(An Exploration Stage Entity)

CONDENSED CONSOLDIATED INTERIM

FINANCIAL STATEMENTS

For the Three Months ended February 28, 2015

(Unaudited)

Notice of No Auditor Review

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), the Company discloses that the unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the three months ended February 28, 2015 have been prepared by and are the responsibility of the Company's management. They have been reviewed and approved by the Company's Audit Committee and the Board of Directors.

The Company's independent auditor, PricewaterhouseCoopers LLP, has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

China Minerals Mining Corporation
(An Exploration Stage Entity)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - in Canadian dollars)

	February 28, 2015	November 30, 2014
ASSETS		
Current assets		
Cash and cash equivalents (Note 3)	$ 490,076	$ 662,462
Short-term investments	11,500	11,500
Other receivables	4,421	5,285
Prepaid expenses	73,500	79,340
Supplies inventory	10,000	10,000
	589,497	768,587
Property, plant and equipment (Note 4)	925,792	950,654
Reclamation bonds (Note 5)	349,444	349,444
Exploration and evaluation assets (Note 5)	18,861,235	18,834,105
	$ 20,725,968	$ 20,902,790
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 45,356	$ 61,741
Asset retirement obligation (Note 5)	1,283,065	1,275,890
	1,328,421	1,337,631
EQUITY		
Share capital (Note 6)	51,550,715	51,550,715
Share-based payment reserve	9,764,046	9,764,046
Foreign currency translation reserve	4,184	1,918
Deficit	(41,921,398)	(41,751,520)
	19,397,547	19,565,159
	$ 20,725,968	$ 20,902,790

Nature of operations (Note 1)
Commitment (Note 8)

The accompanying notes are an integral part of the consolidated financial statements.

Approved on behalf of the Board:

"Harvey Brooks" — Chairman of the Audit Committee

"Ling Zhu" — Director

China Minerals Mining Corporation
(An Exploration Stage Entity)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited - in Canadian dollars)

	Three months ended February 28,	
	2015	**2014**
Expenses		
Accretion of asset retirement obligation	$ 7,175	$ 729
Amortization	207	604
Bank charges and financing interests	540	482
Director and executive fees	55,500	55,500
Filing fees and transfer agent	9,023	9,167
Investor relations	1,024	514
Professional and consulting fees	36,584	4,348
Project investigation	-	243
Rent and office expenses	20,991	111,343
Salaries and benefits	46,505	54,499
Shareholder information	105	180
Share-based payments	-	(107)
Travel	445	-
Loss from operations	(178,099)	(237,502)
Other income (expenses)		
Interest income	2,221	5,197
Other income	6,000	74,096
Foreign exchange gain	-	3,189
Net loss for the period	(169,878)	(155,020)
Item that may be reclassified subsequently to profit or loss		
Cumulative translation adjustments	2,266	-
Loss and comprehensive loss for the period	(167,612)	(155,020)
Basic and diluted loss per common share	(0.00)	(0.00)
Weighted average number of common shares outstanding	189,873,268	189,873,268

The accompanying notes are an integral part of the consolidated financial statements.

China Minerals Mining Corporation
(An Exploration Stage Entity)
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - in Canadian dollars)

	Three months ended February 28, 2015	2014
Cash provided by (used in):		
Operating activities		
Loss for the period	$ (169,878)	$ (155,020)
Items not affecting cash:		
Accretion of asset retirement obligation	7,175	729
Amortization	207	604
Share-based payments	-	(107)
	(162,496)	(153,794)
Changes in non-cash working capital		
Other receivables and prepaid expenses	6,704	3,401
Accounts payable and accrued liabilities	(16,385)	(44,724)
	(172,177)	(195,117)
Investing activities		
Exploration and evaluation expenditures	(2,475)	(7,171)
Short-term investments	-	822,353
	(2,475)	815,182
Effect of exchange rate changes on cash and cash equivalents	2,266	-
(Decrease) increase in cash and cash equivalents	(172,386)	620,065
Cash and cash equivalents, beginning of period	662,462	673,413
Cash and cash equivalents, end of period	$ 490,076	$ 1,293,478

The accompanying notes are an integral part of the consolidated financial statements.

China Minerals Mining Corporation
(An Exploration Stage Entity)
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - in Canadian dollars)

	Number of Shares	Share Capital	Share-based Payment Reserve	Foreign Currency Translation Reserve	Deficit	Total Shareholders' Equity
Balance, December 1, 2014	189,873,268	$ 51,550,715	$ 9,764,046	$ 1,918	$ (41,751,520)	$ 19,565,159
Net loss for the period	-	-	-	-	(169,878)	(169,878)
Cumulative translation adjustment	-	-	-	2,266	-	2,266
Balance, February 28, 2015	189,873,268	$ 51,550,715	$ 9,764,046	$ 4,184	$ (41,921,398)	$ 19,397,547

Balance, December 1, 2013	189,873,268	$ 51,550,715	$ 9,764,870	$ (1,929)	$ (41,023,040)	$ 20,290,616
Share-based payments expensed	-	-	(107)	-	-	(107)
Share-based payments capitalized	-	-	(717)	-	-	(717)
Net loss for the period	-	-	-	-	(155,020)	(155,020)
Balance, February 28, 2014	189,873,268	$ 51,550,715	$ 9,764,046	$ (1,929)	$ (41,178,060)	$ 20,134,772

1. NATURE OF OPERATIONS

China Minerals Mining Corporation ("China Minerals" or the "Company") was incorporated in January 2006 under the laws of British Columbia, Canada as Hawthorne Resources Inc. and renamed as Hawthorn Gold Corp. in October 2006. In April 2011, the Company's name was further changed to China Minerals. The Company's registered office is Suite 1100 – 1111 Melville Street, Vancouver, British Columbia, Canada. China Minerals is listed on the TSX Venture Exchange under the trading symbol "CMV". The Company and its subsidiaries are in the business of acquisition, exploration and development of mineral properties.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and meet its obligations and commitments in the normal course of business. At February 28, 2015, the Company had an accumulated deficit of $41,921,398 (November 30, 2014 - $41,751,520).

As the Company is in the exploration stage, no mineral producing revenue has been generated to date. The ability of the Company to meet its obligations and continue the exploration and development of the properties is dependent upon its ability to continue to raise adequate financing. In the past, operating capital and exploration requirements have been funded primarily from private equity financing. While the Company has been successful in raising capital in the past there can be no assurance that such financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. The Company has been continuous in finding joint venture partners for its Cassiar projects.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended November 30, 2014 which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These condensed consolidated interim financial statements were approved by the Audit Committee and authorized for issue by the Board of Directors on April 15, 2015.

(b) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Cassiar Gold Corp. ("Cassiar") and North American Mining Consulting Ltd. ("NAM"). The Company consolidates these subsidiaries on the basis that it controls these subsidiaries. . Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. All intercompany transactions and balances have been eliminated on consolidation.

(c) Accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management the use of certain critical accounting estimates and that impact the Company's reported financial results. These estimates are based on past experiences and expectation of future events. Uncertainty on these judgments and estimates could result in material reassessments of the carrying amounts in the Company's financial position.

The following two management judgments have the most significant effect on the financial statements:

Impairment of exploration and evaluation assets

Exploration and evaluation assets are considered for impairment when circumstances indicate that their carrying amount may not be recoverable. Assessment of impairment indicators involves significant judgments over internal and external factors. External factors include future commodity prices, investor sentiment and changes in environmental mineral tenure regulations. Internal factors include technical data interpretation of the mineral resources estimates and the Company's exploration plans for the properties. As new data comes up and the economy continually changes, the recoverable amounts of the assets and the impairment loss might be different from these judgments and estimates.

Asset retirement obligation ("ARO")

Provision on the retirement of the exploration and evaluation assets and site restoration is based on many assumptions and judgments: future estimated costs, expected amounts of cash flows to discharge the obligation, timing of such cash flows and the prevalent market discount rate. Any changes to the assumptions will result in an adjustment to the provision which affects the Company's liabilities and operating results.

(d) Changes in accounting policies

The Company has adopted the following new standards and their consequential amendments effective January 1, 2013: *IFRS 10, 'Consolidated Financial Statements'*, *IFRS 11, 'Joint Arrangements', IFRS 12, 'Disclosure of Interest in Other Entities', IFRS 13, 'Fair Value Measurement';* and those effective January 1, 2014: *IAS 36, 'Impairment of Assets'*, and *IFRIC 21, 'Levies'* .

The adopted standards and amendments have not had any impact on the Company's consolidated financial statements.

Standards and amendments issued but not yet effective up to the date of authorization of these consolidated interim financial statements are as below:

IFRS 9 - Financial Instruments

IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement.* The IASB has deferred the original planned effective date of January 1, 2015 to January 1, 2018. IFRS 9 requires financial assets to be classified into two measurement categories: at fair value and at amortized cost. The classification is determined at initial recognition. The Company does not expect any impact from this standard on its financial position.

3. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in Canadian dollar, U.S. dollar and Chinese renminbi and the details are as follows:

		February 28, 2015		November 30, 2014
Cash at bank and in hand - Canadian dollars	$	54,962	$	70,158
Cash at bank and in hand - U.S. dollars		4,423		4,112
Cash at bank and in hand - Chinese reminbi		18,997		37,609
Short-term deposits - Canadian dollars		411,694		550,583
Cash and cash equivalents	$	490,076	$	662,462

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Land	Buildings	Site Equipment	Vehicles	Computers	Office Furniture	Total
As at November 30, 2013	$ 20,000	$ 1,224,411	$ 82,531	$ 21,000	$ 69,988	$ 26,064	$ 1,443,994
Disposals	-	-	-	-	(5,000)	(8,000)	(13,000)
As at November 30, 2014	20,000	1,224,411	82,531	21,000	64,988	18,064	1,430,994
Disposals	-	-	-	-	-	-	-
As at February 28, 2015	$ 20,000	$ 1,224,411	$ 82,531	$ 21,000	$ 64,988	$ 18,064	$ 1,430,994
Accumulated amortization							
As at November 30, 2013	$ -	$ 248,831	$ 31,143	$ 8,635	$ 64,205	$ 22,667	$ 375,481
Amortization	-	97,559	10,276	3,710	1,734	680	113,959
Disposals	-	-	-	-	(3,500)	(5,600)	(9,100)
As at November 30, 2014	-	346,390	41,419	12,345	62,439	17,747	480,340
Amortization	-	21,951	2,055	649	191	16	24,862
As at February 28, 2015	$ -	$ 368,341	$ 43,474	$ 12,994	$ 62,630	$ 17,763	$ 505,202
Net book value							
As at November 30, 2014	20,000	878,021	41,112	8,655	2,549	317	950,654
As at February 28, 2015	20,000	856,070	39,057	8,006	2,358	301	925,792

For the three months ended February 28, 2015, amortization of $24,655 (2014 - $27,886) was capitalized to exploration and evaluation assets and $207 (2014 - $604) expensed to operations.

5. EXPLORATION AND EVALUATION ASSETS

Cassiar Project, British Columbia

The Company, through its subsidiary Cassiar Gold Corp., owns 100% of the Cassiar mineral assets. The Cassiar project, located in northern British Columbia, Canada, comprises approximately 58,900 hectares of mineral rights. The Cassiar project's two major areas of exploration and development activities to date are the Table Mountain and the Taurus properties.

Table Mountain Property

Table Mountain is a past-producing underground gold mine. The property has a fully permitted gold mill and tailings management facility which are available for future ore processing. In 2012, the Company carried out a drilling program on the area named the Sky Vein prospect for possible gold-bearing veins. In 2013, a short surface exploration program was conducted on the southwest part of the property. The goal of the exploration work was to further explore gold and other types of mineralization potentials.

Taurus Property

The Taurus property contains the Taurus gold deposit, a large gold system, located about 8 kilometres from the Table Mountain milling facility. In 2012, a drilling program was conducted on the property. The program focused on tests for extensions of the Taurus deposit to the east and south of the known mineralization as well as on infilling the internal gaps within the Taurus deposit.

In July 2013, the Ministry of Aboriginal Relations and Reconciliation (the "Ministry") advised the Company that they had signed an Incremental Treaty Agreement (the "ITA") with Kaska Dena Council which provides transfer of two Crown land parcels that cover part of the Company's subsurface rights over five of its mineral tenures (226148, 226149, 510750, 514937 and 617143) to Kaska Dena First Nations. The ITA specifically excludes the subsurface rights and the transfer will provide ownership of the surface rights only. As a result, the Ministry indicated that the impact to the Company as a subsurface tenure holder will be having a new landlord for the land surface rights and the Company's claim will continue under its existing terms and conditions and be administered by British Columbia in accordance with the Provincial mineral tenure regime. Also, after the transfer date, access to and the conduct of mining activities on those portions of the claim located within the lands to be transferred to the Kaska Dena will continue with those rules which apply to claims located on privately owned lands.

During 2014, the Company contacted the Ministry expressing concerns over the transfer being processed without prior consultation with the Company and possible impact on Cassiar's exploration activities once the proposed transfer occurs. In November 2014, the Company met with the Ministry's representative to discuss the issue. In December 2014, the Ministry informed the Company that the transfer had been put on hold. In January 2015, the Company and its legal counsel met with the Ministry over the issue. The Ministry maintained its position on the proposed transfer. As a result, the Company is in the process of preparing a legal opinion on the likelihood of success through further negotiation or litigation. As of the date of this financial reporting, the transfer has not occurred and the likelihood and potential impact of the transfer is not determinable. As a result the Company has concluded that the potential transfer does not constitute an impairment indicator.

The Company's expenditures on its exploration and evaluation assets were as follows:

		Three months ended February 28, 2015		**Year ended November 30, 2014**
Balance, beginning of the period	$	18,834,105	$	18,764,216
Acquisition and maintenance of mineral claims		-		796
Exploration costs				
Amortization		24,655		111,545
Asset retirement (recovery) obligation		-		(75,947)
Environmental and permits		-		1,690
Consulting and professional		-		8,398
Share-based payments		-		(717)
Property tax, insurance and others		2,475		24,124
Costs incurred during the period		27,130		69,889
Balance, end of the period	$	18,861,235	$	18,834,105

Asset Retirement Obligation ("ARO")

The Company has future obligations in retiring its exploration and evaluation assets at the Cassiar Property including dismantling, remediation and treatment of the site. The exact nature and costs of the obligation are subject to change because of the ongoing changes of environmental requirements enacted by government agencies.
The Company prepares estimates of the timing and amount of expected cash flows when an ARO will be incurred. The net present value of the ARO is initially recognized as a long-term liability and is added to the exploration and evaluation assets; and it is subsequently re-measured at each reporting period.

A continuity of the asset retirement obligation relating to the exploration and evaluation assets is as follows:

		February 28, 2015		November 30, 2014	
Asset retirement obligation - beginning balance	$	1,275,890	$	1,313,150	
Change in estimates		-		(75,947)	*(1)*
Accretion expense		7,175		38,687	
Asset retirement obligation - ending balance	$	1,283,065	$	1,275,890	

(1) The Company revised its retirement obligation cost estimates after reassessing the expected timing of the abandonment of its properties including new inflationary data.

The total discounted cash flow estimated to settle the obligations as at February 28, 2015 was $1,339,971 which was adjusted for inflation at the rate of 2% and then discounted at a risk free rate of 2.41%. Certain minimum amounts of ARO will occur each year with the significant amounts expected to be incurred in 2016.

At February 28, 2015, the Company has $349,444 (2014 - $349,444) of reclamation bonds with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations. The reclamation bonds are interest-bearing at prime rate less 1.8%. $85,000 of the reclamation bonds will be maturing on February 13, 2016 and $264,444 on August 15, 2015. The reclamation bonds are automatically renewed upon maturity.

6. SHARE CAPITAL

Authorized - unlimited number of common shares without par value

Issued and outstanding – see Consolidated Statements of Changes in Equity

Stock option plan

The Company has a stock option plan whereby the maximum number of common shares reserved for issue shall not exceed 10% of the total number issued and outstanding common shares of the Company as at the grant date. At February 28, 2015, the maximum number of shares that may be reserved for issuance was 15,222,327. The term of option grants is from five to ten years. Options granted to investor relations consultants generally have one to two-year terms and are vested over a twelve-month period with 25% vested every three months from the date of grant.

Options granted to directors, officers, employees and consultants have a five-year term and a vesting period of eighteen months with one-third vested every six months from the date of grant.

Stock options

The continuity of the Company's stock options to February 28, 2015 is as follows:

	Number of options		Weighted average exercise price
Balance, December 1, 2013	5,159,600	$	0.19
Expired	(1,244,600)		(0.40)
Forfeited	(150,000)		(0.14)
Balance, November 30, 2014 and February 28, 2015	3,765,000	$	0.13

At February 28, 2015, the Company's outstanding stock options are as follows:

Number of Options Outstanding and Exercisable	Weighted Average Remaining Contractual Life (Yr)	Weighted Average Exercise Price	Expiry Date
1,655,000	1.11	0.16	April, 2016
500,000	1.41	0.12	July, 2016
1,610,000	2.29	0.10	June, 2017
3,765,000	1.65	0.13	

7. RELATED PARTY TRANSACTIONS

For the three months ended February 28, 2015, the Company was charged office rents of $11,620 (February 28, 2014 - $10,754) in regards to its Beijing subsidiary's office lease with Beijing Mansion No. 1 Real Estate Ltd. As of February 28, 2015, the Company had no outstanding amounts (2014 - $nil) owed to its related party.

Beijing Mansion No.1 Real Estate Ltd. is considered a party related by way of a director and shareholder in common. The related party expenses were recorded at the exchange amounts as determined and agreed to by the parties. Balances with related parties are non-interest bearing, unsecured and payable on demand.

Key management compensation

The Company's directors and officers are considered key management personnel and their compensation are as followings:

	Three months ended February 28,			
		2015		2014
Remuneration and short-term benefits	$	87,263	$	87,263
Share-based payments		-		-
Total compensation	$	87,263	$	87,263

8. COMMITMENT

The Company has a commitment of $6,000 on its Vancouver office lease which will be expiring on August 31, 2015.

9. SEGMENTED INFORMATION

Operating segment

The Company has one operating segment, being the acquisition, exploration and evaluation of mineral properties.

Geographic segments

The Company has two geographic segments - Canada and China. Their assets, liabilities, expenses and other income are as follows:

	Three months ended February 28, 2015					
		Canada		China		Total
Current assets	$	565,663	$	23,834	$	589,497
Property, plant and equipment		925,792		-		925,792
Reclamation bonds		349,444		-		349,444
Exploration and evaluation assets		18,861,235		-		18,861,235
Total assets	$	20,702,134	$	23,834	$	20,725,968
Current liabilities	$	43,920	$	1,436	$	45,356
Asset retirement obligation		1,283,065		-		1,283,065
Total liabilities	$	1,326,985	$	1,436	$	1,328,421
Expenses	$	(159,369)	$	(18,730)	$	(178,099)
Other income		8,201		20		8,221
Cumulative translation adjustments		-	$	2,266		2,266
Loss and comprehensive loss for the period	$	(151,168)	$	(16,444)	$	(167,612)

	Three months ended February 28, 2014					
		Canada		China		Total
Current assets	$	1,256,009	$	96,959	$	1,352,968
Property, plant and equipment		1,040,023		-		1,040,023
Reclamation bonds		349,444		-		349,444
Exploration and evaluation assets		18,798,556		-		18,798,556
Total assets	$	21,444,032	$	96,959	$	21,540,991
Current liabilities	$	88,153	$	4,187	$	92,340
Asset retirement obligation		1,313,879		-		1,313,879
Total liabilities	$	1,402,032	$	4,187	$	1,406,219
Expenses	$	(220,060)	$	(17,442)	$	(237,502)
Other income		79,247		3,235		82,482
Loss and comprehensive loss for the period	$	(140,813)	$	(14,207)	$	(155,020)

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, short term investments, other receivables, and accounts payable.

The fair values of the Company's cash and cash equivalent, short-term investments and other receivables approximate their carrying values, which are the amounts receivable on the consolidated statements of financial position date.

The fair values of the Company's accounts payable may be lower than their carrying values as a result of the Company's credit and liquidity risk.

Financial risk management

The Company is exposed to certain financial risks and the material ones are liquidity risk and credit risk. The Company's overall risk management is to maintain its ability to continue as a going concern.

Liquidity risk

Liquidity risk is the risk that the Company might not be able to meet its obligations and commitments as they come due. As of February 28, 2015, the Company has accumulated a deficit of $42 million and has no sources of revenue.

The Company manages its liquidity risk with an annual budget to identify the timeline and amounts of its financial requirements. By monitoring the monthly actual expenditures against the budget, the Company ensures it has the control and flexibility to meet its operating obligations. Based on the 2015 budget authorized by the Board of Directors, the Company has sufficient cash reserves to meet its 2015 operational obligations. The Company continues to source funding for its exploration activities through equity/debt financings and/or joint venture partners. As at February 28, 2015, the Company had cash resources of $490,000 to settle current liabilities of $46,000.

Credit risk

Credit risk arises from cash and cash equivalents and short-term investments held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash and cash equivalents, including guaranteed investment certificates, are held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash and receivables on its consolidated statement of financial position.

11. CAPITAL RISK MANAGEMENT

The Company's capital management objectives are to ensure its ability to continue as a going concern to meet its obligations in general operations and to maintain capital access for funding of its exploration activities at the Cassiar property.

The capital that the Company manages is the total of liabilities and equity on the consolidated statements of financial position. The Company may modify the capital structure to meet its funding needs by issuing new equity shares and/or debt instruments, disposing assets or bringing in joint venture partners. To facilitate the management of its capital, the Company prepares annual budgets approved by the Board of Directors. The budget is reviewed and updated periodically to account for changes in the expenditures and economic conditions.

China Minerals
MINING CORPORATION

(An Exploration Stage Entity)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended

February 28, 2015

Table of Contents

GENERAL

China Minerals Mining Corporation ("China Minerals" or the "Company") was incorporated in January 2006 under the laws of British Columbia, Canada as Hawthorne Resources Inc. and renamed as Hawthorn Gold Corp. in October 2006. In April 2011, the Company's name was further changed to China Minerals. China Minerals is listed on the TSX Venture Exchange under the symbol "CMV". The Company, an exploration stage entity, is in the business of acquisition, exploration and development of resource properties.

This Management's Discussion and Analysis ("MD&A") of the Company has been prepared on the basis of available information up to the date of this report, April 15, 2015 and should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended February 28, 2015 as well as the audited financial statements for the year ended November 30, 2014.

The financial information disclosed in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("ISAB"). All monetary amounts are expressed in Canadian dollars unless stated otherwise.

The Company's shares are listed on the TSX Venture Exchange under the symbol "CMV", and quoted on the Pink Sheets in the United States under the symbol "HWTHF". Additional information is available on SEDAR at www.sedar.com and on the Company's website at www.chinamineralsmning.com.

FORWARD-LOOKING STATEMENTS

Information and statements contained in this MD&A that are not historical facts are forward-looking information within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators that involve risks and uncertainties.

This MD&A contains forward-looking statements, such as estimates and statements regarding the Company's goals and future plans, including words to the effect that the Company expects a stated result or event to occur. These forward-looking statements are subject to known or unknown risks and uncertainties which could cause actual results or performance of the Company to differ materially from results implied by such forward-looking information. Factors that could cause the actual results to differ include commodity price fluctuations, market capital access, global economy and politics, government regulations, environmental restrictions, exploration results, mineral title disputes, limitation on insurance coverage and availability of consultants delivering timely services, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important factors that could affect the Company or may cause actual actions, events or results to differ, there may be other causing factors out of the Company's anticipation or estimation. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results otherwise. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company and its wholly owned subsidiaries, Cassiar Gold Corp. ("Cassiar") and North American Mining Consulting Ltd., are engaged in the exploration and development of mineral properties. The Company's main asset is the Cassiar Gold Project comprising the Table Mountain Property ("Table Mountain") and Taurus Property ("Taurus"), of which it owns 100% through its subsidiary, Cassiar.

The Company has conducted an extensive review of its mineral assets at Table Mountain and Taurus. The evaluation suggests that intensive exploration expenditures are required to prove up the asset potential and to further advance the projects. As such, an 8,200 metre exploration-focused drilling campaign was carried out during the summer of 2012. The completed drilling program comprised 43 drill holes at Taurus and 10 drill holes at Table Mountain.

At Taurus, the 2012 drill holes were designed to a) test for down dip and along strike extensions to high-grade intercepts indentified in the historic drill hole database, b) step-out into peripheral, open ares of the deposit and c) infill, internal gaps in the deposit. In general this program succeeded in demonstrating the presence of gold-bearing veins and structures well outside the known deposit area. Drill-testing adjacent to high-grade intertercepts, however, met with mixed success.

At Table Mountain, the 2012 drill holes tested the Sky Vein prospect – a little-drilled but significant east-west trending structure known to contain gold-bearing veins in a setting very similar to the past-producing vein deposits on the property.

Five of the ten drill holes encountered significant (> 10 m true width) veins below the Table Mountain thrust. However, assays are variable and inconclusive.

In 2013, the Company carried out a short surface exploration program on the southeast part of the Cassiar properties where geological mapping, prospecting and silt-sampling were conducted. A geologist and a crew of three technicians completed the short field program under the supervision of the Chief Geologist. A total of 150 silt samples and 83 soil samples were taken as well as 22 outcrop rock samples showing alteration and/or veining.

The purpose of the field exploration program was to search for more Table Mountain style gold vein systems on the 50 square kilometre Hunter-Pooley claims area. Some low grade veins are known to exist in the north western portion of the claims, but much of this area is under explored. The expenditure amounts on the program have been applied in April 2014 as exploration work assessment credits to extend the expiry dates of Cassiar's mineral claims.

In addition to a short surface exploration program in 2013, the Company also engaged Dale Sketchley, a specialist in gold resource evaluation with experience in the Cassiar Gold camp, to complete an in-depth evaluation of the Taurus gold deposit. His assessment report was to evaluate resource opportunity at Taurus and determine if further work could increase gold resources on the complex Taurus gold deposit.

EXPLORATION AND EVALUATION ASSETS

Darcy Baker, P.Geo., the Company's advisor and a Qualified Person as defined by National Instrument ("NI") 43-101, has reviewed and approved the technical information contained in this MD&A.

Cassiar Gold Project, British Columbia

The Cassiar Gold Project is located in northern British Columbia. It comprises approximately 58,900 hectares (including two placer claims) of which the Company has 100% interest, which comprise the Table Mountain and Taurus Properties in the Liard Mining Division. The area is easily accessible by an all-weather road along Highway 37, which runs through the center of the Cassiar properties, and by subsidiary roads which allow easy access to many parts of the projects. The area also can be accessed via fixed-wing aircraft flights to the Cassiar airstrip which lies immediately to the west of the Taurus Property near the old Cassiar town site. The Company owns an accommodation facility on Highway 37 in Jade City, British Columbia located between Table Mountain and Taurus that can accommodate up to 70 people. An office and core logging facility are located to the southwest of the camp area.

Approximately 425,000 ounces of gold have historically been produced from the Cassiar district, mainly from underground mines on the Company's current land holdings on the Table Mountain Property. Gold mineralization is of the orogenic (mesothermal) gold type, and has many similarities in mineralization style and geological controls to the Cariboo Gold district in British Columbia, the Mother Lode belt of California, and to gold deposits of the Abitibi Greenstone belt in Ontario. Mineralization occurs in mafic volcanic-hosted, steeply dipping quartz-sulphide-carbonate vein systems which splay off shear zones that are developed in stacked thrust fault surfaces localized along carbonate altered ultramafic rocks and carbonaceous sedimentary rocks.

In 2009, the Company entered into a Resource Funding Agreement with the First Nation Kaska Dena Council on behalf of the BC Kaska in connection with the continued exploration and development of the Cassiar Gold Camp. Under the Agreement, China Minerals has agreed to provide resource funding to the BC Kaska to contribute to the cost of negotiating a Traditional Knowledge Protocol (the "TK Agreement") and a Socio-Economic Participation Agreement (the "SEPA"). The TK Agreement will assist the parties in establishing the appropriate traditional knowledge protocols for the exploration and development of the Property. The SEPA would include environmental, cultural and socio-economic and business opportunities and benefits for members of the BC Kaska and their businesses.

In January 2012, the Company initiated a systematic compilation and evaluation of the data available for the Cassiar Gold Project. In spite of gaps in historic reporting, the Company amassed a coherent database comprising 2,418 drill hole collar locations (521 Taurus; 1,897 Table Mountain), 48,862 drill hole lithological intervals (15,486 Taurus; 33,376 Table Mountain) and 84,466 gold assay results (54,424 Taurus; 27,042 Table Mountain). Collectively, this database represents 259,814 m of drilling including 201,187 of surface and underground drilling at Table Mountain and 58,627 m of surface drilling at Taurus.

This database formed the basis for target evaluation and recommendation for the 2012 summer drilling program. Additionally, areas for historic core re-sampling and re-logging were identified.

Table Mountain Property

The Table Mountain Property is located south of Highway 37 within the southern portions of the Cassiar Gold Project and contains the Main (formerly Erickson), Bain, Cusac and Vollaug mines which are past producing underground high-grade gold mines. A permitted 270 tonne per day gravity/flotation mill, power plant, assay lab and tailings impoundment facility are located on the property, and were put under care and maintenance by previous owners in October 2007. 13 adits/portals, approximately 25 km of underground workings, and more than 23 km of surface access roads occur on the property.

Table Mountain contains several areas hosting NI 43-101 compliant resources supported by a technical report (the "Table Mountain Report") titled, "Technical Report on the Table Mountain Property, Liard Mining District, British Columbia" prepared by Clifford A. Pearson, P. Geo and Finley J. Bakker, P. Geo, which was filed on May 26, 2010 at www.sedar.com. In April 2015, the Company received a letter from British Columbia Securities Commission advising it that the above technical report has deficiencies as one of the authors, Finley J. Bakker, is not independent within the meaning of NI 43-101. The Company is currently remedying the deficiencies. Resources occur principally in the Bain and Cusac mine areas, and include an indicated resource of 21,471 tonnes at an average grade of 18.02 g/t Au (approximately 12,440 troy ounces of gold) and an additional inferred resource of 19,306 tonnes at an average grade of 31.76 g/t Au (approximately 19,714 troy ounces of gold) in the East Bain system. Additional resources occur in the Cusac mine, mainly in the Eileen vein system. A summary of resources on the Table Mountain property that are derived from the Table Mountain Report are summarized in the table below:

Category	Tonnes	Au uncut g/t	Au cut g/t	Density
Indicated Total	21,471	18.02	16.24	2.70
Inferred Total	65,757	24.30	20.12	2.70

A feasibility study has not been completed on the Table Mountain property and there is no certainty that economically viable mining is possible.

During the year ended November 30, 2012, ten exploration drill holes for 1,340 metres were completed at the Sky Vein prospect ("Sky Vein"). Sky Vein is hosted in a steeply-dipping fault / shear structure which splays from the shallowly dipping Table Mountain Thrust. The thrust structure separates overlying argillite sedimentary rocks from underlying basalt and locally the thrust contains strongly hydrothermally altered ultramafic rocks (listwanite). This is a similar geological setting to the veins exploited, for example, at the Main and Cusac mines. Sulphide-bearing quartz veins from 8.30 to 30.10 metres true width were encountered in five of the ten 2012 drill holes. Assay results were generally low from these quartz intersections, however, wallrock adjacent to this vein returned up to 1.91 g/t Au over 12.50 metres.

Taurus Property

The Taurus Property is located north of Highway 37 within the northern portions of the Cassiar Gold Project. The Property contains the Taurus Gold Deposit ("Taurus Deposit"), a large gold system which has been the focus of recent exploration on the project. The Taurus Deposit is located approximately eight kilometres from the company's milling facility, and is located along the main access road to the former town of Cassiar. It lies low in the valley in an area of subdued topography, allowing year round exploration and ease of access. The Taurus underground mine produced approximately 35,000 ounces of gold from eastern portions of the Taurus Deposit in the 1980s. The Taurus Deposit was explored by previous operators with the objective of evaluating the potential for both large tonnage open pit and high grade underground mines. Sable Resources Ltd. holds a 2.5% Net Smelter Return Royalty (NSR) on a group of ten claims (Mack 1 to 4, Hopeful 1 to 4, Hillside and Highgrade) on the Taurus Property which cover a portion of the Taurus Deposit.

The Taurus Deposit hosts an inferred resource of 1.06 million ounces of gold comprising of 33.1 million tonnes at an average capped grade of 0.99 g/t Au using a cut-off grade of 0.50 g/t Au. This resource is supported by the NI 43-101 technical report titled "Updated Resource Report on the Taurus Deposit – Liard Mining District, B.C." prepared by Thomas C. Stubens and Morinus Andre de Ruijter of Wardrop Engineering Inc. which was filed at www.sedar.com on March 11, 2009.

After a review of the Taurus database in early 2012, the Company developed a three dimensional model of the major planar fault and shear structures and identified several target areas. The Taurus deposit is open in many directions around the periphery of the deposit but also internal to the known deposit footprint. Additionally, several targets were identified to have potential for higher-grade mineralization.

Between June and August 2012, the Company completed 43 drill holes for 6,857 metres of drilling at Taurus utilizing a single, skid-mounted drill. These holes targeted open areas of the Taurus deposit and potential higher-grade zones. Concurrent with the drilling, geological crews re-logged 69 historic drill holes within and proximal to drill targets to better refine structural models.

Drill results announced in the Company's news releases dated September 18, October 2 and October 24, 2012 from Taurus include several holes designed to test open areas of the Taurus Deposit which intersected ankerite altered basalt with veins, associated sulphide mineralization and gold mineralization. Some of the highlighted results include:

- Holes TA12-16 and TA-19 intersected, respectively, 8.80 m at 5.05 g/t Au and 19.00 m at 2.13 g/t Au outside previous eastern boundary of Taurus deposit
- A high grade vein grading 8.77 g/t Au over 1.80 m in hole TA12-24 demonstrates that gold mineralization at the Sable Zone extends to the south-east
- Wide gold intersections of 23.00 m grading 3.83 g/t Au and 10.45 m grading 4.42 g/t Au in holes TA12-38 and TA12-40, respectively, show new opportunity in the 88 Hill / Highway Gap

In July 2013, the Ministry of Aboriginal Relations and Reconciliation (the "Ministry") advised the Company that they had signed an Incremental Treaty Agreement (the "ITA") with Kaska Dena Council which provides transfer of two Crown land parcels that cover part of the Company's subsurface rights over five of its mineral tenures (226148, 226149, 510750, 514937 and 617143) to Kaska Dena First Nations. The proposed transfer will provide ownership of the surface rights only. The Ministry indicated that the Company's claim will continue under its existing terms and conditions and be administered by British Columbia in accordance with the Provincial mineral tenure regime. In addition, after the transfer date, access to and the conduct of mining activities on those portions of the claim located within the lands to be transferred to the Kaska Dena will continue with those rules which apply to claims located on privately owned lands.

During 2014, the Company contacted the Ministry expressing concerns over the transfer being processed without prior consultation with the Company and possible impact on Cassiar's exploration activities once the proposed transfer occurs. In December 2014, the Ministry informed the Company that the transfer had been put on hold. In January 2015, the Company and its legal counsel met with the Ministry over the issue. The Ministry maintained its position in the proposed transfer. As a result, the Company is in the process of preparing a legal opinion on the likelihood of success through further negotiation or litigation. As of the date of this MD&A, the transfer has not occurred and the likelihood and potential impact of the transfer is not determinable. The Company has concluded that the potential transfer does not constitute an impairment indicator.

OUTLOOK

The Company has no current funding for exploration of its mineral projects. Management is monitoring the economic conditions of the mining industry and continues discussions with investors in the economic viability of extracting gold residues from the tailings pond of its formerly produced mine at Table Mountain property. For fiscal year 2015, the Company remains prudent on managing its cash reserves.

SUMMARY OF QUARTERLY RESULTS

The table presented below highlights the Company's unaudited quarterly results for the last eight quarters.

	2015	2014				2013		
	Feb 28	Nov 30	Aug 31	May 31	Feb 28	Nov 30	Aug 31	May 31
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net loss	(169,878)	(253,310)	(144,064)	(176,086)	(155,020)	(325,113)	(318,875)	(301,283)
Net loss per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

The Company has not yet generated revenue as it is at the exploration stage. The Company's expenditures have been reduced year-over-year, from 2013's quarterly average of $330,000 to 2014's quarterly average of $182,000.

REVIEW OF FINANCIAL RESULTS

(Rounded to the nearest thousand ('000))

Net Loss

For the three months ended February 28, 2015, the Company incurred a net loss of $170,000 as compared to $155,000 in the same period of 2014. Details of the Company's expenses and other income are described below.

Expenses

Expenses for the three months ended February 28, 2015 were $178,000 as compared to $238,000 in 2014. Excluding non-cash expenses for accretion, amortization and share-based payments, the (cash) expenses for the three months ended February 28, 2015 were $171,000 compared to $236,000, a reduction of $65,000.

Other Income (Expenses)

For the three months ended February 28, 2015 and 2014, other income was $8,000 and $82,000 respectively. Other income in 2014 included the rental income from subleasing the Company's Vancouver office and the provision of office administrative services to a sub-tenant. Both agreements had ended in 2014.

Exploration and Evaluation Assets Expenditures

The Company capitalizes expenditures incurred in connection with the acquisition and exploration of its mineral property interests. At February 28, 2015, the carrying value of the Company's mineral assets was $18,861,000 (2014 - $18,834,000). The Company has not planned any exploration activities for 2015. Continuity of the exploration and evaluation expenditures is disclosed in Note 5 to the condensed consolidated interim financial statements as at February 28, 2015.

LIQUIDITY AND CAPITAL RESOURCES

At February 28, 2015, the Company's cash and cash equivalents were $490,000 compared to $662,000 at November 30, 2014; and its short-term investments were $11,500 for both fiscal years of 2015 and 2014. The Company's working capital at February 28, 2015 was $544,000 (November 30, 2014 - $707,000).

To preserve its cash reserves, the Company continues reducing its operating expenses. For fiscal year 2015, management has budgeted $445,000 for its operations. As at February 28, 2015, the Company has $490,000 to meet its obligations for the next twelve months.

For the exploration and evaluation assets, the Company has no planned funds for the coming year's exploration activities. However, the Company is committed to the assets and will commence exploration programs as soon as funds become available and /or a joint venture partner is found. Management has been in continuous discussions since 2014 with an investor in exploring the economic viability of extracting gold residue in the tailings pond at the Table Mountain mine where historical production occurred.

Under operating activities, the Company used $172,000 of its cash for the three months ended February 28, 2015 compared with $195,000 for the same period in 2014.

In the investing activities, the Company incurred $2,000 on the exploration and evaluation asset for the first quarter of 2015 (2014 - $7,000). The expenditures were permits and maintenance costs for the properties.

The Company has no long-term debt obligations or off-balance sheet arrangements. However, the Company has commitments to the rentals of its offices in Vancouver, which are disclosed below under "Commitments".

The Company's exploration and evaluation assets are at the exploration stage and will not generate cash flow in near term; accordingly, the Company will depend on equity/debt financings to continue its exploration activities and general administrative requirements. There is no assurance that the Company could raise such financings and on reasonable economic terms.

COMMITMENTS

The Company has a commitment of $6,000 to an office lease in Vancouver expiring on August 31, 2015.

OUTSTANDING SHARE DATA

As at April 15, 2015, the date of this MD&A, the Company's issued and outstanding common shares were 189,873,268; its share purchase options granted to directors, employees and consultants were 3,765,000 with a weighted average exercise price at $0.13. For additional details on share capital, see Note 6 of the condensed consolidated interim financial statements for the three months ended February 28, 2015.

OFF BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions that have been approved by the board of directors.

SUBSEQUNET EVENTS

There are no events subsequent to February 28, 2015 that have not been included in this document.

RELATED PARTY TRANSACTIONS

For the three months ended February 28, 2015, the Company was charged office rents of $11,620 (February 28, 2014 - $10,754) in regards to its Beijing subsidiary's office lease with Beijing Mansion No. 1 Real Estate Ltd. As of February 28, 2015, the Company had no outstanding amounts (2014 - $nil) owed to its related party.

Beijing Mansion No.1 Real Estate Ltd. is considered a party related by way of a director and shareholder in common. The related party expenses were recorded at the exchange amounts as determined and agreed to by the parties. Balances with related parties are non-interest bearing, unsecured and payable on demand.

Key management compensation

The Company's directors and officers are considered key management personnel and their compensation comprises the following:

	Three months ended February 28,	
	2015	2014
Remuneration and short-term benefits	$ 87,263	$ 87,263
Share-based payments	-	-
Total compensation	$ 87,263	$ 87,263

FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's financial instruments comprise cash and cash equivalents, short-term investments, other receivables, and accounts payable. The fair values of the financial instruments referred above approximate their carrying value due to their short term maturity, except for accounts payable, for which the fair value may be lower than their carrying values as a result of the Company's credit and liquidity risk.

The Company is exposed to certain financial risks and the material ones are liquidity risk and credit risk. The Company's overall risk management is to maintain its ability to continue as a going concern.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations and commitments as they come due. As of February 28, 2015, the Company has accumulated a deficit of $42 million and no sources of revenue.

The Company manages its liquidity risk with an annual budget to identify the timeline and amounts of its financial requirements. By monitoring the monthly actual expenditures against the budget, the Company ensures it has the control and flexibility to meet its operating obligations. Based on the 2015 budget authorized by the Board of Directors, the Company has sufficient cash reserves to meet its 2015 operational obligations. The Company continues to source funding for its exploration activities through equity/debt financings and/or joint venture partners. As at February 28, 2015, the Company had cash resources of $490,000 to settle current liabilities of $46,000.

Credit risk

Credit risk arises from cash and cash equivalents and short-term investments held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash and cash equivalents and short-term investments are held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash and short-term investments on its consolidated financial statements.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make estimates and judgments that affect the reported amounts of the Company's financial position and operating results. Estimates are based on various assumptions such as expectations of future events that are believed to be reasonable under the circumstances.

The following is considered to be essential to the understanding of the estimates and judgments used in the preparation of these financial statements. Due to the uncertainties and volatile changes in the industry, actual results could differ from management's estimates which could impact significantly the Company's financial position, operational results and cash flows.

Exploration and evaluation ("E&E") assets and Impairment assessment

Impairment assessment on the E&E assets involves the application of management's judgments over a number of internal and external factors. External factors include future commodity prices, investors' sentiment and changes in environmental and mineral tenure regulations. Internal factors include technical data interpretation of the mineral resources estimates and the Company's exploration plans for the properties. As new data comes up and the economy and market continually change, the recoverable amounts of the assets and the impairment loss might be different from these judgments and estimates.

When impairment indicators are identified, an impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal.

CHANGES TO ACCOUNTING STANDARDS

The Company has adopted the following new standards and their consequential amendments effective January 1, 2013: *IFRS 10, 'Consolidated Financial Statements'*, *IFRS 11, 'Joint Arrangements', IFRS 12, 'Disclosure of Interest in Other Entities', IFRS 13, 'Fair Value Measurement';* and those effective January 1, 2014: *IAS 36, 'Impairment of Assets'*, and *IFRIC 21, 'Levies'* .

The adopted standards and amendments have not had any impact on the Company's consolidated financial statements.

Standards and amendments issued but not yet effective up to the date of authorization of these consolidated financial statements are as below:

IFRS 9 - Financial Instruments

IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement.* The IASB has deferred the original planned effective date of January 1, 2015 to January 1, 2018. IFRS 9 requires financial assets to be classified into two measurement categories: at fair value and at amortized cost. The classification is determined at initial recognition. The Company does not expect any impact from this standard on its financial position.

RISKS AND UNCERTAINTIES

Due to nature of the Company's business in mineral exploration and development, it is subject to various risks and uncertainties associated with the mining and extraction industry. If any of the following risks occur, the Company's going concern, operating results and financial position could be adversely impacted.

Exploration Risk

Mineral exploration activities are inherently risky. Few properties that are explored are eventually developed into producing mines. Exploration activities on the Company's Cassiar mineral properties have not yet resulted in discoveries of commercial mineralization to take the Company to the producing stage. If there are no further discoveries of mineral reserves, the Company may be forced to look for other exploration projects and abandon the existing properties.

Titles to Mineral Properties

The Company exercises due diligence with respect to determining titles to its mineral properties it has interests in and claims in good standing, however, there is no guarantee that titles to such properties will not be challenged or expropriated. In July 2013, the Ministry of Aboriginal Relations and Reconciliation ("the Ministry") advised the Company that it would be transferring two Crown land parcels to Kaska Dena First Nations. The proposed land transfer overlaps with the Company's five subsurface mineral tenures. In December 2014, the Ministry advised that it has put the transfer on hold. In January 2015, the Company and its legal counsel met with the Ministry over the issue. The Ministry indicated that once the surface lands are transferred, the Company's access to and conduct of mining activities on those five overlapping subsurface claims will be abiding with those rules applicable to claims located on privately owned lands. The two lands under the proposed transfer comprise 5.6 hecacres which accounts for 0.01% of the Company's total mineral claims of 59,231 hectares. If the transfer takes effect, the Company's title to mineral claims will be reduced by the above percentage.

Mineral Resources

The mineral resource figures disclosed in the MD&A are estimates only and the Company cannot be certain that specific quantities of gold or other minerals will be realized. These estimates are subject to the assumptions and judgments used in the geological interpretations. Any material changes in the mineralization, grade, metal prices and market conditions could have a serious adverse effect on the economic viabilities of the Company. Until the estimated deposits are mined and processed, the mineral resources and its grades remain estimates only.

Commodity Prices

The Company's future viability depends largely on the movement of the price of gold as the Company's mineral resources are primarily of gold. Gold prices have historically been volatile reacting to conditions beyond the Company's control, including international politics, economic crisis, global production, consumption pattern and speculative activities. These uncertainties and volatility could affect negatively the Company's ability to raise capital and its continual operation.

Global Economy and Share Price Volatility

The Company has no revenue from its operations and relies on the capital markets to raise equity financings for its exploration activities, operating expenses and business development. The surmounting debt in European Union and the slowdown of growth in China have resulted in reduced demand of base and precious metals and a general drop in the share prices of many companies in the mining industry. As a junior mineral explorer, the Company's share price has been unavoidably affected by such volatile market conditions, which may not be necessarily related to the financial condition and underlying assets of the Company. For the Company's ongoing working capital and exploration activities, it relies on the issuance of common shares. The Company's depressed share price will cast a doubt on its ability to raise future equity financing.

Government and Environmental Regulations

The Company's operations are subject to various regulations governing prospecting, permitting, mine safety, labour standards, explosive storage, reclamation, spills, tailings disposal and any other environmental issues. There is no guarantee that new rules and compliances will not be enacted or existing regulations will not be changed and applied in such a way that they may adversely impact the Company's operations. Environmental legislation has becoming more stringent and penalties are enforced for non-compliance. Compliance with existing and evolving regulations means increasing costs to the Company.

Competition

The Company is in competition with all of its mining counterparts which may have greater financial resources and expertise. It competes with them in the acquisition of quality mineral properties, recruitment of qualified technical and geological employees in addition to the attraction of investors and joint venture partners. All these competitions create uncertainties to the Company's ongoing operations.

Uninsured Hazards

The Company may be subject to liabilities on hazards such as unusual geological conditions during exploration and drilling which cannot be insured against or against which the Company may elect not to insure because of the high premium or for other reasons. Such liability may result in the loss of the Company assets and its insolvency.