CADMAN RESOURCES INC

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012

Date of Report: November 29, 2012

The following Management discussion and analysis ("MD&A") provides analysis of Cadman Resources Inc. ("the Company")'s financial results for the period ended September 30, 2012 with comparisons to 2011. This MD&A should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2011. Additional information relevant to the Corporation is available for review on SEDAR at www.sedar.com.

As of January 1, 2011, the Company adopted International Financial Reporting Standards ("IFRS"). The audited financial statements for the year ended December 31, 2011 have been prepared in accordance with International Accounting Standard 34, Financial Reporting ("IAS 34") and using policies consistent with IFRS. A discussion of IFRS and its impact on the Company's financial presentation is presented in this report in the Change in Accounting Policies section.

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Information

Certain information included in this discussion may constitute forward-looking statements.

Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," or "continue" or the negative thereof or variations thereon or similar terminology. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. These factors include the inherent risks involved in the mining, exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated operating costs and expenses, uncertainties related to the necessity of financing, the availability of and costs of financing needed in the future, and other factors described in the Company's Annual Information Form under the heading "Risk Factors". The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. The reader is cautioned not to place undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company was incorporated pursuant to the Business Corporation Act (British Columbia) on November 13, 2007. The Company is a "Capital Pool Company"("CPC"), as defined in the policies of the TSX Venture Exchange (the “Exchange” or “TSX-V”) until July 6, 2012. On July 6, 2012, the Company began trading on the Canadian National Stock Exchange (“CNSX”), the acquisition of an option for a 55% interest in the Golden Star Property and the closing of the first ranche of its previously announced private placement. Delisting from the NEX was approved in writing by a majority of the Company’s minority Shareholders as a required step to delisting from the NEX.

On December 23, 2010, the Company terminated the agreement with SamLorne Limited (“SamLorne”). The termination stems from the challenges the Company has encountered in meeting the financial requirements related to the proposed Qualifying Transaction.

On March 6, 2012, the Company signed a definitive agreement with Q-Gold Resources Ltd.

On July 5, 2012 the Company reported a non-brokered private placement for gross proceeds of $99,000 through the sale of 660,000 units at $0.15 per share. On August 9, the financing has been amended to total gross proceeds of $42,000 through the sale of 280,000 units at $0.15 per share. Each unit will be comprised of one Common Share and one half of one Common Share purchase warrant, each full warrant exercisable at a price of $0.20 for one Common Share within 18 months from the date of issuance. The proceeds will be used to finance acquisition costs and exploration work in connection with the Project, and for general working capital purposes. A finder’s fee of 8% cash and 8% warrants was paid to certain finders in conjunction with the offering.

On July 26, 2012 the Company concluded negotiations with Shenba Resources Holdings Limited (“Shenba”), and entered into a letter of intent (the “LOI”) to acquire 65 per cent of the Mbozi Copper project located in the United Republic of Tanzania by incurring cumulative exploration expenditures of US$3,000,000, paying to the optionors the sum of US$200,000 cash in property payments and issuing a total of 5,000,000 common shares and 5,000,000 warrants exercisable at $0.25 of the company to the optionors, all over a three-year period commencing upon receipt of approval by the CNSX.

On November 9, 2012, the Company signed an option agreement with Bertrand Brassard to acquire 100 percent interest in the copper project located in the Gaspe Peninsula in the Province of Quebec. The Gaspe copper property is comprised of 56 permits totalling 3,192 Ha. Historical results showed trench samples up to 5.1% copper. Conditions permitting, management intends to begin work on the Property immediately.

To exercise the option and earn 100 percent interest in the Property the company is required to deliver 100,000 shares of Company common stock upon signing of the option agreement and to deliver a further 1,000,000 shares of Company common stock on or prior to December 31, 2013. The Company has made a cash payment of $5,000 at the signing of the LOI and must make a further cash payment of $25,000 on or prior to December 31, 2013. The Company also has a work commitment of $300,000, $100,000 of which must be incurred by June 1, 2013 and the remaining $200,000 must be incurred by December 31, 2013.

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FINANCIAL RESULTS

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company.

	September 30 2012	June 30 2012	March 31 2012	December 31 2011	September 30 2011	June 30 2011	March 31 2011	December 31 2010	September 30 2010 (Restated)
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Profit (Loss)	$ (86,734)	$ (102,129)	$ (25,614)	$ (132,392)	$ (59,661)	$ (128,729)	$ (34,455)	$ (236,406)	$ (40,881)
Basic and diluted loss per common share	$ (0.02)	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.00)	$ (0.03)	$ (0.00)

Variances in net loss by quarter in 2012 and 2011 reflect overall corporate activity and factors which do not recur each quarter, such as changes in admin, professional and transfer agent fees.

Comparison of operating results

	Three Months Ended September 30		Nine Months Ended September 30	
	2012	2011	**2012**	2011
REVENUE	$ **-**	$ -	$ **-**	$ -
GENERAL AND ADMINISTRATIVE EXPENSES				
Consulting	**9,200**	-	**17,200**	-
Exploration	**35,100**	-	**35,100**	-
Marketing	**5,499**	1,503	**9,915**	16,330
Office and miscellaneous	**7,601**	20,916	**10,539**	45,199
Professional fees	**12,050**	34,272	**86,922**	146,010
Rent	**6,704**	2,206	**20,113**	6,618
Transfer agent and filing fees	**3,533**	1,574	**27,085**	10,002
Travel and promotion	**7,399**	-	**8,501**	-
	87,086	60,471	**215,375**	224,159

For the three months ended September 30, 2012 the Company's costs were increased by $26,615 compared to the same period last year, mainly due to the following:

- the Company spent $35,100 in exploration on the Mbozi Copper project
- the Company paid $2,000 per month to an individual who provides corporate development services to the Company
- the professional fees are $22,222 lower due to the completion of qualified transactions
- the administration fee is $13,315 lower due to a reduction of the Company's daily expenses

For the nine months ended September 30, 2012 the Company's costs were reduced by $8,784 compared to the same period last year, mainly due to the following:

- the Company spent $35,100 in exploration on the Mbozi Copper project
- the Company paid $2,000 per month to an individual who provides corporate development services to the Company
- the professional fees are $59,088 lower due to the completion of qualified transactions
- the administration fee is $34,660 lower due to a reduction of the Company's daily expenses

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- the transfer agent fee is $17,083 higher due to the completion of qualified transactions
- the rent is $13,495 higher due to the additional rent in the Toronto office

Liquidity and Capital Resources

As of September 30, 2012, the Company had cash and cash equivalents of $64,672 compared to $217,511 at December 31, 2011. Working capital was $24,540 compared to $220,377 at December 31, 2011. The Company received gross proceeds of $42,000 from a non-brokered private placement completed on August 9, 2012.compared to $600,000 at December 31, 2011.

In order for the Company to earn its interest in mineral properties under the option, the Company must meet certain exploration spending thresholds.

In management's view, given the nature of the Company's operations, which consists of exploration, mining and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine.

LATEST OUTSTANDING SHARE DATA

The following is the latest share data as of November 29, 2012.

Common shares – 11,364,500

Stock Options – 280,000

Warrants - none

OFF BALANCE SHEET TRANSACTIONS

The Corporation has not entered into any off balance sheet agreements.

MINERAL PROPERTIES

1) Golden Star Block

On March 6, 2012, the Company signed an option agreement with Q- Gold agreeing to pay $275,000 in cash, $240,000 by issuance of 960,000 common shares of the Company and incur exploration expenditures of $600,000 on the properties as follows:

	Cash Payments	Number of Common Shares	Exploration Expenditures
(i) Within 30 days after the closing date of the agreement (paid)	$ 25,000	–	$ –
(ii) Within 5 days after listing of the Company's shares on the CNSX	–	960,000	–

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(iii) Within 3 months after the closing date (paid $5,000)		100,000	–		–
(iv) Within 12 months after the closing date		150,000	–		250,000
(v) Within 24 months after the closing date		–	–		350,000
	$	275,000	960,000	$	600,000

On July 26, 2012, the Company signed a definitive agreement with Q-Gold Resources Ltd. The $25,000 refundable deposit and additional $5,000 cash payment goes to acquisition costs.

2) Mbozi Copper project

On July 26, 2012 the Company concluded negotiations with Shenba Resources Holdings Limited ("Shenba"), and entered into a letter of intent (the "LOI") to acquire 65 per cent of the Mbozi Copper project located in the United Republic of Tanzania by incurring cumulative exploration expenditures of US$3,000,000, paying to the optionors the sum of US$200,000 cash in property payments and issuing a total of 5,000,000 common shares and 5,000,000 warrants exercisable at $0.25 of the company to the optionors, all over a three-year period commencing upon receipt of approval by the CNSX. $15,000 has been paid and recorded as deferred acquisition costs. $35,100 has been spent in geology related expenses.

3) Gaspe Peninsula Copper project

On November 9, 2012, the Company signed an option agreement with Bertrand Brassard to acquire 100 percent interest in the copper project located in the Gaspe Peninsula in the Province of Quebec. The Gaspe copper property is comprised of 56 permits totalling 3,192 Ha. Historical results showed trench samples up to 5.1% copper. Conditions permitting, management intends to begin work on the Property immediately.

To exercise the option and earn 100 percent interest in the Property the company is required to deliver 100,000 shares of Company common stock upon signing of the option agreement and to deliver a further 1,000,000 shares of Company common stock on or prior to December 31, 2013. The Company has made a cash payment of $5,000 at the signing of the LOI and must make a further cash payment of $25,000 on or prior to December 31, 2013. The Company also has a work commitment of $300,000, $100,000 of which must be incurred by June 1, 2013 and the remaining $200,000 must be incurred by December 31, 2013.

FINANCING

Non-Brokered Private Placement

On March 3, 2011, the Company closed a non-brokered private placement to issue 4,000,000 common shares at a price of $0.15 per share for gross proceeds of $600,000. The Company paid $18,000 and issued 270,000 common shares as finders' fees. The shares issued are subject to a 4 month hold period until July 4, 2011.

On August 9, 2012, the Company closed a non-brokered private placement of 280,000 common shares at a price of $0.15 per share for gross proceeds of $42,000. Each unit will be comprised of one Common Share and one half of one Common Share purchase warrant, each full warrant exercisable at a price of

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$0.20 for one Common Share within 18 months from the date of issuance. The Company paid $3,360 finders' fee and issued 8% warrants in relation to the private placement.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2012, the Company's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

IFRS 7 "Financial Instruments – Disclosures", requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. IFRS 7 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 7 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial instruments measured at fair value on a recurring basis at September 30, 2012 is as follows:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalent	$ 64,672	$ -	$ -	$ 64,672

TRANSITION TO INTERNATIONAL FINANCIAL REPORTING

For all periods up to and including the year ended December 31, 2010, the Company prepared its financial statements in accordance with Canadian generally accepted accounting principles (GAAP). The Company has prepared financial statements which comply with IFRS applicable for periods beginning on or after January 1, 2011 as described in the accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at January 1, 2010, the Company's date of transition to IFRS.

IFRS 1 First-time Adoption of International Financial Reporting Standards sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional statement of financial position date with all adjustment to assets and liabilities taken to retained earnings unless certain exemptions are applied.

The Company has applied the following exemptions to its opening statement of financial position dated January 1, 2010:

Share-based payment transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 Share based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected under IFRS 1 to apply IFRS 2 only to equity instructions that were instructions that were issued after Nov 4, 2002 and had not vested by transaction date.

IFRS 1 also outlines specific guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guidelines to its opening statement of financial position dated January 1, 2010:

Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of January 1, 2010 are consistent with its Canadian GAAP estimates for that date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While the first time adoption of IFRS did not have an impact on the total operating, investing or financing cash flows, it has resulted in changes to the Company's reported financial position. In order to allow the users of the financial statements to better understand these changes, the Company's Canadian GAAP statements of net income and comprehensive income for the year ended December 31, 2010 have been reconciled to IFRS without differences. In addition, the statements of financial position as at January 1, 2010 and December 31, 2010 have been reconciled with the resulting differences explained.

The Company has also elected to apply the following exemptions:

Apply IFRS 3 *Business Combinations* prospectively from the Transition Date, therefore not restating business combinations that took place prior to the Transition Date.

Changes to Accounting Policies Resulting from the Conversion to IFRS

The Company has changed certain accounting policies to be consistent with IFRS as is expected to be effective or available on September 30, 2012, the Company's first annual IFRS reporting date. The impact of these changes to accounting policies on the recognition and measurement of assets, liabilities, equity, revenue and expenses within the Company's financial statements are presented below. The following summarizes the significant changes to the Company's accounting policies on adoption of IFRS.

Financial Statement Presentation and Disclosure

One of the most significant impacts identified to date of adopting IFRS is the expanded presentation and disclosure requirements. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note references.

The Company is now in the IFRS transition phase which includes the quantification of the IFRS differences, completion of the final IFRS compliant accounting policies, quantification of the IFRS opening balance sheet as at January 1, 2010 and preparation of the comparative interim financial statements.

Management, members of the board of directors and audit committee have the required financial reporting expertise to ensure the adequate organization and transition to IFRS.

Transition Date and Comparative Unaudited Condensed Financial Statements

The changes in accounting policies resulting from the Company's adoption of IFRS had no impact on the statement of financial position, statement of comprehensive income and statement of cash flows for the period ended September 30, 2012.

Share based payment transactions

Equity-settled share-based payments are made in exchange for services received. The fair value of the services rendered is determined indirectly by reference to the fair value of the equity instruments granted. The fair value of share-based payments to directors, officers, employees and consultants is recognized as an expense over the vesting period with a corresponding increase in equity. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black Scholes option pricing model and taking into account an estimated forfeiture rate and the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

All the stock options granted were fully vested and there will be minimum impact on the Company's financial statements upon the adoption of IFRS.

Income Taxes

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. IFRS prohibits recognition where deferred income taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable net earnings. There will be no impact on the financial statements upon implementation of IAS 12, Income Taxes.

Information System, Internal Controls and Reporting Procedures

Based on management's assessment of the information system currently used by the Company, all information required to be reported under IFRS is expected to be available with minimal system changes. In addition, based upon the Company's current operations, it is management's opinion that the adoption of IFRS is not expected to have a significant impact on internal controls and reporting procedures.

The Company currently does not have any debt covenants, capital requirements, compensation arrangements, or material contracts that impact its current business activities that would affect the conversion to IFRS.

RISK AND UNCERTAINTIES

Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure or easy access.

The economics of developing gold and other mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Depending on the price of gold or other minerals produced, which have fluctuated widely in the past, the Company may determine it is impractical to commence or continue commercial production.

Reserves and resource estimates

The mineral and resources estimates disclosed in the Company's public filings are only estimates and no assurances can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially minerable deposit which can be legally and economically exploited. The Company relies on laboratory-based recovery models to project estimated ultimate recoveries by ore type at optimal crush sizes. Actual mineral recoveries may exceed or fall short of projected laboratory test results. As stated previously, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions among other things. Short-term factors, such as the need for an orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of those operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under onsite conditions or in production scale operations. Material changes in proven and probable reserves or resource grades, waste-to-ore ratios or recovery rates may affect the economic viability of projects. The estimated proven and probable reserves and resources disclosed in the Company's public filings should not be interpreted as assurances of mine life or of the profitability of future operations.

The Company has engaged expert independent technical consultants to advise it on, among other things, mineral reserves and resources and project engineering. The Company believes these experts are competent and that they have carried out their work in accordance with internationally recognized standards. If, however, the work conducted by these experts is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays and increased costs.

Foreign countries, laws and regulations

If the Company signed definite agreement with Shenba Resources Holdings Limited ("Shenba") who has the property in United Republic of Tanzania and is exposed to the laws governing the mining industry in United Republic of Tanzania.

Commodity prices

The profitability of the Company's operations, if established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of gold by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political development. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production of the Company's properties to become impracticable.

A reduction in the price of gold and copper may prevent the Company's properties from being economically mined or result in the write-off of assets whose value is impaired as a result of low gold prices.

The price of gold and copper may also have a significant influence on the market price of the Company's common shares.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's Chief Financial Officer and Chief Executive Officer (the "Certifying Officers") are responsible for establishing and maintaining disclosure controls and procedures ("the Procedures") which provide reasonable assurance that information required to be disclosed by the Company under provincial or territorial securities legislation (the "Required Filings") is reported within the time periods specified. Without limitation, the Procedures are designed to ensure that material information relating to the Company is accumulated and communicated to management, including its Certifying Officers, as appropriate to allow for timely decisions regarding the Required Filings.

The Company's Certifying Officers are also responsible for establishing and maintaining internal controls over financial reporting ("Internal Controls") and have designed such Internal Controls, or caused it to be designed under their supervision, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

During 2012, there were inherent weaknesses in the Internal Controls due to the small size of the Company and its inability to segregate incompatible functions. The Company does not have sufficient size and scale to warrant the hiring of additional staff to correct the weakness at this time.

The Certifying Officers evaluate the Company's Internal Controls on a regular basis and have certified that there were no change in the Company's Internal Controls during the period ended September 30, 2012 that materially affected, or is reasonably likely to materially affect, the Company's Internal Controls.

APPROVAL

The Board of Directors of the Company Resource Inc. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be obtained along with additional information, on the SEDAR website at www.sedar.com.