AFRASIA MINERAL FIELDS INC.

Condensed Interim Financial Statements

Six months ended November 30, 2013 and 2012

Expressed in Canadian Dollars

(Unaudited – Prepared by Management)

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NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed 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 condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

January 22, 2014

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars – Unaudited)

	Note	**November 30, 2013**	May 31, 2013
Assets			
Current assets			
Cash		**$ 1,000**	$ 18,531
Receivables	3	**13,079**	13,290
Prepaids		**417**	417
		14,496	32,238
Property and equipment	4	**1,940**	3,012
		$ 16,436	$ 35,250
Liabilities and Shareholders' Deficiency			
Current liabilities			
Trade payables and accrued liabilities	5	**$ 40,631**	$ 14,981
Due to related parties	7	**120,480**	89,814
		161,111	104,795
Shareholders' Deficiency			
Share capital	6	**8,349,105**	8,349,105
Reserves		**204,669**	204,669
Deficit		**(8,698,449)**	(8,623,319)
		(144,675)	(69,545)
		$ 16,436	$ 35,250

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

AFRASIA MINERAL FIELDS INC.

Statement of Changes in Equity
(Expressed in Canadian Dollars – Unaudited)

	Share Capital				
	Number of Shares	Amount	Reserves	Deficit	Total Equity
Balance, May 31, 2012	20,026,663	$ 8,349,105	$ 204,669	$ (8,495,094)	$ 58,680
Net loss for the period	–	–	–	(65,325)	(65,325)
Balance, November 30, 2012	20,026,663	8,349,105	204,669	(8,560,419)	(6,645)
Net loss for the period	–	–	–	(62,900)	(62,900)
Balance, May 31, 2013	20,026,663	8,349,105	204,669	(8,623,319)	(69,545)
Net loss for the period	–	–	–	(75,130)	(75,130)
Balance, November 30, 2013	20,026,663	$ 8,349,105	$ 204,669	$ (8,698,449)	$ (144,675)

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

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statement of Comprehensive Loss
(Expressed in Canadian Dollars – Unaudited)

	Note		Three months ended November 30, **2013**		2012		Six months ended November 30, **2013**		2012
Expenses:									
Amortization		**$**	**222**	$	387	**$**	**1,072**	$	779
Management fees	7		**7,500**		7,500		**15,000**		15,000
Office and administration	7		**9,240**		10,831		**21,015**		21,717
Professional fees			**900**		4,255		**16,945**		4,773
Regulatory and transfer agent fees			**4,943**		4,560		**7,891**		6,358
Rent			**6,604**		7,049		**13,207**		13,976
Travel and promotion			**–**		68		**–**		68
Wages and benefits			**–**		1,516		**–**		3,040
Loss before other item			**(29,409)**		(36,166)		**(75,130)**		(65,711)
Other item:									
Interest Income			**–**		170		**–**		386
Net and comprehensive loss		**$**	**(29,409)**	$	(35,996)	**$**	**(75,130)**	$	(65,325)
Loss per common share									
Basic and diluted		**$**	**(0.002)**	$	(0.002)	**$**	**(0.004)**	$	(0.003)
Weighted average number of common shares outstanding									
Basic and diluted			**20,026,663**		20,026,663		**20,026,663**		20,026,663

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

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars – Unaudited)

	Note	Three months ended November 30, 2013	Three months ended November 30, 2012	Six months ended November 30, 2013	Six months ended November 30, 2012
Cash used in:					
Operating:					
Net loss and comprehensive loss		**$ (29,409)**	$ (35,996)	**$ (75,130)**	$ (65,325)
Item not involving cash:					
Amortization	4	**222**	387	**1,072**	779
Changes in non-cash working capital:					
Receivables		**1,996**	(1,887)	**211**	(2,654)
Trades payable and accrued liabilities		**4,859**	4,751	**25,650**	4,992
Due to related parties		**17,685**	11,760	**30,666**	23,520
		(4,647)	(20,985)	**(17,531)**	(38,688)
Change in cash and cash equivalents		**(4,647)**	(20,985)	**(17,531)**	(38,688)
Cash and cash equivalents, beginning		**5,647**	86,508	**18,531**	104,211
Cash and cash equivalents, ending		**$ 1,000**	$ 65,523	**$ 1,000**	$ 65,523
Cash		**$ 1,000**	$ 2,323	**$ 1,000**	$ 2,323
Cash equivalents		**–**	63,200	**–**	63,200
		$ 1,000	$ 65,523	**$ 1,000**	$ 65,523

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Afrasia Mineral Fields Inc. (the "Company") was incorporated on June 24, 1986 under the laws of British Columbia. The Company was listed on the TSX Venture Exchange ("TSX-V") under the symbol "AFS" and on September 29, 2008 the Company's listing was transferred from the TSX-V to the NEX board of the TSX-V. Effectively, the trading symbol for the Company changed from "AFS" to AFS.H".

The Company's head office, principal address and records office is Suite 2050-1055 West Georgia Street, PO Box 11121, Royal Centre, Vancouver, BC V6E 3P3. The registered office is Suite 700-595 Burrard St., PO Box 49290, Vancouver, BC V7X 1S8.

On January 11, 2013, the Company entered into a Letter of Intent ("LOI"), with CareCorp Holdings BC Ltd. ("CareCorp"), a private company that provides care services for seniors residing in long-term nursing homes. CareCorp's business activities are carried out by CareCorp and two related private companies. However, the LOI terminated as both parties were unable to negotiate and enter into a definitive agreement by February 28, 2013, the expiry date of the LOI.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing and to commence profitable operations in the future. To date, the Company has not generated any significant revenues and has not raised funds in the last twelve months. The Company has an accumulated deficit of $8,698,449 including a loss for the six months ended November 30, 2013 of $75,130 (2012 - $65,325). These uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These financial statements do not include any adjustments relating to the recoverability and classification of asset and liabilities which might be necessary should the Company be unable to continue in existence.

The Company has never paid dividends.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

The interim financial statements were authorized for issue on January 22, 2014 by the directors of the Company.

Statement of compliance and conversion to International Financial Reporting Standards ("IFRS")

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these interim financial statements comply with International Accounting Standards ("IAS") 34 "Interim Financial Reporting".

Basis of presentation

The condensed interim financial statements of the Company have been prepared on an accrual basis except for cash flow information, and are based on historical costs, modified where applicable. The condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Significant accounting judgements, estimates and assumptions

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The recognition of deferred tax assets and liabilities.

ii) The recoverability of receivables and prepayments those are included in the statements of financial position.

iii) The estimated useful lives of property and equipment which are included in the statements of financial position and the related depreciation included in the statements of comprehensive loss.

Accounting changes and new accounting pronouncements

The following new and revised standards and amendments were issued and effective January 1, 2013:

a) IFRS 10 – Consolidated Financial Statements;
b) IFRS 11 – Joint Arrangements;
c) IFRS 12 – Disclosure of interests in other entities;
d) IFRS 13 – Fair Value Measurement;
e) IAS 1 Amendment - Presentation of Items of Other Comprehensive Income; and
f) IAS 19R – Employee Benefits

The new accounting pronouncements did not have an impact on the Company's financial statements and did not result in any adjustments.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. RECEIVABLES

		November 30, 2013		May 31, 2013
Government Sales Tax credits	$	12,768	$	13,056
Other receivables (Note 7(b))		311		234
	$	13,079	$	13,290

(Expressed in Canadian Dollars - Unaudited)

4. PROPERTY AND EQUIPMENT

	Computer	Equipment	Furniture	Leasehold improvements	Total
Cost:					
At May 31, 2013 and November 30, 2013	$ 2,350	$ 5,063	$ 1,772	$ 2,308	$ 11,493
Amortization:					
At May 31, 2013	$ 1,583	$ 4,701	$ 1,504	$ 693	$ 8,481
Amortization	212	362	268	230	1,072
At November 30, 2013	$ 1,795	$ 5,063	$ 1,772	$ 923	$ 9,553
Net book value:					
At May 31, 2013	$ 767	$ 362	$ 268	$ 1,615	$ 3,012
At November 30, 2013	$ 555	$ –	$ –	$ 1,385	$ 1,940

5. TRADE PAYABLES AND ACCRUED LIABILITIES

	November 30, 2013	May 31, 2013
Trade payables	$ 40,631	$ 480
Accrued liabilities	–	14,501
	$ 40,631	$ 14,981

6. SHARE CAPITAL AND RESERVES

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued – common shares

There were no share issuances during the periods ended November 30, 2013 and May 31, 2013.

(c) Share options

The Company maintains a 10% rolling share option plan (the "Plan") that enables management to grant options to directors, officers, employees and other service providers. The Company follows the Exchange policies where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options.

There were no options granted or outstanding at November 30, 2013 and May 31, 2013.

(Expressed in Canadian Dollars - Unaudited)

7. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers. Key management personnel compensation comprised:

Six months ended November 30,		2013		2012
Management services (a)	$	15,000	$	15,000

(a) On February 1, 2009, the Company entered into a management and administrative agreement with Varshney Capital Corp. ("VCC"), a company controlled by two common directors, whereby the Company agreed to pay management and administrative fees of $2,500 and $3,000 per month, respectively.

During the period ended November 30, 2013, the Company incurred $15,000 (2012 – $15,000) for management fees and $18,000 (2012 – $18,000) for administrative fees to VCC. As at November 30, 2013, $120,120 (May 31, 2013 - $89,670) was due to VCC for management and administrative fees.

(b) As at November 30, 2013, $360 (May 31, 2013 - $Nil) was due to a director of the Company for reimbursement of business expenses.

(c) As at November 30, 2013, a total of $311 (May 31, 2013 - $234) was due from companies with directors and officers in common. The amounts resulted from recovery of expenses, were included in accounts receivable and repaid subsequent to November 30, 2013.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At November 30, 2013 and May 31, 2013, the Company's financial instruments consist of cash, receivables, trade payables and accrued liabilities and due to related parties. There were no transfers between levels during the period ended November 30, 2013.

Cash are carried at fair value using a Level 1 fair value measurement. The carrying value of receivables and trade payables and accrued liabilities approximate their fair value because of the short-term nature of these instruments or their ability of prompt liquidation.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

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. As a majority of the Company's cash is held by a Canadian bank, there is a concentration of credit risk with one bank in Canada. While there is concentration of risk holding all funds with one institution, this risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at November 30, 2013, 2013, the Company has cash on hand of $1,000. Management assesses credit risk of cash as low.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist of refundable government sales taxes of $12,768 and amounts due from related parties of $311.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates only in Canada and is therefore not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company is exposed to interest rate risk as its bank account earns interest income at variable rates and is subject to the movement in interest rates. Management considers the interest rate to be minimal.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. As at November 30, 2013, the Company had a working capital deficiency of $146,615 (May 31, 2013 – $(72,557)). The Company has been successful in re-negotiating its indebtedness, however, there is no assurance the success of these efforts will continue. Subsequent to the period ended November 30, 2013, the Company arranged an operating loan of $21,000 from a company with directors in common.

9. CAPITAL DISCLOSURE

Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

In order to achieve this objective, management makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust capital structure, management may invest its excess cash in interest bearing accounts of Canadian chartered banks and/or raise additional funds externally as needed. The Company is not subject to externally imposed capital requirements.