

Huntington Exploration Inc.

2019 THIRD QUARTER CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Notice for National Instrument 51-102

The interim condensed financial statements and notes thereto for the nine months ended September 30, 2019 are prepared by management and have not been independently audited or reviewed by the Company's auditors.

Huntington Exploration Inc.
CONDENSED INTERIM STATEMENTS OF CONSOLIDATED FINANCIAL POSITION
(UNAUDITED)

| | Notes | September 30, 2019 \$ | December 31, 2018 \$ |
|---|-------|-----------------------------|----------------------------|
| Assets | | | |
| Current assets | | | |
| Cash | | 451,625 | 87,306 |
| Accounts receivable | | 1,104 | 6,646 |
| Prepaid expenses and deposits | | 2,267 | 5,048 |
| Total current assets | | 454,996 | 99,000 |
| Restricted Cash | 7 | 44,546 | 60,738 |
| Property, plant and equipment | 6 | 257 | 368 |
| | | 499,799 | 160,106 |
| Liabilities and shareholders' equity | | | |
| Current liabilities | | | |
| Accounts payables and accrued liabilities | | 66,521 | 55,596 |
| Provision for abandonment | | 49,500 | 44,885 |
| Total current liabilities | | 116,021 | 98,481 |
| Decommissioning liability | 7 | 73,108 | 71,191 |
| Total liabilities | | 189,129 | 169,672 |
| Shareholders' deficiency | | | |
| Share capital | 8 | 11,360,736 | 10,870,380 |
| Share based payment reserve | | 2,207,058 | 2,207,058 |
| Accumulated deficit | | (13,257,124) | (13,087,004) |
| | | 310,670 | (9,566) |
| | | 499,799 | 160,106 |

The accompanying notes form an integral part of these condensed interim financial statements

Huntington Exploration Inc.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS/INCOME
(UNAUDITED)

| September 30, | 9 Months 2019 | 3 Months 2019 | 9 Months 2018 | 3 Months 2018 |
|--|-------------------|-------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Revenue | | | | |
| Petroleum and natural gas revenue | 37,894 | 7,262 | 49,159 | 10,923 |
| Other income | 307 | 104 | 1,512 | 592 |
| Royalties | (6,362) | (1,231) | (7,873) | (1,830) |
| | <u>31,839</u> | <u>6,135</u> | <u>42,798</u> | <u>9,685</u> |
| Expenses | | | | |
| Operating | 45,902 | 26,368 | 95,299 | 31,223 |
| Administrative | 154,030 | 63,345 | 157,648 | 47,116 |
| Finance charges: | | | | |
| Accretion of decommissioning liabilities | 1,917 | 644 | 1,861 | 625 |
| Depletion and depreciation | 110 | 36 | 6,953 | 2,042 |
| | <u>201,958</u> | <u>90,393</u> | <u>261,760</u> | <u>81,005</u> |
| Net income (loss) for the period | <u>(170,120)</u> | <u>(84,258)</u> | <u>(218,963)</u> | <u>(71,321)</u> |
| Income (loss) per common share | | | | |
| - basic and diluted - total | <u>(0.015)</u> | <u>(0.008)</u> | <u>(0.022)</u> | <u>(0.007)</u> |
| Weighted average shares outstanding | | | | |
| - basic and diluted (1) | <u>11,187,102</u> | <u>11,187,102</u> | <u>9,899,431</u> | <u>9,899,431</u> |

(1) The options and warrants have been excluded from the diluted loss per share computation as they are anti-dilutive.

The accompanying notes form an integral part of these condensed interim financial statements

Huntington Exploration Inc.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)

| | Share capital \$ | Contributed surplus \$ | Deficit \$ | Total \$ |
|---|------------------------|------------------------------|---------------------|----------------|
| Balance at January 1, 2018 | 10,870,380 | 2,207,058 | (12,771,439) | 305,999 |
| Net and comprehensive loss for the period | - | - | (218,963) | (218,963) |
| Balance at September 30, 2018 | 10,870,380 | 2,207,058 | (12,990,402) | 87,036 |
| Balance, January 1, 2019 | 10,870,380 | 2,207,058 | (13,087,004) | (9,566) |
| Net and comprehensive loss for the period | - | - | (170,120) | (170,120) |
| Shares issued for cash (net of issue costs) | 490,356 | - | - | 490,356 |
| Balance at September 30, 2019 | 11,360,736 | 2,207,058 | (13,257,124) | 310,670 |

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

Huntington Exploration Inc.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

| For the nine months ended September 30, | 2019 | 2018 |
|---|------------------|------------------|
| | \$ | \$ |
| Cash flows from operating activities | | |
| Net income (loss) | (170,120) | (218,963) |
| Add items not affecting cash: | | |
| Depletion and depreciation | 110 | 6,953 |
| Accretion on decommissioning liabilities | 1,917 | 1,861 |
| Gain on sale of property | - | - |
| Changes in non-cash working capital items related to operating activities | 21,248 | (8,910) |
| Total cash flows (outflows) from operating activities | (146,845) | (219,059) |
| Cash flows from investing activities | | |
| Acquisition of exploration properties | - | - |
| Acquisition of property, plant and equipment | - | - |
| Proceeds on disposition of property | - | - |
| Total cash (outflows) from investing activities | - | - |
| Cash flows from financing activities | | |
| Decrease (Increase) in restricted cash | 16,192 | (1,512) |
| Decrease (Increase) in decommissioning costs | 4,615 | (4,615) |
| Issue of common shares (net of costs) | 490,356 | - |
| Proceeds on sale of asset | - | - |
| Total cash inflows (outflows) from financing activities | 511,163 | (6,127) |
| Increase (decrease) in cash and cash equivalents | 364,319 | (225,186) |
| Cash and cash equivalents, beginning of period | 87,306 | 339,640 |
| Cash and cash equivalents, end of period | 451,625 | 114,454 |

The accompanying notes form an integral part of these condensed interim financial statements

1. CORPORATE INFORMATION

Huntington Exploration Inc. (“Huntington” or the “Company”) was incorporated as 676182 Alberta Ltd. under the laws of the Province of Alberta on November 28, 1995. On February 1, 1996 the Company changed its name to Goldust Mines Ltd. and subsequently, on July 18, 1997 changed its name to Huntington Exploration Inc. The Company is listed on the TSX Venture Exchange, having the symbol HEI. Huntington is engaged in the acquisition, exploration and development of oil and gas properties in western Canada. The Company’s principal operating address is Eau Claire Pace II, Box 14, 521 - 3 Avenue S.W., Calgary, Alberta.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. They do not contain all disclosures required by International Financial Reporting Standards (“IFRS”) for annual financial statements and, accordingly, should be read in conjunction with the audited financial statements for the year ended December 31, 2018. These condensed financial statements were authorised for issue by the Board of Directors on November 28, 2019.

b) Going Concern Assumption

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations, generate sufficient funds therefrom, receive continued support from its creditors and continue to obtain capital from investors sufficient to meet its current and future obligations. The Company had a working capital of \$338,978 at September 30, 2019 has an accumulated deficit of \$13,257,124, incurred a net loss of \$170,120 during the current nine month period and incurred a loss of cash from operating activities before changes in non-cash working capital of \$21,248 during the nine month period ended September 30, 2019. Management continues to focus its efforts on optimizing current production, increasing production through drilling new wells, farm-outs and raising additional capital through debt or equity financings. Although management’s efforts to raise capital and monetize assets have been successful in the past, there is no certainty that they will be able to do so in the future. The aforementioned circumstances may create significant doubt as to the ability of the Company to continue as a going concern and meet its obligations as they come due. These financial statements have been prepared using accounting principles that are applied to a going concern and do not reflect the adjustments that would be necessary to the presentation and carrying amounts of the assets and liabilities if the Company were not able to continue operations. These adjustments and reclassifications may be material.

c) Basis of Measurement

These financial statements have been prepared on a historical cost basis except and share based payment transactions that are measured at fair value.

The condensed interim financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

2. BASIS OF PREPARATION(CONTINUED)**d) Use of Estimates**

The preparation of financial statements requires management to make estimates and use judgment regarding the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the period. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future periods could require a material change in the financial statements. Accordingly, actual results may differ from the estimated amounts as future confirming events occur. Significant estimates and judgments made by management in the preparation of these financial statements are as follows:

Valuation of account receivable

The valuation of accounts receivable is based on management's best estimate of the provision for doubtful accounts.

Decommissioning Provisions

Decommissioning provisions have been created based on the Company's knowledge as at December 31, 2017 and 2016. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standard and techniques will result in changes to provisions from period to period. Actual decommissioning costs will ultimately depend on future market prices from the decommissioning costs which will reflect the market conditions at the time of the decommissioning costs are actually incurred. The final cost of the currently recognized decommissioning provisions may be higher or lower than currently provided for.

Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information become available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information become available.

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transaction and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

2. BASIS OF PREPARATION (CONTINUED)*Share-based Payment Transactions*

The company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Deferred price premium on flow-through shares

The amounts recorded for the deferred price premium on flow-through shares and the related deferred income tax effect are based on management's estimates of the estimated market value of the Company's shares on the date of issuance of the flow-through common shares.

Impairment

A CGU is defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Company has concluded each CGU is the individual properties held. As of September 30, 2019 and December 31, 2018 the Company has one CGU being Warwick. The allocation of assets into CGUs requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, similar exposure to market risks, shared infrastructures, and the way in which management monitors the operations. The recoverable amounts of CGUs and individual assets have been determined based on the higher of fair value less costs to sell or value-in-use calculations. The key assumptions the Company uses in estimating future cash flows for recoverable amounts are anticipated future commodity prices, expected production volumes and future operating and development costs. Changes to these assumptions will affect the recoverable amount of CGUs and individual assets and may then require a material adjustment to their related carrying value.

Reserves

The estimate of reserves is used in forecasting the recoverability and economic viability of the Company's oil and gas properties, and in the depletion and impairment calculations. The process of estimating reserves is complex and requires significant interpretation and judgment. It is affected by economic conditions, production, operating and development activities, and is performed using available geological, geophysical, engineering, and economic data. Reserves are evaluated at least annually by the Company's independent reserve evaluators and updates to those reserves, if any, are estimated internally. Future development costs are estimated using assumption as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities and other capital assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting. They do not contain all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements and, accordingly, should be read in conjunction with the audited financial statements for the year ended December 31, 2018.

4. ADOPTED ACCOUNTING PRONOUNCEMENTS

January 1, 2019, the Company adopted the following new accounting pronouncements, in accordance with the transitional provisions of the standard. A brief description of each new accounting policy and its impact on the Company's financial statements are as follows:

IFRS 16 Leases "IFRS 16"

The Company adopted IFRS 16, Leases, on January 1, 2019. IFRS 16 replaces IAS 17 Leases.

This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors.

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases and applied IFRS 16 only to contracts that were not previously identified as leases. Contracts that were not identified as leases under IAS17 were not reassessed for whether a lease existed. The Company has also elected not to recognize right-of-use assets or lease liabilities for leases that have a term of 12 months or less and leases of low value assets. As such, no right-of-use assets or lease liabilities have been recognized as of January 1, 2019. The Company does not have any leases with terms greater than 12 months.

The Company has not restated its comparative financial information for the effect of applying IFRS 16. There is no impact or adjustment to the current period's opening retained earnings and comparative information continues to be presented in accordance with IAS17.

Future accounting changes

The Company continues to monitor the potential changes proposed by the IASB and considers the impact changes in the standards would have on the Company's operations.

5. EXPLORATION AND EVALUATION ASSETS

As at September 30, 2019 and December 31, 2018 the Company has no Exploration and Evaluation Assets.

Huntington Exploration Inc.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

As at and for the nine months ended September 30, 2019

6. PROPERTY, PLANT AND EQUIPMENT

The following represents a summary of changes in the Company's property and equipment.

| | Petroleum Properties \$ | Office Equipment \$ | Total \$ |
|---|-------------------------------|---------------------------|-------------|
| Balance, December 31, 2017 | 1,168,896 | 7,599 | 1,176,495 |
| Disposition | - | - | - |
| Balance, December 31, 2018 | 1,168,896 | 7,599 | 1,176,495 |
| Disposition | - | - | - |
| Balance, September 30, 2019 | 1,168,896 | 7,599 | 1,176,495 |
| Accumulated depletion and depreciation: | | | |
| Balance, December 31, 2017 | 1,120,719 | 6,986 | 1,127,705 |
| Depletion and depreciation | 8,615 | 245 | 8,860 |
| Impairment | 39,562 | - | 39,562 |
| Balance, December 31, 2018 | 1,168,896 | 7,231 | 1,176,127 |
| Depletion and depreciation | - | 110 | 110 |
| Balance, September 30, 2019 | 1,168,896 | 7,341 | 1,176,237 |

| Carrying amounts: | Cost | Depletion & impairment | Net book value |
|--------------------|------|---------------------------|-------------------|
| December 31, 2018 | \$ - | \$ 368 | \$ 368 |
| September 30, 2019 | \$ - | \$ 257 | \$ 257 |

7. DECOMMISSIONING LIABILITIES

| | September 30, 2019 | December 31, 2018 |
|------------------------------|--------------------|-------------------|
| Balance, beginning of period | \$ 71,191 | \$ 68,700 |
| Accretion expense | 1,917 | 2,490 |
| Balance, end of period | \$ 73,108 | \$ 71,191 |

Decommissioning Provision

Huntington makes full provision for the future cost of site decommissioning on a discounted basis at the time development expenditures take place. The decommissioning provision represents the present value of decommissioning costs relating to petroleum and natural gas properties, which are expected to be incurred up to the final date of the properties' lives. These decommissioning provisions on currently producing assets are expected to be settled over the next 13 years with the majority of costs incurred between 2019 and 2033.

The discount rate currently applied in the calculation of the net present value of the provision is between 1.02%-2.33% and the inflation rate is 2.5%.

Pursuant to government regulations, the Company has on deposit cash of \$44,546 (2018 - \$60,738) restricted for the completion of future abandonments.

Huntington Exploration Inc.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

As at and for the nine months ended September 30, 2019

8. SHARE CAPITAL

a) Authorized

Unlimited number of:

Common shares without par value

Preferred shares, assumable in series

b) Issued

| | September 30, 2019 | | December 31, 2018 | |
|------------------------|--------------------|---------------|-------------------|---------------|
| | Shares (1) | Amounts | Shares (1) | Amounts |
| Common shares | | | | |
| Opening balance | 9,899,431 | \$ 10,870,380 | 9,899,431 | \$ 10,370,380 |
| Shares issued for cash | 10,000,000 | 500,000 | - | - |
| Share issue costs | - | (9,644) | - | - |
| Balance end of period | 19,899,431 | \$ 11,370,736 | 9,899,431 | \$ 10,870,380 |
| Warrants | | | | |
| Opening balance | 4,166,667 | \$ - | 4,166,667 | \$ 48,109 |
| Warrants issued | 10,000,000 | - | - | - |
| Balance end of period | 14,166,667 | \$ - | 4,166,667 | \$ - |
| | | \$ 11,370,736 | | \$ 10,870,380 |

(1) Pursuant to a special resolution passed by shareholders on December 31, 2018 the Company has consolidated its capital on a one-new-for-four-old basis. Effective at the opening, June 14, 2019, the shares commenced trading on the TSX Venture Exchange on the consolidated basis.

(2) The number of common shares and warrants have been retrospectively adjusted to reflect their numbers pursuant to the regulatory approval of consolidation.

On August 15, 2019 the Company completed the closing of a non-brokered private placement offering of units at a price of \$0.05 per Unit, for gross proceeds of up to \$500,000. Each Unit will consist of one common share and on transferable common share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of \$0.05 per share for a period of two years from closing. Directors of the company subscribed for, directly or indirectly, a total of 3,500,000 units under the private placement for proceeds of \$175,000.

(b) Warrants

The following table summarizes the warrants outstanding and exercisable at September 30, 2019:

| Number of warrants | Exercise price | Expiry date |
|--------------------|----------------|-----------------|
| 4,166,667 | \$0.20 | July 21, 2020 |
| 10,000,000 | \$0.05 | August 15, 2021 |

(1) In June 2019, the Company extended the expiry date of the 4,166,667 warrants from July 2019 to July 2020.

(c) Options

The Company has a stock option plan that provides for the issuance to its directors, officers, employees and consultants options to purchase from treasury a number of common shares not exceeding 10% of the common shares that are outstanding from time to time which is the number of shares reserved for issuance under the plan. Options granted under the plan vest immediately. The options are non-transferable if not exercised. The exercise price is based on the Company's common shares prior to the day of the grant, which may be different from the closing price of such shares on the day of grant for options granted to date. To date the exercise price has not been materially different from the trading price of the shares on the grant date.

As at September 30, 2019 and December 31, 2018 there were no stock options outstanding.

9. RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in these condensed financial statements the Company had the following related party transactions during the period:

| September 30, | 9 Months 2019 | 3 Months 2019 | 9 Months 2018 | 3 Months 2018 |
|---|------------------|------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Salaries and fees incurred to companies owned by Executive or senior management | 36,440 | 6,000 | 70,240 | 22,080 |

10. FINANCIAL INSTRUMENTS

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to, credit, and foreign exchange risks. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

(a) Commodity price risk

The Company is subject to commodity price risk for the sale of its production. The Company may enter into contracts for risk management purposes only, in order to protect a portion of its future cash flow from the volatility of petroleum commodity prices. To date the Company has not entered into any forward commodity contracts.

(b) Credit Risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the date of the statement of financial position. A majority of the Company's current financial assets at the balance sheet date arise from oil sales and the Company's accounts receivable are with these customers and joint venture participants in the oil and natural gas industry. Commodity sales are normally settled on the 25th day of the month following the month of production. The Company's production is sold to large marketing companies. Typically, the Company's maximum credit exposure to customers

is revenue from two months of sales. During the period ended September 30, 2019 and the year ended December 31, 2018, the Company sold approximately 100% of its oil and gas production to a single purchaser. At September 30, 2019, \$NIL (December 31, 2018 - \$5,212) is due from its marketer. These sales were conducted on transaction terms that are typical for the sale of oil and gas in Canada. In addition, when joint operations are conducted on behalf of a joint venture partner relating to capital expenditures, costs of such operations are paid for in advance to the Company by way of a cash call by the partner of the operation being conducted.

(c) Foreign Currency Exchange Risk

The Company does not sell or transact in any foreign currency, however, the US dollar influences the price of oil and natural gas sold in Canada. Price fluctuations, as a result can affect the fair value of the Company's property and equipment and future cash flows however, given it is an indirect influence, the impact of changing exchange rates cannot be accurately quantified. The Company's other financial assets and liabilities are not directly affected by a change in currency rates.

10. FINANCIAL INSTRUMENTS (CONTINUED)**(d) Interest Risk**

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is not exposed to interest rate fluctuations at September 30, 2019 and December 31, 2018.

Fixed rate debt is subject to interest rate price risk, as the value will fluctuate as a result of changes in market rates. As at September 30, 2019 and December 31, 2018, the Company has fixed interest rates on 100% of its interest bearing obligations. As the interest rates approximate the prevailing market rates, the fair value of these debt instruments approximate its carrying values.

(e) Market risk

Market risk is comprised of two components: currency risk and interest rate risk.

(f) Fair Value of Financial Instruments

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash, restricted cash and the investment have been classified as Level 1.

All financial assets (except for cash which is classified as held for trading), are classified as either loans or receivables and are accounted for on an amortized cost basis. All financial liabilities are classified as other liabilities. The marketable securities have been designated as available-for-sale. There have been no changes to the aforementioned classifications during the year ended December 31, 2018.

(g) Liquidity Risk

Liquidity risk includes the risk that, as a result of the Company's operational liquidity requirements:

- The Company will not have sufficient funds to settle a transaction on the due date;
- The Company will be forced to sell financial assets at a value which is less than what they are worth; or
- The Company may be unable to settle or recover a financial asset.

The Company's accounts payable and accrued liabilities as at September 30, 2019 and December 31, 2018 is comprised of the following:

| | September 30, 2019 | December 31, 2018 |
|------------------------|--------------------|-------------------|
| Trade accounts payable | \$ 1,418 | \$ 600 |
| Accruals (1) | 29,150 | 30,000 |
| Joint venture | 35,953 | 22,996 |

Huntington Exploration Inc.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

As at and for the nine months ended September 30, 2019

| | | | |
|----|--------|----|--------|
| \$ | 66,521 | \$ | 55,596 |
|----|--------|----|--------|

(3) Includes the \$29,250 (December 31, 2017 - \$39,000) with respect to professional fees.

10. FINANCIAL INSTRUMENTS (CONTINUED)

The Company's trade accounts payable as at September 30, 2019 are aged as follows:

| Trade Accounts Payable and Joint Venture Payable | 0 to 30 Days | 31 to 60 Days | 61 to 90 Days | Greater than 90 days |
|--|-----------------|---------------------|---------------------|-------------------------|
| | \$66,521 | \$44,090 | \$8,167 | \$4,641 |
| | | | | \$9,623 |

The Company's operating cash requirements including amounts projected to complete the Company's existing capital expenditure program are continuously monitored and adjusted as input variables change. These variables include but are not limited to, oil production from existing wells, results from new wells drilled, commodity prices, cost overruns on capital projects and regulations relating to prices, taxes, royalties, land tenure, allowable production and availability of markets. As these variables change, liquidity risks may necessitate the Company to conduct equity issues or obtain project debt financing.