

March 31, 2019

Brian Fagan – *Stocks and Speculations* – “First Stock Recommendation in Many Years” – Eastfield Res. (ETF-tsxv)

As many of you already know, *Stocks and Speculations* (“SaS”) was a true paid-subscription supported Stock Advisory Newsletter for many years. Sometime around 2007, SaS became a complimentary Digest, republishing the most interesting article(s) I read on a weekly basis. That kept me involved with the Newsletter Business while allowing more freedom to do other natural resource related activities – all intertwined with the stock market.

In May 2018, I resigned my last Officer / Directorship with publicly-listed companies; I needed to be home for family health reasons. After a year getting reorganized, I find myself researching companies again – looking for a “soft-pitch” to take a swing at! And, I thought — why not share my conclusions with the loyal subscribers of SaS, many of whom have been with me for well over 20-years? So going forward, I plan on keeping SaS a Complimentary Digest, but will often include stories on public companies I have taken a position in. You will be reading about what I actually bought with my own money - at risk!

Eastfield Resources Ltd. (ETF-tsxv) <http://www.eastfieldresources.com> is the first company I want to bring to your attention.

(DISCLOSURE) I have acquired a substantial position in ETF in the market around the five-cent range. That is my full, true, and complete disclosure on any conflict of interest I have in writing about it. I am long, happy, and bullish on ETF — certainly this is influenced by long my position in it.

Eastfield is a professionally staffed Hybrid Prospect Generator / Independent Developer exploration company, focused on the discovery of new mineral deposits in the mining-friendly Province of British Columbia, Canada. At present, Eastfield owns four impressive mineral properties. Three of them have already been joint ventured; one is in negotiations. There will be a minimum of three property programs (probably four) carried out this field season – providing a continuous stream of results. This report will generally describe these exciting properties. But first, I want to expand on the first sentence of this paragraph.

Being a Prospect Generator company is generally accepted as being the most conservative, yet extremely successful, corporate policy a junior mineral exploration company can follow. There are numerous examples of Prospect Generators being bought out by their larger joint-venturers.

Let's face it – mineral exploration is a capital-intensive activity. We're talking millions to tens-of-millions of dollars here. There are only two ways for a junior explorer to raise anywhere near those sums of money. The company will have to continually sell treasury shares to finance its exploration activities or be able to find a well-healed joint-venture partner to finance the exploration and development of a property in exchange for an interest in the ownership of the property.

Funding a company's exploration programs through continuous financings results in an unacceptable number of shares issued in a short period of time. It also restricts the number of properties that can be worked on. Even if a company has the money, it cannot have enough capable people to carry out multiple programs. A Prospect Generator has neither of those problems. Yes, it does reduce the interest it has in each property joint-ventured, but it can have an unlimited amount of properties being worked on simultaneously by joint-venture partners at no cost to it. Most often, a Project Generator will receive both cash and stock from the joint-venture partner for the right to earn an interest in the property. Even more important than all of the preceding, joint-venturing continually frees up the company's best prospectors and geologists to traverse new ground making new discoveries that can be further joint-ventured.

With the guidance and encouragement of some very successful mining and financial professionals, I adopted and perfected the Prospect Generator business model in the early/mid 1970s. That gained me the title of being the "Original Prospect Generator." The entire process is explained in a 1985 video, Brican Resources Ltd., a VSE, NASDAQ listed exploration company I IPO-ed and was running at the time. Remember, this video was made thirty-five years ago; all the dollar values shown could be anywhere from ten to more than twenty times more now. You can access this video at [Brican Resources Video](#). With all this past experience, I think I'm in a unique position to be able to recognize a Prospect Generator with great potential at a great price. **Eastfield Resources Ltd. looks very exciting to me!**

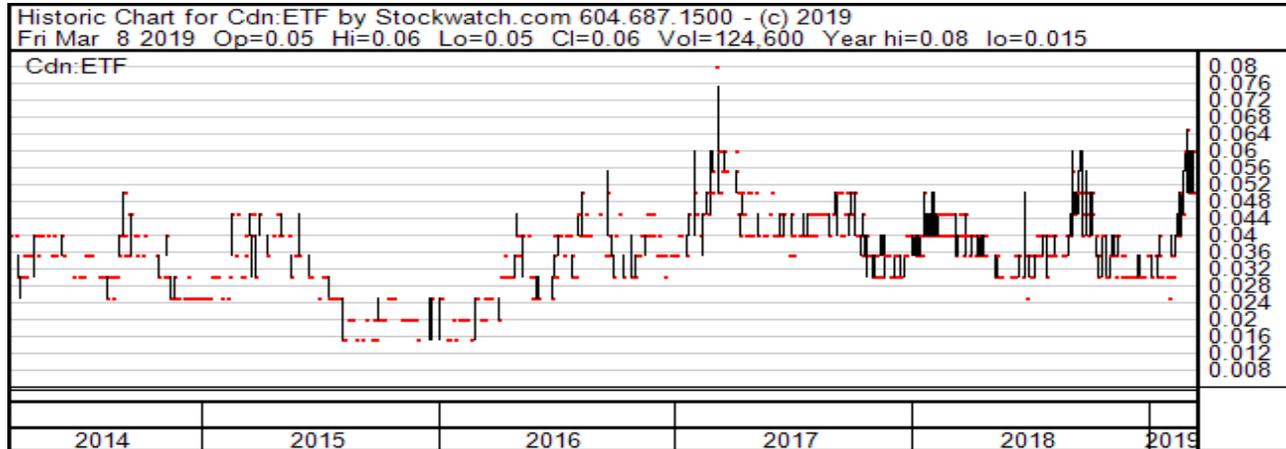
To function as a successful Prospect Generator, a company has to have the ability to continuously discover new prospective mineral projects - preferably by staking - which will produce results that will attract joint-venture partners to fund exploration programs on it. Eastfield is uniquely capable to achieve this objective, which is illustrated throughout this report. The reason Eastfield can continuously do this is the geological expertise of its two major principals Bill Morton and Glen Garratt, both Professional Geologists who have been successfully applying their prospecting skills in British Columbia for decades.

Bill and Glen are the reasons I labeled Eastfield a "Hybrid Prospect Generator." Hybrid Prospect Generators do not joint-venture all of their properties. While developing a property to the joint venture stage, once in a while, a property responds so well the company will decide to develop it further for its own account. Eastfield, as you can see, has all the necessary staff and expertise to carry out and/or supervise any mineral exploration program you can think of. You can't ask for more than that — especially with a stock price under a dime!

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Prospect Generators often produce a flat-priced trading chart. There are a lot of reasons for that. But if you dig deep into the company's details, you can get a hint of when that chart might soon shoot up in price and volume. Compare these three trading charts. Something is happening here!

Eastfield Resources Ltd.

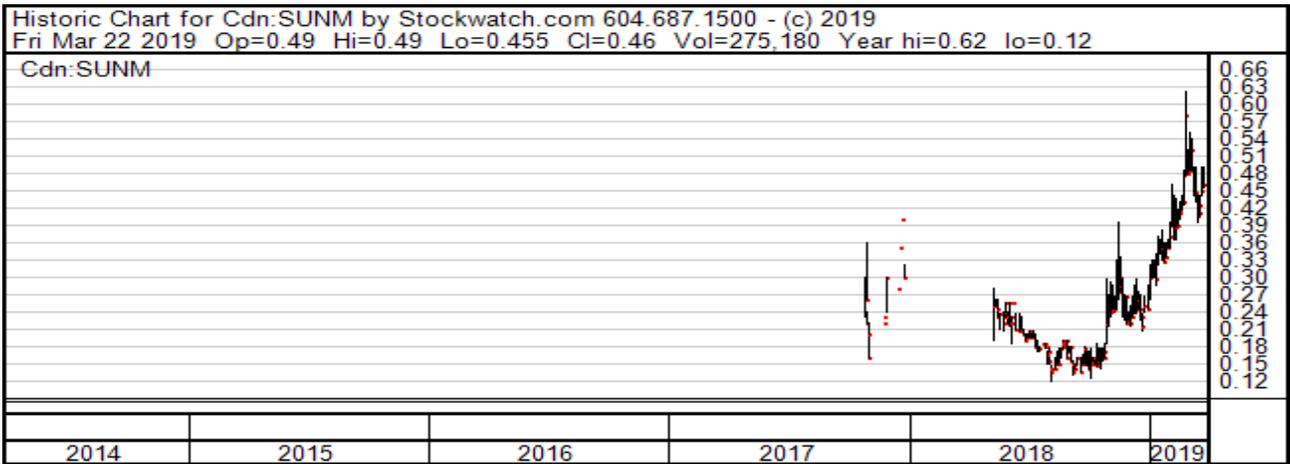


(Charts courtesy of StockWatch)

Lorraine Copper Corp.



Sun Metals Corp.



The short of these three charts is that Lorraine was spun out of Eastfield. Eastfield's shareholders received shares in Lorraine. Sun Metals optioned Lorraine's properties, made a discovery last year, and is taking over Lorraine now at a ratio of 0.54 shares of Sun Metals for each share of Lorraine. These transactions can get a little complicated, but the point I am making is that shareholders of Prospect Generators usually make money and have very little risk while waiting for the action to start. Both Lorraine and Sun Metals are up about 300% in the past six-months. When this year's anticipated drilling by Sun begins, these gains could easily double again or increase even more. It's all in the timing; **I think the time for Eastfield is this year.**

PROPERTY SECTION:

As we get into the Property Section of this report - rather than detailing the geology of each property - I want to focus in on the joint-venture partners involved and their plans. If I included geology, many readers would never finish the whole report nor remember what was important in it. In reality – for investors getting into the stock now under a dime – geology is not the most important consideration. The most important consideration for many investors and speculators alike is to reduce the risk of owning stocks in this very high Risk/Reward sector. Eastfield is as good as it comes in reducing and managing risk. **The Reward Could Be Magic!**

INDATA PROPERTY:

The reason I referred to the Sun Metals Corp. / Lorraine Copper 2018 discovery story and company merge is because the Indata property is located directly south of the Sun Metal / Lorraine discovery on their Stardust property. The only ground between the Stardust property and Indata is a Provincial Park. Sun Metals Corp., surviving company from its merger with Lorraine, is a very high profile company run by very high profile principals. Sun Metals is planning an early start to its announced 2019 major exploration / development program. Because of very similar geology on Indata and its close-ology to Stardust any success there will create a lot of "Pin Action" for whatever company has an interest in Indata. There is a link to a current 43-101 report available on the Eastfield website under Projects/Indata.

In July 2018, Eastfield entered into an option agreement with Prophecy Potash Corp. Under the option agreement, Prophecy Potash can earn a 60-percent interest in the Indata copper-gold project located 120 kilometers northwest of the community of Fort St. James, British Columbia.

The Indata property consists of 16 claims totaling ~32 sq. km. (~12 sq. mi.). It is situated in, and adjacent to, the Pinchi Fault zone (with the northern boundary being approximately five kilometers south of the southernmost boundary of Sun Metal's Stardust project).

To earn the 60-percent interest, Prophecy Potash is required to complete \$2-million in exploration, pay \$250,000 in cash, and \$150,000 in cash/share equivalents over a five-year term. A minimum \$75,000 program is required in the first year.

Prophecy Potash Corp., at the moment, is an unlisted company that just had its Preliminary Prospectus receipted by the British Columbia and Ontario Securities Commissions. It will be public soon. You can read the Prospectus on SEDAR (https://www.sedar.com/homepage_en.htm)

It's worth noting that two of the company's principals have familiar names:

Ian McDonald, (owns ~19% of the capitalization) is the President, Chief Executive Officer, and a Director of the Company. He is the son of the late Bruce McDonald, who was a very successful market personality, discovering the Casa-Berardi mine in western Quebec, and the many company spinoffs made through his holding company, Noramco Capital Corporation.

Harry Lundin, (owns ~26.5% of the capitalization) through Bromma Resource Master Fund Inc. and Bromma Gold Master Fund Inc. – both owed by Bromma Asset Management Inc. which is controlled by Harry. Harry is the son of Lukas Lundin, Chairman of Lundin Mining. <https://www.lundinmining.com/>

IRON LAKE PROPERTY:

Eastfield Resources Ltd. has entered into an option agreement with privately owned GK Resources Ltd. whereby GK can earn a 60-per-cent interest in the Iron Lake copper/gold/platinum group metal/cobalt project, located 45 kilometers northeast of the community of 100 Mile House, British Columbia.

The Iron Lake property consists of 21 claims totaling ~80 sq. km. (~31 sq. mi.). The claims cover an unusual mafic intrusion that is host to disseminated and massive sulphide styles of mineralization. Between 2000 and 2012, eight samples of mineralized rubble have been found in glacial till. All of these samples are similar in their rock type, metal content and disseminated character of mineralization. The average metal content of the eight samples is 0.71 percent copper, 0.70 gram per tonne gold and 324 parts per billion platinum plus palladium. Drilling completed in 2005 and 2006 targeting electromagnetic anomalies, failed to find the source of the disseminated mineralization, but did encounter significant thicknesses of pyrrhotite-dominant massive sulphide. For example: drill hole IL-05-03 with 17 metres (aggregate thickness) contained greater than 60 percent sulphide, which graded 0.34 percent copper and 23.7 percent iron). Cobalt values in massive sulphide in drill core reach 0.14 percent over 1.4 metres with select hand grab samples reaching 0.35 percent.

In 2016, claims were added on the southeastern side of the property to capture an area of arsenical gold mineralization associated with a megacrystic feldspar intrusion. Soil values in this area reach 12.0 grams per tonne gold and select rock samples reach 74.9 grams per tonne gold.

To earn the 60-percent interest, GK is required to complete \$3-million in exploration, pay \$400,000 in cash, and \$250,000 in cash or share equivalents over a five-year term. A minimum \$100,000 program is required in the first year.

GK Resources Ltd. is a very similar new company that had its Final Prospectus accepted by the British Columbia Securities Commission on January 8, 2019. It will be public very soon. You can read the Prospectus on SEDAR (https://www.sedar.com/homepage_en.htm)

It's worth noting that the two company's principals of GK Resources are the same for Prophecy Potash Corp.

Ian McDonald, (owns ~18.5% of capitalization) is the President, Chief Executive Officer and a Director of the Company. He is the son of the late Bruce McDonald, who was a very successful market

personality, discovering the Casa-Berardi mine in Western Quebec, and the many company spinoffs made through his holding company Noramco Capital Corporation.

Harry Lundin, (owns ~26.0% of capitalization) through Bromma Resource Master Fund Inc. and Bromma Gold Master Fund Inc. – both owed by Bromma Asset Management Inc. which is controlled by Harry. Harry is the son of Lukas Lundin, Chairman of Lundin Mining.
<https://www.lundinmining.com/>

HEDGE HOG PROPERTY:

Eastfield Resources Ltd. has entered into an option agreement with Copper Creek Gold Corp. granting Copper Creek an option to earn a 60-percent interest in its Hedge Hog project, located 15 kilometers north of Barkerville, British Columbia.

Terms of the agreement require Copper Creek to make payments totaling \$350,000, make share issuances or pay cash valued at an additional \$150,000, and complete \$2.5-million in exploration by the fifth anniversary of the agreement. The Hedge Hog property consists of seven mineral tenures covering an area of ~24 sq. km. (9 sq. mi.).

Hedge Hog was acquired by staking by Eastfield. It primarily targets Besshi-style copper-rich massive sulphide mineralization occurring in Paleozoic-aged Antler formation rocks and secondly quartz carbonate lode-gold mineralization hosted in slightly older Barkerville-Kootenay Terrane rocks similar to what occurs in the historical gold mines of the Barkerville-Wells area.

Copper Creek later changed its name to Surge Exploration Inc. (SUR-tsxv). Surge is now spinning the Hedge Hog property into a newco by way of a statutory plan of arrangement pursuant to the Business Corporations Act (British Columbia). While this corporate reorganization is going on, Surge will be carrying out its 2019 exploration program on Hedge Hog.

ZYMO PROPERTY:

ZYMO, in my opinion, is a very EXCITING property. It has had several million dollars spent on it. I would think ZYMO could be optioned sometime this field season, probably to a major company.

ZYMO is a ~121 sq. km. (46 sq. mi) property that lies approximately 40 kilometers west of the town of Smithers, in northwestern British Columbia. The geology and mineralization styles at the ZYMO property indicate both copper-gold-silver porphyry and porphyry related high sulphidation gold-silver-zinc replacement deposits. Eastfield Resources optioned Zymo in 2007 and has held it since, acquiring full ownership in 2012. Between 2007 and 2012, Eastfield and various joint venture partners conducted extensive exploration programs over the Zymo property - including mapping, prospecting, soil and rock sampling, ground geophysics, and drilling a total of 28 holes totaling 9,322 metres. More than \$3-million has been spent by Eastfield and its former partners since 2007.

The Zymo property hosts at least two large copper-gold porphyry, intrusion-related, mineralized zones known as the Hobbes zone and the FM zone. Other areas of interest are the untested RD zone and the URC zone which has an unexplained gold soil anomaly with coincident geophysical anomalies (magnetic high and IP high).

IN CONCLUSION

Eastfield Resources Ltd. has been an active mineral exploration company listed on the Toronto Venture Exchange since 1987. After 30-years without a single share consolidation, it still has only 44.9 million shares issued. It is free of debt — with cash, receivables, and marketable investments totaling

approximately 1.3 million dollars. Generating its cash flow internally, it has not required a public financing in over 10 years. **This is quite a record to be proud of!**

Eastfield's business model has been that of a Hybrid / Prospect Generator. Many of its projects have been successful, resulting in the creation of five new listed companies with shares spun out to shareholders and allowing Eastfield to retain substantial shareholdings in:

Lorraine Copper Corp. (LLC-tsxv),

Cariboo Rose Resources Ltd., (CRB-tsxv),

Consolidated Woodjam Copper Corp. (from Cariboo Rose) (WCC-tsxv)

Spanish Mountain Gold Corp (from Wildrose Resources Ltd.) (SPA-tsxv), and

Fort St. James Nickel Corp. (FTJ-tsxv).

At various times, the shares of all of the above companies traded at substantially higher prices than today's. Eastfield itself previously had a high of \$2.50, and Lorraine is currently being taken over by Sun Metals Corp.

As alluded to at the beginning of the Property Section, "For investors getting into **Eastfield Resources** now under a dime – **the most important consideration is not how soon Eastfield is going up?**" The most important consideration for many investors and speculators alike is to reduce the risk of owning stocks in this very High-Risk/Reward sector." **Eastfield** is as good as it comes in reducing and managing risk. As I said earlier: **"The Risk Is As Low As It Comes - The Reward Could Be Magic!"**

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Sincerely yours,

Brian

Stocks and Speculations

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