CADMAN RESOURCES INC

Management's Discussion and Analysis

For Three and Nine Months Ended September 30, 2010

Date of Report: January 28, 2011

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, 2010 with comparisons to 2009. This MD&A should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2009. The Company's financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). Additional information relevant to the Corporation is available for review on SEDAR at www.sedar.com.

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. 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.

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"). Cadman Recourses Inc is listed on the TSX Venture Exchange under the symbol "CUZ.P".

As at September 30, 2010 the Company had no business operations and its only significant asset was cash. As a CPC the Company's principal business is the identification and evaluation of assets, properties or business with a view to acquisition or participation therein subject, in certain cases, to shareholder's approval and acceptance by Exchange. Where an acquisition or participation is warranted (the Qualifying Transaction") additional funding may be required. The ability of the Company to fund its future operations and commitments is dependent upon the ability of the Company to obtain additional financing.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a forced liquidation. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Overall Performance

As at September 30, 2010, the Company had cash and other current assets totaling $106,643 (December 31, 2009; $189,085) and working capital of $71,380 (December, 31, 2009; $181,962). As at September 30, 2010, the Company incurred $153,746 (September 30, 2009; $116,955) in administration and operating expenses.

Results of Operations

As the Corporation is a CPC Corporation. All expenses incurred are related to its incorporation, listing on the Exchange as a Capital Pool Corporation and pursuit of a Qualifying Transaction.

On August 5, 2009, the Company terminated its option on Newport's Burnt property and entered into an arm-length's agreement to acquire to acquire an option on the Fanggelewan silver lead property in China by acquiring SamLorne Limited ("SamLorne"), a private Ontario company. SamLorne could earn 70% interest in the property by making total payments of $1.5 million U.S. dollars by November 2010. To complete the purchase, the Company will pay SamLorne a total of $50,000 and deliver 10 million shares, all subject to all regulatory approvals. The property is located next to Silvercorp Metals Inc's Ying Mining District in the Province of Henan, China. The agreement was amended for an extension to the payment schedule to begin in June 2010.

On August 12, 2009, the Company announced a non-brokered private placement of 4,547,000 common shares at $0.075 per share for gross proceeds of $341,025. On February 8, 2010, the Company amended the share price from $0.075 per share to $0.10 per share. On February 11, 2010, the Company issued 4,414,500 shares at a price of $0.10 per share for gross proceeds of $441,450. On September 30, 2010, the Company received $428,950 for subscription of shares. The Company paid 10% finder fees of $44,145.

Disbursements were also made to SamLorne as per financial due diligence, the agreement and as well as to D & D Securities Company. The brokerage will be responsible for the second private placement which is targeted to raise in excess of $2,500,000 for the exploration and acquisition of the SamLorne property in China. The NI 43-101 Report has been received by Mr. Hrayr Agnerian for submission to the TSX-V and conditionally accepted in June 2010. A mini work program report was completed in January 2010 which SamLorne commissioned in late August and was completed in late October 2009.

FINANCIAL RESULTS

Summary of Quarterly Results

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

	September 30 2010	June 30 2010 (Restated)	March 31 2010 (Restated)	December 31 2009 (Restated)	September 30 2009 (Restated)	June 30 2009 (Restated)	March 31 2009 (Restated)	December 31 2008 (Restated)
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Profit (Loss)	$ (40,881)	$ (76,006)	$ (35,737)	$ (57,609)	$ (68,642)	$ (41,769)	$ (6,543)	$ (13,256)
Basic and diluted loss per common share	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.00)	$ 0.01

Variances in net loss by quarter in 2010 reflect overall corporate activity and factors which do not recur each quarter, such as decreased professional and transfer agent fees.

Liquidity and Capital Resources

As of September 30, 2010, the Company had cash of $48,245 compared to $114,840 at December 31, 2009. Working capital was $71,380 compared to $181,962 at December 31, 2009. The Company advanced a $25,000 promissory note to SamLorne at the rate of 4.25% annum due December 16, 2010 with accrued interest of $841 to date and a $10,000 promissory note to Newport which has 2 common directors at the rate of 5% per annum due December 31, 2010 with accrued interest of $281 to date. The Company received $441,450 from a non-brokered private placement.

LATEST OUTSTANDING SHARE DATA

The following is the latest share data as of September 30, 2010.

Common shares - 9,214,500

Stock Options - 480,000

Warrants - none

OFF BALANCE TRANSACTIONS

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

RESTATEMENT OF PRIOR YEAR FIGURES

Subsequent to the Company's filing of its interim financial statements for the three and nine months ended September 30, 2010 on SEDAR on November 29, 2010, the Company noticed the following errors in the interim financial statements for the three and nine months ended September 30, 2010:

a. The Company recorded share issuance costs of $11,704 for the fair value of the 240,000 agent's option issued on the Company's initial public offering on July 8, 2008 and included it in contributed surplus in the 2008 year. The amount was mistakenly reversed on expiry of these options on July 8, 2010.

b. Deferred financing costs incurred for legal fees of $11,030 was mistakenly accounted for as professional fees and charged to operations.

c. Professional fees for accounting services of $2,621 prepaid for the month of October 2010 was mistakenly debited to accounts payable.

d. Other receivable of $2,230 was mistakenly debited to accounts payable.

e. Interest receivable of $1,122 relating to loans receivable was not recorded.

The Company reported rent of $7,500 (three months ended September 30, 2008 - $7,750) and $22,475 (nine months ended September 30, 2008 - $7,750) for the three and nine months ended September 30, 2009 respectively in its financial statements filed on SEDAR on November 27, 2009. The rent was paid to a related company. Subsequent to August 25, 2010, management determined that the amount of rent paid was unreasonable under the Exchange Policy 2.4 item 8.2(a)(i) “Exceptions to the Prohibitions on Payments to Related Parties of the CPC”. The related company agreed to retroactively correct the rent to $19,410 and $10,043 for the years ended December 31, 2009 and 2008.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2010, the Company incurred rent expense of $4,500 (September 30, 2009 - $13,500) to a company controlled by an individual related to a director of the Company. The transactions were measured at exchange amounts, which were the amounts agreed upon by the transacting parties and are on terms and conditions similar to non-related entities. At September 30, 2010, amount due from this Company of $3,849 (December 31, 2009 - $22,520) was non-interest bearing and unsecured.

The Company advanced $10,000 to Newport which has two common directors at the rate of 5% per annum due December 31, 2010.

PROPOSED TRANSACTION

The Company's preliminary prospectus was filed on SEDAR on June 2, 2008 at which time the Company’s only asset was cash. The initial business obligations of the Company were to identify, evaluate and approve assets or business with a view to completing a Qualifying Transaction. During the period May 1 to September 30, 2008, a preliminary research of potential qualifying transactions began. Only assets where the Company could earn greater than a 50% interest were considered. On August 19, 2008 a proposed qualifying transaction was approved by the Board of Directors.

On September 11, 2008 the Company entered into an Option agreement with Newport Gold Inc. whereby the Company can earn a 60% interest in the Burnt Basin Property (further details are available on SEDAR). On August 5, 2009, the Newport deal was terminated. The Company’s new target company, “SamLorne”, which has a property in China, is the new qualifying transaction and a NI 43-101 Technical Report has been received for submission to the TSX-V.

After the termination of the option on Newport’s Burnt Basin property, the Company entered into an arm’s-length agreement to acquire an option on the Fanggelewan silver lead property in China by acquiring SamLorne. SamLorne could earn 70% interest in the property by making total payments of $1.5 million U.S. dollars by November 2010. To complete the purchase, the Company will pay SamLorne a total of $50,000 and deliver 10 million shares, all subject to regulatory approvals. The property is located next to Silvercorp Metals Inc.’s in the Ying Mining District in the Province of Henan, China.

FINANCING

Non-Brokered Private Placement

Prior to the proposed acquisition of SamLorne, the Company undertook a non-brokered private placement for gross proceeds of up to $225,000 through the sale of three million Cadman shares at $0.075 per share. The proceeds will be used to finance the due diligence costs of the qualifying transaction and the ongoing administration expenses of the Company. A finder's fee, in accordance with the policies of the TSX Venture Exchange, may be payable in cash and/or securities of Cadman with respect to the qualifying transaction.

After discussions with the TSX-V, the Exchange advised the Company to amend the placement price to $0.10. On February 11, 2010, the Company issued a press release announcing it had completed a placement of $441,450 in the first tranche. New subscribers had also entered the placement which was closed when conditional approval was granted by the Exchange for the QT.

Brokered Private Placement

The Company and SamLorne have agreed that the closing of the transaction is conditional upon the Company completing a private placement that raises gross proceeds of up to $5 million. The Company proposes to engage D&D Securities Company (D&D) to act as lead agent in connection with the issuance of units of the Company by way of a marketed private placement offering on a best efforts basis, to be closed concurrently with the transaction. The Company intends to issue up to 20,000,000 units at $0.25 CDN per unit as part of the financing. Each unit will consist of one common share and one-half common share purchase warrant of the Company. Each whole common share purchase warrant will be exercisable at $0.375 CDN for eighteen (18) months following the closing date and will allow the holder to purchase one additional common share of the Company. As compensation for acting as lead agent, D&D will receive a commission equal to 8% of the gross proceeds received in the financing, and compensation warrants to purchase a number of units of the Company equal to 10% of the units sold in the financing, exercisable at the same issue price of the units for a period of eighteen (18) months from the closing date of the financing. The Company has also agreed to pay D&D's legal fees for private placement due diligence costs as well as additional due diligence related expenses, plus D&D's reasonable pre-approved travel and other expenses. The net proceeds of the private placement will be used primarily to fund property payments in respect of the FGLW Property and the next phase of exploration on the FGLW Property, and for general working capital.

Conditions to Closing of Qualifying Transaction

Completion of the proposed qualifying transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. The closing of the qualifying transaction by the Company is also subject to a number of other conditions, including, but not limited to, the following:

- Completion of all due diligence reviews to the Company’s satisfaction;
- Completion of private placements to raise total gross proceeds of at least $2,800,000;
- Completion or waiver of sponsorship; and
- Shareholders of SamLorne holding not less than 90% of the total outstanding SamLorne shares will have agreed to transfer their shares to the Company by signing the Agreement.

Sponsorship of a qualifying transaction of a capital pool company is required by the Exchange, unless exempt in accordance with Exchange policies. The Company intends to apply for an exemption from sponsorship requirements; however, there is no assurance that The Company will obtain this exemption.

A filing statement in respect of the proposed qualifying transaction will be prepared and filed on SEDAR in accordance with Exchange Policy 2.4 prior to the closing of the proposed qualifying transaction. Investors are cautioned that, except as disclosed in such filing statement, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative. The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. Another press release will be issued once the filing statement has been filed as required pursuant to Exchange policies.

Trading in the common shares of the Company will remain halted pending the release of further disclosure regarding this qualifying transaction and the satisfaction of the initial filing requirements of the Exchange and a preliminary review by the Exchange.

If all conditions of the qualifying transaction are met or waived, the share exchange between the Company and SamLorne's shareholders will close within 3 business days of Exchange approval. If all conditions to the closing of the qualifying transaction are not satisfied or waived, the qualifying transaction will be abandoned. The shares of The Company will remain halted until another qualifying transaction is identified and closed.

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 the Company's GAAP.

During 2009, 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, 2010 that materially affected, or is reasonably likely to materially affect, the Company's Internal Controls.

NEW ACCOUNTING PRONOUNCEMENTS

Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

International financial reporting standards ("IFRS")

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian

GAAP with IFRS over an expected five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the period ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

The Company is currently assessing the impact of the above new accounting standards on the Company's financial position and results of operations.

IFRS CHANGEOVER PLAN

In December 2008, the CICA's Accounting Standards Board confirmed that IFRS will replace Canadian GAAP in 2011. The Company will be required to report its results accordance with IFRS beginning in 2011. The Company is going to consult external advisors to assist in the development and execution of a changeover plan to complete the transition to IFRS by January 1, 2011, including the preparation of required comparative information.

The key elements of the Company's changeover plan will include:

- Determine appropriate changes to accounting policies and required amendments to financial disclosures;
- Identify and implement changes in associated processes, and accounting, and information system;
- Comply with internal control requirements;
- Communicate collateral impacts to internal business groups; and
- Educate and train internal and external stakeholders.

RISK AND UNCERTAINTIES

The Company is a Capital Pool Company under the policies of the TSX Venture Exchange Inc. If the Company fails to complete a Qualifying Transaction within 24 months of listing, the TSX Venture Exchange Inc. could suspend or delist the common shares of the Company. An interim cease trade order may be issued against the Company's securities by an applicable securities commission if the common shares of the Company are suspended from trading on or delisted from the TSX Venture Exchange Inc. Although management of the Company is working diligently to identify a Qualifying Transaction, there is no assurance that a Qualifying Transaction will be entered into or be completed.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

During the period ended September 30, 2010, the Company's financial instruments consist of cash, and accounts payable. The carrying values of current assets and current liabilities approximate their fair values due to their short maturities. 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.

SUBSEQUENT EVENTS

As described in Note 11 of the Financial Statements, the Company has agreed to issue SamLorne 10,000,000 shares in consideration for 100% of the issued and outstanding shares of SamLorne.

SamLorne entered into an option agreement with Henan Yunfeng Resource of Mine Development Co., Ltd. ("Henan") dated April 1, 2009 to acquire Henan's sole asset, 70% of interest in the Silver-Lead Mine and associated Exploration Rights and Mining Rights on a 1.75 sq KM property known as the Fanggelewan Silver-Lead property in Henan Province of the People Republic of China ("FGLW Option Agreement"). SamLorne is granted an extension of 120 days to the dates of the payment schedule and must make the following payments in order to earn its interest:

US$250,000 on or before November 1, 2010 (not yet paid, but a 120-day grace period applies to this payment);

US$375,000 on or before February 1, 2011;

US$375,000 on or before May 1, 2011; and

US$500,000 on or before January 1, 2012.

The Exchange conditionally accepted the Qualifying Transaction on November 10, 2010 as well as conditionally accepting the revised terms of the brokered private placement through D&D Securities Company of Toronto, Ont., announced previously in the company's news releases in Stockwatch of Jan. 12 and Oct. 22, 2010. The company will issue up to 33,333,333 units at a price of 15 cents per unit for total proceeds of up to $5-million, with each unit consisting of one common share and one non-transferable share purchase warrant. Each warrant will entitle the holder to purchase one additional common share at a price of 22.5 cents for 18 months from the closing date.

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.