**AFRASIA MINERAL FIELDS INC.**

MANAGEMENT DISCUSSION AND ANALYSIS

November 30, 2013

### 1.1 Date

This Management Discussion and Analysis ("MD&A") of Afrasia Mineral Fields Inc. (the "Company") has been prepared by management as of January 22, 2014 and should be read in conjunction with the condensed interim financial statements and related notes thereto of the Company for the six months ended November 30, 2013 and 2012, and the audited financials statements and related notes thereto of the Company for the years ended May 31, 2013 and 2012, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Issuer. The Issuer has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions. The statements reflect the current beliefs of management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Issuer to differ materially from those expressed in, or implied by, these statements.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

### 1.2 Over-all Performance

The Company was incorporated on June 24, 1986 under the laws of British Columbia. The Company was listed on the TSX Venture Exchange ("TSX-V") under the symbol "AFS" and on September 29, 2008 the Company's listing was transferred from the TSX-V to the NEX board of the TSX-V. Effectively, the trading symbol for the Company changed from "AFS" to AFS.H".

During fiscal 2013, the Company entered into a Letter of Intent ("LOI") with Carecorp Holdings B.C. Ltd. ("Carecorp"), which is an arm's length private company Incorporated under the Laws of British Columbia. However, the LOI was terminated on February 28, 2013 as both parties were unable to negotiate and enter into a definitive agreement.

Management is continuing to evaluate and negotiate suitable business opportunities.

### 1.3 Selected Annual Information

| May 31, | 2013 | 2012 | 2011 |
|---|---|---|---|
| Total interest and other income | $ 393 | $ 1,275 | $ 1,087 |
| Net Loss | $ (128,225) | $ (159,784) | $ (157,726) |
| Loss per share | $ (0.01) | $ (0.01) | $ (0.01) |
| Total assets | $ 35,250 | $ 118,127 | $ 235,217 |
| Total long term liabilities | $ Nil | $ Nil | $ Nil |
| Cash dividends declared per share for each class of share | $ Nil | $ Nil | $ Nil |

## 1.4 Results of Operations

During the six months ended November 30, 2013, the Company incurred a loss of $75,130 or $0.004 per share as compared to a loss of $65,325 or $0.003 per share during the six months ended November 30, 2012, an increase in loss by $9,805. The increase in loss was primarily due to legal fees incurred in connection to the due diligence on the proposed reverse takeover of Carecorp, which did not complete.

Professional fees increased by $12,172 related to the due diligence of the proposed Carecorp transaction and other general corporate matters.

Regulatory fees increased by $1,533 due to AGM related costs.

The increases above were offset by decreases in office and administration of $702 due to decreased business activities, wages and benefits of $3,040 as the Company discontinued coverage to its related party, rent of $769 due to reduced monthly office rent and travel and promotion of $68.

Interest income decreased by $386 as the Company no longer has any investments or cash deposits earning interest.

## 1.5 Summary of Quarterly Results

The following is a summary of certain financial information concerning the Company for each of the last eight reported quarters:

| Quarter ended | Interest and other income | Loss | Loss per share |
|---|---|---|---|
| November 30, 2013 | $ – | $ (29,409) | $ (0.00) |
| August 31, 2013 | – | (45,721) | (0.00) |
| May 31, 2013 | 1 | (33,818) | (0.00) |
| February 28, 2013 | 7 | (29,082) | (0.00) |
| November 30, 2012 | 170 | (35,996) | (0.00) |
| August 31, 2012 | 215 | (29,329) | (0.00) |
| May 31, 2012 | 239 | (38,419) | (0.01) |
| February 29, 2012 | 216 | (29,968) | (0.00) |

May 31, 2012 and November 30, 2012– higher net loss due to audit and corporate tax related costs recognized in these quarters.

August 31, 2013 – higher net loss due to legal costs incurred in connection to the Carecorp due diligence.

## 1.6/1.7 Liquidity and Capital Resources

The Company reported working capital deficiency of $146,615 at November 30, 2013 compared to working capital deficiency of $72,557 at May 31, 2013, representing a decrease in working capital of $74,058.

As at November 30, 2013, the Company had net cash on hand of $1,000 compared to $18,531 as at May 31, 2013. During the period ended November 30, 2013, the Company used $17,531 of its cash in operating activities, consisting primarily of general and administrative expenditures and change in non-cash working capital items.

Current assets excluding cash as at November 30, 2013 consisted of receivables of $13,079 which comprised of government sales tax credits of $12,768 (May 31, 2013 - $13,056) and other receivables of $311 (May 31, 2013 - $234).

Current liabilities as at November 30, 2013 consisted of trade payables of accrued liabilities of $40,631 (May 31, 2013 - $14,981) and amounts due to related parties of $120,480 (May 31, 2013 - $89,814).

The continuing operations of the Company are dependent upon its ability to raise adequate financing and to commence profitable operations in the future. To date, the Company has not generated any significant revenues and has not raised funds in the last twelve months. The Company has an accumulated deficit of $8,698,449, including a loss for the period ended November 30, 2013 of $75,130 (2012 - $65,325). These uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

Management is continuing to evaluate and negotiate suitable business opportunities and actively targeting sources of additional financing. Although the Company has been successful in raising the funds in the past, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

## Risk and Uncertainties

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company's primary exposure to credit risk is on its cash, which consist of bank deposits of $1,000. The Company limits its exposure to credit loss by placing its cash with a Canadian Chartered bank. While there is concentration of risk by holding all funds with one institution, management assesses credit risk of cash as very low due to the high credit quality rating the institution has with rating agencies.

The Company's secondary exposure to risk is on its receivables. This risk is minimal as receivables consist of refundable government sales taxes of $12,768 and amounts due from related parties of $311.

### *Liquidity and funding risk*

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. As at November 30, 2013, the Company had a working capital deficiency of $146,615 (May 31, 2013 – $(72,557)).

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. Under current market conditions, both liquidity and funding risk are assessed as high.

The Company has been successful in re-negotiating its indebtedness, however, there is no assurance the success of these efforts will continue. Subsequent to the period ended November 30, 2013, the Company arranged an operating loan of $21,000 from a company with directors in common.

*Market Risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

*Currency Risk*

Currency risk is the risk that exposes the Company to financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and is currently not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

*Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company is exposed to interest rate risk as its bank accounts earn interest income at variable rates and are subject to the movement in interest rates. Management considers the interest rate to be minimal.

The Company has no debt and is not subject to any externally imposed capital requirements.

### 1.8 Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements.

### 1.9 Related Party Transactions

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers. Key management personnel compensation comprised:

| Six months ended November 30, | | 2013 | | 2012 |
|---|---|---|---|---|
| Management services (a) | $ | 15,000 | $ | 15,000 |

(a ) On February 1, 2009, the Company entered into a management and administrative agreement with Varshney Capital Corp. ("VCC"), a company controlled by two common directors, whereby the Company agreed to pay management and administrative fees of $2,500 and $3,000 per month, respectively.

During the period ended November 30, 2013, the Company incurred $15,000 (2012 – $15,000) for management fees and $18,000 (2012 – $18,000) for administrative fees to VCC. As at November 30, 2013, $120,120 (May 31, 2013 - $89,670) was due to VCC for management and administrative fees.

(b ) As at November 30, 2013, $360 (May 31, 2013 - $Nil) was due to a director of the Company for reimbursement of business expenses.

(c ) As at November 30, 2013, a total of $311 (May 31, 2013 - $234) was due from companies with directors and officers in common. The amounts resulted from recovery of expenses, were included in accounts receivable and repaid subsequent to November 30, 2013.

### 1.10 Fourth Quarter

None.

### 1.11 Proposed Transactions

Management is continuing to evaluate and negotiate suitable business opportunities.

### 1.12 Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the determination of the useful lives of property and equipment, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and liabilities, and the recoverability of receivables and prepaids. Actual results may differ from those estimates and judgments.

Judgments made by the management in the application of IFRS that have a significant effect on the financial statements and estimates with significant risk of material adjustment in the current and the following years are discussed in Note 2 of the audited financial statements for the year ended May 31, 2013.

### 1.13 Changes in Accounting Policies including Initial Adoption

Our significant accounting policies are set out in Note 2 of the audited financial statements for the year ended May 31, 2013. New and revised accounting standards and amendments that were issued and effective on January 1, 2013 did not have an impact on the Company's financial statements and did not result in any adjustments.

### 1.14 Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, accounts receivable, trade payables and accrued liabilities and due to related parties.

The Company has exposures to financial risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are liquidity risk and funding risk.

### 1.15 Other Requirements

Summary of Outstanding Share Data as at January 22, 2014:

Authorized - Unlimited common shares without par value

Issued – common shares: 20,026,663

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

*"Praveen Varshney"*

**Praveen Varshney, CPA, CA**
**President and Director**