NORTHFIELD METALS INC.
(the "Company")

MANAGEMENT'S DISCUSSION & ANALYSIS

Date

This MD&A is dated May 2, 2011 and should be read in conjunction with the audited financial statements for the year ended December 31, 2010.

Overall Performance

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

The Company's strategy is to actively seek, identify and acquire mineral resource properties, both in Canada and internationally.

The Company is in the exploration stage and as at December 31, 2008 had written off its mineral resource properties. The continued operations of the Company is dependent upon the ability of the Company to obtain financing to acquire and complete the 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 mineral resource properties.

As at December 31, 2010, the Company had a working capital deficit of $910,413, which included cash of $46,909, 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 in the exploration stage and currently does not own any mineral resource properties. The continued operations of the Company to acquire mineral resource properties is dependent upon the ability of the Company to obtain financing to complete the 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.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These risks include, but are not limited to, the Company's access to additional capital to fund future activities, the loss of mineral properties or the inability to obtain mining licences, the inherently risky nature of the Company's activities and its lack of experience in bringing an exploration property into production, foreign exchange fluctuations, the political stability and economic uncertainty of those areas in which the Company carries on operations and the lack of infrastructure in those areas, title risks, the risks and uncertainties associated with joint ventures and the Company's reliance on third parties, statutory and regulatory compliance, the adequacy and availability of insurance coverage, the Company's dependence upon employees and consultants and fluctuations in mineral prices.

Summary Annual Information

	2010 $	2009 $	2008 $
Total revenues	-	-	-
Net loss			
Total	188,471	247,990	595,913
Per share	0.009	0.011	0.028
Total assets	210,289	121,481	112,537

The reduction in the loss and increase in total assets in 2010 is primarily the result of an increase in the fair value of marketable securities of $82,294.

Results of Operations

Years ended December 31

	2010 $	2009 $
General and administrative expenses		
Professional fees	13,375	32,534
Consulting fees	240,000	240,000
General and office	12,993	11,302
	266,368	283,836
Loss before the undernoted items	(266,368)	(283,836)
Writedown of equipment	(15,000)	-
Increase in fair value of marketable securities	82,294	25,759
Gain on settlement of debts	10,603	6,108
Other income	-	3,979
Loss for the period	(188,471)	(247,990)

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

3 months ended December 31

	2010 $	2009 $
General and administrative expenses		
Professional fees	2,500	17,978
Consulting fees	60,000	60,000
General and office	901	851
	63,401	78,829
Loss before the undernoted items	(63,401)	(78,829)
Increase in fair value of marketable securities	75,038	15,760
Other income	-	(7,933)
Income (loss) for the period	7,240	(71,002)

The income in the current period compared to loss for the same period in the previous year reflects an increase in the fair value of marketable securities.

Summary of Quarterly Results

	Q1 2009 $	Q2 2009 $	Q3 2009 $	Q4 2009 $	Q1 2010 $	Q2 2010 $	Q3 2010 $	Q4 2010 $
Total revenue	-	-	-	-	-	-	-	-
Net income (loss)								
Total	(67,319)	(56,317)	(53,353)	(71,002)	(40,507)	(95,833)	(59,370)	7,239
Per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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 as at December 31, 2008 had written off its mineral resource properties. The continued operations of the Company is dependent upon the ability of the Company to obtain financing to acquire and complete the 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 mineral resource properties.

As at December 31, 2010, the Company had a working capital deficit of $910,412, which included cash of $46,909, 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

Consulting fees	**Year ended December 31, 2010 $**	**Outstanding as at December 31, 2010 $**
847785 Ontario Ltd., a company controlled by Thomas G. Larsen, for his services as President and Chief Executive Officer of the Company	96,000	382,560
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his services as Chief Financial Officer of the Company.	72,000	286,920
J. Estepa Consulting Inc., a company controlled by Jorge Estepa, for his services as Vice President and Corporate Secretary	72,000	286,920

These transactions were in the normal course of business and are recorded at an exchange value established and agreed upon by the related parties.

Critical Accounting Estimates

There are no significant areas requiring the use of management estimates.

Changes in Accounting Policies including Initial Adoption

There were no changes in accounting policies including initial adoption.

Future Changes in Accounting Policies

On January 1, 2011, the Company will adopt CICA Handbook Section 1582, "Business Combinations", which will replace Section 1581, "Business Combinations". The new standard establishes standards for the recognition and measurement of identifiable assets acquired, liabilities assumed, non-controlling interest in the acquiree and goodwill acquired in a business combination.

On January 1, 2011, the Company will adopt CICA Handbook Sections 1601, "Consolidated Financial Statements" and Section 1602, "Non-controlling Interests", which together, will replace section 1600, "Consolidated Financial Statements". Section 1601establishes standards for the preparation of consolidated financial statements and Section 1602, establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination.

The Company does not expect the adoption of these new standards to have an effect on the Company's financial statements.

International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board has confirmed that International Financial Reporting Standards will replace current Canadian generally accepted accounting principles ("Canadian GAAP") for publicly accountable enterprises for fiscal years beginning on or after January 1, 2011.

The Company will report interim and annual financial statements, including comparative financial statements, in accordance with IFRS beginning with the interim financial statements for the 3 months ended March 31, 2011.

The Company has established an IFRS transition plan for implementation of its transition to IFRS. The following summarizes the critical transition components which have been completed by the Company:

- initial scoping and analysis of key areas, for which, accounting policies may be impacted by the transition to IFRS.
- detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First-time Adoption of International Financial Reporting Standards.
- determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.
- resolution of the accounting policy change implications on information technology, business processes and contractual arrangements.
- design and implement new processes to maintain effective Disclosure Control & Procedures ((DC&P) and internal control over financial reporting throughout the IFRS transition plan.
- management education.

Impact of Adopting IFRS on the Company's Business

As part of its analysis of potential changes to significant accounting policies, the Company has assessed the changes would be required to its accounting systems and business processes. The Company believes that the required changes are minimal and the systems and processes can accommodate the necessary changes.

The Company has not identified any contractual arrangements that may be affected by potential changes to significant accounting policies.

Management involved in the preparation of the financial statements attended courses on the relevant aspects of IFRS and the anticipated changes to accounting policies.

The Board of Directors and Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and made aware of the evaluation to date of the key aspects of IFRS affecting the Company.

First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the Transition Date will be consistent with those made under Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

The following provides a summary of the Company's evaluation of changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas that the Company has identified as having the most significant change.

Functional currency

IFRS requires that the Company determine its functional currency based on considerations that are somewhat different than Canadian GAAP. The Company has determined its functional currency is Canadian dollars there will be no impact on the opening IFRS balance sheet as at January 1, 2011.

Exploration and evaluation expenditures

IFRS currently allows an entity to elect to retain its existing accounting policies related to the exploration for and evaluation of mineral properties, subject to some restrictions.

The Company plans to retain its current policy of deferring exploration and evaluation expenditures until such time as the properties are either put into commercial production, sold, determined not to be economically viable, or abandoned. Therefore, the Company believes that the adoption of IFRS will not result in any significant change to the related line items within its financial statements.

Impairment of non-financial assets

IFRS, like Canadian GAAP, requires an assessment at each reporting date as to whether there are indicators of impairment of deferred exploration and evaluation costs. The factors considered under IFRS are quite similar to Canadian GAAP, but there are some differences.

IFRS requires a write down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows.

Canadian GAAP requires a write down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

The Company's accounting policies related to impairment of deferred exploration costs will be changed to reflect these differences; however, the Company does not expect this change will have an immediate impact to the carrying value of its assets. The Company will perform impairment assessments as at the Transition Date in accordance with IFRS.

Asset retirement obligations (decommissioning liabilities)
IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.
The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences, however, the Company does not expect this change will have an immediate impact to the carrying value of its assets.

Share-based payments
In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

The Company has determined that changes to its accounting policies related to share-based payments would not result in a significant change to line items within its financial statements.

Income taxes
In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes based on a "probable" versus a "more likely than not" criteria.
The Company does not expect any significant changes to its accounting policies related to income taxes that would result in a significant change to line items within its financial statements.

Financial instruments: recognition and measurement
IFRS requires different treatment of the exchange gain or loss on the valuation of available for sale investments denominated in foreign currencies.

The Company's accounting policies related to exchange gain or loss on the valuation of available for sale investments will be amended under IFRS to record the exchange gain or loss through the profit and loss statement rather than through Other Comprehensive Income/Loss.

Subsequent disclosures
The Company's first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending March 31, 2011. These interim financial statements will include and statement of financial position as at the transition date of January 1, 2010; notes disclosing transitional information and the disclosure of new accounting policies under IFRS; and comparative financial statements for 2010 prepared in accordance with IFRS.

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.

Fair value hierarchy

Financial instruments measured at fair value classified using the fair value hierarchy described in note 1:

	Level 1	Level 2	Level 3	Total
	$	**$**	**$**	**$**
Financial asset held-for-trading				
Cash and marketable securities	202,357	-	-	202,357

Level 1 investments are comprised of cash and publicly-traded equity securities carried at fair value based on available quoted prices.

Income statement disclosures

	Years ended December 31,	
	2010	**2009**
	$	**$**
For financial assets held for trading		
Net gain on investments		
Unrealized	82,294	25,759

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 December 31, 2010 had changed by 25%, with all other variables held constant, the net gain would have increased or decreased by $38,862.

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. The Company manages its liquidity risk through the management of its capital structure as outlined in note 6. 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.

	Years ended December 31,	
	2010	**2009**
General and office	**$**	**$**
Office	400	136
Public company costs	12,593	11,166
	12,993	11,302

Disclosure of Outstanding Share Data (at May 2, 2011)

Shares
Authorized:
Unlimited number of common shares.

Outstanding:
21,566,604 common shares.

On June 30, 2010, 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 May 2, 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.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “will”, “would”, “should”, “guidance”, “potential”, “continue”, “project”, “forecast”, “confident”, “prospects”, and similar expressions typically are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including but not limited to the Company’s access to additional capital to fund future activities, the loss of mineral properties or the inability to obtain mining licences, the inherently risky nature of the Company’s activities and its lack of experience in bringing an exploration property into production, foreign exchange fluctuations, the political stability and economic uncertainty of those areas in which the Company carries on operations and the lack of infrastructure in those areas, title risks, the risks and uncertainties associated with joint ventures and the Company’s reliance on third parties, statutory and regulatory compliance, the adequacy and availability of insurance coverage, the Company’s dependence upon employees and consultants and fluctuations in mineral prices. These risks, as well as others, could cause actual results and events to vary significantly. The Company expressly disclaims any intent or obligation to update these forward-looking statements, unless the Company specifically states otherwise.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.