

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

Containing information up to and including June 28, 2022

**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 June 2022 Alpha Copper Corp. announced the commencement an aggressive \$1.0 million exploration program at its Indata project in British Columbia which will include a 5,000m drilling program
- In December 2021, option partner West Oak Gold Corp. discovered new targets at the Company’s Hedge Hog property with samples including 0.22% copper
- In July 2021 the Company completed a non-brokered private placement consisting of 4,450,000 units at a price of \$0.10 per unit for net proceeds of \$420,500.
- The Company received \$146,810 in property option payments (cash and shares) during the year ended February 28, 2022.

**SELECTED ANNUAL INFORMATION**

The following table summarizes selected financial data for Eastfield for years ended February 28, 2022, February 28, 2021 and February 28, 2020. This information should be read in conjunction with the audited financial statements, prepared in accordance with IFRS, and related notes.

	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total revenue	\$ Nil	\$ Nil	\$ Nil
Net (income) loss	(640,596)	(456,406)	192,572
Basic and diluted (income) loss per share	(0.013)	(0.010)	0.004
Comprehensive (income) loss	(1,121,831)	(1,987,193)	708,951
Total assets	3,779,815	4,545,217	2,606,175
Total liabilities	500,263	549,529	597,680
Cash dividends per share	Nil	Nil	Nil
Number of shares issued and outstanding	51,144,919	46,694,919	46,694,919

Net (income) loss is expected to fluctuate from year-to-year primarily due to the activity level of the Company’s exploration projects, the performance of the Company’s investments measured at fair value through profit and loss, the strength of equity markets and the Company’s ability to finance on favorable terms.

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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 28, 2022.

**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.

## RESULTS OF OPERATIONS

### Year Ended February 28, 2022

The Company recorded a net loss for the year ended February 28, 2022 (the “Current Period”) of \$640,596 which was significantly different than the net gain for the year ended February 28, 2021 (“Comparative Period”) of \$465,022. The loss in the Current Period was primarily the result of a decrease in the fair value of derivative investments (Current Period - \$279,547; Comparative Period - \$368,048 gain) and share based compensation (Current Period - \$112,500; Comparative Period - \$nil) a non-cash expenditure resulting from the issuance of options to directors, employees, consultants, and advisors during the period.

An exploration program conducted during the year represented the greatest use of funds for the Current Period (Current Period - \$482,149; Comparative Period - \$66,940).

### Three Months Ended February 28, 2022

The Company recorded a net loss for the three months ended February 28, 2022 (“Current Quarter”) of \$175,574 which was significantly different than the net gain for the three months ended February 28, 2021 (“Comparative Quarter”) of \$550,057. As already mentioned in this Annual MD&A, the net gain in the Comparative Quarter was primarily the result of an increase in the fair value of derivative investments (Current Quarter - \$39,750; Comparative Quarter - \$368,048).

### Exploration Expenditures

The following table discloses the net changes in Exploration and Evaluation Assets for the years ending February 28, 2022 and February 28, 2021.

	<u>2022</u>	<u>2021</u>
<b>ACQUISITION COSTS</b>		
Incurred during year	\$ 4,666	\$ -
<b>EXPLORATION EXPENDITURES</b>		
Expenditures for the year:		
Assaying	10,127	4,333
Communications	1,461	375
Fees, permits and assessments	-	125
Field equipment	1,076	657
Food and accommodation	29,068	1,460
Freight	861	-
Geological	99	-
Geophysics	100,746	-
Other	10,306	-
Professional fees and field crews	136,950	48,072
Rental of vehicles and equipment	9,699	6,901
Road Building	-	5,623
Surveying	41,600	-
Transport and fuel	135,543	467
<b>Total Exploration Expenditures</b>	<u>477,536</u>	<u>68,013</u>
<b>OPTION PROCEEDS</b>		
Proceeds received during the year	(146,810)	(75,000)
<b>Net Increase (Decrease) in Exploration and Evaluation Assets</b>	<u>\$ 335,392</u>	<u>\$ (6,987)</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.

#### Option agreement with GK Resources

On June 20, 2018, further amended in August 2020, 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. In March 2021 the Company terminated the option agreement with GK Resources for failure to meet exploration expenditure requirements on the property.

#### Option agreement with Tech-X Resources

In May 2021, the Company entered into an agreement with Tech-X Resources Inc. ("Tech-X") whereby Tech-X can earn a 51% interest in the property by incurring escalating exploration expenditures totaling \$4,500,000 and making escalating option payments totaling \$520,000 over a five-year term. Thereafter Tech-X can earn an additional 29% (80% total) by completing an additional \$7,500,000 in exploration and making an additional \$480,000 in cash payments over a further two-year period.

Tech-X has also entered into an agreement with the original vendors of the Iron Lake properties who hold a 1.5% net smelter return on production from the Eastfield claims ("the Royalty"). The Production Royalty Purchase Agreement allows Tech-X to purchase up to two thirds of the Royalty for \$3,000,000 and retain a first right of refusal to purchase the balance. Escalating advance royalty payments totaling \$500,000 are payable over 80 months as a credit towards the purchase following commencement of commercial production. In the event that Tech-X elects not to exercise its purchase option then the advance royalty payments are repayable to Tech-X out of production and Eastfield will then be allowed to purchase the Royalty for \$3,000,000 and if it so chooses to purchase the entire Royalty for \$4,500,000. Approximately \$400,000 was spent on exploration in 2021.

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

The Company has a 91.5% interest in the Indata property. Imperial Metals Corporation ("Imperial Metals"), owns the remaining 8.5% 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 \$2.9 million has been spent exploring the Indata property between 1986 and 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).

On June 20, 2018, the Company entered into an option agreement with Alpha Copper Corp. (formally Prophecy Potash Corp.) whereby Alpha Copper Corp. 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.

Highlights of a 2019 program included 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.

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. \$90,632 was expended on exploration in 2019.

Work completed in 2020 was limited to emplacing a number of soil lines (109 samples) in the southeastern area of the property south and east of where mineralized bedrock was exposed by recent logging and discovered in 2019. Select grab samples of this mineralization (diorite) included results to 3.64 per cent copper and 5.95 g/t gold (as well as several weakly mineralized or unmineralized samples). Overburden in this area is now interpreted to be deeper than expected and no significant new soil anomalies were defined by the 2020 sampling. Induced polarization surveying is a logical next step to explore this area.

## Recent Activity

In June 2022 Alpha Copper Corp. announced the commencement an aggressive \$1.0 million exploration program at its Indata project in British Columbia.

Alpha Copper's Indata claim area encompasses 3,189 hectares (7,880 acres) located 230 kilometres northwest of the city of Prince George and immediately south of the Stardust-Kwanika project owned by Northwest Copper Corp. The entire project has been permitted for drilling, and, while these important approvals ensure the program will include a 5,000m drilling program, it will also include new grid work and excavator trenching to assist in developing future drill targets.

Alpha Copper is planning to drill 5,000 m across all targets with the focus being on the Lake zone as it is the most advanced location with the most extensive exploration data to date. Alongside the drill program, the company will undertake additional soil grid work and make use of the exploration opportunities the excavator will provide as it moves through the bush. The quarry zone target was exposed via excavator road construction in 2019 and uncovered a grab sample grading 3.65 per cent copper and 5.95 grams per tonne gold which is extremely favourable albeit selective in nature. The northwest and southwest copper targets are more directly related to carbonate replacement mineralized targets which closely resemble that of the Kwanika and Stardust deposits just 1.9 km to the north on Northwest Copper's ground. These two targets offer very interesting geophysical data which the company is extremely focused on developing into a complete data set during this campaign.

A quick review of copper targets as they currently exist is as follows:

Lake zone: A 1,000-metre-long induced polarization anomaly with widespread mineralized surface samples was expanded in size in 2019 but has not yet been drill tested. Results from the 2019 work include surface samples with 0.48 per cent copper and

0.11 g/t gold. Two holes are planned for the northern region of the Lake zone and three for the southern region. Holes will be drilled to a depth of approximately 500 metres versus a historical average of less than 150 metres (where drilling has occurred in the northern region of this zone).

Northwest copper and southwest copper: A strong induced polarization anomaly has been defined in two areas predominantly underlain by limestone which share geochemical and geological attributes with the Stardust deposit located 18 kilometres north owned by Northwest Copper. Initially one hole will be drilled in each target area which are approximately seven kilometres distant from each other.

Quarry zone: Road construction completed by a logging company in 2019 exposed mineralization in altered andesite-diorite grading up to 3.64 per cent copper and 5.95 g/t gold. While this result was select in nature it is significant. Limited excavator trenching completed in 2019 often did not reach bedrock. Further soil sampling and test pitting are planned.

Northeast copper: In 2019 select sampling averaged 1.32 per cent copper and 0.10 g/t gold in an area where in 1998 a Placer Dome geologist collected 17 grab samples averaging 0.95 per cent copper and 0.08 g/t gold over an area of 400 metres by 250 metres (open). Select values sometimes exceeded 3.5 per cent copper and 500 parts per billion gold. An optimistic explanation for this mineralization is that it may represent leakage from a deeper porphyry system. The ATV (all-terrain vehicle) trail into this area, constructed in 2019, will be improved in 2022 to a drill trail to allow easier access.

### **Hedgehog Property**

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.

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 2020, the Company optioned a 60-per-cent interest in its copper, gold, silver, cobalt Hedgehog project to West Oak Gold Corp. To earn its interest, West Oak must make payments (cash and/or shares) totaling \$377,500 and complete \$1.75-million in exploration over a four-year term. Upon completion of the earn-in, Eastfield will retain a 40-per-cent working interest and a 0.5-per-cent net smelter return royalty.

### Recent Activity

Option partner West Oak Gold Corp. completed an exploration program at the Hedgehog property in 2021.

The 2021 exploration program was designed to explore for structurally hosted gold at the Golden Sky target in the north part of the Hedge Hog property. During 2021, a total of 596 soil samples were collected from a widely spaced grid surrounding the Golden Sky target. This grid covers an area of 1,600 metres north-south by 1,700 metres east-west.

Highlights of the current work include:

- A multitude of sporadic single point anomalous occurrences of gold, copper, zinc and arsenic;
- A cohesive cluster of anomalous arsenic and lead values (250 metres in length, width unknown) on the southeast edge of the 2021 grid;
- Additional ground has been staked to expand the claim group 1,000 metres to the east;
- A single point occurrence of 0.22 per cent copper and 8.45 per cent iron in soils possibly related to massive sulphide mineralization similar to previously discovered in float boulders farther south on the property.

Single point soil anomalies reach 819 parts per billion gold, 444 parts per million arsenic and 2,210 parts per million copper (0.22 per cent). The company is particularly intrigued by soil sample L899E, 8775N, located in the north-central part of the grid, which returned 2,210 ppm copper and 8.45 per cent iron. Interest in this sample is inspired by previous float samples collected farther south on the property, including a massive sulphide boulder grading 24.3 per cent copper and 19.6 grams per tonne silver collected in 1999 and five chalcopyrite-rich massive sulphide boulders with an average grade of 8 per cent copper, 8.9 g/t silver collected by Hudson Bay Exploration and Development in 2000 (as reported in its assessment report filed with the B.C. Ministry of Mines).

## **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 9,195 ha (22,160 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 program of in-fill geophysical surveying and rock alteration mapping was in the 2021 season at a cost of approximately \$430,000.

### **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.

	Revenue	Net (Income) Loss	Loss (Income) per share
February 28, 2022	\$ Nil	\$ 175,574	\$ 0.004
November 30, 2021	Nil	189,781	0.004
August 31, 2021	Nil	216,708	0.004
May 31, 2021	Nil	58,533	0.001
February 28, 2021	Nil	(550,057)	(0.012)
November 30, 2020	Nil	32,951	0.001
August 31, 2020	Nil	33,385	0.001
May 31, 2020	Nil	27,315	0.001

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.

Net income for the quarter ended February 28, 2021, is primarily the result of the increase in the fair value of investments measured at fair value through profit.

## LIQUIDITY

Working capital decreased during the year to a deficiency of \$3.902 at February 28, 2021 (February 28, 2021 – \$120,591).

An exploration program conducted during the year represented the greatest use of funds for the Current Period (Current Period - \$482,149; Comparative Period - \$66,940).

On July 22, 2021 the Company completed a non-brokered private placement consisting of 4,450,000 units at a price of \$0.10 per unit for net proceeds of \$420,500. Each unit consists of one flow through common share and one share purchase warrant with each warrant entitling the holder to purchase one additional non-flow through common share at a price of \$0.15 until December 28, 2022.

## **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 \$118,062 (2021 - \$113,775) from Cariboo Rose and \$120,733 (2021 - \$129,803) from Woodjam. At February 28, 2022, accounts receivable included \$10,123 (2021 - \$9,124) receivable from Cariboo Rose and \$10,123 (2021 - \$16,150) receivable from Woodjam.

During the year ended February 28, 2022, geological services amounting to \$415,186 (2021 - \$69,259) 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 28, 2022, accounts payable to related parties included \$7,956 (2021 - \$4,872) payable to Mincord.

During the year, payments of \$22,500 (2021 - \$16,500) were made to the Chief Financial Officer, who is also a director of the Company, for accounting services.

Salaries and benefits of \$25,572 (2021 - \$25,199) were paid to the spouse of a director for office administration services provided.

Remuneration in the form of share-based compensation for key management personnel for the year ended February 28, 2022 was \$97,500 (2021 - \$nil).

## **FINANCIAL AND OTHER INSTRUMENTS**

At present, the Company's most significant financial instruments are cash, accounts receivable, investments, accounts payable and accrued liabilities, and lease obligations. The recorded amounts of these financial instruments approximate their fair value. The Company does not consider its financial instruments exposed to significant liquidity or credit risks. The Company's investments as set out below are subject to equity price risk since the underlying securities are shares or share purchase warrants of companies trading on the TSX Venture Exchange or the Canadian Securities Exchange.

## Marketable Securities/ Investments

As at February 28, 2022 the Company has the following investments:

	2022			2021		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
<b>Investments in Equity Instruments Measured at FVOCI</b>						
Cariboo Rose Resources Ltd.	208,000	\$ 14,925	\$ 12,480	208,000	\$ 14,925	\$ 16,640
Consolidated Woodjam Copper Corp.	11,751,805	668,074	1,233,939	11,751,805	751,696	1,888,289
Northwest Copper Corp. (Sun Metals Corp.)	186,289	392,873	124,814	866,462	384,633	164,628
West Oak Gold Corp.	200,000	20,000	30,000			
Prophecy Potash	176,856	49,310	153,865	243,369	24,336	48,674
GK Resources	330,000	49,500	59,400	333,333	33,333	53,333
		<b>1,194,682</b>	<b>1,614,498</b>		<b>1,147,632</b>	<b>2,212,238</b>
<b>Investments in Derivative Instruments Measured at FVTPL</b>						
Consolidated Woodjam Copper Corp. (warrants, exercise price \$0.08, expiry date June 24, 2022)	3,250,000	16,250	104,749	3,250,000	16,250	384,297
		<b>\$1,210,932</b>	<b>\$1,719,247</b>		<b>\$1,163,882</b>	<b>\$2,596,535</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 28, 2022 and February 28, 2022 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 June 28, 2022, there were 51,144,919 common shares issued and outstanding.

## Share Purchase Options

The following common share purchase options are outstanding at June 28, 2022.

Expiry Date	Options Outstanding			Weighted Average Remaining Life	Options Exercisable	
	Number of shares	Exercise price (\$)			Number of shares	Exercise price (\$)
April 30, 2023	350,000	0.10	0.84	350,000	0.10	
September 26, 2023	300,000	0.05	1.25	300,000	0.05	
November 24, 2024	545,000	0.05	2.41	545,000	0.05	
December 19, 2024	700,000	0.05	2.48	700,000	0.05	
September 15, 2026	1,875,000	0.08	4.22	1,875,000	0.08	
January 17, 2027	100,000	0.10	4.56	100,000	0.10	
October 10, 2027	500,000	0.05	5.29	500,000	0.05	
	<b>4,370,000</b>		<b>3.37</b>	<b>4,370,000</b>		

## Share Purchase Warrants

The following common share purchase warrants are outstanding at February 28, 2022:

Expiry Date	Number of warrants Outstanding	Exercise price	Weighted Average Remaining Life in years
December 28, 2022	4,695,000	0.15	0.50

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

As of June 28, 2022, 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)