



(FORMERLY EQUINOX COPPER CORP., FORMERLY EQUINOX EXPLORATION CORP.)

**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014**  
**AND THE SUBSEQUENT PERIOD ENDED NOVEMBER 21, 2014**

## **A) GENERAL**

This Management's Discussion and Analysis of Anfield Resources Inc. (the "Company", "Anfield" or "ARY") is dated November 21, 2014 and provides an analysis of Anfield's financial position and results of operations for the nine month period ended September 30, 2014 and subsequent period ended November 21, 2014. The following information should be read in conjunction with the unaudited interim condensed consolidated financial statements and accompanying notes for the nine month period ended September 30, 2014 to provide readers with a reasonable basis for assessing the financial performance of the Company. Readers are also advised to read the Company's audited financial statements for the year ended December 31, 2013 and related notes, which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and at the Company's website: [www.anfieldresources.com](http://www.anfieldresources.com).

Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars.

*Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by applicable Canadian Securities law.*

## **B) CORPORATE PROFILE AND MISSION**

Anfield Resources Inc. is a resource company engaged in mineral exploration, development and production in the United States and Chile. The Company is a reporting issuer in British Columbia and Alberta, and its common shares trade on the TSX Venture Exchange under the symbol "ARY". The common shares commenced trading on the OTCQB Marketplace on May 19th, 2014 under the symbol "ANLDF". The Company's common shares will continue to trade on the TSX Venture Exchange under the symbol "ARY". On September 18, 2014 the Company announced that the shares of the Company are also listed on the Frankfurt Stock Exchange under the symbol "OAD" and German Securities Number (WKN) of "A12A3A".

The uranium market continues to suffer from the effects of Fukushima in 2011; however, recent positive headlines from Japan have started to alleviate some of the negative pressure which has been placed on the uranium spot price. Moreover, the backlog of nuclear reactors which are under construction, planned or proposed worldwide reflects a more than doubling of today's installed base. From the Middle East to Asia, nuclear power is taking hold as a viable alternative to fossil fuel as a source of baseline power. Anfield feels it is well positioned to benefit from the uranium market's positive future prospects as it continues to advance its plans to create a vertically-integrated uranium entity.

The copper market has seen some positive news recently, reflected in the relatively steady copper price. Positives for this commodity include continued US economic recovery and the potential of strong demand from China driving demand. Moreover, the flat-lining and/or decline of supply of copper ore from economic mines or safe jurisdictions underlines the value of potential operations in the US and

Chile. To this end, Anfield plans to advance its copper projects in order to take advantage of their respective positive geographic positions and the future prospects of the copper price.

Additional information can be found at the website [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.anfieldresources.com](http://www.anfieldresources.com)

## **C) ACTIVITY HIGHLIGHTS**

### **CORPORATE**

#### **November 4, 2014**

The Company announced the renewal of permits being nine mineral leases with Utah School & Institutional Trust Lands Administration covering 5,700 acres of Utah State Trust Land and reported on the Uranium market. The U308 spot price increase 28% over the last three months and Japanese city votes to restart two reactors at Sendai nuclear power plant.

#### **October 30, 2014**

The Company announced that the Utah Division of Radiation Control ("UDRC") has granted conditional approval to transfer ownership of the Shootaring Canyon Uranium Mill ("Shootaring Mill") radioactive materials license from Uranium One Americas, Inc. ("Uranium One") to Anfield.

In connection with the conditional approval, the UDRC has agreed to extend the date for submitting the license renewal application to October 31, 2015 to allow Anfield to prepare a license renewal application. This application will outline the modifications to the Shootaring Mill facility that Anfield believes are necessary in order for the Shootaring Mill to achieve operating status. The application to transfer ownership was jointly filed by Uranium One and Anfield pursuant to definitive agreements, announced on August 18, 2014, under which Anfield has agreed to acquire the Shootaring Mill and a portfolio of conventional uranium assets from Uranium One ("Shootaring Transaction"). The UDRC is the regulatory entity in Utah responsible for licensing the Shootaring Mill.

A conditional approval indicates that the UDRC has consented to the radioactive materials license transfer subject to submitting an acceptable replacement surety to the UDRC and closing of the Shootaring Transaction. After the closing of the Shootaring Transaction, Anfield will request an amendment to the license to change the name of the licensee to Anfield and will be subject to a minimum 30-day public comment period and possible public hearing, after which the license will be amended to list Anfield as the licensee. Anfield will then prepare a license renewal application for the restart of the Shootaring Mill.

In addition to receiving conditional approval for transfer of the Shootaring Mill radioactive materials license, Anfield has received conditional approval from the TSX for the Shootaring Transaction to occur, and has received approval from the Federal Communications Commission (FCC) for the transfer of a radio communications license associated with the Shootaring Mill.

Corey Dias, CEO of the Company stated: "We are very pleased that the UDRC has consented to the transfer of the Shootaring Mill radioactive materials license. This is a critical step along the path to both full ownership of and, ultimately, operation of the Shootaring Mill since, without such a license, neither option would be possible. We are expeditiously working to complete all pre-closing conditions of the Shootaring Transaction. We look forward to closing the transaction and beginning the process of restarting the Shootaring Mill."

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**October 8, 2014**

The Company provided a corporate update detailing the following highlights:

- Early pursuit of uranium assets in order to diversify the Company's portfolio and establish market position.
- Impending transition to near term uranium producer via Uranium One conventional asset acquisition. Subject to regulatory approval.
- The uranium market not without risk, but the future looks bright.
- Marketing Anfield's story in North America and beyond.

**September 25, 2014**

The Company announced that the Company has retained Star Finance GmbH ("Star Finance"), an investor relations firm from Switzerland, to provide investor relations services in Europe.

Star Finance is one of the founding members of Stockteam Germany – a network of Europe-based investor relations companies and communication specialists. Stockteam Germany is a one-stop shop for European investor relations and corporate communication services, and offers a large variety of state-of-the-art services to its clients. These services include: lead generation, media coverage and dissemination (on-line and off-line), news release translation and dissemination, social media relations, on-line investor video conferences, institutional investor roadshows, and listing assistance for German stock exchanges. These services are long-term focused and are bundled into tailor-made packages for each individual client.

The Company also announced it has granted 556,932 options at a price of \$0.50 to directors, officers, consultants and employees with a five-year term, expiring September 24, 2019.

**September 18, 2014**

The Company announced that the shares of the Company are also listed on the Frankfurt Stock Exchange under the symbol "OAD" and German Securities Number (WKN) of "A12A3A".

Mr. Corey Dias, CEO of Anfield, commented: "We feel it is important to all of our shareholders that we take steps to both improve liquidity and diversify our shareholder base. Joining the Frankfurt Stock Exchange, which is the third-largest exchange-trading market in the world, as measured by trading volume, helps the Company meet these goals. Listing on the Frankfurt Stock Exchange will increase the profile of Anfield with both retail and institutional investors in Germany and across Europe and will allow European investors timely access to Anfield's shares. This opportunity to broaden our shareholder base comes at an excellent time for our Company as we move into the next phase of our corporate growth initiative. This is a major step towards furthering the objectives of improving our visibility with the investment community and increasing investor awareness globally."

The Frankfurt Stock Exchange facilitates advanced electronic trading, settlement and information systems. Thus, it is able to meet the steadily growing requirements of cross-border trading. Besides the specialist trading at Frankfurt Stock Exchange, its fully electronic trading system Xetra® is one of the leading electronic trading platforms in the world. It also created attractive framework conditions for foreign investors and market participants.

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**September 10, 2014**

The Company announced that the Company has engaged BRS, Inc. to complete a mineral resource estimate and NI 43-101 technical report for the Velvet-Wood Uranium property, one of the most prospective mineral properties in the recent asset purchase from Uranium One.

**September 5, 2014**

The Company announced that as an energy metals exploration and development company, and an emerging uranium production company, the Company was pleased to announce that its CEO, Corey Dias, would be presenting at the Rodman & Renshaw 16th Annual Global Investment Conference. The Conference was being held September 8<sup>th</sup> – 10th, 2014 at the New York Palace Hotel, New York.

Anfield Resources management was also available for one-on-one meetings on September 9th and 10th to discuss its strategic plans following the Company's recent acquisition of the Shootaring Canyon Uranium Mill.

**August 21, 2014**

The Company announced that it has filed an application with the Utah Division of Radiation Control ("UDRC") to approve the transfer of ownership of the radioactive materials license for the Shootaring Canyon Uranium Mill ("Shootaring Mill") from Uranium One to Anfield and to request an extension of the license to allow Anfield to prepare a license renewal application. The application to transfer ownership has been jointly filed by Uranium One and Anfield pursuant to definitive agreements, announced on August 18, 2014, under which Anfield has agreed to acquire the Shootaring Mill and a portfolio of conventional uranium assets from Uranium One ("Shootaring Transaction"). The UDRC is the regulatory entity in Utah responsible for licensing the Shootaring Mill.

**August 18, 2014**

The Company announced that it has entered into definitive agreements with Uranium One to acquire the Shootaring Canyon uranium mill (the "Shootaring Mill") located in Garfield County, Utah, and a portfolio of conventional uranium assets. The properties, located in Utah, Arizona and South Dakota increase Anfield's uranium asset acreage by more than 250%. The deal, which is valued at five million US dollars, will be settled over a period of up to four years with a combination of cash and shares.

The Shootaring Canyon mill, located approximately 48 miles (77 kilometers) south of Hanksville, Utah, is a conventional acid-leach facility that is permitted to process up to 750 tonnes of ore per day, with a capacity to process up to 1,000 tonnes per day. The mill was built in 1980 and during its period of operation it processed 28,000 tonnes of ore containing 30,000 pounds of U<sub>3</sub>O<sub>8</sub> with recoveries of over 90%.(i). The mill ceased operations in 1982 due to the depressed price of uranium, and has since been kept on care and maintenance. The surface stockpiles at the facility include a historical estimate of 250,000 pounds of U<sub>3</sub>O<sub>8</sub> at an average grade of 0.13% U<sub>3</sub>O<sub>8</sub>.(iii).

The portfolio of acquired conventional uranium assets encompasses approximately 48,000 acres (~19,425 hectares) and consists of: 1) 12 patented mining claims; 2) 1,748 unpatented mining claims in Utah and Arizona; and 3) 17 State mining leases in Utah, Arizona and South Dakota. The portfolio also includes a historical estimate of measured and indicated mineral resource of 6.8 million pounds of U<sub>3</sub>O<sub>8</sub> grading approximately 0.19% U<sub>3</sub>O<sub>8</sub>. Finally, surface stockpiles contain uranium ore with a historical mineral resource estimate of approximately 165,000 pounds of U<sub>3</sub>O<sub>8</sub> grading 0.09% U<sub>3</sub>O<sub>8</sub>.(iii).

The most advanced asset in this portfolio is the Velvet-Wood deposit. Between 1979 and 1984 approximately 400,000 tons of ore were mined from the Velvet Deposit at grades of 0.46% U<sub>3</sub>O<sub>8</sub> and 0.64% V<sub>2</sub>O<sub>5</sub> (recovering approximately 4 million pounds of U<sub>3</sub>O<sub>8</sub> and 5 million pounds of V<sub>2</sub>O<sub>5</sub>.(iv)). Some

underground infrastructure is already in place at the Velvet mine including a 3,500 ft long, 12' x 9' decline to the ore body. The remaining historical mineral resources of the combined Velvet and Wood mines have been estimated to comprise 4.6 million pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 0.285% U<sub>3</sub>O<sub>8</sub> (measured and indicated resource) and 638,500 pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 0.173% U<sub>3</sub>O<sub>8</sub> (inferred resource).<sup>(v)</sup>

The uranium assets include the Frank M deposit, located approximately 12 km north of the mill, with a historical mineral resource estimate of 2.2 million pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 0.101% U<sub>3</sub>O<sub>8</sub>.<sup>(vi)</sup> Also included are the Wate and Findlay Tank Breccia Pipes in northern Arizona. Approximately 1.4 million pounds of the historical resource estimates are attributable to Uranium One's interest in these two breccia pipes (see Table 1). Importantly, the grade of mineralization at these breccia pipe deposits is typically higher than other U. S. deposits (in this case 0.76% U<sub>3</sub>O<sub>8</sub> and 0.23% U<sub>3</sub>O<sub>8</sub> respectively).<sup>(vii)</sup>

All historical resources referenced in this report are from technical reports prepared by well-known mineral exploration and mining consulting firms using current CIM standards and terminology (see Table 2) but which were not filed publicly. The Company intends to work with the same groups to complete the reports such that they comply with all requirements of NI 43-101.

The table below summarizes the historical estimate of U<sub>3</sub>O<sub>8</sub> resources present at these properties:

**Table 1**

Deposit	Measured			Indicated			Inferred			Total Measured + Indicated		
	Tons	Grade (% U <sub>3</sub> O <sub>8</sub> )	Lbs U <sub>3</sub> O <sub>8</sub>	Tons	Grade (% U <sub>3</sub> O <sub>8</sub> )	Lbs U <sub>3</sub> O <sub>8</sub>	Tons	Grade (% U <sub>3</sub> O <sub>8</sub> )	Lbs U <sub>3</sub> O <sub>8</sub>	Tons	Grade (% U <sub>3</sub> O <sub>8</sub> )	Lbs U <sub>3</sub> O <sub>8</sub>
Velvet	363,000	0.271	1,966,000 <sup>1</sup>	71,000	0.384	548,000 <sup>2</sup>	174,000	0.174	604,000 <sup>1</sup>	434,000	0.290	2,514,000 <sup>1</sup>
Wood				377,000	0.280	2,113,000 <sup>1</sup>	11,000	0.157	34,500 <sup>1</sup>	377,000	0.280	2,113,000 <sup>1</sup>
Frank M				1,095,000	0.101	2,210,000 <sup>1</sup>	42,000	0.09	75,000 <sup>1</sup>	1,095,000	0.101	2,210,000 <sup>1</sup>
Findlay Tank							211,000	0.226	954,000 <sup>1</sup>			
50% of Wate Breccia Pipe							29,000	0.760	443,000 <sup>4</sup>			
Total	363,000	0.271	1,966,000	1,543,000		4,871,000	467,000		2,110,500	1,906,000		6,837,000

**Table 2**

Date	Title	Author
12/10/2008	Velvet Mine Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report	BRS, Inc
12/10/2008	Wood Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report	BRS, Inc
6/10/2008	Frank M Uranium Project, 43-101 Mineral Resource Report, Garfield County, Utah USA	BRS, Inc
10/2/2008	Findlay Tank SE Breccia Pipe Uranium Project, Mohave County, Arizona USA 43-101 Mineral Resource Report	BRS, Inc
8/18/2010	Updated NI 43-101 Technical Report on Resources Wate Uranium Breccia Pipe Northern Arizona, USA	SKR Consulting

The Company executed definitive agreements with Uranium One to acquire the assets upon the following terms: 1) Anfield will issue to Uranium One the equivalent of US\$1 million in Anfield Shares upon Closing; and 2) Anfield will make cash payments to Uranium One of US\$4 million, with US\$2 million to be paid upon the earlier of July 1, 2017 or the restart of Commercial Production at the mill (defined as the Shootaring mill operating for 60 consecutive days at 60% of capacity, or 450tpd), and US\$2 million to be paid upon the earlier of July 1, 2019 or twenty four months following the restart of Commercial Production at the mill.

The Company also agrees to make cash deposits to replace the US\$8.9 million in long-term government reclamation bonds that are currently in place over the mill as a surety. A US\$5 million deposit will be made to the current bond-providing institution at Closing, and within twenty four months following

Closing the Company will make an additional deposit to cover the remaining amount of the reclamation bonds.

Contemporaneous with this agreement, Anfield, Uranium One and U.S. Energy have entered into an Amended Assignment and Assumption Agreement whereby Anfield will assume the obligations of Uranium One relative to Uranium One's agreements with U.S. Energy under revised terms negotiated between Anfield and US Energy. These terms state that: 1) Anfield will, upon Closing, issue US\$2.5 million in Anfield shares to US Energy, to be held in escrow and released over a period of 36 months from Closing; 2) Anfield will make cash payments of US\$5 million in two tranches of US\$2.5 million, with the first following 18 months of Commercial Production and the second following 36 months of Commercial Production.

The acquisition is subject to regulatory approval.

For further details, please see the news release dated August 18, 2014 at found at the website [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.anfieldresources.com](http://www.anfieldresources.com)

Disclaimer: Anfield is not treating the historical estimate as current mineral resources or mineral reserves. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves.

<sup>i</sup> source - Table 1 contains a list of historical resource estimates of key properties in the acquisition. Historical resource estimates are categorized as measured, indicated, and inferred.

<sup>ii</sup> source - Velvet Mine Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report, BRS, Inc., December 10, 2008; Wood Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report, BRS, Inc., December 10, 2008.

<sup>iii</sup> source - Utah Geological & Mineral Survey, OFR 188, July 1990, p.38, 62

<sup>iv</sup> source - <http://www.eia.gov/uranium/marketing/?src=nuclearcapital-f2>

<sup>v</sup> source - <http://www.eia.gov/uranium/production/annual>

<sup>vi</sup> source – Environmental Report for Shootaring Canyon Uranium Processing Facility, Revision 1, Environmental Restoration Group, Inc., December 2006.

<sup>vii</sup> source - Definitive Cost Estimate for the Restart of Shootaring Canyon Mill, Ticaboo, Utah, Lyntek Incorporated, July 28, 2008.

<sup>viii</sup> source - Technical Report on the Lisbon Valley Uranium Properties Utah, Roscoe Postle Associates Inc., September 12, 2005.s

<sup>ix</sup> source - Utah Geological & Mineral Survey, OFR 188, July 1990, p.38, 62

<sup>x</sup> source - Velvet Mine Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report, BRS, Inc., December 10, 2008; Wood Uranium Project, San Juan County, Utah USA 43-101 Mineral Reserve and Resource Report, BRS, Inc., December 10, 2008.

<sup>xi</sup> source - Frank M Uranium Project, 43-101 Mineral Resource Report, Garfield County, Utah USA, BRS Inc., June 10, 2008.

<sup>xii</sup> source - Updated NI 43-101 Technical Report on Resources Wate Uranium Breccia Pipe Northern Arizona, USA; SRK Consulting, Augusta 18, 2010; Findlay Tank SE Breccia Pipe Uranium Project, Mohave County, Arizona USA 43-101 Mineral Resource Report, BRS, Inc., October 2, 2008.

## **August 12, 2014**

The Company informed the shareholders and the public that it was in negotiations with respect to a transaction.

## **July 25, 2014**

The Company informed the shareholders and the public that it was in negotiations with respect to a transaction.

## ***MINERAL PROPERTIES***

Anfield Resources Inc. has seven exploration projects: the combined Binghampton/Copper Queen projects in Arizona, the North Star project also in Arizona, the Aura project in Chile and the recently acquired Shootaring Canyon Uranium Mill, subject to regulatory approval, the MAG and YR Uranium projects in Utah and Arizona and the AMC Uranium project in Colorado.

### **Aura Project**

The Aura project is a copper manto exploration project in the Atacama Desert region of Chile, lying 31 kilometres southeast of Copiapo. The property is underlain by a series of copper mantos the Company is systematically exploring.

Anfield regards the Aura project as a mining exploration project. The mode of exploration is to initially open up and explore the various copper mantos by mechanical trenching. If copper mineralization is found to continue, then a face is established and an adit tunnel is driven on the copper manto until the manto is no longer mineralized. If copper mineralization persists, Anfield stopes the mineralization and also drives multiple tunnels to access the copper mineralization at depth. This copper mineralization is stockpiled as direct shipping copper oxide, where it is subsequently shipped to the Enami processing facility in Copiapo. As exploration continues on the individual mantos, Anfield anticipates the eventual shipment of copper sulfides to the same facility.

During the period ending September 30, 2014, due to persistent challenges in attempting to create a viable and sustainable mining operation at Aura, the Company made the decision to restrict investment.

### **Binghampton Copper Queen Project**

The Binghampton Copper Queen project, located 27 kilometres southeast of Prescott, Arizona, within the Arizona Volcanogenic Massive Sulfide (VMS) Belt, consists of 2,032 hectares of both patented and State land. The two past-producing copper mines on the property – Binghampton and Copper Queen – are separated by a mile-wide valley. According to the Arizona Geological Survey, Binghampton produced approximately 8 million pounds of copper at an average grade of 3.1% prior to its closing in the 1920s, while Copper Queen produced less than 100,000 pounds.

According to the Arizona Geological Survey, the Arizona VMS Belt has 48 past and present producers and contains 70 known deposits. Combined production in the Arizona VMS Belt totaled 55.3 million tons of copper at an average grade of 3.6%. The United Verde mine, one of four mines which produced one million tons or more of copper, is the largest in the area and produced 33.5 million tons at an average copper grade of 4.36%.

The Company announced assay results from the first 7 holes of the phase I diamond drilling program at Binghampton- Copper Queen in late February. This drilling focused on the Copper Queen trend, testing both sulfide and oxide copper mineralization. See the news release filed on [www.sedar.ca](http://www.sedar.ca)

### **Utah and Arizona Uranium Projects**

The Company completed two separate uranium acquisitions in the uraniferous Colorado Plateau Region of the southwestern United States in the winter of 2013/2014. It acquired 26 groups totaling 133 unpatented lode claims in San Juan County, Utah and Mojave County, Arizona from MAG Exploration Services Inc. in late October and a further 32 groups totaling 130 unpatented lode claims in San Juan and Garfield Counties, Utah from Yellow Rock Resources Inc. in late January. The Company subsequently staked an additional 51 unpatented lode claims in the Counties of Grand, Emery, and San Juan, Utah in



late February proximal to and/or adjoining some of the earlier groups. Finally, Anfield expanded its holdings to 55 claims from eight claims at the Firefly Mine Complex in the La Sal District of the Paradox Area of San Juan County, Utah.

The claims generally cover previous uranium mines or known uranium occurrences within the Colorado Plateau. All claim groups, except the Mojave County, Arizona group, lie within 115 miles of the Energy Fuels Inc.'s White Mesa mill, the only operating conventional uranium mill in the US. The Utah claims and the hosting Districts are briefly summarized below:

#### **Paradox Area**

The Company holds one claim group totaling 55 individual claims in the La Sal District of the Paradox Area in eastern San Juan County, Utah. The Paradox claim group encompasses three historically producing mines within the Firefly Mine Complex: the Firefly, Gray Dawn, and Little Peter mines. Records of production from the Atomic Energy Commission have been located only for the period from 1948 to 1958, and are summarized below.

- The Firefly mine is reported to have produced 22,311 tons of material with an average grade of 0.34%  $U_3O_8$  and 2.18%  $V_2O_5$ .
- The Gray Dawn mine is reported to have produced 7,882 tons of material with an average grade of 0.36%  $U_3O_8$  and 1.62%  $V_2O_5$ .
- The Little Peter is reported to have produced 974 tons of ore with an average grade of 0.25%  $U_3O_8$  and 1.21%  $V_2O_5$ .
- The Vanadium Queen mine, located outside of but directly adjacent to Anfield's claim holdings, is reported to have produced 22,195 tons of material with an average grade of 0.33%  $U_3O_8$  and 2.63%  $V_2O_5$ .

The La Sal Area has had significant past production of uranium and vanadium beginning in the early 1900s. Numerous underground mines extracted vanadium and uranium early on, while deeper deposits were discovered in the 1960s and developed for production in the 1970s through vertical shafts and declines. Production through 1990 amounted to about 6,426,000 pounds of  $U_3O_8$  at an average grade of 0.32%  $U_3O_8$  and nearly 29,000,000 pounds  $V_2O_5$  at an average grade of 1.46%  $V_2O_5$ . Of note, thirteen historically-producing Uranium-Vanadium mines have been documented in the La Sal Area.

The La Sal Area is also home to significant recent uranium and vanadium production, as well as projects in the development phase. Energy Fuels Inc.'s (TSX: EFR) Pandora and Beaver Mines together produced approximately 455,000 tons of ore at average grades of 0.22%  $U_3O_8$  and 1.14%  $V_2O_5$  from 2007 through 2012. The Energy Queen, an EFR development project, is located at the west end of the La Sal District and has a current NI 43-101-compliant estimated resource of 291,470 tons at 0.30%  $U_3O_8$  and 1.30%  $V_2O_5$ .

Anfield has been unable to verify the Energy Queen resource estimate and the resource estimate is not necessarily indicative of mineralization on the Anfield properties in the La Sal District.

#### **White Canyon Uranium District**

The Company holds 14 claim groups totaling 63 lode claims in the White Canyon Uranium District in western San Juan County, Utah. The White Canyon Uranium District is estimated to have produced more than 11,000,000 lbs  $U_3O_8$ , with an average grade of 0.24%  $U_3O_8$ . The District is also home to Energy Fuels Inc.'s Daneros Project, a current/recent Uranium producer, as well as the historically-producing Happy Jack mine. Of note, there are more than 100 known uranium deposits in the White Canyon District.

### **Moab Uranium District**

The Company holds five claim groups totaling 37 individual claims in the Moab Uranium District in northern San Juan County, Utah. The Moab Uranium District is located in the heart of the Paradox Basin, and produced an estimated 3,276,000 lbs  $U_3O_8$  with an average  $U_3O_8$  grade of 0.29% and 1.15%  $V_2O_5$ . One of the properties in the acquisition, the Yellow Circle, has been estimated to have had approximately 1,000,000 lbs  $U_3O_8$  in historic production.

### **Montezuma Canyon**

The Company holds twenty one claim groups totaling 72 individual claims and 6 Utah State Leases in the Montezuma Canyon Area in eastern San Juan County, Utah. Total past production in this area is estimated at 88,000 lbs  $U_3O_8$  and 775,000 lbs  $V_2O_5$ , with an average  $U_3O_8$  grade of 0.24% and 0.31%  $V_2O_5$ . Of note, there are 84 known uranium deposits in the Montezuma Canyon District.

### **Dry Valley Area**

The Company holds five claim groups totaling 23 individual claims in the Dry Valley Area in eastern San Juan County, Utah. Total past production in this area is estimated at 1,525,000 lbs  $U_3O_8$  and 12,662,000  $V_2O_5$ , with an average  $U_3O_8$  grade of 0.18% and 1.35%  $V_2O_5$ . Significant past producers in the Dry Valley Area include the Frisco Twin Mine and the Geneva Mine.

### **Cottonwood/Abajo District**

The Company holds five claim groups totaling 16 individual claims in the Cottonwood/Abajo District in central San Juan County, Utah. Total past production in this area is estimated at 896,000 lbs  $U_3O_8$  and 5,664,000 lbs  $V_2O_5$  at an average grade of 0.14% to 0.16%  $U_3O_8$  and 1.5%  $V_2O_5$ .

### **Henry Mountains Area**

The Company holds seven claim groups totaling 32 individual claims and 2 Utah State Leases in the Henry Mountains Area in eastern Garfield County, Utah, and is complementary to the two State Leases previously secured by Anfield. Total past production in this area is estimated at 620,000 lbs  $U_3O_8$  at an average grade of 0.24%  $U_3O_8$ . More than 20 historically producing mines have operated in the Henry Mountains District, and the district is home to the past-operating Shootaring Canyon Uranium Mill.

### **Thompson District**

The Company holds two claim groups consisting of 26 individual claims situated in the Thompson District in Grand County, Utah. Although total production in the district is unknown, it is reported that 45 historic mines operated in the district at an average grade of 0.4%  $U_3O_8$ . The Thompson District is home to such past producers as the Yellow Cat, Little Eva, Little Pittsburgh, Cactus Rat, Parco, and Ringtail mines.

### **Green River District**

The Company holds one claim group consisting of six individual claims situated in the Green River District in Emery County, Utah, and is complementary to one State Lease previously secured by Anfield. Total past production in this area is estimated at 600,000 tons of mined material at an average grade of 0.24%  $U_3O_8$ . 28 historically producing mines have operated in the Green River District. The claim group is also located within two miles of the property boundary of Energy Fuels Inc.'s San Rafael Project, which in 2011 reported an indicated mineral resource of 3,404,600 lbs  $U_3O_8$  at an average grade of 0.225%  $U_3O_8$ , and 4,595,600 lbs  $V_2O_5$  at an average grade of 0.30%  $V_2O_5$ , and an inferred mineral resource of 1,859,600 lbs  $U_3O_8$  at an average grade of 0.205%  $U_3O_8$ , and 2,510,600 lbs  $V_2O_5$  at an average grade of 0.28%  $V_2O_5$ .

The Company also holds one a Utah State Lease in the Desert Area of the Green River Mining District. This lease is situated a few miles from Energy Fuels' San Rafael uranium project. Information regarding pounds of production of  $U_3O_8$  for the district has not been forthcoming; however, an estimated 600,000 tons of material has been mined from the district.

#### **San Rafael District**

The Company holds two claim groups consisting of 7 individual claims situated in the San Rafael District in Emery County, Utah. Total past production in this area is estimated at 300,000 tons of mined material at an average grade of 0.22%  $U_3O_8$ . 32 historically producing mines have operated in the San Rafael District.

Unless otherwise noted, all Utah historic production figures are sourced from Gloyn, R.W. et al, Mineral, Energy, and Groundwater Resources of San Juan County, Utah, Utah Geological Survey (1995) and Utah Geological and Mineral Survey Open File Report 18, Uranium-Vanadium Occurrences of Utah (1974).

#### **Date Creek Basin**

The Date Creek Basin (DCB) project consists of 24 unpatented mining claims situated in Mohave County, Arizona, about 110 miles southeast of Kingman, Arizona in the Date Creek Basin, which is a historic Uranium producing region. A number of companies explored the Date Creek Basin property and the immediate vicinity in the 1960s-1970s, including Hecla Mining, Getty Oil, Homestake Mining, and Public Service Company of Oklahoma, with a combined total of 443 exploration drill holes. The most recent exploration was conducted in 2007, resulting in 35 exploration drill holes. Production from the DCB was reported between 1955 and 1959 at 33,593 lbs  $U_3O_8$  with an average grade of 0.16%. The past-producing Anderson Mine, currently owned by Uranium Energy Corporation (UEC), is located in DCB.

The Arizona historical production figures are sourced from Wenrich, Karen J. et al, Uranium In Arizona, in Geologic Evolution of Arizona, Arizona Geological Society Digest 17 (1989.)

#### **Colorado Uranium Projects**

The Company completed a third uranium acquisition in the uraniferous Colorado Plateau Region of the southwestern United States in May 2014, acquiring 49 groups totaling 239 unpatented lode claims in Mesa, Montrose and San Miguel Counties, Colorado from Alamosa Mining Corp. The claims generally cover previous uranium mines or known uranium occurrences within the Colorado Plateau. All claim groups lie within 120 miles of the Energy Fuels Inc.'s White Mesa mill, the only operating conventional uranium mill in the US.

The 49 claim groups are clustered in five known uranium producing areas and districts: Beaver Mesa Area – 2 claim groups; East Gateway Area – 7 claim groups; Paradox Valley Area – 12 claim groups; Gypsum Valley Area – 6 claim groups; and Slick Rock District – 22 claim groups, all targeting the uraniferous Salt Wash Sandstone in the Jurassic Morrison Formation. Uranium-vanadium mineralization in all five areas and districts is hosted in the Salt Wash member of Jurassic Morrison Formation. The upper sandstone unit within the Salt Wash member, a less than one to 30 metre thick, more or less persistent sandstone horizon is the host of the mineralization. Historic ore bodies range in size from a few tons to several tens of thousands of tons. Average grades range from 0.20%  $U_3O_8$  and 1.46%  $V_2O_5$  in the Slick Rock District, the site of bulk of the production in the area (+4.6 million tons), to 0.43%  $U_3O_8$  and 1.76%  $V_2O_5$  in the Beaver Mesa area. The Colorado claims and the hosting Districts are briefly summarized below:

#### **Beaver Mesa Area**

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The Company holds two claim groups totaling 5 individual claims in the Beaver Mesa Area. The United States Geological Survey drilled 212 drill holes totaling 101,202 feet (30,846 metres) during 1953 and 1954 in the Beaver Mesa Area. Production to December 31, 1955 was 55,498 tons mined at average grades of 0.43%  $U_3O_8$  and 1.76%  $V_2O_5$ . *Production figures are from Eicher (1956): Exploration for Uranium-Vanadium Deposits in the Beaver Mesa Area, Mesa County, Colorado and Grand County, Utah. United States Geological Survey Trace Elements Investigation Report 449.*

#### **East Gateway Area**

The Company holds 7 claim groups totaling 41 lode claims in the East Gateway Area. Total vanadium – uranium production through the East Gateway Area inclusive to 1943 is estimated to be 20,000 to 25,000 tons. *Production figures are from Fisher, Duncan, Stokes and Rominger (1944): Federal Exploration for Vanadium in Southeastern Utah and Southwestern Colorado. United States Geological Survey RMO 69.*

#### **Paradox Valley Area**

The Company holds twelve claim groups totaling 50 individual claims in the Paradox Valley Area. The Paradox Valley Area includes: the Club Mesa Area, where the United States Geological Survey drilled 662 holes totaling 170,095 feet (51,845 metres) between 1948 and 1953; and the Long Park area, where the United States Geological Survey drilled 1140 holes totaling 489,567 feet (149,220 metres) between 1949 and 1955. No production figures for the Paradox Valley Area were given.

#### **Gypsum Valley Area**

The Company holds six claim groups totaling 20 individual claims in the Gypsum Valley Area. United States Geological Survey drilling was completed in The Gypsum Valley Area as part of a larger program on the 1940's but drilling totals were not broken down by specific areas. No production figures for the Gypsum Valley Area were given.

#### **Slick Rock District**

The Company holds twenty two claim groups totaling 128 individual claims in the Slick Rock District, the one of the most prolific uranium-vanadium area in the Colorado Plateau. Slick Rock production to 1983 was 4,647,269 tons averaging 0.20%  $U_3O_8$  and 1.46%  $V_2O_5$ . *Production figures are from Shawe (2011): Uranium – Vanadium Deposits of the Slick Rock District, Colorado. United States Geological Survey Professional Paper 576-F.*

The presence of economic uranium mineralization in the Colorado, Utah and Arizona Districts is not necessarily indicative on economic uranium mineralization on the Anfield properties. Anfield is completing detailed historical research on each of the claim groups in order to prioritize them for follow up exploration. Initially, Anfield is developing plans to conduct an initial exploration program on the Firefly Mine Complex in the Paradox Basin Area in order to determine the viability of the site as a near-term production target.

#### **North Star Project**

During the year ended December 31, 2013, and the nine month period ended September 30, 2014 and the subsequent period to November 21, 2014 the Northstar Property was on a care and maintenance mode.

R. Tim Henneberry, P. Geo. is the Qualified Person as defined in National Instrument 43-101, who has reviewed and approved the content of this MDA.

## D) RESULTS OF OPERATIONS

### SUMMARY OF EXPLORATION ACTIVITIES

Exploration expenditures for the nine month period ended September 30, 2014 are detailed as follows:

	Northstar , AZ	Aura, Chile	Binghampton, AZ	Copper Queen, AZ	Uranium Properties, Utah	Total
Acquisition	-	-	50,000	-	2,114,445	2,164,445
Consulting	6,994	-	18,499	28,009	86,530	140,032
License & filing	8,717	-	14,850	22,840	118,128	164,535
Sundry Field	8,114	-	17,771	6,337	27,450	59,672
Foreign Exchange	2,878	-	7,670	6,881	68,261	85,690
Depletion	-	(44,178)	-	-	-	(44,178)
Impairment	-	(309,242)	-	-	-	(309,242)
<b>Total for the nine month period ended September 30, 2014</b>	<b>\$ 26,703</b>	<b>\$(353,420)</b>	<b>\$ 108,790</b>	<b>\$ 64,067</b>	<b>\$2,414,814</b>	<b>\$2,260,954</b>

## E) SELECTED FINANCIAL INFORMATION

Operational results reflect overhead costs incurred for mineral property acquisitions and associated exploration expenses as well as other regulatory expenses incurred by the Company.

General and administrative costs can be expected to fluctuate relationally with acquisitions, exploration and operations.

### FINANCING

During the nine month period ending September 30, 2014 the Company issued 6,547,006 shares in private placements at prices ranging from \$0.25 to \$0.50 for gross proceeds of \$2,035,816.

Pursuant to various property commitments, the Company also issued 4,800,000 shares at prices ranging from \$0.34 to \$0.50 for gross payment of \$1,820,500.

The Company issued 10,594 shares to extinguish \$3,708 in debt.

The Company issued 225,000 Common shares, pursuant to the exercise of 225,000 warrants at \$0.40 for gross proceeds of \$90,000

The Company issued 125,000 common shares, pursuant to the exercise of 125,000 options at \$0.32 for gross proceeds of \$40,000.

### Revenues

For the nine month period ending September 30, 2014, the Company had revenues of \$44,005 from surface mining operations on the Aura Mine Project in Chile.

***SUMMARY OF QUARTERLY RESULTS***

	September 30, 2014	June 30, 2014	March 31, 2014	
Revenues from Aura mine production	-	25,596	18,409	
Cost of production	-	51,946	19,670	
Gross operating profit/(loss)	-	(26,350)	(1,261)	
Operating Loss for period	839,171	444,377	997,258	
Loss per share, basic and diluted	0.04	0.02	0.07	
Working Capital	(961,201)	(597,321)	(223,403)	
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Revenues from Aura mine production	34,740	28,956	12,575	37,295
Cost of production	437,566	7,984	7,299	15,817
Gross operating profit/(loss)	(402,826)	20,972	5,276	21,478
Operating Loss for period	402,008	262,985	214,526	144,166
Loss per share, basic and diluted	0.08	0.05	0.04	0.01
Working Capital	(1,130,795)	(1,909,847)	(1,246,150)	(1,223,726)
	December 31, 2012			
Total Revenues				
Operating Loss for period	220,703			
Loss per share, basic and diluted	0.01			
Working Capital	(891,598)			

## F) ANALYSIS OF OPERATIONS

### Net Income (loss)

#### Comparison between the nine month periods ended September 30, 2014 and 2013

During the nine month period ended September 30, 2014 the Company had revenues of \$44,005 (2013-\$78,826) and related costs of goods sold of \$71,616 (2013-\$31,100) resulting in a gross loss of \$27,611 (2013-profit \$47,726) from surface mining operations on the Aura Mine Project in Chile.

For the nine month period ending September 30, 2014, and September 30, 2013 period over period expenses exclusive of amortization, stock based compensation, other Item & taxes were as follows:

	2014	2013	\$'s change	% change
Advertising	88,651	-	88,651	100%
Consulting fees	171,870	-	171,870	100%
Management fees	278,199	226,021	52,178	23%
Office & Miscellaneous	65,266	20,642	44,624	216%
Professional Fees	123,942	65,022	58,920	91%
Transfer agent & filing fees	64,510	25,502	39,008	153%
Foreign Exchange	264,989	(10,828)	275,726	2,546%
Investor relations expenses	4,668	220,688	(216,020)	(98%)
Chilean general and administrative	104,021	97,980	6,041	6%
<b>Total General and Administrative</b>	<b>1,166,025</b>	<b>645,027</b>	<b>520,998</b>	<b>80,77%</b>

Significant changes in expenses, period over period, are reviewed as follow:

Advertising expenses was due to more promotional expenses to increase market awareness.

Consulting fees have increased as the result of fees paid to the Company's CEO as well as consultants hired to assist with capital raising efforts where the time cannot be specifically allocated to any one private placement.

Management fees increased due to the increased activity and increased payment for management fees.

Office and miscellaneous increased due to the increased activity and increased payment.

Professional fees have increased period over period due to the increase in legal fees due to increased regulatory filings and legal activity associated with increased corporate activity during the year.

The increase in foreign exchange expense was due to fluctuations in mainly the USD and CAD exchange rate and the translation of non-monetary assets.

Investor relations have decreased due to capital restraints.

## G) LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2014, the Company had a working capital deficit of \$961,201 as compared to a deficit of \$1,909,847 at September 30, 2013, which management considers being insufficient to continue operations for the coming year. In addition there are insufficient funds to meet all property commitments as they now stand. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable

operations and generate funds there from 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, to meet future commitments or may seek extensions to the exploration schedule, however, there are no guarantees that the Company can do so in the future.

## **H) OFF BALANCE SHEET ARRANGEMENTS**

There are no off balance sheet arrangements.

## **I) PROPOSED TRANSACTIONS**

On August 18, 2014 the Company announced that it has entered into definitive agreements with Uranium One to acquire the Shootaring Canyon uranium mill (the "Shootaring Mill") located in Garfield County, Utah, and a portfolio of conventional uranium assets. The properties, located in Utah, Arizona and South Dakota increase Anfield's uranium asset acreage by more than 250%. The deal, which is valued at five million US dollars, will be settled over a period of up to four years with a combination of cash and shares.

The Shootaring Canyon mill is located approximately 48 miles (77 kilometers) south of Hanksville, Utah.

The Company executed definitive agreements with Uranium One to acquire the assets upon the following terms: 1) Anfield will issue to Uranium One the equivalent of US\$1 million in Anfield Shares upon Closing; and 2) Anfield will make cash payments to Uranium One of US\$4 million, with US\$2 million to be paid upon the earlier of July 1, 2017 or the restart of Commercial Production at the mill (defined as the Shootaring mill operating for 60 consecutive days at 60% of capacity, or 450tpd), and US\$2 million to be paid upon the earlier of July 1, 2019 or twenty four months following the restart of Commercial Production at the mill.

The Company also agrees to make cash deposits to replace the US\$8.9 million in long-term government reclamation bonds that are currently in place over the mill as a surety. A US\$5 million deposit will be made to the current bond-providing institution at Closing, and within twenty four months following Closing the Company will make an additional deposit to cover the remaining amount of the reclamation bonds.

Contemporaneous with this agreement, Anfield, Uranium One and U.S. Energy have entered into an Amended Assignment and Assumption Agreement whereby Anfield will assume the obligations of Uranium One relative to Uranium One's agreements with U.S. Energy under revised terms negotiated between Anfield and US Energy. These terms state that: 1) Anfield will, upon Closing, issue US\$2.5 million in Anfield shares to US Energy, to be held in escrow and released over a period of 36 months from Closing; 2) Anfield will make cash payments of US\$5 million in two tranches of US\$2.5 million, with the first following 18 months of Commercial Production and the second following 36 months of Commercial Production.

The acquisition is subject to regulatory approval.

On October 18, 2014 the Company announced that the Utah Division of Radiation Control ("UDRC") has granted conditional approval to transfer ownership of the Shootaring Canyon Uranium Mill ("Shootaring Mill") radioactive materials license from Uranium One Americas, Inc. ("Uranium One") to Anfield.



In connection with the conditional approval, the UDRC has agreed to extend the date for submitting the license renewal application to October 31, 2015 to allow Anfield to prepare a license renewal application. This application will outline the modifications to the Shootaring Mill facility that Anfield believes are necessary in order for the Shootaring Mill to achieve operating status. The application to transfer ownership was jointly filed by Uranium One and Anfield pursuant to definitive agreements, announced on August 18, 2014, under which Anfield has agreed to acquire the Shootaring Mill and a portfolio of conventional uranium assets from Uranium One ("Shootaring Transaction"). The UDRC is the regulatory entity in Utah responsible for licensing the Shootaring Mill.

A conditional approval indicates that the UDRC has consented to the radioactive materials license transfer subject to submitting an acceptable replacement surety to the UDRC and closing of the Shootaring Transaction. After the closing of the Shootaring Transaction, Anfield will request an amendment to the license to change the name of the licensee to Anfield and will be subject to a minimum 30-day public comment period and possible public hearing, after which the license will be amended to list Anfield as the licensee. Anfield will then prepare a license renewal application for the restart of the Shootaring Mill.

In addition to receiving conditional approval for transfer of the Shootaring Mill radioactive materials license, Anfield has received conditional approval from the TSX for the Shootaring Transaction to occur, and has received approval from the Federal Communications Commission (FCC) for the transfer of a radio communications license associated with the Shootaring Mill.

## **J) TRANSACTIONS WITH RELATED PARTIES**

### **RELATED PARTY BALANCES**

As at September 30, 2014, an amount of \$538,611 (December 2013 – \$738,917) was owed to related parties and an amount of \$132,500 (December 31, 2013 – \$Nil) was included in loans from related parties and companies controlled by related parties. These amounts are unsecured, non-interest bearing and has no fixed terms of repayment.

All transactions were in the normal course of business and are measured at the exchange amounts established and agreed to by the related parties. The Company incurred management fees of \$188,199 (2013 - \$90,000) with companies that are controlled or managed by directors of the Company. Share based payments of \$211,178 (2013 - \$Nil) was awarded to Key management. Management fees of \$90,000 (2013 - \$90,000) and consulting fees of \$25,000 (2013 - \$Nil) was also awarded to key management as compensation. For details of related party transactions, the reader is directed to Note 9 and comments included in the September 30, 2014 un-audited interim condensed consolidated financial statements.

## **K) CONTROLS AND PROCEDURES**

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's unaudited interim condensed consolidated financial statements for the nine month period ended September 30, 2014.

The management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at [www.sedar.com](http://www.sedar.com). In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-

109”), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

## **L) AUTHORIZED SHARE CAPITAL**

Unlimited share capital with no par value.

As at November 21, 2014, the Company had the following common shares, stock options and warrants outstanding:

	Number	Exercise Price	Expiry Date
Common shares	20,313,322	N/A	N/A
Stock options (vested and unvested)	2,030,332	\$0.32 to \$0.50	April 25, 2016 to September 24, 2019
Warrants	6,672,678	\$0.40 to \$2.50	January 22, 2015 to August 12, 2015
<b>Fully diluted shares outstanding</b>	<b>29,016,332</b>	<b>N/A</b>	

## **M) CHANGES TO ACCOUNTING POLICIES**

There were no changes in accounting policies.

## **N) COMMITMENTS AND CONTINGENCIES**

### **COMMITMENTS**

#### **Expenditure commitments.**

For the Aura mine project, the Company has not made the \$50,000 cash payments or issued the 50,000 shares due on the 1<sup>st</sup> and 2<sup>nd</sup> anniversary of closing. Due to persistent challenges in attempting to create a viable and sustainable mining operation at Aura, the Company made the decision to restrict investment.

On May 1, 2012 the Company entered into an agreement with Binghampton Holdings Inc. to acquire a 100% interest in mineral claims. (i) 100,000 shares were issued to the optionor during the year ended December 31, 2013 with a fair value of \$112,500. On October 21, 2013, the Company extinguished US\$157,183 of the US\$250,000 due on the 1<sup>st</sup> anniversary of TSX.V acceptance by issuing 650,000 common shares with a fair value of \$130,000. The remaining US\$92,817 was unpaid at year end and June 30, 2014. (ii) 100,000 shares were issued to the optioner on May 16, 2014 with a fair value of \$50,000. The \$250,000 was unpaid. Although there is a past due payment obligation, the optionor and the Company are currently in negotiations to resolve the issue. However, there is a risk that negotiations will not be successful and, consequently, the optionor acts to terminate the agreement.

The Blue Zen agreement becomes operative on August 15, 2014 where the initial purchase price of \$2,000,000 becomes payable upon the completion of the Due Diligence based upon results of the National Instrument 43-101 resource estimate. The terms of the Off-Take agreement will be negotiated.

For the Mag project there are US\$500,000 payable in stages starting with US\$100,000 on January 24, 2015.

For the Yellow rock project there are US\$400,000 payable in stages starting with US\$100,000 on February 6, 2015.

For the Alamosa mining project there are US\$500,000 payable in stages starting with US\$150,000 on June 6, 2015.

Upon TSX approval of the Shootaring Canyon uranium mill:

The Company executed definitive agreements with Uranium One to acquire the assets upon the following terms: 1) Anfield will issue to Uranium One the equivalent of US\$1,000,000 in Anfield Shares upon Closing; and 2) Anfield will make cash payments to Uranium One of US\$4,000,000, with US\$2,000,000 to be paid upon the earlier of July 1, 2017 or the restart of Commercial Production at the mill (defined as the Shootaring mill operating for 60 consecutive days at 60% of capacity, or 450tpd), and US\$2,000,000 to be paid upon the earlier of July 1, 2019 or twenty four months following the restart of Commercial Production at the mill.

The Company also agrees to make cash deposits to replace the long-term government reclamation bonds that are currently in place over the mill as a surety. A US\$5,000,000 deposit will be made to the current bond-providing institution at Closing, and within twenty four months following Closing the Company will make an additional deposit to cover the remaining amount of the reclamation bonds.

Contemporaneous with this agreement, Anfield, Uranium One and U.S. Energy have entered into an Amended Assignment and Assumption Agreement whereby Anfield will assume the obligations of Uranium One relative to Uranium One's agreements with U.S. Energy under revised terms negotiated between Anfield and US Energy. These terms state that: 1) Anfield will, upon Closing, issue US\$2.5 million in Anfield shares to US Energy, to be held in escrow and released over a period of 36 months from Closing; 2) Anfield will make cash payments of US\$5 million in two tranches of US\$2.5 million, with the first following 18 months of Commercial Production and the second following 36 months of Commercial Production.

In connection with the conditional approval, the UDRC has agreed to extend the date for submitting the license renewal application to October 31, 2015 to allow Anfield to prepare a license renewal application.

After the closing of the Shootaring Transaction, Anfield will request an amendment to the license to change the name of the licensee to Anfield and will be subject to a minimum 30-day public comment period and possible public hearing, after which the license will be amended to list Anfield as the licensee. Anfield will then prepare a license renewal application for the restart of the Shootaring Mill.

The Company had no further material commitments for capital expenditures as at September 30, 2014.

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**CONTINGENCIES**

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

**O) CRITICAL ACCOUNTING ESTIMATES**

The Company does not make any critical accounting estimates other than the carrying value of deferred exploration expenditures, and the valuation of warrants, decommissioning and restoration costs, deferred future tax assets and liabilities, and stock-based compensation.

***Evaluation and exploration assets***

Evaluation and exploration assets include acquired mineral rights for mineral properties held by the Company. The amount of consideration paid (in cash or share value) for mineral rights is capitalized. The amounts shown for evaluation and exploration assets represent costs of acquisition, other than transaction costs, incurred to date (excluding transaction costs), less recoveries, and do not necessarily reflect present or future values. These costs will be amortized against revenue from future production or written off if the evaluation and exploration assets are abandoned or sold. Included in the cost of evaluation and exploration assets is the cost of the estimated decommissioning liability. The Company has classified evaluation and exploration assets as intangible in nature. Depletion of costs capitalized on projects put into commercial production will be recorded using the unit-of-production method based upon estimated proven and probable reserves.

Ownership in evaluation and exploration assets involves certain inherent risks, including geological, metal prices, operating costs, and permitting risks. Many of these risks are outside the Company's control. The ultimate recoverability of the amounts capitalized for the evaluation and exploration assets is dependent upon the delineation of economically recoverable ore reserves, obtaining the necessary financing to complete their development, obtaining the necessary permits to operate a mine, and realizing profitable production or proceeds from the disposition thereof. Management's estimates of recoverability of the Company's investment in its evaluation and exploration assets have been based on current and expected conditions. However, it is possible that changes could occur which could adversely affect management's estimates and may result in future write downs of evaluation and exploration assets carrying values.

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets.

## **P) RISKS AND UNCERTAINTIES**

The Company is in the business of acquiring, exploring and developing gold and base metal properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subjected to variations in commodity prices, market sentiment, exchange rates for currency, inflations and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

### **1. Financial risks**

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, deposits and accounts payable and accrued liabilities. The carrying values of cash and cash equivalents, amounts receivable, deposits, and accounts payable and accrued liabilities approximate their fair values due to the relatively short period to maturity of those financial instruments.

The Company is exposed to credit risk with respect to its cash and cash equivalents. Cash and cash equivalents have been placed on deposit with a major Canadian, financial institutions. Credit risk arises from the non-performance of counterparties of contractual financial obligations. The Company manages credit risk, in respect of cash and cash equivalents, by purchasing term deposits held at a major Canadian financial institution.

The Company's cash and cash equivalents include term deposits. The Company is not exposed to significant interest rate risk due to the short-term maturity of these monetary assets given fluctuations in market rates do not have a significant impact on estimated fair values at September 30, 2014. Future cash flows from interest on cash and cash equivalents will be affected by interest rate fluctuations. The Company manages interest rate risk by investing in highly liquid investments with maturities of three months or less.

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to significant other price risk.

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Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company's expected source of cash flow in the upcoming year will be through equity financings. As at September 30, 2014 the Company had a working capital deficit of \$961,201. At September 30, 2014, the Company had accounts payable and accrued liabilities of \$646,123.

## **2. Going Concern**

The Company's capability to continue as a going concern is dependent upon its ability to obtain additional debt or equity financing to meet its obligations as they come due. If the Company were unable to continue as a going concern, then significant adjustments would be required to the carrying value of assets and liabilities, and to the balance sheet classifications currently used.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to other companies in the same business, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenues.

The Company plans to obtain financing in the future primarily through further equity financing or debt financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

Management has initiated a strict cost control program to effectively control expenditures. As a result of these cost control measures, it is expected that the current cash position will be sufficient to fund the Company's needs for the 2014 fiscal year. Management will review several funding options including equity financing and seeking joint venture partners to further its mineral property interests at the appropriate time. While the Company has been successful in raising funds in the past, there are no assurances that additional funding and/or suitable joint venture agreements will be obtained.

## **3. Exploration and Mining Risks**

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Company's properties have no known body of commercial ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are other risks involved in the operation of mines and the conduct of exploration programs. The Company has relied on and may continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold, copper and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors

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as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Until year ending December 2013 the Company has no producing mines. All of the properties in which the Company may earn an interest are at the exploration stage only. Most exploration projects do not result in the discovery of commercially mineable deposits of ore. The transfer application is the first step in the process of restarting the Shootaring Mill.

**4. Development Risks**

The marketability of any minerals which may be acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection.

**5. Loss of Interest in and Value of Properties**

The Company's ability to maintain its interests in its mineral properties and to fund ongoing exploration costs will be entirely dependent on its ability to raise additional funds by equity financings. If the Company is unable to raise such funds it may suffer dilution or loss of its interest in its mineral properties. The amounts attributed to the Company's interests in mineral properties in its financial statements represent acquisition and exploration costs, and should not be taken to reflect realizable value.

**6. Financing Risks**

The Company has no history of earnings and no source of operating cash flow and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its equity shares. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its property, there is no assurance that any such funds will be available. If available, future equity financings may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

**7. Metal Prices**

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of ore are discovered, a profitable market may exist for the sale of minerals produced by the Company. Factors beyond the control of the Company may affect the marketability of any substances discovered. Mineral prices, in particular gold prices, have fluctuated widely in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Company. These other factors include government regulations relating to price, royalties, allowable production and importing and exporting of minerals.

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**8. Uninsurable Risks**

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

**9. Environmental and Other Regulatory Requirements**

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

**10. No Assurance of Titles, Boundaries or Surface Rights**

The Company has investigated rights of ownership of all of the mineral properties in which it has an interest and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties may be subject to prior claims or agreement transfers, and rights of ownership may be affected by undetected defects. While to the best of the Company's knowledge, title to all properties in which it has the right to acquire an interest is in good standing, this should not be construed as a guarantee of title. Other parties may dispute title to the mining properties in which the Company has the right to acquire an interest. The properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects or the statutes referred to above.

**11. Permits and Licenses**

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

**12. Inability to Meet Cost Contribution Requirements**

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may as a result, be subject to loss of its rights to acquire interests in the properties subject to such agreements.

**13. Reliance on Key Personnel**

The nature of the business of the Company, the ability of the Company to continue its exploration and development activities and to thereby develop a competitive edge in the marketplace depends, in a large part, on the ability of the Company to attract and maintain qualified key management personnel. Competition for such personnel is intense, and there can be no assurance that the Company will be able to attract and retain such personnel. The development of the Company now and in the future, will depend on the efforts of key management figures, the loss of whom could have a material adverse effect on the Company.



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The Company does not currently maintain key-man life insurance on any of the key management employees.

### **CONFLICTS OF INTEREST**

The directors and officers of the Company may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act (BC)* ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

### **Future Accounting Pronouncements**

Certain new accounting standards and interpretations have been published that are not mandatory for the December 31, 2013 reporting period. The following standards are assessed to not have any impact on the Company's financial statements:

- IFRS 9 Financial Instruments
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement
- IAS 28 (Amendment) Investments in Associates and Joint Ventures

The Board of Directors of The Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

### **Forward Looking Statements**

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among

others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

## **Q) ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.anfieldresources.com](http://www.anfieldresources.com).