develops additional mineral properties, the Company will be mainly dependent upon this project. If no additional major mineral exploration properties are acquired by the Company, any adverse development affecting this project would have a material adverse effect on the Company's financial condition and results of operations.

The Company had focussed its business on exploration and development of oil and gas properties in Ghana, Africa, as a result of its business combination with Gondwana Energy Corp. which became effective February 24, 2014.

On March 18, 2014, the Company announced that the Ministry of Energy and Petroleum of Ghana invited the Company's 70-per-cent-owned Ghanaian subsidiary, Miura Petroleum Ltd. ("Miura"), to negotiate exclusively with respect to the application for oil and gas production rights on the Offshore Cape Three Point South (OCTPS) block in the Tano basin (the "OCTPS Block") which is in proximity to producing oil fields.

The Ministry of Energy and Petroleum of Ghana ("The Ministry") issued a press release ("The Announcement") dated April 10, 2014 in connection with the activities of the Company's 70% held subsidiary, Miura Petroleum Limited. The Announcement made allegations with respect to the authenticity of certain documentation issued by the Ministry in connection with Miura's application for the Offshore Cape Three Point South block. Based on the facts that the Company was not given prior notification of the matters relating to The Announcement, which is not in line with the usual protocol expected in these matters, and that the Ministry had removed The Announcement from its website, appeared to be constructive. Subsequently the Ministry re-instated The Announcement dated April 10, 2014.

During the period following this re-instatement, investigations were commenced by the Economic and Organized Crime Office of Ghana ("The Crime Office") which resulted in the Company being notified on July 7, 2014 by The Crime Office that their investigations did not produce evidence that Miura/Gondwana and its directors were criminally culpable for the allegations that had been leveled against them. Consequently, directors and associates of the Company that had been assisting the investigations had been discharged on Thursday the 3rd day of July, 2014.

Furthermore, the Company became aware that the Ministry of Energy and Petroleum of Ghana decided to award the OCTPS Block to third parties. The Company continues to work co-operatively with Miura and the Ministry of Energy and Petroleum of Ghana with respect to acquiring an actual offshore oil and gas permit in the Jubilee area of offshore Ghana. There can be no assurance at this time that a new Block Application will be processed on terms acceptable to the Company or at all.

(b) Financial risk

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents, marketable securities and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents have been invested with reputable financial institutions, from which management believes the risk of loss to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at September 30, 2014, the Company had cash, investments and sundry receivables of $36,079 to settle current liabilities of $613,673. The Company's current financial liabilities to trade creditors have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

(ii) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars.

(iii) Commodity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, copper, silver, lead, zinc and molybdenum to determine the appropriate course of action to be taken by the Company.

(c) Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

The Company's investment in marketable securities amounting to $21,601 is subject to fair value fluctuations. As at September 30, 2014, if the fair value of the Company's investment in marketable securities had decreased/increased by 25% with all other variables held constant, comprehensive loss and equity for the period ended September 30, 2014 would have been approximately $5,400 higher/lower.

OUTLOOK

Name Change

On November 6, 2014 the Company announced that Articles of Amendment under the Business Corporations Act were issued to reflect the Change of Name of the Company from "Gondwana Oil Corp." to "European Metals Corp." on September 18, 2014.

The name of the Company was changed to better reflect the ongoing operations of the Company, in particular, an option to acquire an 80% interest in the Berehaven Copper Mines located in the Allihies Mining District, County Cork, Ireland, for consideration of 300 million shares at a deemed price of $0.05 per common share in the Company and work commitments of $250,000 on or before February 1, 2015 and $2,000,000 on or before March 31, 2016.

The name change was authorized by the voting at its Annual General Meeting of its shareholders held on September 11, 2014 in Toronto, Ontario at which Gondwana received shareholder approval to change the name of the Company to European Metals Corp. To reflect the name change, the Company has obtained a new CUSIP number - 29880P108 and a new ISIN number - CA29880P1080 for its common shares and a new CUSIP number -29880P116 and a new ISIN number - CA29880P1163 for its warrants. The Company commenced trading under the new name on The Canadian Securities Exchange (the "CSE") with the new trading symbol "ECU" at the opening of trading on November 7, 2014. Since the approval from the CSE was finalized on November 7, 2014, the name change has not been reflected on the financial statements at September 30, 2014.

There is no change in the share capital of the Company, and shareholders are not required to exchange their existing share certificates for new certificates.

The Company's focus moving forward is to unlock the value of the Berehaven Copper Property project. This will depend on the Company's ability to raise funding to perform exploration activities on the property.