Northfield Metals Inc.
Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") provides discussion and analysis of the financial condition and results of operations of Northfield Metals Inc. (the "Company") for the 9 months ended September 30, 2011 and should be read in conjunction with the unaudited financial statements and the accompanying notes. The MD&A is the responsibility of management and is dated as of November 29, 2011.

All dollar amounts are stated in Canadian dollars unless otherwise indicated. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Forward-Looking Statements

This MD&A may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this MD&A.

The Company

The Company is a Canadian-based mineral exploration and development company. Currently, the Company has no mineral resource properties.

The Company is a reporting issuer in Ontario and Alberta, however, its common shares are not listed for trading on any exchange.

Overall Performance

The Company is in the exploration stage and as at December 31, 2008 had written off its mineral resource properties. The Company is currently seeking to acquire mineral resource properties. The continued operations of the Company is dependent upon the ability of the Company to identify and acquire mineral resource properties, to obtain financing to acquire and complete the exploration and development of those mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of mineral resource properties.

As at September 30, 2011, the Company had a working capital deficit of $1,220,681, which included cash of $22,457, which is not sufficient to enable the Company to fund its operations and the acquisition and exploration of mineral resource properties. In order to preserve its cash, the Company reduced its operating expenditures and deferred the payment of management's consulting fees. However, without the continued support of its creditors and additional funding to meet existing obligations and to finance its operations and the acquisition and exploration of mineral resource properties, there is substantial doubt as to the Company's ability to continue as a going concern. The Company is actively seeking to raise the necessary capital to meet its funding requirements; however, there can be no assurance that additional funding will be available.

Risks and Uncertainties

The Company is exposed to the inherent risks associated with mineral exploration and development, including the uncertainty of mineral resources and their development into mineable reserves; the uncertainty as to potential project delays from circumstances beyond the Company's control; and the timing of production; as well as title risks, risks associated with joint venture agreements and the possible failure to obtain mining licences.

The Company is in the exploration stage and currently does not own any mineral resource properties. The Company has no revenues and finances its operations by raising capital in the equity markets. The continued operations of the Company is dependent upon the ability of the Company to obtain financing to complete the acquisition, exploration and development of mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties.

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Results of Operations

	3 months ended September 30, 2011 $	3 months ended September 30, 2010 $	9 months ended September 30, 2011 $	9 months ended September 30, 2010 $
General and administrative expenses				
Professional fees	5,311	3,000	12,311	10,875
Consulting fees	60,000	60,000	180,000	180,000
General and office	836	2,925	7,524	12,092
	66,146	65,925	199,834	202,966
Loss before the undernoted item	(66,146)	(65,925)	(199,834)	(202,966)
Increase (decrease) in fair value of marketable securities	(53,373)	6,555	(110,433)	7,256
Loss and comprehensive loss	(119,519)	(59,370)	(310,267)	(195,710)

9 months ended September 30

The increase in the loss and comprehensive loss in the current period compared to the same period in the previous year primarily reflects a decrease in the fair value of marketable securities compared to an increase in the same period in the previous year.

3 months ended September 30

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Summary of Quarterly Results

	Q4 2009 $ GAAP	Q1 2010 $ GAAP	Q2 2010 $ IFRS	Q3 2010 $ IFRS	Q4 2010 $ IFRS	Q1 2011 $ IFRS	Q2 2011 $ IFRS	Q3 2011 $ IFRS
Revenue	-	-	-	-	-	-	-	-
Loss								
- Total	(71,002)	(40,507)	(95,833)	(59,370)	7,239	(67,095)	(123,653)	(119,519)
- Per share	Nil	Nil	Nil	Nil	Nil	(0.003)	(0.003)	(0.006)

Income for the fourth quarter of 2010 reflects an increase in the fair value of marketable securities of $75,038.

Liquidity and Capital Resources

The Company is in the exploration stage and currently does not own any mineral resource properties. The continued operations of the Company is dependent upon the ability of the Company to obtain financing to complete the acquisition, exploration and development of mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties.

As at September 30, 2011, the Company had a working capital deficit of $1,220,681, which included cash of $22,457, which is not sufficient to enable the Company to fund its operations and the acquisition and exploration of mineral resource properties. In order to preserve its cash, the Company suspended the acquisition and exploration of mineral resource properties, reduced its operating expenditures and deferred the payment of management's consulting fees. However, without the continued support of its creditors and additional funding to meet existing obligations and to finance its operations and the acquisition and exploration of mineral resource properties, there is substantial doubt as to the Company's ability to continue as a going concern. The Company is actively seeking to raise the necessary capital to meet its funding requirements, however, there can be no assurance that additional funding will be available.

Transactions with Related Parties

	9 months ended September 30, 2011 $	Outstanding as at September 30, 2011 $
Consulting fees		
847785 Ontario Ltd., a company controlled by Thomas G. Larsen, for his services as President and Chief Executive Officer of the Company	48,000	436,800
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his services as Chief Financial Officer of the Company.	36,000	327,600
J. Estepa Consulting Inc., a company controlled by Jorge Estepa, for his services as Vice President and Corporate Secretary	36,000	327,600

International Financial Reporting Standards ("IFRS")

Implementation of International Financial Reporting Standards ("IFRS")
The Company's IFRS conversion plan as detailed in its Annual MD&A is now complete, except for the review phase which will continue throughout 2012.

The Canadian Accounting Standards Board required all public companies to adopt IFRS for interim and annual financial statements relating to their first fiscal years beginning on and after January 1, 2011. The Company's interim financial statements for the 9 months ended September 30, 2011 have been prepared in accordance with IFRS including comparative amounts shown for the previous year. Note 13 to the interim financial statements includes a comparative balance sheet at December 31, 2010 prepared under IFRS together with reconciliations to the corresponding financial statements prepared under previous Canadian GAAP.

Although IFRS has a conceptual framework that is similar to previous Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The transition to the IFRS framework has resulted in several changes to accounting policies that impact financial reporting. The following are the more significant accounting differences:

Impairment of Non-Current Assets
Under Canadian GAAP, long-lived asset impairment testing is done using a two-step approach whereby long-lived assets are first tested for recoverability based on the undiscounted cash flows they are expected to generate. If the undiscounted cash flow expected to be generated is higher than the carrying amount, then no further analysis is required to be recorded. If the undiscounted cash flow is lower than the carrying amount of the assets, the assets are written down to their estimated value. Under IFRS, impairment testing is done using a one-step approach for both testing and measurement of impairment, with asset carrying amounts compared directly with the higher of fair value less costs to sell and value in use (which uses discounted cash flows). This may result in more frequent write-downs where carrying amounts of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted basis. However, the extent of any asset write-downs may be partially offset by the requirements under IFRS to reverse any previous impairment losses where circumstances have changed such that the impairments are reduced. The previous Canadian GAAP did not permit reversal of impairment losses.

No changes in the carrying value of non-current assets were required as a result of applying IFRS.

Stock-based compensation
Under IFRS, the Company is required to recognize the expense over the individual vesting periods for the graded vesting awards and estimate a forfeiture rate.

Under Canadian GAAP, the Company recognized stock-based compensation related to issue of stock options on a straight-line basis through the date of full vesting and did not incorporate a forfeiture multiple.

Other Considerations of the Changeover from Canadian GAAP to IFRS

Internal Control Activities
The Company has applied its existing internal control framework to the IFRS changeover process and there have not been any significant changes as a result. All accounting policy changes have been reviewed by senior management and

the audit committee.

Information Technology and Systems
The primary information technology and systems impact of the conversion to IFRS is on the Company's consolidation system used to prepare its consolidated financial statements where the Company has implemented the changes necessary to collect and consolidate the information required to complete the consolidation process in accordance with IFRS.

Business activities
The implementation of IFRS did not impact any employee compensation plans or key ratios and the Company does not have any debt covenants. In addition, the transition to IFRS did not have a significant impact on internal controls except as noted above.

Review
The review phase involves continuous monitoring of changes in IFRS. IFRS accounting standards and the interpretation thereof are constantly evolving. As a result, the Company will continue to monitor and evaluate IFRS accounting developments. The review phase will continue throughout 2012.

IFRS 1: First-time Adoption of International Financial Reporting Standards
IFRS 1 provides entities adopting IFRS for the first time with a number of optional and mandatory exceptions, in certain areas, to the general requirement for full retrospective applications of IFRS. The purpose of these options is to provide relief to companies and simplify the conversion process by not requiring recalculation of information that may not exist or may not have been collected at the time of the original transaction. Mandatory exceptions provide that changes to estimates previously made are not permitted. The estimates previously made by the Company under Canadian GAAP have not been revised for application of IFRS except where necessary to reflect any changes resulting from differences in accounting policies.

To complete the implementation of IFRS, management has analyzed the various transitional exemptions available to the Company under IFRS 1. The Company has implemented the following optional IFRS 1 exemptions:

Business Combinations
IFRS 1 allows that a first-time adopter may elect not to apply IFRS 3 Business Combinations retrospectively to business combinations prior to the date of transition. The Company has elected to not restate any past business combinations and to apply IFRS prospectively from the transition date. As such, Canadian GAAP balances relating to business combinations entered into before the date of transition have been carried forward without adjustment.

Stock-based Payments
The Company has elected to apply the transitional exemption which allows the Company not to restate the accounting for its share-based payments under IFRS 2 to awards that were granted after November 7, 2002 that vested before the later of (a) the date of transition to IFRS and (b) January 1, 2005. All outstanding stock options at April 1, 2010 had vested and, therefore, there has been no restatement of the Company's accounting under Canadian GAAP for stock options.

Fair value as deemed cost
The Company may elect among two options when measuring the value of its asset under IFRS. It may elect, on an asset by asset basis, to use either historical cost as measured under retrospective application of IFRS or fair value of an asset at the opening balance sheet date. The Company has elected to use historical cost for its assets.

Adoption of IFRS 6
The Company has elected to adopt the provisions of IFRS 6, which allow the Company to continue with the current accounting policies followed under Canadian GAAP regarding the accounting for exploration and evaluation expenditures.

Critical Accounting Estimates
The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments with respect to certain estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expense and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results, however, could differ significantly from those based on such estimates and assumptions.

During the fiscal periods presented, management has made a number of significant estimates and valuation assumptions including estimates of the useful life of capital assets, the recoverability of investments and mineral assets, the fair value of stock-based compensation and warrants. These estimates and valuation assumptions are based on present conditions and management's planned course of action as well as assumptions about future business and economic conditions.

Should the underlying valuation assumptions and estimates change, the recorded amounts could change by a material amount.

Exploration and evaluation
The Company's policy is to capitalize expenditures related to the acquisition, exploration and development of its exploration properties net of recoveries and carry these expenditures as assets until production commences. The Company's recorded value for exploration and evaluation costs is based on historical costs and does not necessarily reflect present or future values. If an exploration project is successful, the related exploration and evaluation costs will be amortized using the unit-of-production method following the commencement of production over the estimated economic life of the project. If an exploration project is abandoned, continued exploration is not planned in the foreseeable future or when other events and circumstances indicate that the carrying amount may not be recovered, the accumulated costs and expenditures are written down to the net recoverable amount at the time the determination is made.

At each quarter end senior management reviews the carrying value of the exploration and evaluation to consider whether there are any conditions that may indicate impairment. Where estimates of future cash flows are available, a reduction in the carrying value is recorded to the extent the net book value of the investment exceeds the estimated future cash flows. Where estimates of the future cash flows are not available and where other conditions suggest impairment, management assesses if the carrying value can be recovered and provides for impairment, if so indicated.

Assessment of recoverability of future income taxes
The determination of the ability of the Company to utilize tax loss carry-forwards to offset future income tax payable requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is probable that the Company would benefit from these prior losses and other future tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing losses. Currently, the Company has recorded a valuation allowance against its carry-forward tax losses. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the consolidated statement of comprehensive income (loss).

Environmental and land reclamation costs
The fair value of liabilities for asset retirement obligations will be recognized in the period in which they are incurred. Currently, there are no asset retirement obligations. As the development of any project progresses, the Company will assess whether an asset retirement obligation ("ARO") has arisen. At the point where such a liability arises, the financial statement adjustment required will be to increase the project's carrying value and ARO obligation by the discounted value of the total liability. Thereafter, the Company will be required to record a charge to income each year to accrete the discounted ARO obligation amount to the final expected liability.

Stock-based compensation
The Company recorded stock-based compensation based on an estimate of the fair value on the grant date of stock options issued. To determine the fair value, the Company uses the Black-Scholes option pricing model that requires input of management's assumptions on the expected volatility of the Company's share price, expected option life, a risk-free rate of return and expected dividend yield. The use of different assumptions regarding these factors could have a significant impact on the amount of stock-based compensation expense.

New standards and interpretations not adopted
A number of new standards, amendments to standards and interpretations are effective for periods beginning on or after January 1, 2013. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

IFRS 9, Financial Instruments ("IFRS 9")
IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments - Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 10, Consolidation ("IFRS 10")
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11, Joint Arrangements ("IFRS 11")
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13, Fair Value Measurement ("IFRS 13")
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement.

Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to other standards
In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10-13.

Financial Instruments and Other Instruments

Fair value
Fair value represents the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair values estimates are based on quoted market values and other valuation methods.

The carrying value of cash, accounts payable and accrued liabilities, and due to Eloro Resources Ltd. approximates fair value due to the short-term nature of these financial instruments.

Risks
The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk interest rate risk and commodity price risk.

Currency risk
As the majority of the Company's expenditures are in Canadian dollars, the Company limits it exposure to currency risk by maintaining its cash and cash equivalents in Canadian dollars.

Market risk
Market risk arises from the possibility that changes in market prices will affect the value of financial instruments. The Company is exposed to fair value fluctuations on its marketable securities. The Company estimates that if the fair value of its marketable securities as at September 30, 2011 had changed by 25%, with all other variables held constant, the net gain would have increased or decreased by $18,020.

Credit risk
Credit risk is the risk of a loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet is financial obligations as they come due. Substantially all of the Company's accounts payable and accrued liabilities have been outstanding over 90 days and the amounts due to Eloro Resources Ltd. and Champion Minerals Inc. are payable on demand.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

Other Information
Additional Disclosure for Venture Companies without Significant Revenue

The following table sets forth a breakdown of material components of the general and administration costs, capitalized or expensed exploration and development costs of the Company for the periods indicated.

	9 months ended September 30,	
	2011	**2010**
	$	**$**
General and administrative expenses		
Office	403	298
Public company costs	7,121	11,793
	7,524	12,092

Shares Outstanding as at November 29, 2011

Shares
Authorized:
Unlimited number of common shares.

Outstanding:
21,566,604 common shares.

On July 28, 2011, the shareholders of the Company approved the consolidation of the issued common shares on the basis of one new common share for up to four old common shares, with the actual consolidation ratio to be determined by the Board of Directors. As at November 29, 2011, no share consolidation has yet been effected.

Stock options
Authorized:
2,156,660 stock options, representing 10% of the issued and outstanding common shares.

Outstanding:
None.