

**Annual Management Discussion & Analysis<sup>1</sup>**  
**for**  
**EASTFIELD RESOURCES LTD.**

Containing information up to and including August 4, 2020

**Description of Business**

Eastfield Resources Ltd. (the “Company” or “Eastfield”) is an exploration stage company engaged in the acquisition and exploration of prospective copper, gold, nickel and molybdenum properties in Western Canada. The Company trades as a Tier One company on the TSX Venture Exchange (“Exchange”) under the symbol “ETF”. The Company’s head office is located at Suite 110 – 325 Howe Street, Vancouver, BC.

**OVERALL PERFORMANCE**

**Summary:**

- In December 2019 the Company announced the completion of their 2019 program at the Iron Lake property. Fieldwork included rock sampling and 7.5 km of infill induced polarization surveying designed to improve targeting for a planned future drill program.
- In December 2019 Surge Exploration terminated its option on the Hedgehog copper, gold, cobalt property in British Columbia. Eastfield continues to hold a 100% interest in the property.
- In November 2019 the Company completed its 2019 program at the Indata property consisting of prospecting and rock sampling, expansion of the geochemical grid in several areas of the property, road construction, and trenching.
- In November 2019 the Company received 9,272,560 common shares of Consolidated Woodjam Copper Corp. pursuant to a debt settlement agreement whereby \$463,628 of indebtedness was settled by the issuance of these shares at a deemed price of \$0.05 per share.
- In June 2019 the Company closed a private placement consisting of 1,800,000 units at a price of \$0.05 per unit, for total consideration of \$90,000.

**SELECTED ANNUAL INFORMATION**

The following table summarizes selected financial data for Eastfield for years ended February 29, 2020 and February 28, 2019 and 2018. This information should be read in conjunction with the audited financial statements, prepared in accordance with IFRS, and related notes.

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total revenue	\$ Nil	\$ Nil	\$ Nil
Net loss (income)	192,572	226,954	29,196
Basic and diluted loss per share	0.004	0.005	0.001
Comprehensive (income) loss	708,951	(50,738)	17,814
Total assets	2,606,175	2,752,962	2,602,064
Total liabilities	597,680	138,313	48,785
Cash dividends per share	Nil	Nil	Nil
Number of shares issued and outstanding	46,694,919	44,894,919	44,894,919

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<sup>1</sup> Note to Reader

This Annual Management Discussion and Analysis (“Annual MD&A”) should be read in conjunction with the Company’s audited financial statements for the year ended February 29, 2020.

**Forward-Looking Information**

When used in this document, words like "anticipate", "believe", "estimate" and "expect" and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management’s future plans, objects and goals for the Company, and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in such statements.

**Currency** - Unless otherwise stated, all currency amounts are stated in Canadian dollars.

Net loss is expected to fluctuate from year-to-year primarily due to the activity level of the Company's exploration projects, the strength of equity markets and the Company's ability to finance on favorable terms.

## RESULTS OF OPERATIONS

### Year Ended February 29, 2020

The Company incurred a net loss of \$192,572 for the year ended February 29, 2020 ("Current Period") down slightly from the Net Loss for the year ended February 28, 2019 ("Comparative Period") of \$226,954. Administrative expenses increased during the year (Current Period - \$194,670; Comparative Period - \$141,047) mostly due to costs associated with investor relations activities (Current Period - \$41,471; Comparative Period - \$7,772).

### Three Months Ended February 29, 2020

The Company recorded a net loss for the three months ended February 29, 2020 ("Current Quarter") of \$54,751 which was significantly less than the net loss for the three months ended February 28, 2019 ("Comparative Quarter") of \$181,869. Results were largely influenced by the write-off of a mineral property interest in the Comparative Quarter (Current Quarter - \$nil; Comparative Quarter - \$121,400)

### Exploration Expenditures

The following table discloses the net changes in Exploration and Evaluation Assets for the years ending February 29, 2020 and February 28, 2019.

	<u>2020</u>	<u>2019</u>
<b>ACQUISITION COSTS</b>		
Incurred during year	\$ 338	\$ 1,552
Write-off of mineral property interests	-	(1,450)
	<u>338</u>	<u>102</u>
<b>EXPLORATION EXPENDITURES</b>		
Expenditures for the year:		
Professional fees and field crews	107,000	117,390
Fees, permits and assessments	-	63
Geological	792	775
Rental of vehicles and equipment	6,378	6,573
Freight	126	-
Transport and fuel	902	609
Field equipment	508	-
Communications	1,068	58
Food and accommodation	2,094	1,118
Assaying	7,550	3,663
Other	-	-
<b>Total Exploration Expenditures</b>	<u>126,418</u>	<u>130,249</u>
Reversal of mineral exploration tax credit overaccrual	63,975	-
Mineral exploration tax credits	-	(23,509)
Write-off of mineral property interests	-	(119,950)
	<u>190,393</u>	<u>(13,210)</u>
<b>OPTION PROCEEDS</b>		
Proceeds received during the year	(50,000)	(60,000)
Write-off of payable to optionee	(11,500)	-
	<u>(61,500)</u>	<u>(60,000)</u>
<b>Net Increase (Decrease) in Exploration and Evaluation Assets</b>	<u>\$ 129,231</u>	<u>\$ (73,108)</u>

## **MINERAL PROPERTIES**

### **Iron Lake Property, Clinton Mining Division, British Columbia**

The 100% owned Iron Lake Project, located in south-central British Columbia, is a regionally distinct copper, gold, platinum group elements and nickel project hosted in an ultramafic-mafic intrusion within the Quesnel Terrane. The project, encompassing an area of 8,035 ha (19,854 acres), is located 45 km northeast of 100 Mile House.

#### Project Summary

The Iron Lake Complex hosts disseminated and massive sulphide mineralization of a probable magmatic source that is significant for its copper, gold, platinum, palladium and to a lesser extent nickel content. The occurrence of a prominent aeromagnetic high covering several square km centered on the complex resulted in several exploration stages starting in the mid-1970's directed at porphyry copper.

Two styles of magmatic sulphide mineralization present opportunities for discovery at Iron Lake. The first being disseminated sulphide with economically significant values of copper, gold, platinum and palladium; and the second being massive sulphide with economically significant values in copper, nickel and cobalt. A hybrid of the two styles of mineralization with the full suite of elements is also possible. Sulphide minerals in the disseminated style of mineralization are accompanied with 10% to 40% magnetite.

New claims were added to the project in 2015 and 2016 to cover an area where wide spread occurrences of gold and arsenic occur in volcanic and intrusive rocks. In 2016 ten kilometers of soil grid lines were completed in an area where historic work identified a gold-arsenic association with select bedrock samples reaching 74.90 grams per tonne gold and soil samples reaching 12.00 grams per tonne gold. The 2016 work returned select rock samples grading up to 31.22 grams per tonne gold and soil anomalies up to 5,023 ppm arsenic with 1,213 ppb gold (with many samples with much lower values). Associated elements to gold-silver mineralization include lead, zinc, arsenic, antimony, bismuth and tellurium. Anomalous concentrations of these elements are widespread. A large area of pyritic monzonite to quartz monzonite appears to be the underlying bedrock to much of this area.

#### Recent Activity

On June 20, 2018, the Company entered into an option agreement with GK Resources Ltd. ("GK Resources") whereby GK Resources may earn a 60% interest in the Iron Lake property by making \$400,000 in cash payments, issuing \$250,000 in shares and completing \$3,000,000 in exploration work over a five-year period ending June 20, 2023. \$20,000 was received upon signing the option agreement.

In December 2019 the Company announced the completion of a 2019 program conducted by GK Resources. Fieldwork included rock sampling and 7.5 kilometres of infill induced polarization surveying designed to improve targeting for a planned future drill program. A total of approximately 54 kilometres of IP has now been completed on the property.

### **Indata Property, Omineca Mining Division, British Columbia**

The Company has a 91.3% interest in the Indata property. Imperial Metals Corporation ("Imperial Metals"), owns the remaining 8.7% interest. This interest will be reduced if Imperial Metals fails to make its proportionate share of exploration and other payments on the property.

#### Project Summary

The Indata property is located approximately 130 km to the northwest of Fort St. James in central British Columbia and consists of 18 claims encompassing 3,189 ha (7,880 acres) and is situated in an active geological setting adjacent to the Pinchi Fault, a major structure separating the oceanic derived Cache Creek Terrane and mafic volcanic island arc derived Quesnel Terrane.

Two types of mineralization have historically been explored for on the property; mesothermal gold-silver veins and porphyry style copper mineralization hosted in volcanic rocks and granodiorite dominant intrusions (drill intercepts have included results up to 47.26 g/t gold over 4 m and 0.20% copper over 145.4 m). The property includes a porphyry copper target measuring 500 to 1,000 m in width along strike for at least 6,000 m paralleling a volcanic intrusive contact. This target is also well outlined by coincident IP chargeability and soil geochemical anomalies.

Approximately \$2.6 million has been spent exploring the Indata property since 1986, with the most recent work completed in 2013. Exploration has included the analysis of 4,700 soil samples, the completion of over 70 km of ground geophysics, including magnetics, VLF and induced polarization, the completion of a high resolution airborne magnetic survey (595 line km), more than three km of mechanical trenching, 21 km of road construction and the completion of 73 diamond drill holes (7,377 m).

Exploration programs, starting in 2010 and continuing through 2013, deployed a reconnaissance process versus what had for the previous twenty or so years been an expanding grid-based approach. The reconnaissance work resulted in the definition of a number of geophysical anomalies which constitute new targets. In 2012, 3.2 km of road construction was completed to access proposed drill sites constructed (but still undrilled) on targets developed during this work with additional rock sampling completed in 2013.

One of the most noteworthy features of the Indata prospect is the size and strength of the soil geochemical copper anomaly located northeast of Albert Lake where values exceeding 500 ppm Cu are common and attain a maximum value of 7,771 ppm in soil over an area of approximately 600 by 2,000 m within a larger conceptual target extending 6,000 m in length.

Also an area of high grade copper and copper-gold mineralization was identified in the northeastern sector of the property in 1989 but never followed up. Here, a cluster of select grab samples from mineralized basaltic to andesitic flows, flow breccias and tuffs returned a number of high grade results from an open-ended area of approximately 250 m in a north-south orientation (east-west width unknown). The average of ten samples from this area is 1.60% copper and 0.19 g/t gold including results as high as 3.3% copper with 575 ppb gold. It is thought that an as yet unidentified porphyry entity may be responsible for this mineralization.

#### Recent Activity

On June 20, 2018, the Company entered into an option agreement with Prophecy Potash Corp. (“Prophecy Potash”) whereby Prophecy Potash may earn a 60% interest in the Indata property by making \$250,000 in cash payments, issuing \$150,000 in shares and completing \$2,000,000 in exploration work over a five-year period ending June 20, 2023. \$20,000 was received upon signing the option agreement.

In November 2019 the Company announced the completion of its 2019 program conducted by Prophecy Potash. The program consisted of prospecting and rock sampling, expanded geochemical grid in several areas of the property, road construction and excavator trenching.

Highlights of the current program include the discovery of previously unknown mineralized gabbro/diorite intrusive in the south-central part of the property where outcrop sampling returned samples varying from weakly mineralized (987 parts per million (ppm) copper and 66 ppb gold) to highly mineralized (3.64 per cent copper and 5.95 g/t gold) in select grab samples. Geophysical surveying is planned in this area in 2020.

Continued sampling 3.8 kilometres to the northwest of this area yielded a number of well-mineralized outcropping mafic volcanic rocks believed to be altered by an adjacent granodiorite intrusion, with samples including 4,813 ppm copper and 102 parts per billion (ppb) gold, 2,491 ppm copper and 224 ppb gold, and 2,446 ppm copper and 32 ppb gold. This mineralization is interpreted to be an extension to the Lake Copper zone located 500 metres to the northwest, resulting in a revised estimate of the areal extent of the Lake Copper zone to approximately 800 metres by 400 metres.

#### **Zymo Property, Skeena Mining Division, British Columbia**

The Zymo property is located approximately 45 km west of the town of Smithers in west-central British Columbia and encompasses several porphyry copper-gold targets and occurrences. The property is comprised of 33 claims and fractions totaling 12,897 ha (31,868 acres). The Zymo Property is 100% owned by Eastfield Resources Ltd. subject only to a net smelter return interest.

The Zymo property lies south of the middle Jurassic to late Cretaceous Bowser Basin in late Cretaceous intrusive rocks belonging to the Bulkley Group which hosts several large copper-gold deposits including the Red-Chris Mine and Galore Creek.

Since Eastfield became involved in the property over \$4 million has been spent on exploration. This work has resulted in the outline of an 8 km by 2 km IP chargeability anomaly within which four large copper-gold soil geochemical anomalies have been defined. In addition to the early drilling, 9,294.47 m of drilling in 29 holes have been completed since 2008. Most of this

drilling has been on the Hobbes Zone where a mineralized body has been traced for 800 m along strike and is open-ended to the west where the zone is in excess of 500 m wide. Significant drill intercepts are presented in the table below.

Several other geochemical anomalies have seen little follow-up exploration to date including the RD Zone where two holes were completed within an 800 m by 1,000 m copper-gold in soil anomaly. The soil geochemistry indicated that the area may be high in the mineralizing system and the drilling intersected long intervals of phyllic alteration and narrow intercepts of sulphide-rich veins indicative of high-level zonation of mineralization.

A new multiyear exploration permit was issued by the Ministry of Mines and Petroleum Resources in October, 2018. Significant drill intercepts are as follows:

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	Cu eq. (%)*
<b>FM ZONE</b>						
ZY11-18	15.0	159.0	144.0	0.15	0.22	0.32
incl.	15.0	93.0	<b>78.0</b>	<b>0.20</b>	<b>0.26</b>	<b>0.40</b>
ZY11-19	3.0	356.5	353.5	0.08	0.11	0.17
incl.	3.0	98.0	95.0	0.09	0.13	0.19
ZY12-29	114.0	258.0	144.0	0.08	0.16	0.22
<b>HOBBS ZONE</b>						
ZY08-07	113.0	182.0	<b>69.0</b>	<b>0.22</b>	<b>0.33</b>	<b>0.48</b>
ZY08-08	51.0	111.0	<b>60.0</b>	<b>0.26</b>	<b>0.40</b>	<b>0.58</b>
ZY08-09	3.0	256.0	<b>253.0</b>	<b>0.23</b>	<b>0.32</b>	<b>0.48</b>
incl.	15.0	87.0	<b>72.0</b>	<b>0.55</b>	<b>0.72</b>	<b>1.10</b>
ZY08-10	3.0	198.0	<b>195.0</b>	<b>0.19</b>	<b>0.29</b>	<b>0.42</b>
incl.	18.0	75.0	<b>57.0</b>	<b>0.32</b>	<b>0.43</b>	<b>0.65</b>
ZY08-11	6.0	153.0	147.0	0.10	0.16	0.23
ZY08-13	252.0	381.0	129.0	0.12	0.20	0.28
ZY08-14	3.0	276.0	273.0	0.15	0.23	0.33
incl.	21.0	93.0	<b>72.0</b>	<b>0.29</b>	<b>0.41</b>	<b>0.61</b>
ZY08-15	30.0	441.0	411.0	0.11	0.21	0.29
incl.	87.0	153.0	<b>66.0</b>	<b>0.20</b>	<b>0.33</b>	<b>0.47</b>
ZY08-16	30.0	369.0	339.0	0.13	0.23	0.32
incl.	201.0	279.0	<b>78.0</b>	<b>0.26</b>	<b>0.41</b>	<b>0.59</b>
ZY11-20	3.0	174.0	<b>171.0</b>	<b>0.24</b>	<b>0.29</b>	<b>0.46</b>
incl.	3.0	129.0	<b>126.0</b>	<b>0.28</b>	<b>0.34</b>	<b>0.53</b>
ZY11-21	3.0	165.0	162.0	0.15	0.18	0.28
ZY11-22	11.0	47.0	<b>36.0</b>	<b>0.34</b>	<b>0.43</b>	<b>0.66</b>
and	191.0	281.0	90.0	0.08	0.16	0.22
ZY11-23	6.0	315.0	309.0	0.13	0.21	0.30
incl.	6.0	201.0	<b>195.0</b>	<b>0.18</b>	<b>0.29</b>	<b>0.41</b>
ZY11-26	180.0	255.0	<b>75.0</b>	<b>0.20</b>	<b>0.29</b>	<b>0.43</b>
ZY11-27	33.0	156.0	123.0	0.15	0.21	0.31
and	183.0	255.0	72.0	0.11	0.19	0.27
ZY11-28	123.0	228.0	105.0	0.14	0.20	0.27
incl.	150.0	180.0	30.0	0.19	0.30	0.43
ZY12-32	6.3	300.0	293.7	0.16	0.21	0.32
incl.	6.3	180.0	<b>173.7</b>	<b>0.20</b>	<b>0.26</b>	<b>0.40</b>
ZY12-34	219.0	306.0	87.0	0.08	0.15	0.21
<b>RD ZONE</b>						
ZY12-30	177.0	180.0	3.0	0.22	0.19	0.34
and	231.0	234.0	<b>3.0</b>	<b>0.99</b>	<b>0.91</b>	<b>1.59</b>

Cu eq.% calculated at \$3.50 lb Cu and \$1650 oz Au

## **Big Valley Project, Cariboo Mining Division, British Columbia**

The Big Valley project involves the exploration and development of three mineral properties in an area north of the historic mining towns of Wells and Barkerville, BC. The 2014 exploration program involved the completion of soil and stream sediment sampling and IP/Mag geophysical surveying on all three properties, and it expanded on reconnaissance field work completed in 2013. The 2014 program included further data review, prospecting, soil sampling and 14.9 line km of induced polarization (IP) and magnetic surveying

The historical gold production in the nearby Barkerville and Wells area in addition to the occurrence of numerous boulders of massive sulphide mineralization located on parts of the properties underpin the targeting objectives for the development of the project. While Barkerville-style mineralization is believed to be the most likely analogue for targets so far generated, volcanic hosted massive sulphide style mineralization (VMS) cannot be ruled out. Boulders sampled by the Company and by previous parties have included values as high as 24.3% copper and 19.6 g/t silver.

Three claim groups have now been acquired which are named Hedge Hog, Antler Gold and CR. Highlights of the exploration of these properties to date includes:

### CR Property:

CR was acquired by staking by Eastfield in 2014 and consists of 1 mineral tenure covering an area of 1,333 hectares (3,294 acres). At CR (1988 and 1989) Noranda Exploration followed up on anomalous gold in heavy mineral anomalies in the vicinity of a drainage they named Arsenic Creek, and established a 2.3 km by 1.5 km soil sampling grid that resulted in outlining a 1.0 km by 0.5 km arsenic anomaly oriented north-south. Two anomalous gold values of 40 and 90 ppb were associated with arsenic values of 2,100 and 400 ppm. These gold-arsenic bearing samples occur at the southernmost and highest elevation end of the arsenic anomaly.

A 4.8 km IP and magnetic geophysical survey was completed in 2014 along four lines of the old grid and resulted in the outline of an approximately 800 m long by 200 m wide IP chargeability anomaly coincident with the upslope southern end of the geochemical anomaly. The IP anomaly trends northwesterly and is open to the northwest.

Prospecting on the property discovered two separate arsenical quartz vein occurrences carrying anomalous gold. These occurrences are to the north and east of the grid area but indicate that quartz vein systems exist in the area and verify the likelihood of the IP anomaly being sourced by sulphide-bearing quartz vein systems. This new target will require further grid work to define the limits of the anomaly and possibly trench or drill testing as there are few bedrock exposures in the grid area. Soil and rock sampling programs were carried out in September, 2018 and 2019 resulting in extending the area of anomalous arsenic, particularly to the northwest, along the trend of the IP anomaly.

### Antler Gold Property:

Antler was acquired by staking by Eastfield in 2014 and consists of 4 mineral tenures covering an area of 1,042 hectares (2,796 acres). The target on the Antler property was outlined by exploration work by Esso in 1981, later by a prospector in 1993 and then in 1997 by Eureka Resources. Several soil geochemical anomalies were outlined, up to 500 m long with some coincident gold values. Esso sampled a quartz-carbonate stockwork zone that returned 11.2 g/t gold across 1.0 m. In an area 1.5 km to the northwest, massive sulphide boulders were sampled in 1993 that returned 4.8 g/t gold with 1.9% copper and 4.7 g/t gold with 6.96% copper. Also in this area a quartz-carbonate stockwork was sampled and yielded values up to 0.23 g/t gold across 1.0 m.

Five widely-spaced reconnaissance grid lines were placed in 2014 across these areas and 5.4 km of IP and magnetic geophysical surveys were completed. Weak IP chargeability responses were noted in the areas of the showings, but no definitive anomaly was outlined. Further prospecting will be required to locate the source of the massive sulphide boulders and the extent and controls on the gold bearing showings.

### Hedge Hog Property:

#### Project Summary

Hedge Hog was acquired by staking by Eastfield beginning in 2013 and consists of 8 mineral tenures covering an area of 2,785 hectares (7,712 acres). It primarily targets Besshi style copper rich massive sulfide mineralization occurring in Paleozoic aged Antler formation rocks and secondly quartz carbonate lode gold mineralization hosted in slightly older Barkerville-Kootenay Terrane rocks similar to what occurs in the historic gold mines of the Barkerville-Wells area.

Historical exploration in the area of the current claims started in 1998 with the discovery of an angular boulder of mineralized chert grading 24.3% copper and 19.6 g/t silver. Excavator trenching completed in 2000 by Hudson Bay Exploration and Development discovered several boulders of similarly styled mineralization with the average of all samples (seven) being 8.7% copper, 9.59 g/t silver and 145 ppb gold. Subsequent drilling, 6 holes (684 meters) and mechanical trenching failed to find the bedrock source of this mineralization and Hudson Bay withdrew in 2001 and the claims were re-staked by Eastfield.

Follow-up work in 2014 included the placement of a soil grid on the Golden Sky target where fault controlled quartz veins have been discovered. Soil sampling defined a gold-arsenic-antimony anomaly coincident with the vein occurrence. Rock sampling of the occurrence returned 0.67 g/t gold across 3.0m. Additionally, two copper-nickel soil anomalies over 800 m in length were outlined in an area where no outcrop has been found. Further work will be required to determine the source of these anomalies.

A 4.7 km reconnaissance IP and magnetic geophysical survey was completed in 2014 along logging roads to assess the Lottie target. Extensive strong IP chargeability anomalies were defined, most of which are interpreted to reflect locally occurring graphitic shales that also contain bedded syngenetic pyrite, pyrite veinlets and silicification. Massive sulphide occurrences could be hosted in the vicinity of the IP anomalies in proximity to the shale units. A separate anomaly west of the main feature suggests a different source. In 2015 further reconnaissance prospecting and mechanical test pitting and trenching was completed in which forty-seven pits were dug with an excavator. Forty-two of the pits encountered bedrock while five did not reach bedrock. Further work in this area is required to determine the sources of both the IP anomalies and the massive sulphide boulders.

In September 2018 the Surge Exploration Inc. (formerly Copper Creek Gold Corp.) (“Surge Exploration”) started fieldwork on its Hedge Hog copper-gold-silver-cobalt project located in central British Columbia. The Company and its option partner, Surge Exploration., are in receipt of a multiyear exploration permit authorizing a wide spectrum of activities, including geochemical and geophysical surveys, mechanical excavator trenching, and diamond drilling. The terms of the option agreement allow Surge Exploration to earn a 60-per-cent interest in Hedge Hog by making cash and/or share payments totalling \$500,000 and completing exploration expenses totalling \$2.5-million over a five-year term. Approximately 900 soil samples was collected in September 2018 to guide the excavator trenching and test pitting program that was completed in 2019.

The prime target type at Hedge Hog is a Cyprus-style volcanic massive sulphide deposit comparable in genesis and character with deposits in Cyprus, the Windy Craggy deposit in British Columbia, the Kudz Ze Kayah deposit in the Yukon Territory and the Lokken deposit in Norway. An active placer gold mine on the property suggests additional potential for gold mineralization similar to what occurs near Barkerville 15 kilometres to the south, where historical gold production is approximately 1.2 million ounces from hardrock deposits and 3.8 million ounces from placer deposits.

### Recent Activity

In September 2019, the Company announced the completion of a trenching and excavator pitting program at Lottie area. Twenty-nine (29) excavations were completed using a large excavator with 25 successfully reaching bedrock allowing sampling. Several excavated pits proved to be highly anomalous in nickel and or cobalt with values reaching 673 ppm nickel and 68 ppm cobalt.

In December 2019 Surge Exploration terminated its option on the Hedgehog property. Eastfield continues to hold a 100% interest in the property.

### **Quality Control**

Information in this Annual MD&A is being prepared under the direction of J. William Morton, P. Geo., President and CEO, and Glen L. Garratt, P. Geo., Vice President and Qualified Persons as defined by National Instrument (NI) 43-101. They are responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

### **RISKS AND UNCERTAINTIES**

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 such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Some of the Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

The mineral industry is intensely competitive in all its phases. Eastfield competes with many other mineral exploration companies who have greater financial resources and technical capacity.

It is difficult at this stage to quantify the effect of increased demand for the goods and services used in the Company's exploration programs, but cost increases during the upcoming field season could be higher than the rate of inflation prevailing in other sectors of the economy. Exploration companies can also expect to experience difficulty in scheduling drilling contracts, airborne geophysical surveys and other services that are key components of early stage exploration programs.

Mineral exploration is a speculative venture. There is no certainty that the money spent on exploration and development will result in the discovery of an economic ore body. There is no assurance that the Company's exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be related to the success of its exploration programs, which may be affected by a number of factors that are beyond the control of the Company.

The market price of precious metals and other minerals is volatile and cannot be controlled.

The purchase of securities of the Company involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of the Company should not constitute a major portion of an investor's portfolio.

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the TSX Venture Exchange may be affected by such volatility.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests. Its claims, permits or tenures may be subject to prior unregistered agreements or transfers or native land claims. Title to the claims, permits or tenures comprising the Company's properties may also be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the property to which such defect relates.

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent.

The Company's directors and officers 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 terms respecting the transaction. If a conflict of interest arises, the

Company will follow the provisions of the Business Corporations Act (British Columbia) dealing with conflicts 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 interest and refrain from voting on the matter unless otherwise permitted by the Business Corporations Act (British Columbia). The directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

## FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements about the Company's future prospects, and the Company provides no assurance that actual results will meet management's expectations. All statements in this MD&A, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects to occur in the future, are forward looking statements. Forward looking statements are not guarantees of future performance and actual results may differ materially. Forward-looking statements included or incorporated by reference in this document include, without limitation, statements with respect to:

- The Company's assumptions and estimates used in its drill results, as well as the potential resource estimates and interpretations from those results;
- The progress, potential and uncertainties of the Company's drill programs;
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties; and

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to:

- fluctuations in the currency markets;
- fluctuations in the prices of minerals and other commodities;
- changes in government legislation, taxation, controls, regulations and political or economic developments in Canada or other countries in which the Company may carry on business in the future;
- risks associated with mining activities;
- the speculative nature of exploration, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves;
- the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits;
- the Company's lack of operating revenues; and
- the Company's ability to obtain necessary financing to fund the development of its mineral properties or the completion of further exploration programs.

This is not an exhaustive list of the factors that may affect the Company's forward-looking statements. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance.

## SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of Eastfield and is derived from unaudited quarterly financial statements prepared by management. Eastfield's interim financial statements are prepared in accordance with IFRS.

	<b>Revenue</b>	<b>Net (Income) Loss</b>	<b>(Income) Loss per share</b>
February 29, 2020	\$ Nil	\$ 54,751	\$ 0.001
November 30, 2019	Nil	103,810	0.002
August 31, 2019	Nil	10,337	0.000
May 31, 2019	Nil	23,674	0.000
February 28, 2018	Nil	181,869	0.004
November 30, 2018	Nil	20,016	0.000
August 31, 2018	Nil	18,161	0.000
May 31, 2018	Nil	6,908	0.000

Quarterly results will vary in accordance with the Company's exploration and financing activities.

Mineral exploration is typically a seasonal business, and accordingly, the Company's administrative expenses and cash requirements will fluctuate depending upon the season. The Company's primary source of funding is through the issuance of share capital and the receipt of option proceeds from property agreements. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favourable terms subsequent activity levels will increase.

Another factor that affects the Company's reported quarterly results are write-downs of capitalized mineral property interests. At the end of each reporting period, the Company reviews the carrying amounts of its mineral property costs to determine whether those assets have suffered an impairment. The size and timing of these impairments cannot typically be predicted.

## **LIQUIDITY**

Working capital decreased during the year to \$193,256 on February 29, 2020 (February 28, 2019 – \$565,865). The reduced working capital position is attributed to the acquisition of investments held for greater than 12 months and the receipt of investments in settlement of a debt receivable from a related party.

## **CAPITAL RESOURCES**

The Company has no operations that generate cash flow and its long term financial success is dependent on management's ability to discover and develop economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration and development programs and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the company's track record and the experience and calibre of its management.

## **TRANSACTIONS WITH RELATED PARTIES**

Related party transactions are recorded at the exchange amount agreed to by the parties.

The Company is related to Cariboo Rose Resources Ltd. ("Cariboo Rose") and Consolidated Woodjam Copper Corp. ("Woodjam") through common directors and officers. In the normal course of business, the Company will enter into transactions with Cariboo Rose and Woodjam for the use of equipment, services and rental of office space. During the year, recoveries of rent, salaries, telephone, office, consulting, convention and travel costs were \$75,696 (2019 - \$70,068) from Cariboo Rose and \$74,453 (2019 - \$71,824) from Woodjam. At February 29, 2020, accounts receivable included \$11,138 (2019 - \$32,243) receivable from Cariboo Rose and \$53,328 (2019 - \$103,735) receivable from Woodjam.

During the year ended February 29, 2020, geological services amounting to \$126,122 (2019 - \$129,344) were provided to the Company by Mincord Exploration Consultants Ltd. ("Mincord"), a geological service company owned by two directors of the Company. Mincord's relationship with the Company is non-exclusive and without retainer and on a project-by-project basis. Services provided include the hiring of field and professional personnel, rental of vehicular, camp and technical equipment, transportation and mobilization costs. At February 29, 2020, accounts payable included \$4,413 (2019 - \$15,611) payable to Mincord.

During the year, payments of \$41,350 (2019 - \$42,800) were made to the Chief Financial Officer, who is also a director of the Company, for accounting services. Of this amount, \$27,900 was recovered from other related companies during the year ended February 29, 2020 (2019 – \$32,100)

Salaries and benefits of \$17,337 (2019 - \$12,678) were paid to a spouse of a director for office administration services provided.

Remuneration for key management personnel included \$14,000 (2019 - \$10,632) in share-based compensation.

On December 17, 2014, the Company advanced \$50,000 to Woodjam as an unsecured promissory note. On July 28, 2015, August 31, 2015 and November 29, 2016, the Company also advanced \$100,000, \$10,000 and \$60,000, respectively, to

Woodjam as unsecured promissory notes. As at February 28, 2019, the total principal and accrued and unpaid interest receivable on these unsecured promissory notes was \$300,237. During the year ended February 29, 2020, the Company earned \$11,000 (2019 - \$27,226) of interest income related to these unsecured promissory notes. On November 15, 2019, the Company received 9,272,560 common shares of Woodjam at a deemed price of \$0.05 per share to settle the outstanding promissory note, accrued interest and accounts receivable totaling \$463,628.

## FINANCIAL AND OTHER INSTRUMENTS

At present, the Company's most significant financial instruments are cash, accounts receivable, investments, accounts payable and lease obligations. The recorded amount of these financial instruments approximate their fair value. The Company does not consider its financial instruments exposed to significant liquidity, credit, or price risks.

### Marketable Securities/ Investments

As at February 29, 2020 the Company has the following investments.

	2020			2019		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
Cariboo Rose Resources Ltd.	208,000	\$ 14,925	\$ 10,400	208,000	\$ 14,925	\$ 6,240
Consolidated Woodjam Copper Corp.	12,501,805	815,127	437,563	3,229,245	351,499	274,486
Consolidated Woodjam Copper Corp. (warrants, exercise price \$0.10, expiry date September 15, 2020)	350,000	3,500	-	350,000	3,500	-
Sun Metals Corp.	866,462	384,633	90,979	-	-	-
Lorraine Copper Corp.	-	-	-	1,094,560	113,432	257,222
Lorraine Copper Corp. warrants	-	-	-	510,000	31,469	69,911
Ely Gold Royalties Inc.	-	-	-	300,000	39,000	54,000
Fort St. James Nickel Corp.	-	-	-	57	-	12
		<b>\$ 1,218,185</b>	<b>\$ 538,942</b>		<b>\$ 553,825</b>	<b>\$ 661,871</b>

## ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Eastfield's general and administrative expenses are provided in the Company's Financial Statements for the years ended February 29, 2020 and February 28, 2019 that is available on Company's website at [www.eastfieldgroup.com](http://www.eastfieldgroup.com) or on its SEDAR Page Site accessed through [www.sedar.com](http://www.sedar.com).

### Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without nominal or par value. As at August 4, 2020, there were 46,694,919 common shares issued and outstanding.

### Share Purchase Options

The following common share purchase options are outstanding at August 4, 2020.

Expiry Date	Options Outstanding		Weighted Average Remaining Life	Options Exercisable	
	Number of shares	Exercise price (\$)		Number of shares	Exercise price (\$)
July 31, 2021	780,000	0.13	0.99	780,000	0.13
April 30, 2023	350,000	0.10	2.73	320,000	0.10
September 26, 2023	300,000	0.05	3.15	300,000	0.05
November 24, 2024	545,000	0.05	4.30	695,000	0.05
December 19, 2024	700,000	0.05	4.37	700,000	0.05
January 17, 2027	100,000	0.10	6.46	100,000	0.10
October 10, 2027	500,000	0.05	7.19	500,000	0.05
	3,275,000		3.76	3,275,000	

### Share Purchase Warrants

The Company has warrants outstanding entitling the holders to purchase of 1,800,000 common shares at a price of \$0.10 per share until June 13, 2021.

### **Dividends, Off Balance Sheet Arrangements or Proposed Transactions**

As of August 4, 2020, the Company has no off balance sheet arrangements or proposed transactions which require disclosure. The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future.

### **APPROVAL**

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

### **ADDITIONAL INFORMATION**

Additional information relating to the Company including the Company's financial statements may be found under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or by visiting the Company's website at [www.eastfieldresources.com](http://www.eastfieldresources.com)