



Anfield Energy Inc.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018

(Expressed in Canadian Dollars - unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Anfield Energy Inc.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars - unaudited)

	Notes	September 30, 2019	December 31, 2018
Assets			
Current Assets			
Cash		\$ 352,571	\$ 52,792
Sales tax receivable		25,824	26,529
Prepays		461,798	170,714
		840,193	250,035
Non-current Assets			
Insurance Premium	3	-	149,936
Evaluation and exploration assets	5	9,797,360	6,631,908
		9,797,360	6,781,844
Total Assets		\$ 10,637,553	\$ 7,031,879
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	6	681,184	978,750
Due to related parties	8	75,059	397,069
Promissory note	12	26,486	54,584
Amounts owing on asset acquisition - current	3	8,751,047	6,520,815
		9,533,776	7,951,218
Long-term liabilities			
Asset retirement obligation	4	11,533,776	11,680,911
Amounts owing on asset acquisition	3	2,779,721	4,156,824
Promissory note	12	26,486	54,568
		14,339,983	15,892,303
Total Liabilities		23,873,759	23,843,521
Equity			
Share capital	7	41,829,530	35,120,958
Stock option reserve	7	2,741,896	2,476,684
Warrant reserve	7	367,142	310,178
Foreign exchange reserve	7	(189,409)	(518,638)
Deficit		(57,985,365)	(54,200,824)
Total Equity		(13,236,206)	(16,811,642)
Total Equity and Liabilities		\$ 10,637,553	\$ 7,031,879

Going concern (Note 1)

Approved on behalf of the Board of Directors:

"Corey Dias"

Chief Executive Officer

"Laara Shaffer"

Chief Financial Officer

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

Anfield Energy Inc.
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	Notes	For the three months ended		For the nine months ended	
		Sept. 30, 2019	Sept. 30, 2018	Sept. 30, 2019	Sept. 30, 2018
Expenses					
Exploration and evaluation expenditures	5	\$ 685,020	\$ 104,433	\$ 971,701	\$ 540,932
General and administrative	8	327,206	2,529,424	1,097,621	3,716,831
Investor relations		3,924	504,576	43,405	642,874
Share based compensation	7	493,974	1,992,852	493,974	1,992,852
(Gain) loss on foreign exchange		76,532	693,101	(64,593)	594,811
		1,586,656	5,824,386	2,542,108	7,488,300
Other Items					
Accretion expense for asset retirement obligations	4	(65,735)	(61,001)	(195,228)	(184,802)
Accretion expense for long term debt	3	(192,632)	(193,582)	(756,734)	(855,324)
Interest expense	3, 12	(171,645)	-	(519,233)	-
Net loss		(2,016,668)	(6,078,969)	(4,013,303)	(8,528,426)
Other comprehensive loss					
Other comprehensive loss that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		(70,067)	19,124	329,229	(749)
Total comprehensive loss		\$ (2,086,735)	\$ (6,059,845)	\$ (3,684,074)	\$ (8,529,175)
Loss per share – basic and diluted		\$ (0.03)	\$ (0.16)	\$ (0.07)	\$ (0.30)
Weighted average shares outstanding		74,652,826	39,138,784	55,162,359	28,347,529

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

Anfield Energy Inc.
Condensed Consolidated Interim Statement of Changes in Equity
(Expressed in Canadian Dollars - unaudited)

	Notes	Number of Shares	Amount	Stock Option Reserve	Warrant Reserve	Foreign exchange reserve	Deficit	Total Equity
Balance as at December 31, 2017		20,944,387	\$ 30,402,178	\$ 1,437,190	\$ 105,755	\$ 295,637	\$ (44,783,201)	\$ (12,542,441)
Shares issued - private placement, net share issue cost	7	19,227,437	3,672,655	-	-	-	-	3,672,655
Shares issued - warrants	7	4,312,959	6,552,851	-	-	-	-	6,552,851
Share based compensation	7	-	-	1,992,852.00	-	-	-	1,992,852
Comprehensive lossfor the period		-	-	-	-	(749)	(8,528,426)	(8,529,175)
Balance as at September 30, 2018		44,484,783	\$ 40,627,684	\$ 3,430,042	\$ 105,755	\$ 294,888	\$ (53,311,627)	\$ (8,853,258)
Balance as at December 31, 2018		44,759,783	\$ 35,120,958	\$ 2,476,684	\$ 310,178	\$ (518,638)	\$ (54,200,824)	\$ (16,811,642)
Shares issued - private placement, net share issue cost	7	18,358,716	3,513,699	-	56,964	-	-	3,570,663
Shares issued for mineral properties	7	14,851,775	3,194,873	-	-	-	-	3,194,873
Shares cancelled		(3,317,448)	-	-	-	-	-	-
Options expired	7	-	-	(228,762)	-	-	228,762	-
Share based compensation	7	-	-	493,974	-	-	-	493,974
Comprehensive lossfor the period		-	-	-	-	329,229	(4,013,303)	(3,684,074)
Balance as at September 30, 2019		74,652,826	\$ 41,829,530	\$ 2,741,896	\$ 367,142	\$ (189,409)	\$ (57,985,365)	\$ (13,236,206)

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

Anfield Energy Inc.
Condensed Consolidated Interim Statement of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	For the nine months ended	
	Sept. 30, 2019	Sept. 30, 2018
Cash Flows from Operating Activities		
Net loss from continuing operations	\$ (4,013,303)	\$ (8,528,426)
Adjustments for non-cash items:		
Accretion of asset retirement obligation	195,228	184,802
Accretion of long term debt	756,734	855,324
Foreign exchange	(157,179)	597,874
Interest on amounts owing on acquisition	519,233	-
Stock based compensation	493,974	1,992,852
Changes in non-cash working capital:		
Sales tax receivable	705	(30,810)
Prepays and deposits	(141,148)	(3,826,218)
Accounts payable and accrued liabilities	(297,566)	275,112
Due to related parties	(322,010)	-
Net cash flows used in operating activities	(2,965,332)	(8,479,490)
Investing activities		
Exploration and evaluations assets expenditures	(152,170)	(472,952)
Net cash flow used in investing activities	(152,170)	(472,952)
Financing activities		
Proceeds from share issuances, net of issuance costs	3,570,663	3,672,655
Repayment of amounts owing on asset acquisition	(99,428)	(1,351,350)
Promissory note repayment	(53,954)	-
Net proceeds from warrants exercised	-	6,552,851
Net cash flow from financing activities	3,417,281	8,874,156
Increase in cash	299,779	(78,286)
Cash, beginning	52,792	120,771
Cash, ending	\$ 352,571	\$ 42,485

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

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Anfield Energy Inc. (the “Company”) is a publicly listed company incorporated in British Columbia on July 12, 1989. The Company’s shares are listed on the TSX Venture Exchange (“TSX.V”) under the symbol “AEC”, the OTCQB Marketplace under the symbol “ANLDF”, and the Frankfurt Stock Exchange under the symbol “OAD”. The Company is engaged in mineral development and production.

The Company’s head office and its registered and records offices are located at Suite 2005, 4390 Grange Street, Burnaby, British Columbia, V5H 1P6.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at September 30, 2019 the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company incurred a loss of \$3,684,074 during the nine months ended September 30, 2019 and had an accumulated deficit of \$57,985,365 as at September 30, 2019. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration and development activities and its ability to attain profitable operations and generate funds therefrom and or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares or the issuance of debt. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

a) STATEMENT OF COMPLIANCE TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards board (“IASB”). These unaudited interim condensed consolidated financial statements follow the same accounting policies and methods of application as the most recent audited annual financial Statements of the Company. These unaudited interim condensed consolidated financial statements do not contain all the information and disclosures required by IFRS for annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The policies set out below were consistently applied to all periods presented unless otherwise noted below. These financial statements have been prepared on a historical cost basis except for financial instruments carried at fair value.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

b) BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The policies set out below were consistently applied to all periods presented unless otherwise noted.

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2018.

c) BASIS OF CONSOLIDATION

These consolidated financial statements comprise the accounts of the Company and its wholly-owned subsidiaries Equinox Exploration Holding Corp. ("EQX US"), Anfield Resources Holding Corp. ("ARC"), ARH Wyoming Corp. ("ARH Wyoming") and Highbury Resources Corp. ("Highbury").

d) SIGNIFICANT MANAGEMENT JUDGMENT AND ESTIMATES IN APPLYING ACCOUNTING POLICIES

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Areas requiring a significant degree of estimation and judgment relate to the determination of the recoverability of the carrying value of property, plant and equipment and exploration and evaluation assets, fair value measurements for financial instruments and share based compensation and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, purchase price allocation and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's consolidated financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- Whether there are indicators of impairment of the Company's property, plant and equipment and exploration and evaluation assets.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

e) EVALUATION AND EXPLORATION ASSETS

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Exploration and evaluation expenditures include the direct costs related to the acquisition of exploration and evaluation assets. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option.

Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued.

Acquisition costs are capitalized. Exploration and evaluation expenditures, other than acquisition costs, incurred prior to the establishment of technical feasibility and commercial viability of extracting mineral resources and a decision to proceed with development are charged to operations as incurred.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

3. ASSET ACQUISITION

On August 27, 2015, amended November 23, 2017, the Company closed an Asset Purchase Agreement and amendments, with Uranium One Americas Inc. ("Uranium One") to acquire the Shootaring Canyon uranium mill (the "Shootaring Mill") located in Utah, and a portfolio of conventional uranium assets including: Shootaring Mill, Velvet-Wood Project, Frank M Project, Wate and Findlay Tank Breccia Pipes, royalty portfolio and surface stockpiles. (Notes 5 and 6). Considerations included cash and share payments totalling US\$7,500,000 to be paid to Uranium One and U.S. Energy Corp. ("US Energy").

The shares to be issued for the Shootaring Mill acquisition was recorded as a liability as a variable number of the Company's common shares are to be issued in settlement of the obligations.

URANIUM ONE – USD \$5,000,000

The Company must issue a total of up to USD \$1,000,000 in shares to Uranium One and pay a total of up to USD \$4,000,000 cash consideration as follows:

- (i) US\$500,000 in shares due at closing August 27, 2015 (issued);
- (ii) US\$500,000 in shares issued on August 27, 2016 (issued);
- (iii) US\$1,000,000 (\$1,254,000) in cash on July 1, 2017 (paid);
- (iv) US\$1,000,000 (\$1,364,200) in cash paid earlier of January 31, 2018 or restart of commercial production; and
- (v) US\$2,000,000 (\$2,622,800) in cash paid earlier of July 1, 2019 or restart of commercial production.

The US\$1,000,000 payment due on January 31, 2018 has not been made. In accordance with the amendment, interest will be accrued from July 1, 2017 to March 1, 2018 at a rate of 4.95% per annum and 5.95% per annum from March 2, 2018 until payment is made in full. In May 2018 Anfield and Uranium One entered into an Agreement extension in which the US\$1,000,000 payment and related interest would be deferred until July 1, 2019. Further, On July 1, 2019 Anfield and Uranium One entered into a subsequent Agreement extension in which the payment due will be deferred for an additional period of 90 days. As of September 30, 2019, The Company did not make the deferred payment to Uranium One in respect of the in respect to the US\$1,000,000.

During the period ended September 30, 2019, the Company recorded interest expense of US\$44,503 (\$59,153) with respect to the US\$1,000,000 cash payment.

During the year ended December 31, 2016, the Company and Uranium One clarified and confirmed a payment due related to the overall reclamation bond value at the time of the closing of the 2015 Shootaring Mill acquisition. The clarification confirmed an obligation to pay Uranium One US\$591,132 (\$782,836) on August 27, 2017 which became due and payable on January 31, 2018. The US\$591,132 payment due on January 31, 2018 has not been made. In accordance with the amendment, interest was accrued from August 27, 2017 to March 1, 2018 at a rate of 4.95% per annum and is currently accrued at 5.95% per annum from March 2, 2018 until repayment. In May 2018 Anfield and Uranium One entered into an Agreement extension in which the US\$591,132 payment and related interest would be deferred until July 1, 2019. Further, On July 1, 2019 Anfield and Uranium One entered into a subsequent Agreement extension in which the payment due will be deferred for an additional period of 90 days. As of September 30, 2019, The Company did not make the deferred payment to Uranium One in respect to the US\$591,132 payment.

3. ASSET ACQUISITION (CONTINUED)

URANIUM ONE – USD \$5,000,000 (CONTINUED)

During the period ended September 30, 2019, the Company recorded interest expense of US\$26,307 (\$34,967) with respect to the US\$591,132 payment.

US ENERGY – USD \$2,500,000

Concurrent with the abovementioned agreement, the Company, Uranium One and US Energy entered into an Amended Assignment and Assumption Agreement whereby the Company assumed the obligations of Uranium One relative to Uranium One's agreements with US Energy under revised terms negotiated between the Company and US Energy. The Company issued total of US\$2,500,000 in shares to US Energy during three years period from 2015 to 2017 as per stated terms of the agreement.

ASSET RETIREMENT OBLIGATIONS

RECLAMATION BONDS

The Company is required to obtain replacement bonds to meet reclamation requirement of USD\$9,346,014 in connection with the Shootaring Mill acquisition. Uranium One provided a cash collateral in the amount of US\$7,075,807 to cause the issuance of the replacement bonds.

The collateral deposit was not recorded in the Company's assets as the cash collateral was provided by Uranium One. The Company prepaid the 3% annual bond premium of US\$281,978 as insurance, which would create an obligation for the surety company to cover the difference between the bond requirement and the cash collateral. The bond premium is amortized over one year. In accordance with the amendment signed November 23, 2017, the Company entered into a five-year promissory note with Uranium One for the cash collateral. Interest on the promissory note has been accrued since July 1, 2017. As at September 30, 2019, the Company is in technical default under the promissory note agreement as Anfield has not yet made any interest payments related to the Note but both parties remain committed to pursuing a mutually beneficial resolution. As at September 30, 2019, the Company did not record the promissory note as Uranium One retains ownership of the collateral deposit.

As at September 30, 2019, \$342,305 (\$US258,480) (December 31, 2018 - \$149,937 (US\$109,908)) was recorded in prepaids relating to the annual insurance premium for the reclamation bond requirements. During the period ended September 30, 2019, the Company recorded interest expense of \$418,556 (US\$314,893) with respect to the US\$7,075,807 cash collateral posted by Uranium One.

Anfield Energy Inc.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2019 and 2018
(Expressed in Canadian Dollars - unaudited)

3. ASSET ACQUISITION (CONTINUED)

URANIUM PROPERTIES

On August 23, 2016, the Company entered into a Leases and Claims Transfer Agreement with Uranium One to acquire 24 uranium mining properties in Wyoming (Note 6). Under the term of the leases and claims transfer agreement, the Company agreed to pay total consideration of US\$6,550,000 as follows:

- (i) On execution of agreement US\$450,000 (paid \$613,890);
- (ii) On December 29, 2017 US\$300,000 (paid \$409,260);
- (iii) On 2nd anniversary of closing US\$750,000 (paid \$1,023,150);
- (iv) On 3rd anniversary of closing US\$750,000 (US\$993,225), (paid \$99,428 (US\$75,000));
- (v) On 4th anniversary of closing US\$1,500,000 (discounted \$1,725,388 (US\$1,302,868)); and
- (vi) On 5th anniversary of closing US\$2,800,000 (discounted \$2,779,720 (US\$2,099,011)).

AMOUNTS OWING ON ASSET ACQUISITION

A continuity of the amounts owing is as follows:

Balance, December 31, 2017	\$ 9,481,072
Interest	668,288
Payment - shares (Note 7)	-
Payment - cash	(1,360,590)
Accretion	1,041,370
Foreign exchange	847,499
Balance, December 31, 2018	10,677,639
Interest	512,676
Payment - shares (Note 7)	-
Payment - cash	(99,428)
Accretion	756,734
Foreign exchange	(316,853)
Balance, September 30, 2019	\$ 11,530,768
Short Term	\$ 8,751,047
Long Term	2,779,721
Balance, September 30, 2019	\$ 11,530,768
Short Term	\$ 6,520,815
Long Term	4,156,824
Balance, December 31, 2018	\$ 10,677,639

Anfield Energy Inc.
Notes to Condensed Consolidated Interim Financial Statements
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(Expressed in Canadian Dollars - unaudited)

4. ASSET RETIREMENT OBLIGATIONS

Laws and regulations concerning environmental protection affect the Company's exploration and operations. Under current regulations, the Company is required to meet performance standards to minimize environmental impact from its activities and to perform site restoration and other closure activities. The Company's provision for future site closure and reclamation costs is based on known requirements.

The Company's determination of the environmental rehabilitation provision arising from the Shootaring Mill acquisition at September 30, 2019 was \$11,553,776 (US\$8,709,337). This estimate was based upon an undiscounted future cost of \$15,011,378 (US\$11,335,300), an annual inflation rate of 3% and risk adjusted discount rate of 4%. The closure and reclamation expenditure is expected to be incurred in 2031.

A continuity of the Company's provision for site reclamation and closure is as follows:

Balance, December 31, 2017	\$	10,500,106
Accretion		249,453
Foreign exchange		931,352
Balance, December 31, 2018		11,680,911
Accretion		195,228
Foreign exchange		(342,363)
Balance, September 30, 2019	\$	11,533,776

5. EVALUATION, EXPLORATION AND DEVELOPMENT ASSETS

As at September 30, 2019, the Company held interests in uranium exploration properties in Utah, Wyoming and Arizona ("Uranium Properties"); a uranium property in Wyoming and uranium/vanadium properties in Colorado known as the Highbury Project; and uranium property Upper Maybelle in Saskatchewan, Canada. The Company also held interests in three copper exploration properties in Arizona: the North Star Property, Binghamton and Copper Queen properties.

	Upper Maybelle	Highbury	North Star	Uranium Properties	Total
Balance, December 31, 2017	\$ -	\$ -	\$ 17,569	\$ 7,225,285	\$ 7,242,854
Impairment	-	-	-	(1,135,606)	(1,135,606)
Foreign Exchange	-	-	1,536	523,124	524,660
Balance, December 31, 2018	-	-	19,105	6,612,803	6,631,908
Acquisition costs	874,000	2,320,873	-	-	3,194,873
Explorations costs	-	152,170	-	-	152,170
Foreign exchange	-	12,378	(560)	(193,410)	(181,591)
Balance September 30, 2019	\$ 874,000	\$ 2,485,421	\$ 18,545	\$ 6,419,393	\$ 9,797,360

Anfield Energy Inc.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2019 and 2018
(Expressed in Canadian Dollars - unaudited)

5. EVALUATION, EXPLORATION AND DEVELOPMENT ASSETS (CONTINUED)

The following exploration and evaluation expenditures were included in comprehensive loss are as follows:

	Nine months ended	
	Sept. 30, 2019	Sept. 30, 2018
Consulting	\$ 157,710	\$ 146,440
Sundry field	5,951	28,270
License, filing and insurance	808,040	366,222
Total for the period	\$ 971,701	\$ 540,932

URANIUM PROPERTIES

MAG PROJECT

On October 29, 2013, the Company entered into an option agreement with MAG Exploration Services Inc. to acquire a 100% interest in 109 mineral claims located in Utah and 24 mineral claims located in Arizona.

During the year ended December 31, 2013, the Company paid US\$100,000 and issued 1,500,000 shares with fair value of \$510,000. During the year ended December 31, 2017, the Company issued 600,000 shares with a fair value of US\$500,000 (\$600,000) to satisfy the final payments of the agreement.

YELLOW ROCK PROJECT

On January 20, 2014, the Company entered into an option agreement with Yellow Rock Resources Inc. ("Yellow Rock") to acquire a 100% interest in 130 unpatented mineral claims located in Utah.

During the year ended December 31, 2014, the Company paid US\$100,000 and issued 1,250,000 shares with fair value of \$500,000. During the year ended December 31, 2017, the Company issued 524,000 shares with a fair value of US\$400,000 (\$524,000) to satisfy the final payments of the agreement.

During the year ended December 31, 2018, the Company fully impaired the Mag Project and Yellow Rock Project by \$1,135,606.

VELVET WOOD PROJECT (NOTE 3)

The Velvet Wood Project is a uranium project, located in San Juan County, Utah.

FRANK M PROJECT (NOTE 3)

The Frank M uranium deposit is located approximately 12 km north of the Shootaring Mill.

ROYALTY PORTFOLIO (NOTE 3)

Royalty arrangements in four uranium projects. The royalty projects are not currently in production, and no royalty would be due to the Company until commencement of production.

5. EVALUATION, EXPLORATION AND DEVELOPMENT ASSETS (CONTINUED)

HIGHBURY PROJECT

In exchange for 11,051,775 common shares, the Company acquired both the Charlie ISR Uranium Project and nine past-producing uranium/vanadium properties in Colorado, collectively known as the West Slope Project, from Cotter Corporation. The Company recorded acquisition costs of \$2,320,873 and exploration costs of \$152,170 during the period ended September 30, 2019.

UPPER MAYBELLE, CANADA

The Company issued 3,800,000 common shares as consideration pursuant to the acquisition agreement to acquire 100% interest in the Upper Maybelle River Uranium Project, located in Saskatchewan, Canada.

WYOMING URANIUM PROPERTIES (NOTE 3)

On August 23, 2016, the Company signed a leases and claims transfer agreement whereby the Company acquired 24 uranium mining properties in Wyoming.

COPPER PROPERTIES

NORTH STAR PROPERTY

The Company owns a 100% interest in the North Star Property.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2019	December 31, 2018
Trade payables	\$ 654,184	\$ 951,750
Accrued liabilities	27,000	27,000
	\$ 681,184	\$ 978,750

7. SHARE CAPITAL

AUTHORIZED SHARE CAPITAL

Unlimited number of common shares without par value.

ISSUED SHARE CAPITAL

As at September 30, 2019, the Company had 74,652,826 (December 31, 2018 – 44,759,783) issued and fully paid common shares.

SHARES FOR MINERAL PROPERTIES

During the Period ended September 30, 2019:

On February 28, 2019, the Company issued 11,051,775 common shares with a fair value of \$2,320,873 pursuant to Highbury Projects acquisition (Note 6).

On April 29, 2019. The Company issued 3,800,000 comon shares with a fair value of \$874,000 pursuant to Upper Maybelle Project acquisition (Note 6).

7. SHARE CAPITAL (CONTINUED)

SHARES FOR DEBT

During the year ended December 31, 2018:

The Company issued 1,891,600 common shares with a fair value of \$378,320 to settle outstanding payables. No gain or loss on settlement was recorded.

SHARES FOR CONSULTING SERVICES

During the year ended December 31, 2018:

The Company issued 1,250,000 common shares with a fair value of \$250,000 for consulting services.

PRIVATE PLACEMENTS

During the Period ended September 30, 2019:

On April 23 2019, the Company closed an initial tranche of the private placement through the issuance of 13,764,966 units for proceeds of \$2,752,993. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase an additional common share at a price of \$0.30 for a period of three years. The Company paid a cash finder fee in the amount of \$76,286, incurred other share issuance costs of \$18,359, and issued 297,850 finder's warrants in relation to the first tranche. Each finder's warrant carries the same terms as those issued for the private placement. The finder's warrants have a fair value of \$54,291 which was recorded as share issue cost. The fair value was determined using the Black-Scholes Option Pricing Model with the following assumptions: Risk free rate of 1.55%; Expected life of 3 years; Expected volatility of 183% and dividend yield on \$Nil.

On May 3, 2019, the Company closed the second tranche of the private placement which resulted in an issuance of 4,593,750 units for proceeds of \$918,750. Each unit consists of one common share and one share purchase warrant with each warrant entitling the holder to purchase an additional common share at a price of \$0.30 for a period of three years. The Company paid a cash finder's fee in the amount of \$2,800 and issued 14,000 finder's warrants in relation to the second tranche. Each finder's warrant carries the same terms as those issued for the private placement. The finder's warrants have a fair value of \$2,672 which was recorded as share issue cost. The fair value was determined using the Black-Scholes Option Pricing Model with the following assumptions: Risk free rate of 1.62%; Expected life of 3 years; Expected volatility of 181% and dividend yield on \$Nil.

During the year ended December 31, 2018

On July 23, 2018, the Company completed a private placement of 16,085,837 units at \$0.20 per unit for gross proceeds of \$3,217,167. Each unit is comprised of one common share and one share purchase warrant exercisable at \$0.40 per warrant for a term of five years. In connection with the private placement, the Company incurred cash share issuance costs of \$192,795, and issued 747,775 finders' warrants exercisable at \$0.40 per common share for a term of 5 years. The finders' warrants were fair valued at \$204,423 using the Black-Scholes Option Pricing Model with the following assumptions: Risk free rate of 2.12%; Expected life of 5 years; Expected volatility of 156% and dividend yield on \$Nil.

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7. SHARE CAPITAL (CONTINUED)

WARRANTS

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise price
Balance at December 31, 2017	10,395,399	\$ 1.63
Warrants granted	19,975,212	0.40
Warrants expired	(1,578,425)	3.30
Warrants exercised	(4,587,959)	1.47
Balance at December 31, 2018	24,204,227	0.54
Warrants granted	18,670,566	0.30
Warrants expired	(747,219)	2.00
Balance at September 30, 2019	42,127,574	\$ 0.41

Details of warrants outstanding as at September 30, 2019 are as follows:

Number of warrants outstanding	Exercise price	Expiry
14,062,816	\$0.30	April 23, 2022
4,607,750	\$0.30	May 3, 2022
2,472,629	\$1.00	July 16, 2022
1,009,167	\$1.00	October 4, 2022
19,975,212	\$0.40	July 20, 2023
42,127,574		

STOCK OPTIONS

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX.V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to a maximum of five years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all investor relation activities and consultants will not exceed two percent (2%) of the issued and outstanding common shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. With the exception of options granted for investor relations, all options granted typically vest on the grant date.

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7. SHARE CAPITAL (CONTINUED)

STOCK OPTIONS (CONTINUED)

The following table summarizes the continuity of the Company's stock options:

	Number of Options	Weighted Average Exercise Price
Balance December 31, 2017	628,300	\$ 2.38
Granted	4,102,000	0.55
Expired	(750)	3.20
Cancelled	(393,850)	2.47
Balance December 31, 2018	4,335,700	0.64
Granted	3,385,000	0.20
Expired	(27,950)	3.52
Cancelled	(235,000)	0.61
Balance September 30, 2019	7,457,750	\$ 0.43

The weighted average remaining life of the outstanding options at September 30, 2019 was 4.21 years (December 31, 2018 – 4.46 years).

Details of options outstanding as at September 30, 2019 are as follows:

Number of options outstanding	Exercise price	Expiry
80,000	\$2.00	September 3, 2020
115,750	\$2.10	June 19, 2021
3,877,000	\$0.55	August 8, 2023
3,385,000	\$0.20	July 12, 2024
7,457,750		

During the period ended September 30, 2019:

On July 12, 2019, the Company granted 3,385,000 stock options to directors, officers, employee and consultants of the Company at an exercise price of \$0.20 per common share for a period of five years ending July 12, 2024. The options vested immediately. The fair value ascribed to the options was determined to be \$493,974 using the Black-Scholes Option Pricing Model and was included in the statement of comprehensive loss for the period ended September 30, 2019. The following assumptions were used: Risk free rate of 1.55%; Expected life of 5 years; Expected volatility of 173% and dividend yield on \$Nil.

During the year ended December 31, 2018:

On August 8, 2018, the Company granted 4,102,000 common share purchase options to employees, officers and consultants of the Company. The options are exercisable at \$0.55 per share and will expire on August 8, 2023. The options vested immediately. The fair value ascribed to the options was determined to be \$1,992,852 using the Black-Scholes Option Pricing Model and was included in the statement of comprehensive loss for the year ended December 31, 2018. The following assumptions were used: Risk free rate of 2.27%; Expected life of 5 years; Expected volatility of 153% and dividend yield on \$Nil.

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7. SHARE CAPITAL (CONTINUED)

RESERVES

STOCK OPTIONS RESERVE

The stock options reserve records items recognized as share-based payments expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised and cancelled, the amount recorded is transferred to deficit.

WARRANTS RESERVE

The warrants reserve records fair value of the warrants issued for services until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

FOREIGN EXCHANGE RESERVE

The foreign exchange reserve recognizes the foreign exchange differences resulting from translation of group entities to the presentation currency that have a different functional currency than the presentation currency.

8. RELATED PARTY TRANSACTIONS AND BALANCES

a) RELATED PARTY BALANCES

As at September 30, 2019, an amount of \$75,059 (December 31, 2018 – \$397,069) was owed to related parties. These amounts are unsecured, non-interest bearing and has no fixed terms of repayment.

b) RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with companies that are controlled or managed by directors of the Company:

	For the three months ended		For the nine months ended	
	Sept. 30, 2019	Sept. 30, 2018	Sept. 30, 2019	Sept. 30, 2018
Consulting fees (i)	\$ 12,000	\$ 26,700	\$ 44,900	\$ 56,900
Share based compensation	-	1,069,235	-	1,069,235
	\$ 12,000	\$ 1,095,935	\$ 44,900	\$ 1,126,135

Key management compensation:

	For the three months ended		For the nine months ended	
	Sept. 30, 2019	Sept. 30, 2018	Sept. 30, 2019	Sept. 30, 2018
Consulting fees (i)	\$ 141,674	\$ 129,960	\$ 453,001	\$ 407,824
Share based compensation	412,253	461,534	412,253	461,534
	\$ 553,927	\$ 591,494	\$ 865,254	\$ 869,358

(i) These expenses are included in general and administrative expenses in the statement of comprehensive loss.

9. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties. The Company’s exploration and evaluation assets are located in the United States.

10. CAPITAL MANAGEMENT

The Company’s objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the evaluation and exploration of its mineral exploration 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 includes the components of share capital as well as cash. 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 its capital structure, the Company may issue new shares, acquire or dispose of assets, or adjust the amount of cash and cash equivalents and short-term investments. In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company is not subject to any externally imposed capital requirements. There were no changes during the year to management’s approach to capital management. The Company’s investment policy is to invest its excess cash in highly liquid investments that are readily convertible into cash with maturities of three months or less from the original date of acquisition or when it is needed, selected with regards to the expected timing of expenditures from continuing operations.

11. FINANCIAL INSTRUMENTS

a) FAIR VALUE

The carrying values of cash, accounts payable and due to related parties, and amounts owing on asset acquisition, promissory notes approximate their fair values due to the relatively short period to maturity of those financial instruments. Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: 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: Inputs that are not based on observable market data.

As at September 30, 2019, the financial instruments recorded at fair value on the statement of financial position is cash which is measured using Level 1.

11. FINANCIAL INSTRUMENTS (CONTINUED)

b) CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial assets included in the statement of financial position are as follows:

	September 30, 2019	December 31, 2018
Fair value through profit and loss:		
Cash	\$ 352,571	\$ 52,792

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2019	December 31, 2018
Non-derivative financial liabilities:		
Accounts payable and accrued liabilities	\$ 681,184	\$ 978,750
Amounts owing on asset acquisition	11,530,768	10,677,639
Due to related parties	75,059	397,069
Promissory note	52,972	109,152
	\$ 12,339,983	\$ 12,162,610

FINANCIAL RISK MANAGEMENT

CREDIT RISK

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is high credit quality financial institutions as determined by rating agencies.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's debt is subject to a fixed interest rate; therefore, it does not expose to interest rate risk.

11. FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL RISK MANAGEMENT (CONTINUED)

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The foreign currency risk for the Company is low as the foreign currencies held are in the functional currency of the entities. The Company is exposed to foreign currency risk on the amounts owing on the asset acquisition which are denominated in US dollars.

COMMODITY RISK

Commodity risk is the risk that the value of future cash flows and profits will fluctuate based on the prices of commodities. The Company is exposed to changes in the price of commodities. Changes in the price of commodities will impact the Company's ability to obtain financing to explore its mineral properties.

As at June 30, 2019, the Company has no contracts or agreements in place to mitigate these price risks.

12. PROMISSORY NOTE

During the year ended December 31, 2016, the Company entered into a Promissory Note agreement with U.S Energy to purchase mining data in Wyoming, Utah, and Colorado. As at September 30, 2019, the principal amount is \$52,972 (US\$40,000) with interest of 5% per annum and annual payment of US\$20,000 plus interest. The maturity date is January 4, 2021.

As at September 30, 2019 and December 31, 2018, the balances of the promissory note is as follows:

Balance, December 31, 2017	\$ 100,586
Foreign exchange	8,566
Balance, December 31, 2018	109,152
Interest	6,557
Payment	(53,954)
Foreign exchange	(8,783)
Balance, September 30, 2019	\$ 52,972
<hr/>	
Short Term	(26,486)
Long Term	(26,486)
	<hr/> (52,972) <hr/>