

CHAMPION MINERALS INC.
(formerly CHAMPION NATURAL HEALTH.COM INC.)

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MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED SEPTEMBER 30, 2006

The following discussion and analysis provides a review of current activities and a comparison of the performance and financial position of Champion Minerals Inc. (the "Company") for the six months ended September 30, 2006 and 2005. It should be read in conjunction with the financial statements and accompanying notes. The financial data in this document has been prepared in accordance with Canadian Generally Accepted Accounting Principles. Additional information relating to the Company is available on SEDAR at www.sedar.com. Comments in this document are prepared as of November 29, 2006.

Certain of the statements set forth in this MD&A, such as statements regarding planned activity and working capital, and the availability of capital resources to fund capital expenditures and working capital are forward-looking statements. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that expected results will be achieved. There are numerous risks and uncertainties that can affect the outcome and timing of events, including many factors beyond the control of the Company. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the Company's actual results and plans for 2007 could differ materially from those expressed in this document. All dollar amounts are stated in Canadian dollars unless otherwise indicated.

The Company

The Company is a reporting issuer in Ontario and Alberta and its shares are currently listed for trading on the Canadian Trading and Quotation System Inc.

Overall Performance

On September 13, 2006, the Company held its Annual and Special Shareholders Meeting (the "Meeting"), wherein the shareholders of the Company approved a conversion of each of the outstanding multiple voting shares of the Company into a fixed number of subordinated voting shares, followed by a consolidation (the "Consolidation") of all outstanding shares of the Company on the basis of up to six old shares of the Company for one new common share of the Company ("Post Consolidated Shares), with the actual Consolidation ratio to be determined by the board of directors of the Company following the Meeting. Shareholders also approved a change in the name of the Company to Champion Metals Inc., or such other name as may be approved by the board of directors of the Company and applicable regulatory authorities.

Subsequent to the Meeting, on October 13, 2006, the Company announced that the board of directors had effected the completion of the consolidation of all outstanding shares of the Company on the basis of six old shares for one new common share. The conversion and share exchange of the Company's multiple voting shares was also completed on the basis of one hundred new common shares for each post-consolidated multiple voting share. The name change was also effected, with the new name being Champion Minerals Inc.

The Company has taken the decision to actively seek, identify and acquire mineral resource projects. As part of the Company's new business strategy, management has been actively engaged in negotiations with parties in connection with the acquisition of mineral resource based assets. The Company announced in its July 13, 2006 press release that it had entered into an option agreement (the "Option Agreement") with Copper Hill Resources Inc. ("Copper Hill") pursuant to which the Company has the option to acquire a 70% interest in a mineral exploration property, the Powderhorn Lake Project (the "Powderhorn Property"). The Powderhorn Property consists of a total of 115 claims covering an area of 29 square kilometers situated in the Buchans-Robert's Arm Belt, in Central Newfoundland, Canada. It is approximately 40 km to the NE of, and on strike with, the renowned Buchans Mine VMS deposits which produced 16.2 million tonnes from 5 orebodies with average mill head grades of 14.5%Zn, 7.6%Pb, 1.3%Cu, 126 g/t Ag and 1.4 g/t Au (source: J.G. Thurlow, 1990).

Pursuant to the Option Agreement, the Company has the option to acquire a 70% interest in the Powderhorn Property by: i) paying \$50,000 to Copper Hill; ii) incurring exploration expenditures of \$1,000,000 on the Powderhorn Property on or before the third anniversary of the execution date of the Option Agreement in the following yearly increments: \$200,000 in year one, \$300,000 in year two, and \$500,000 in year three; and iii) issuing and delivering to Copper Hill 600,000 Post Consolidated Shares as follows: 100,000 shares upon completion of the Consolidation, 150,000 shares before the first anniversary of the Option Agreement, 250,000 shares before the second anniversary of the Option Agreement, and 100,000 shares before the third anniversary of the Option Agreement; or upon completion of exploration expenditures required pursuant to the Option Agreement, or promptly after an economic discovery as evidenced by a pre-feasibility study has been made on the Powderhorn Property.

The Powderhorn Property is currently encumbered with a 2.85% Net Smelter Royalty ("NSR"), owned by various parties, of which 1.85% can be purchased by the joint venture participants for \$2,300,000 to reduce the NSR to 1.0%.

VMS-style mineralization was discovered on the Powderhorn Property in 1999 along the shores of the Powderhorn Lake, and also along new logging roads which were opened up in the surrounding property. Surface sampling and shallow drilling conducted by Copper Hill and Billiton Resources Canada Inc. ("Billiton") in 1999 and 2001 (average 100m deep) outlined altered and mineralized felsic volcanics, outcropping over an area of 2 by 1 km. Mineralization consists of both exhalative, massive zinc-rich layers with grades up to 9% zinc in chip samples from surface float and feeder-type, copper and gold mineralization assaying up to 3.1% copper and 3.5 g/t Au over 0.5m at a depth of 36m in drill core from one of the holes drilled by Billiton (source: D.H.C. Wilton, March 25, 2002, Geological Report Powderhorn Lake Property). Mineralization is open in all directions.

Future exploration work will be aimed at locating the centre of the stockwork copper-gold mineralization emplaced in the pile of felsic volcanics and massive sulphide lenses hosted by the overlying mineralized black shales.

The completion of the Option Agreement is subject to the receipt of all necessary regulatory approvals. However, the Company's ability to continue as a going concern is dependent upon securing financing arrangements to acquire mineral resource properties and meet its obligations as they fall due.

On July 13, 2006, the Company announced that it intends to proceed with a private placement (the "Private Placement"). The Company intends to use the proceeds from the Private Placement as general working capital and to complete the initial phase of its initial ongoing exploration program on the Powderhorn Property. The Company may also issue common shares at the same price and terms as set in the Private Placement to settle outstanding debts of up to \$200,000. The Company is currently proceeding with equity financings for gross proceeds of up to \$300,000.

Results of Operations

The Company's loss for the six months ended September 30, 2006 was \$84,722 [2005 - \$44,630]. The increase in the loss compared to the previous year is primarily attributable to an increase in professional fees in connection with the Company implementing a new business strategy [see Overall Performance section above].

Summary of Quarterly Results

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
<u>2007</u>				
Revenue	Nil	Nil		
Net loss	(24,371)	(60,351)		
Net loss per share, basic and diluted	(0.00)	(0.00)		
<u>2006</u>				
Revenue	Nil	Nil	Nil	Nil
Net loss	(17,926)	(26,434)	(13,795)	(19,279)
Net loss per share, basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)
<u>2005</u>				
Revenue	Nil	Nil	Nil	Nil
Net loss	(42,353)	(53,601)	(369,789)	(47,209)
Net loss per share, basic and diluted	(0.01)	(0.01)	(0.04)	(0.01)

Financial Condition, Liquidity and Capital Resources

At September 30, 2006 the Company had a working capital deficit of \$177,439 (March 31, 2006 - \$92,717). The Company has to rely on the capital markets to raise capital via equity and/or debt financing or raise capital internally. In recognition of these conditions, the Company is actively working in its continuing efforts to establish a new business strategy. The Company has taken the decision to actively seek, identify and acquire mineral resource projects. However, the Company's ability to continue as a going concern is dependent upon securing financing arrangements to acquire mineral resource properties and meet its obligations as they fall due.

On July 13, 2006 the Company announced that it intends to proceed with a private placement (the "Private Placement"). The Company intends to use the proceeds from the Private Placement as general working capital and to complete the initial phase of the exploration program on the Powderhorn Property (see Overall Performance section above). The Corporation may also issue common shares at the same price and terms as set in the Private Placement to settle outstanding debts of the Company up to \$200,000. The Company is currently proceeding with equity financings for gross proceeds of up to \$300,000.

Related Party Transactions

The Company was advanced \$50,453 by a corporation controlled by an officer and director of the Company for the six months ended September 30, 2006. Loan payable of \$127,753 is due to company controlled by an officer and director of the Company.

Proposed Transactions

The Company is continuing its efforts to establish a new business strategy, and the Company has taken the decision to actively seek, identify and acquire mineral resource projects. As part of the Company's new business strategy, the Company entered into an option agreement with Copper Hill Resources Inc. pursuant to which the Company has the option to acquire a 70% interest in a mineral exploration property, the Powderhorn Lake Project (see Overall Performance section above).

The Company is currently proceeding with Private Placement financings for gross proceeds of up to \$300,000. The Company may also issue common shares at the same price and terms as set in the Private Placement to settle outstanding debts of the Company up to \$200,000

Controls and Procedures

The Chief Executive Officer and Chief Financial Officer have evaluated the Company's disclosure controls and disclosures as at September 30, 2006 and have concluded that such controls and procedures are effective.

Changes in Accounting Policies including Initial Adoption

There were no changes in accounting policies during the period.

Risk Factors

The Company is continuing its efforts to establish a new business strategy, and the Company has taken the decision to actively seek, identify and acquire mineral resource projects (see Overall Performance above).

Management is of the opinion that suitable business opportunities will be identified and that financing will be obtained for those business opportunities. In addition to these risks, the Company's financial performance may be affected, favourably or adversely, by other external factors as described below.

Financing

The Company requires equity financing for those suitable business opportunities identified. There is no assurance that such additional financing will be available when required or, if available, that it could be obtained on favourable terms.

Bank Debt and Long Term Debt

The Company currently has no bank debt or long term debt.

Shares Outstanding at September 30, 2006

9,158,303 subordinate voting shares
217,758 multiple voting shares

No shares were issued during the three months ended September 30, 2006. Subsequent to September 30, 2006, the Company completed the consolidation of all outstanding shares of the Company on the basis of six old shares for one new common share. The conversion and share exchange of the Company's multiple voting shares was also completed on the basis of one hundred new common shares for each post-consolidated multiple voting share.

On November 22, 2006, the Company issued 100,000 common shares in connection with the Option Agreement with Copper Hill Resources Inc. (see Overall Performance section above).

Shares Outstanding at November 29, 2006

5,255,667 common shares.