

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

The following discussion and analysis of the financial position and results of operations for the Company should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended February 28, 2006.

The following Management Discussion and Analysis ("MD&A") is for the quarter ended May 31, 2006 and includes relevant information up to July 27, 2006 ("Report Date"). Additional information relating to the Company is on SEDAR at www.sedar.com.

The accompanying financial statements and related notes are presented in accordance with Canadian generally accepted accounting principles. These statements, together with the following MD&A dated July 27, 2006 ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements. These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below under "Risks and Uncertainties".

Forward-Looking Information

This MD&A contains forward-looking statements and information relating to Eastfield Resources Ltd. ("Eastfield" or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to Eastfield as such are used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to Eastfield or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of Eastfield's exploration properties. Such statements reflect the current views of Eastfield with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of Eastfield to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

General

Eastfield is a mineral exploration company engaged primarily in the business of acquiring and exploring properties with a particular focus on base and precious metals. The Company has interest in properties in Canada (British Columbia), and in the United States (Nevada). The Company's properties are currently at an "exploration stage".

Exploration

J. W. Morton, P. Geo. and G. L. Garratt, P. Geo. are the Qualified Persons for the NI 43-101 compliant disclosure of mineral exploration information in respect of the projects described in this Management Discussion and Analysis.

Lorraine/ Jajay Project [Material Property]

On January 20, 2006, the Company announced that Teck Cominco Limited elected to take up their earn-in option on the Lorraine-Jajay project located 280 kilometres northwest of Prince George, BC. This election provides for the cancellation of the loan of \$1.6 million provided by Teck Cominco to fund the 2005 program in exchange for Teck Cominco directly assuming all of the exploration costs incurred during the year. Under the terms of the option Teck Cominco may earn an initial 51% interest in the project by spending \$9,000,000 over six years (inclusive of the 2005 program). Eastfield and Lysander Minerals Corporation will share equally in the remaining interest upon Teck Cominco earning its interest. Teck Cominco has spent approximately \$1.6 million on the project to date as part of the 2005 program. Minimum expenditures required under the Option Agreement are \$1.5 million per year.

Teck Cominco entered into an Option and Sale Agreement, dated January 15, 2006, to acquire adjoining properties, the Tam and Misty, from third parties. A portion of these after-acquired lands falls within the area of interest under Teck's Jajay-Lorraine agreement with Eastfield and Lysander. Following an offer from Teck Cominco, in early June, 2006, Eastfield and Lysander elected to include the adjacent Tam-Misty Property under the Lorraine-Jajay

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

Agreement with Teck Cominco Limited. Teck Cominco has informed the companies that the 2006 exploration budget for the combined property will now be \$2,300,000 and will include approximately 7,000 metres of core drilling.

The Jajay-Lorraine property comprises approximately 30,650 hectares that cover most of the Duckling Creek Syenite Complex, an alkalic intrusive complex that hosts copper-gold-silver mineralization similar to the Galore Creek and Mt. Polley Deposits. The property hosts very large alteration and mineralization systems such as the Lorraine system, measuring approximately six kilometres by ten kilometres which, in turn, hosts a number of high priority targets including the Lorraine mineralized zones.

The 2005 exploration program explored and evaluated several areas of the property and was successful in outlining new target areas and identifying new potential in previously explored areas, both of which warrant further exploration and drill testing. A summary of the 2005 exploration program follows.

Regional Exploration:

Geochemical talus fine/soil sampling was undertaken along topographic contours in several areas of the property. In total, 386 samples were collected at 100-metre sample spacing along nine traverses. Two of these traverses, located 500 metres and 3,000 metres northwest of the Rhonda area, returned highly anomalous results with 80% of the samples returning greater than the anomalous threshold of 300 ppm copper (with a maximum value of 2,092 ppm copper). These two traverses indicate a copper geochemical anomaly over an approximate two kilometre by two kilometre area. Previous exploration in this area has been limited, consisting of the collection of a few rock samples in the mid-1980's which returned copper values of up to 4.38%. This target, which lies approximately 6.5 kilometres east of the Lorraine mineral zones, represents a new untested area for future exploration.

Rhonda Target:

Geological mapping in the Rhonda area, 8.5 kilometres east of the Lorraine mineral zones, outlined a zone of alteration and copper mineralization trending northeast for 2.5 kilometres and averaging approximately 500 metres in width. Diverse alteration and mineralization styles suggest the presence of a broad mineralized system with multiple events. Features include pervasive potassium alteration with disseminated chalcopyrite, magnetite-chalcopyrite veining in calc-silicate alteration and strong propylitic alteration. At Rhonda an IP geophysical survey has defined a 600 metre wide chargeability anomaly on two lines spaced 450 metres apart. Three reconnaissance holes drilled in a fence (across a distance of over 400 metres) along the southern IP line intercepted alteration and significantly anomalous copper mineralization as follows:

Hole ID	From (m)	To (m)	Int. (m)	Cu (%)
05-95	17.84	112.78	94.94	0.24
including	73.15	97.94	24.79	0.34
05-96	30.48	42.67	12.19	0.13
	67.06	73.15	6.09	0.50
	158.5	171.27	12.77	0.51
including	169.04	169.59	0.55	7.92
05-97	33.08	45.72	12.64	0.15
	70.9	91.44	20.54	0.40

Results to date suggest that the strongest part of the alteration/mineralization system may lie to the north.

MacKenzie Target:

In the MacKenzie Target area, 12 kilometres southeast of the Lorraine mineral zones, five core holes were completed to test several large IP chargeability geophysical anomalies outlined earlier in the program (see news release dated Sept. 2, 2005). The drilling encountered several high level alkaline intrusions with pyrite and trace amounts of chalcopyrite. These widely spaced holes (700 to 1600 metres spacing) do not appear to have tested mineralization in

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

the northeast grid area where a random chip sample across several mineralized exposures in a four by eight metre area returned 0.86% copper, 0.17 g/t gold and 4.1 g/t Ag. At least two of the holes indicate that potassium alteration is strengthening toward the bottom of the hole and this general area may warrant further testing.

Lorraine Drill Results:

Geological and magnetic data have shown that the Lorraine alteration system is approximately six kilometres wide by 10-15 kilometres long. Two targets were chosen for drill testing within this area; the main area of the Lorraine occurrences, and the 2Good target. Other targets within the Lorraine alteration system remain to be tested.

Two core holes were completed in the area of the Main Zone and Weber Zone of the Lorraine occurrences. Hole 05-105 was collared south and west of the Main Zone, 130 metres from the nearest drill hole. This hole is also 500 metres north-west of 05-106, which was collared at the site of 04-82 in the Lower Weber Zone. Hole 04-82 previously reported a vertical intercept of 108.88 metres of 0.69% Cu and 0.07 g/t Au. These holes all represent a substantial western and southern extension to the Main Zone, which remains open. The results for 05-105 and 05-106 are as follows:

Hole ID	From (m)	To (m)	Int. (m)	Cu (%)	Au (g/t)	Ag (g/t)
05-105	6.5	36.58	30.08	1.19	0.74	8.10
	134.90	164.59	29.69	0.19	-	-
05-106	1.52	36.58	35.06	0.62	-	5.33
Including	1.52	15.75	14.23	1.2	-	10.38

Very little drill testing has been done in the area of these holes and the potential for adding substantially to the size of the Lorraine zones is considered to be favourable.

2Good Target:

Seven core holes (05-98 to 05-104) were completed in the 2Good target area. The holes were spaced no less than 500 metres and up to 1.5 kilometres apart along the trend of an IP chargeability anomaly that is three kilometres long and 600 to 1000 metres wide. The holes generally cut melanosenite and megacrystic syenite displaying weak to intense potassium alteration, pyritic zones and locally anomalous copper mineralization. These phases of the intrusive complex are the most closely related to the mineralized zones elsewhere on the property.

This large area is now known to host well altered syenites over a very long strike and will require additional drilling to identify and define mineralized zones.

Tam - Misty:

The Tam-Misty Property lies along the western boundary of Lorraine-Jajay property and hosts numerous copper-gold occurrences, the most advanced of which are the Boundary, Misty and Cirque-Fault.

The **Boundary Zone** lies along strike and to the northwest of the Lorraine Main Zone and is interpreted to form an extension of the alteration-mineralization system at Lorraine. Prior drilling at Boundary has identified an open-ended zone of mineralization tested by 25 core drill holes. The best intercept from this zone is from hole 74-6, which returned 179.8 metres of 0.68% copper, including 39.6 metres of 1.59% copper (these intervals are core lengths).

The **Misty Zone** lies along strike and to the northwest of the Too Good Zone on Lorraine, where drill testing and geophysical surveys carried out in 2004 and 2005 indicate a strong alteration system measuring one kilometre by three kilometres. At the Misty Zone, a large alteration system has been identified over an area of at least 200 by 500 metres. A small historic resource is reported for the Misty Zone grading 0.6% copper (this resource was reported in CIM Special Volume 15 (1976), predates National Instrument 43-101 and is therefore not to be relied upon).

Other targets on the Tam-Misty Property are:

Fault-Cirque showings: the best intersect from 1972 drilling was in hole 72-1 which returned 0.31% copper over 18.3 metres.

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

Slide showing: a 10 metre random chip sample returned 1.27% copper and occurs within a 50 to 200 metre wide by 300 metre long soil copper geochemical anomaly and largely coincident IP geophysical anomaly.

2006 Exploration Program

Teck Cominco has informed Eastfield and Lysander that the 2006 exploration budget for the combined property (Lorraine-Jajay and Tam-Misty) will now be \$2,300,000 and will include approximately 7,000 metres of core drilling.

Eastfield management is looking forward to an exciting season on the Jajay-Lorraine Project. The 2006 program will be managed by Teck Cominco and is expected to start up in late June. The program will include geophysical surveys on both properties as well as drill tests on several targets, including the Rhonda, Eckland Ridge and Main Zone areas on Lorraine.

Indata Property (Omineca Mining Division):

In August 2005, Aberdeen International reported the results for two diamond drill holes completed at the Indata property located in north central British Columbia. The main objective for the drilling was to determine if the copper porphyry mineralization encountered in earlier drill holes could be extended westerly and to greater depths.

The first hole of the program, 2005-1, was collared 50 metres to the west of hole 98-4 which had returned an intercept of 154 metres grading 0.20% copper including a higher-grade intercept of 0.37% copper over the last 24 metres. Based on these results, a potentially deeper and higher grade target was postulated. Hole 2005-01, which was drilled at a minus 60 degree angle towards the east, encountered a highly broken zone immediately beneath 12 metres of overburden and intersected a monzodiorite intrusive and related breccia throughout its length. Mineralization was weaker than had been encountered in hole 98-04 with the strongest section being 15.7 metres from 71.0 to 86.7 metres that averaged 0.12% copper. The hole was cemented and drilled out twice before being abandoned at 99.6 metres, considerably short of the 300-metre objective.

The second hole of the program, 2005-3, located approximately 1,600 metres south of hole 05-01, was completed to a depth 154 metres. This hole encountered variably silicified diorite throughout its length. The most significant mineralization encountered was a 12.4 metre interval starting at 18.4 metres that graded 0.12% copper (note hole 2005-2 was not drilled).

The Indata property consists of 15 claims encompassing 3,016 hectares (7,450 acres). Indata is situated in a complex geological setting adjacent to a major terrane-bounding fault, the Pinchi Fault. Several styles of mineralization have been discovered on the property including gold-silver mesothermal veins and porphyry style copper-gold-molybdenum mineralization hosted in mafic volcanic rocks and granodiorite dominant intrusions. Recent exploration efforts in 2003 and 2005 have focused on porphyry style mineralization on the east side of Albert Lake.

Aberdeen International subsequently terminated its option on Indata, and the property has been reoptioned to an unrelated company, Redzone Resources Ltd.

OK Property (Vancouver Mining Division):

On October 13, 2005, Goldrush Resources Ltd. reported that results have now been received for six diamond drill holes, 968 metres (3180 feet), completed on the OK copper-molybdenum project located on the south central coast in British Columbia.

Five of the holes, 05OKDH01 to 05OKDH05 were drilled to explore beyond the boundaries of the North Lake Zone where N.C. Carter, PhD, P.Eng. calculated an inferred mineral resource of 64.02 million tonnes grading 0.34% copper and 0.016% MoS₂ at a 0.20% copper cut off grade in April of this year (The Carter Report is filed on SEDAR see News Release dated March 31, 2005). The final hole of the program, 05OKDH06, was drilled in mineralization exposed in a road cut located two kilometres south of the North lake Zone. Holes 05OKDH01 to 05OKDH05 were drilled at sites located on average approximately 75 metres beyond the south, east and west boundaries of the North lake Zone and confirm that mineralization is open in several directions. The Carter North Lake Zone resource currently has a copper equivalent grade of 0.61% assuming a price of \$1.75 a pound for copper and \$30 a pound for molybdenum without consideration for metal recoveries.

EASTFIELD RESOURCES LTD.

**Management Discussion and Analysis
For the Three Months Ended May 31, 2006**

Complete results of the 2005 program are summarized as follows:

From (m)	To (m)	Interval (m)	Cu %	Mo %	MoS2 %
05OKDH01		Depth 200.6			
67.8	83.3	15.5	0.23	0.006	0.010
101.6	112.9	11.3	0.28	0.003	0.005
126.2	133.2	7.0	0.28	0.006	0.010
144.6	156.2	11.6	0.16	0.002	0.003
159.6	189.6	30.0	0.24	0.001	0.002
05OKDH02		Depth 203.6			
11.6	110.2	95.6	0.20	0.005	0.008
And					
155.4	200.0	44.6	0.28	0.003	0.005
Including					
160.9	194.0	33.1	0.30	0.004	0.007
05OKDH03		Depth 206.6			
21.2	206.7	185.5	0.21	0.008	0.014
Including					
47.6	130.9	83.3	0.22	0.013	0.022
05OKDH04		Depth 53.3			
24.4	28.8	4.4	0.31	0.000	0.000
05OKDH05		Depth 203.6			
97.6	103.6	6.0	0.22	0.041	0.068
135.3	208.1	70.0	0.22	0.001	0.002
Including					
135.3	145.9	10.6	0.31	0.003	0.005
And	Including				
155.4	194.1	39.0	0.27	0.001	0.002
05OKDH06		Depth 100.0			
3.1	100.0	96.9	0.15	0.002	0.003

Copper-molybdenum mineralization was first discovered on the OK property in 1965. Between 1966 and 1996, 86 diamond drill holes totalling 14,190 metres and 12 percussion holes totaling 732 metres were completed and have been augmented by six drill holes completed in 2005. These drill holes partially tested eight known zones of copper-molybdenum mineralization that occur over a northerly trend of five kilometres. Subsequent to year-end Goldrush assigned its interest in the OK property to Prophecy Resources Ltd.

Iron Lake Property (Clinton Mining Division):

On January 24, 2006, Argent Resources announced that an exploration team has been mobilized to Eastfield's Iron Lake copper, gold, nickel, PGM property, located 45 kilometres northeast of 100 Mile House in central British Columbia, where in February 2005, drilling intersected massive sulphide mineralization in two holes. In January and

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

February 2006, Argent completed 24 kilometres of line-cutting to be followed by a ground-based UTEM geophysical survey.

The purpose of the survey was to provide ground follow-up of EM conductors identified by a helicopter-borne EM and magnetic survey carried out two years ago, as well as to provide better depth penetration over a large area of prospective geology. Fugro Airborne Surveys Ltd., the airborne contractor, completed 603 line kilometres of helicopter-borne survey on the Iron Lake property in June 2004. The survey, which employed a DIGHEM electromagnetic/magnetic system, detected 405 conductors of which Fugro interpreted 15 to be from discrete bedrock sources, of which only two have been drill-tested to date.

Argent has recently completed 650 metres of diamond drilling with assaying still in progress.

Crowsnest and Howell Properties (Fort Steele Mining Division):

On January 23, 2006, La Quinta Resources reported the results of a prospecting and geological evaluation program completed on the Crowsnest property in October, 2005. Values as high as 75,724.1 parts per billion gold (2.21 ounces per ton) with 7,245 parts per million copper and 86.6 parts per million tellurium were obtained from a strongly silicified exposure in an existing excavator trench while a value of 44,094 parts per billion gold (1.29 ounces per ton), 2,256 parts per million copper and 32.7 parts per million tellurium was obtained from a sheared and silicified syenite. The attitude of the shear, which strikes 235 degrees and dips to the southeast, has not been drill tested and this structure constitutes a prime target for the 2006 program. In 1999, the Crowsnest trench was chip sampled along its full length resulting in a trench intercept of 8.23 grams per tonne (g/t) over 16.5 metres (54 feet). In 1999 and 2002, several holes were completed on an interpreted northerly dip to the mineralization. The current work questions this interpretation and suggests that the mineralization may be dipping to the south or southeast; in either case undrilled.

The October program was designed to provide further definition of known gold mineralization on the Crowsnest property outlined in 1999. Thirty-nine samples were collected and analyzed in the program, with most work completed in the Discovery trench area. Samples from the program generated values ranging from the highs listed above to lows near background levels at three parts per billion gold, with 12 parts per million copper and 0.02 part per million tellurium. Over the whole sampling program, which included hangingwall and footwall sampling, the arithmetic averages of the 39 samples were 4,194 parts per billion gold with 366 parts per million copper and 4.5 parts per million tellurium.

Gold mineralization identified in this area was observed to be associated with intense silicification extending from a syenite intrusive into limestone. Higher gold values obtained in the current program were observed to be positively associated with copper, bismuth and tellurium.

La Quinta completed its IPO financing during the quarter and has raised funds sufficient to fund a \$420,000 combined program on the Crowsnest and Howell properties during 2006. It is expected that work will commence of the Crowsnest property towards the end of June 2006.

Summary of Quarterly Results

Financial Data for Last Eight Quarters								
Three months ended	May-06	Feb-06	Nov-05	Aug-05	May-05	Feb-05	Nov-04	Aug-04
Total revenues	100,903	100,903	7,233	(801)	18,275	14,510	18,757	18,757
Income (loss) for the period	(81,610)	(81,610)	(20,656)	(53,293)	(14,774)	(16,878)	(61,076)	(61,076)
Basic earnings (loss) per share	(0.002)	(0.002)	(0.005)	(0.001)	(0.000)	(0.000)	(0.001)	(0.001)
Diluted earning (loss) per share	(0.002)	(0.002)	(0.005)	(0.001)	(0.000)	(0.000)	(0.001)	(0.001)

The financial information referenced above has been prepared in accordance with generally accepted accounting principles (Canadian GAAP). The significant accounting policies are outlined in Note 2 to the audited financial statements of the Company for the year ended February 28, 2006. These accounting policies have been applied consistently for the year ended February 28, 2006.

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

Prior Quarter Comparison

As at February 28, 2006, the Company's mineral properties' carrying value was \$3,191,949 (February 28, 2005-\$3,166,969). For the year ended February 28, 2006, the Company's mineral exploration expenditures were \$51,861 (2005-\$1,371,060). Expense recoveries through interest and other income for the year were \$125,610 (2005 - \$60,364). This \$65,246 increase in cost recoveries was primarily from the management fee earned by the Company for its role as operator of the Lorraine/Jajay project. No property interests were abandoned in the current year (2005 - \$46,279).

During the year, office and administration charges totalled \$273,547 compared to \$392,390 for the year ended February 28, 2005. This \$118,843 decrease in costs from the comparable period is predominantly attributable to reductions in the following costs: investor relations (\$38,522), consulting (\$13,285), office (\$12,134), transfer and filing fees (\$9,313) and share-based compensation (\$53,230). \$24,500 was also recorded for property reclamation costs (2004 - \$nil). These cost changes reflect a reduction in financing and project administration activity since all projects are now funded by optionees.

Liquidity and Capital Resources

The Company has financed its operations through the sale of its equity securities and through third-party options of the Company's mineral properties. The Company has no producing mineral properties. The Company expects to obtain financing in the future primarily through equity financing. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing or third-party project funding on a timely basis could cause the Company to suspend its operations and eventually to forfeit or sell its interests in its properties.

The Company had a net working capital position of \$879,666 at February 28, 2006 (February 28, 2005 - \$938,250). This gives effect to the cancellation by Teck Cominco, in January 2006, of the \$750,000 debenture when Teck Cominco elected to pick-up the Jajay option. The Company has sufficient liquidity to meet its 2005 budgeted operating requirements and is able to keep its properties in good standing.

Outstanding Share Data

365,000 shares were issued during the period from March 1, 2006 to the report date. Of the 365,000 shares issued, 340,000 shares were issued in respect of options were exercised during the quarter. Also during the quarter, 25,000 shares were issued as an acquisition payment for the OK Property. No warrants are outstanding at the date of the report, with 1,125,500 share purchase warrants expiring, unexercised on March 22, 2006 (exercise price was \$0.75 per share).

	No. of Shares	Exercise Price	Expiry Date
Issued and Outstanding at July 27, 2006	41,809,919		
Employee Stock Options	3,780,000	\$0.10 to \$0.30	Jul 30/ 06 to Dec 19/10
Fully diluted at July 27, 2006	45,589,919		

Marketable Securities

On February 28, 2006, the Company held the following shares in other companies, which had been received as mineral property option payments:

Company	Number of Shares	Share Price (\$) February 28, 2006	Market Value (\$)	Net Book Value (\$)	(\$) Unrealized Gain (Loss)
Aberdeen International Inc.	30,000	0.82	24,600	24,000	600
Goldrea Resource Corp.	45,000	0.61	27,450	12,761	14,689
Island Arc Exploration Corp.	13,511	0.12	1,621	2,432	(811)
Argent Resources Ltd.	220,000	0.06	13,200	24,133	(10,933)
Goldrush Resources Ltd.	244,237	0.23	54,953	25,000	29,953
La Quinta Resources Corp.	80,000	0.17	13,600	13,600	0
Castillian Resources Corp.	5,000	0.40	2,000	750	1,250
Lysander Minerals Corp.	300,000	0.22	66,000	62,125	3,875
Totals			203,424	164,801	38,623

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

The unrealized accrued gain in marketable securities of \$38,623 has not been recorded as income. La Quinta Resources was called for trading in December, 2005.

Related Party Transactions

Transactions and balances with related parties are as follows: geological and exploration services paid by the Company on exploration projects during the year ended February 28 2006 totalled \$411,190 were provided by Mincord Exploration Consultants Ltd., a geological service company which is 100% owned by two directors of Eastfield. Of this amount, \$210,930 was funded by Teck Cominco Limited who reviewed and approved all amounts paid. During the year, payments of \$8,895 (2005 - \$13,167) were made for accounting and administration services to a partnership of which a director of the Company is a member. During the year, payments of \$30,539 (2005 - \$51,685) were made for geophysical services to a company owned by a director.

Financial Instruments

The fair value of the Company's cash, accounts receivable, prepaid deposit, and accounts payable approximates their carrying amount due to the immediate or short-term maturity of these financial instruments.

Critical Accounting Policies

The preparation of its consolidated financial statements requires the Company to use estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. The Company's accounting policies are described in Note 2 to its consolidated financial statements. The Company's accounting policy related to its ongoing review of the carrying value of its resource properties is a critical accounting policy, which is subject to estimates and assumptions regarding reserves, recoveries, future gold prices and future mining activities.

The Company assesses its resource properties for impairment at the end of each accounting period. If prior estimates of future cash flows prove to be inaccurate, due to reductions in the price of gold or other minerals, increases in the cost of production, reductions in the amount of recoverable reserves, the Company would be required to write-down the recorded value of its resource properties, which would increase the Company's loss and reduce net assets.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

One of the Company's mineral properties is in a foreign country and as such, that portion of the Company's business may be exposed to various and unpredictable levels of political, economic and other risks and uncertainties specific to those foreign countries.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves.

The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral projects may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

EASTFIELD RESOURCES LTD.

Management Discussion and Analysis For the Three Months Ended May 31, 2006

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Outlook

Lorraine-Jajay (Omineca Mining Division): Following their election to cancel the debenture loan and to pick-up the option to earn a 51% interest in the Jajay Property, Teck Cominco Limited will now directly manage the 2006 exploration program at Jajay. In conjunction with the contribution of the adjoining Tam-Misty property to the Lorraine-Jajay property, the 2006 program budget is now \$2.3 million. This program will include geophysical surveys on both properties as well as drill tests on several targets, including the Rhonda, Eckland Ridge and Main Zone areas on Lorraine.

Crowsnest and Howell (Fort Steele Mining Division): La Quinta will fund a \$420,000 exploration program during 2006 on the Crowsnest and Howell properties. At the Crowsnest property, following a 2005 study of the orientation of mineralization in the discovery trench, a \$100,000 program of further trenching in the discovery area is planned. On the Howell property, additional claims were added in 2006, and the 2006 exploration program will drill test target areas as determined by the airborne geophysical survey completed in 2004.

Iron Lake (Clinton Mining Division): Following the January, 2006 program of line-cutting and drilling, a ground based UTEM geophysical survey identified numerous areas of anomalous conductivity on the Iron Lake property. A Phase-II, 650-metre, four-hole diamond drill program has been completed with assaying still in progress.

Indata (Omineca Mining Division): On May 2, 2006, the Company announced that it had granted an option to Redzone Resources Ltd. to acquire a 60% interest in the Indata property by way of making cash payments and completing \$1,000,000 of exploration on the property. Redzone intends to undertake an initial \$100,000 program this summer to define new drill targets for follow-up exploration.

OK Property (Vancouver Mining Division): An assignment of the option interest in the property from Goldrush Resources to Prophecy Resources was completed in April, 2006, under which the Company's retained interest, subject to option exercise, is increased from 30% to 40%. Prophecy must complete \$1,000,000 of exploration by 2010 to exercise the option. An initial \$100,000 exploration program is planned for June, 2006 to prepare targets for drilling later in the year.