NORTHFIELD METALS INC.
(the "Company")

MANAGEMENT'S DISCUSSION & ANALYSIS

Date

This MD&A is dated August 26, 2011 and should be read in conjunction with the unaudited condensed interim financial statements for the 6 months ended June 30, 2011.

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 June 30, 2011, the Company had a working capital deficit of $1,101,161, which included cash of $28,689, 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 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.

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.

Results of Operations
6 months ended June 30

	2011 $	2010 $
General and administrative expenses		
Professional fees	7,000	7,875
Consulting fees	120,000	120,000
General and office	6,688	9,167
	133,688	137,041
Loss before the undernoted items	(133,688)	(137,041)
Increase (decrease) in fair value of marketable securities	(57,060)	701
Loss and comprehensive loss	(190,748)	(136,340)

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 June 30

	2011 $	2010 $
General and administrative expenses		
Professional fees	3,500	5,375
Consulting fees	60,000	60,000
General and office	6,098	5,525
	69,598	70,899
Loss before the undernoted items	(69,598)	(70,899)
Increase (decrease) in fair value of marketable securities	(54,055)	(24,934)
Loss and comprehensive loss	(123,653)	(95,833)

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.

Summary of Quarterly Results

	Q3 2009 $ (note 1)	Q4 2009 $ (note 1)	Q1 2010 $ (note 2)	Q2 2010 $ (note 2)	Q3 2010 $ (note 2)	Q4 2010 $ (note 2)	Q1 2011 $ (note 2)	Q2 2011 $ (note 2)
Total revenue	-	-	-	-	-	-	-	-
Net income (loss)								
Total	(53,353)	(71,002)	(40,507)	(95,833)	(59,370)	7,239	(67,095)	(123,653)
Per share	Nil	Nil	Nil	Nil	Nil	Nil	(0.003)	(0.003)

Note 1: Prepared in accordance with Canadian GAAP.
Note 2: Prepared in accordance with IFRS.

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 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 June 30, 2011, the Company had a working capital deficit of $1,101,161, which included cash of $28,689, 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

	6 months ended June 30, 2011 $	Outstanding as at June 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	438,800
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 our Annual MD &A is now complete, except for the review phase which will continue throughout 2011.

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 consolidated financial statements for the first quarter of 2011 have been prepared in accordance with IFRS including comparative amounts shown for 2010.

The adoption of IFRS resulted in no changes to the financial statements previously presented under Canadian GAAP compared to the financial statements prepared under IFRS, and accordingly, no reconciliations are presented.

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 no changes to accounting policies that impact financial reporting.

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.

Information technology and systems
The implementation of IFRS did not impact on information technology and systems used to prepare the Company's financial statements.

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.

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 2011.

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 IFRS1. 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 (IFRS 3) 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 IFRSs and (b) January 1, 2005. Accordingly, 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.

New Accounting Pronouncements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2011. None of these is expected to have a significant effect on the financial statements of the Company, except for IFRS 9 *Financial Instruments*, which becomes mandatory for the Company's financial statements effective January 1, 2013 and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

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 made no critical estimates or assumptions.

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:

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets held-for-trading				
Cash and marketable securities	127,077	-	-	127,077

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

Income statement disclosures

	6 months ended June 30, 2011 $	 2010 $
For financial assets held for trading		
Net gain (loss) on investments		
Unrealized	(57,060)	701

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 June 30, 2011 had changed by 25%, with all other variables held constant, the net gain would have increased or decreased by $24,597.

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.

	6 months ended June 30,	
	2011	**2010**
General and office	**$**	**$**
Office	1,468	156
Public company costs	5,219	9,011
	6,688	9,167

Disclosure of Outstanding Share Data (at August 26, 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 August 26, 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.