



(An Exploration Stage Entity)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Nine Months Ended

August 31, 2017



Management's Discussion and Analysis For The Nine Months ended August 31, 2017

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 based on available information up to the date of this report, September 28, 2017 and should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended August 31, 2017 as well as the audited consolidated financial statements for the year ended November 30, 2016.

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.

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.

OVERVIEW

The Company and its wholly owned subsidiary, Cassiar Gold Corp. ("Cassiar Gold"), 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").

Legal Matter with the Minister of Forests, Lands and Natural Resource Operations, Minister of Aboriginal Relations and Reconciliation, Kaska Dena Council and 0995817 B.C. Ltd.

In April 2013, the Province of British Columbia (the "Province") and the Kaska Dena Council ("KD") entered into an agreement which they have characterized as an "Incremental Treaty Agreement" ("ITA"). Under the ITA the Province agreed to make certain crown grants to the KD once express conditions precedent were satisfied. The crown grants in question are referred to for convenience as the "Land Parcels" and overlap, in part, Cassiar's mineral claims 226148, 226149, 510750, 514937, and 617143. The Land Parcels were transferred by the Province to a KD owned corporation (0995817 B.C. Ltd.) in April 2015.

China Minerals and Cassiar (together, the "Company") filed a petition in January 2016 seeking judicial review of the decision of the Minister of Aboriginal Relations and Reconciliation (the "Ministry") to sign the ITA with the KD. The Company's claims included that the Ministry failed to consult with or provide notice to the Company in advance of signing the ITA notwithstanding the impact of the ITA on the mineral tenures of the Company through the grant of the Land Parcels to the KDC.

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The Company also claimed that the Minister of Forests, Lands and Natural Resource Operations violated their right to procedural fairness by failing to consult the Company before transferring the Land Parcels to the KD owned corporation pursuant to the ITA. The Company further alleged that the Minister of Forests, Lands and Natural Resource Operations failed to consider relevant factors in making his decision, failed to exercise independent judgment in transferring the lands, exceeded his jurisdiction and/or made an error of law by not considering the Company's mineral interests. The Company also made a number of claims regarding the Provincial respondents' failure to provide the Company with relevant information and the provision of misleading information to the Company.

The relief sought by the Company included declarations regarding the violation of the Company's right to procedural fairness, as well as relief with respect to the transfer of the Land Parcels at issue.

On July 12, 2016, the Ministry entered into a Land Transfer Agreement with the relevant KD owned corporation (the "Land Transfer Agreement"). The Land Transfer Agreement provided that the KD owned corporation would re-convey ownership of the Land Parcels to the Province within ten days of an amendment to the ITA.

The Company was not advised of this development by the Province or the respondent ministers, nor was it advised of any negotiations leading up to the execution of the Land Transfer Agreement.

On December 13, 2016, the Ministry entered into an amending agreement to the ITA with the KD Council (the "ITA Amendment") regarding the transfer of certain other parcels in fee simple to the KD Council and a payment of \$200,000 to the KD Council for entering into the amended ITA.

On December 15, 2016, counsel for the Provincial respondents wrote to the Company's counsel taking the position that the judicial review proceedings were now moot because the ITA had been amended and the Land Parcels would be transferred back to provincial Crown ownership.

On January 16, 2017, at the Court hearing, both parties presented their arguments on whether the judicial review was moot. On January 17, 2017, the Court rendered its decision that it would not hear the judicial review on the basis that the land parcels had now been transferred back to the Crown; as such the dispute over the third party rights became moot.

With the return of the Land Parcel to Crown ownership, and subject to available funding, the Company will be able to move forward with activities on its mineral properties.

Appointment of new directors and officers

In May 2017, the Company appointed Mr. Mao Sun as a member of the Board of Directors, Mr. Wilson (Wenhong) Jin as President, and Ms Andrea Yuan as Chief Financial Officer and corporate secretary.

Change of auditor

Effective May 23, 2017, PricewaterhouseCoopers LLP resigned as the Company's auditor. The Company appointed Davidson & Company LLP as the auditor for the fiscal year ended November 30, 2017.

Share consolidation

On July 25, 2015, the Company held its Annual General and Special Meeting of Shareholders, on which the shareholders approved of consolidating its issued and outstanding shares on the basis of up to one (1) new common share for every existing twenty-five (25) common shares, or on such other basis as the board of directors determines. On September 13, 2017, the 25:1 consolidation was in effect.

In these MD&A, reference to common shares and per share amounts has been retroactively restated.

EXPLORATION AND EVALUATION ASSETS

Since the acquisition of the Cassiar projects in 2008, the Company had conducted exploration programs on both Table Mountain and Taurus properties until 2013. Since 2014, the Company has not carried out any exploration activities except for maintaining the exploration permits.

The Company engaged Paul Cowley, P. Geo. to prepare a 43-101 technical report that is in compliance with regulatory request. The updated technical report on the Cassiar Gold Property was filed on SEDAR on September 14, 2017.

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Cassiar Gold Project, British Columbia

The Cassiar Gold Project is located in northern British Columbia. It comprises approximately 58,900 ha (including 217 mineral claims and 2 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 40 people. An office and core logging facility are located to the southwest of the camp area.

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. Thirteen adits/portals, approximately 25 km of underground workings, and more than 23 km of surface access roads occur on the property.

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.

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 relation to the economic viability of extracting gold residues from the tailings pond of its formerly producing mine at Table Mountain property.

QUARTERLY INFORMATION

	Three month period ended August 31, 2017	Three month period ended May 31, 2017	Three month period ended February 28, 2017	Three month period ended November 30, 2016
Total assets	\$ 7,906,348	\$ 8,020,944	\$ 8,092,071	\$ 8,149,694
Working capital (deficiency)	(267,099)	(175,922)	(102,442)	(75,095)
Shareholders' equity	5,854,581	5,966,471	6,062,010	6,123,819
Net loss and comprehensive loss	(111,890)	(95,539)	(61,809)	(104,542)
Loss per share	(0.01)	(0.01)	(0.00)	(0.01)

	Three month period ended August 31, 2016	Three month period ended May 31, 2016	Three month period ended February 29, 2016	Three month period ended November 30, 2015 ⁽¹⁾
Total assets	\$ 8,014,813	\$ 8,062,472	\$ 8,113,903	\$ 8,211,363
Working capital (deficiency)	(37,667)	29,555	84,323	144,498
Shareholders' equity	6,228,361	6,304,512	6,368,209	6,437,315
Net loss and comprehensive loss	(76,151)	(63,697)	(69,107)	(13,127,843)
Loss per share	(0.01)	(0.00)	(0.00)	(1.72)

(1) The Company wrote off \$12,186,775 of exploration and evaluation assets and \$286,990 of machine and equipment during the quarter ended November 30, 2015.

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REVIEW OF FINANCIAL RESULTS**Nine months ended August 31, 2017 vs six months ended August 31, 2016****Net Loss**

For the nine months ended August 31, 2017, the Company incurred net loss of \$269,238 as compared to \$208,955 for the same period in 2016.

Expenses

Expenses for the nine months ended August 31, 2017 were \$323,376 as compared to \$217,037 for the same period in 2016. The increased expenses in 2017 were results of the following:

- consulting fees of \$30,941 (2016 - \$Nil) incurred on preparation of reclamation reports and 43-101 report;
- the expensing of amortization of camp assets of \$37,994 (2016 - \$441) which were formerly capitalized;
- accrue of interest of \$15,700 (2016 - \$Nil) on the US\$200,000 loan from a director;
- accrue of management fee of \$32,000 (2016 - Nil) to the CEO and \$24,000 (2016 - \$Nil) to a company controlled by the CFO;
- Legal fee \$33,315 (2016 - \$16,902) increased due to AGM, change of auditor, share consolidation, and filings with regulators;
- Shareholder expenses \$17,207 (2016 - \$1,087) increased due to the AGM and share consolidation.

The salary and benefits paid to the former CFO, who resigned at the end of April, decreased to \$25,934 from \$74,532 of the comparative period.

The Company's other expenses are comparable for the nine months ended August 31, 2017 and the comparative nine-month period.

Other Income (Expenses)

Certain camp equipment was disposed during the first quarter of 2017 for a net gain of \$16,359 (2016 - \$5,100). During the nine months ended August 31, 2017, the Company wrote off over-accrual of 43-101 report fee of \$24,283. The Company also recorded an unrealized foreign exchange gain of \$11,271, mainly due to the effect of weaker US dollar on the Company's US\$200,000 loan.

Three months ended August 31, 2017 vs three months ended August 31, 2016**Net Loss**

For the three months ended May 31, 2017, the Company incurred net loss of \$111,890 as compared to \$76,151 for the same period in 2016.

Expenses

Expenses for the three months ended August 31, 2017 were \$149,077 as compared to \$83,175 for the same period in 2016. The increased expenses in 2017 were results of the following:

- consulting fees of \$15,917 (2016 - \$Nil) incurred on preparation of reclamation reports and 43-101 report;
- the expensing of amortization of camp assets of \$12,180 (2016 - \$146) which were formerly capitalized;
- accrue of interest of \$5,100 (2016 - \$Nil) on the US\$200,000 loan from a director;
- accrue of management fee of \$24,000 (2016 - Nil) to the CEO and \$18,000 (2016 - \$Nil) to a company controlled by the CFO;
- Legal fee \$22,116 (2016 - \$5,467) increased due to AGM, change of auditor, share consolidation, and filings with regulators;
- Shareholder expenses \$14,564 (2016 - \$393) increased due to the AGM and share consolidation.

The salary and benefits paid to the former CFO, who resigned at the end of April, decreased to \$Nil from \$24,975 of the comparative period.

The Company's other expenses are comparable for the three months ended August 31, 2017 and the comparative three-month period.



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Other Income (Expenses)

During the three months ended August 31, 2017, the Company wrote off over-accrual of 43-101 report fee of \$24,283. The Company also recorded an unrealized foreign exchange gain of \$11,271, mainly due to the effect of weaker US dollar on the Company's US\$200,000 loan.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company is in the exploration stage and no revenue has been generated to date. At August 31, 2017, the Company had cash of \$76,596 and a working capital deficiency of \$267,099, from cash of \$271,304 and working capital deficiency of \$75,095 at the beginning of the fiscal year.

In the past, operating capital and exploration requirements have been funded primarily from equity financing and the Company will need to arrange equity or other financing in the near future in order to continue in operation. 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 or that it can be obtained on terms satisfactory to the Company. The Company's current financial situation indicates material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

In the Company's 2017 budget, its operational requirements are projected at \$280,000. The Company will not have sufficient financial resources to meet its obligations for the next twelve months.

Cash Flows

Under operating activities, the Company used \$224,708 in the nine months ended August 31, 2017 as compared with \$203,972 in the nine months ended August 31, 2016.

In the investing activities, during the nine months ended August 31, 2017, the Company disposed of certain camp equipment for gross proceeds of \$30,000 (2016 - \$5,100). During the nine months ended August 31, 2016, the Company redeemed short-term investment of \$11,500 to fund its operations.

The Company has no long-term debt obligations other than asset retirement obligation.

SUBSEQUENT EVENTS

On July 25, 2015, the Company held its Annual General and Special Meeting of Shareholders, on which the shareholders approved of consolidating its issued and outstanding shares on the basis of up to one (1) new common share for every existing twenty-five (25) common shares, or on such other basis as the board of directors determines. On September 13, 2017, the 25:1 consolidation was in effect.

OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had 7,594,813 common shares issued and outstanding.

The Company has no outstanding stock options or warrants.

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions as at the date of this report.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Loan payable

In September 2016, the Company received a director's loan in the amount of US\$200,000 (\$269,544) bearing interest at 8% per annum and payable on September 21, 2017 (the "Maturity Date"). The Maturity Date can be extended for an additional term of one year to September 21, 2018. At August 31, 2017, interest of \$15,700 was accrued on the loan (November 30, 2016 - \$4,085).

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Key management compensation

The Company entered into the following transactions with related parties during the nine months ended August 31, 2017:

- a) Starting May 1, 2017, the Company pays a management fee of \$8,000 per month to the President of the Company. During the nine months ended August 31, 2017, the Company paid or accrued \$32,000 (2016 -\$Nil) to the company controlled by the President. As of August 31, 2017, \$32,000 (November 30, 2016 - \$Nil) payable to the company controlled by the President was included in accounts payable and accrued liabilities.
- b) Starting May 1, 2017, the Company pays a management fee of \$6,000 per month to the President of the Company. During the nine months ended August 31, 2017, the Company paid or accrued \$24,000 (2016 -\$Nil) to the company controlled by the CFO. As of August 31, 2017, \$25,200 (November 30, 2016 - \$Nil) payable to the company controlled by the CFO was included in accounts payable and accrued liabilities.
- c) During the nine months ended August 31, 2017, the Company paid \$25,934 (2016 - \$78,834) of salaries and benefits to the former CFO.
- d) Starting May 1, 2017, the Company pays a rent of \$500 per month to a company of which the President is a director. During the nine months ended August 31, 2017, the Company paid or accrued \$2,000 (2016 -\$Nil) to the company. As of August 31, 2017, \$1,000 (November 30, 2016 - \$Nil) payable to the company was included in accounts payable and accrued liabilities.
- e) During the nine months ended August 31, 2017, the Company paid or accrued \$1,500 (2016 -\$10,334) to directors of the Company.

Accounts payable to related parties do not bear interest, are unsecured and repayable on demand.

FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities, and loan payable to related party.

The fair values of the Company's cash and cash equivalents, receivables, accounts payable and accrued liabilities, and loan payable to related party approximate their carrying values, which are the amounts receivable on the consolidated statements of financial position date.

Financial risk management

The Company's objective in risk management is to maintain its ability to continue as a going concern. It is exposed to the following risks:

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 at August 31, 2017, the Company had cash of \$76,596, a working capital deficiency of \$267,099.

The Company manages liquidity risk with an annual budget to identify the timeline and amounts of its financial requirements. In September 2016, the Company received a director's loan of US\$200,000. Based on the Company's 2017 budget, the Company will require additional debt or equity financing to meet its obligations for the next twelve months.

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.

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SIGNICANT ACCOUNTING POLICIES, CRITICAL JUDGEMENTS AND ESTIMATES

Certain new accounting standards and interpretations have been published that are not mandatory for the August 31, 2017 reporting period. Those new standards have been assessed, but are not expected to have any impact on the Company's financial statements.

All of the Company's significant accounting policies and estimates are included in Note 3 of its condensed consolidated interim financial statements for the nine months ended August 31, 2017 and Notes 3 and 4 of its audited consolidated financial statements for the year ended November 30, 2016.

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 March 2015, the Ministry of Aboriginal Relations and Reconciliation ("the Ministry") advised the Company that it had transferred two Crown land parcels to Kaska Dena First Nation ("KDFN"). The transferred land parcels overlap with the Company's five subsurface mineral tenures. The Company still maintains titles to the mineral claims relating to the land parcels. In December 2016, the Ministry of Justice advised the Company that the land parcels would be returned to Crown ownership.

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 been historically volatile reacting to conditions beyond the Company's control, including international politics, economic crisis, global supply and demand and investors' sentiment. These uncertainties and volatility could affect negatively the Company's ability to raise capital for its exploration activities.

Global Economy and Financial Markets

The Company has no revenue from its operations and relies on the capital markets to raise equity financings for its operations. The ongoing civil war in Syria, instability in the Middle East, proliferate terrorist attacks in Europe and the increase of US interest rate have all adversely affected the global economy. The market uncertainty has led to the capital especially in natural resource sectors with uneconomically low commodity prices. This results in extreme challenges for exploration companies to seek funds from the financial markets.

Share Price Volatility

The slowdown growth in China since 2014 has resulted in reduced demand of base and precious metals and drastic drops in

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the share prices of many resource-based companies. 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 has casted doubt on its ability to raise 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 affect 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.