Unaudited Interim Consolidated Financial Statements

For the Three and Six Months Ended April 30, 2019 and April 30, 2018

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, “Continuous Disclosure Obligations”, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

The Company’s independent auditors have not performed a review of these unaudited interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditors.

COPPER FOX METALS INC.
Interim Consolidated Statements of Financial Position *(Unaudited)*
As at April 30, 2019 and October 31, 2018
(Expressed in Canadian Dollars)

	April 30, 2019	October 31, 2018
Assets		
Current Assets		
Cash	**$ 1,297,843**	$ 938,311
Amounts receivable	**46,501**	18,430
Total Current Assets	**1,344,344**	956,741
Non-Current Assets		
Deposits	**12,086**	223,809
Investments (Note 4)	**115,145**	112,233
Investment in associate (Note 4)	**801,509**	-
Exploration & evaluation assets (Note 5)	**74,537,571**	80,733,217
Property and equipment (Note 6)	**69,816**	84,893
Total Assets	**$ 76,880,471**	$ 82,110,893
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 87,985**	$ 233,661
Flow-through premium liabilities	**-**	43,484
Total Current Liabilities	**87,985**	277,145
Non-Current Liabilities		
Decommissioning liability (Note 7)	**180,472**	419,665
Deferred tax liabilities	**1,659,415**	1,659,415
Total Liabilities	**1,927,872**	2,356,225
Shareholders' Equity		
Share capital (Note 8)	**78,842,437**	77,613,179
Share purchase warrants (Note 8)	**1,360,611**	1,238,412
Accumulated other comprehensive income	**2,163,328**	2,113,893
Contributed surplus	**15,823,771**	15,823,771
Deficit	**(23,237,548)**	(21,183,754)
Total Shareholders' Equity of Parent	**74,952,599**	75,605,501
Non-controlling interest (Note 9)	**-**	4,149,167
Total Shareholders' Equity	**74,952,599**	79,754,668
Total Liabilities and Shareholders' Equity	**$ 76,880,471**	$ 82,110,893
Reporting entity and nature of operations (Note 1)		
Commitments (Note 11)		

Approved on behalf of the Board of Directors on June 27, 2019:

"J. Michael Smith" "Elmer B. Stewart"

J. Michael Smith, Director Elmer B. Stewart, Director

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Loss and Comprehensive Loss *(Unaudited)*

Three and Six Months Ended April 30, 2019 and April 30, 2018

(Expressed in Canadian Dollars)

	Three Months Ended		Six Months Ended	
	April 30, 2019	April 30, 2018	**April 30, 2019**	April 30, 2018
Expenses				
Administration	**$ 214,920**	$ 492,393	**$ 426,742**	$ 738,272
Depreciation, amortization and accretion	**5,876**	6,337	**11,684**	11,630
Impairment of mineral property (Note 5)	**5,536,746**	-	**5,536,746**	-
Professional fees	**19,848**	64,242	**27,989**	18,740
Interest and other income	**(801,509)**	(21,058)	**(834,572)**	(62,960)
Net Loss	**$ 4,975,881**	$ 541,914	**$ 5,168,589**	$ 705,682
Other Comprehensive (Gain)/Loss				
Foreign currency translation (gain)/loss	**(241,498)**	(589,682)	**(257,998)**	58,318
Comprehensive (Gain)/Loss	**$ 4,734,383**	$ (47,768)	**$ 4,910,591**	$ 764,000
Net Loss Attributable to:				
Common shareholders	**$ 1,614,013**	$ 392,484	**$ 1,775,674**	$ 514,155
Non-controlling interest	**3,361,868**	149,430	**3,392,915**	191,527
Attributable Net Loss	**$ 4,975,881**	$ 541,914	**$ 5,168,589**	$ 705,682
Total Comprehensive (Gain)/Loss Attributable to:				
Common shareholders	**$ 1,372,515**	$ (197,198)	**$ 1,517,676**	$ 572,473
Non-controlling interest	**3,361,868**	149,430	**3,392,915**	191,527
Attributable Comprehensive (Gain)/Loss	**$ 4,734,383**	$ (47,768)	**$ 4,910,591**	$ 764,000
(Gain)/Loss per share, basic and diluted	**$ 0.01**	$ (0.00)	**$ 0.01**	$ 0.00
Weighted average number of shares	**449,203,239**	436,980,160	**449,089,851**	436,980,160

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Changes in Equity *(Unaudited)*

Six Months Ended April 30, 2019 and Year Ended October 31, 2018

(Expressed in Canadian Dollars)

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholders' Equity of Parent	Non-Controlling Interest	Total Shareholders' Equity
Balance as at October 31, 2018	$ 77,613,179	$ 1,238,412	$ 2,113,893	$ 15,823,771	$ (21,183,754)	**$ 75,605,501**	$ 4,149,167	$ 79,754,668
Shares issued for cash	1,337,057	-	-	-	-	**1,337,057**	-	1,337,057
Warrants granted	(122,199)	122,199	-	-	-	**-**	-	-
Warrants exercised	14,400	-	-	-	-	**14,400**	-	14,400
Currency translation adjustment	-	-	49,435	-	284,741	**334,176**	-	334,176
Deconsolidation of NCI	-	-	-	-	(1,364,370)	**(1,364,370)**	(756,252)	(2,120,622)
Gain on loss of control of subsidiary	-	-	-	-	801,509	**801,509**	-	801,509
Net loss for the period	-	-	-	-	(1,775,674)	**(1,775,674)**	(3,392,915)	(5,168,589)
Balance as at April 30, 2019	**$ 78,842,437**	**$ 1,360,611**	**$ 2,163,328**	**$ 15,823,771**	**$ (23,237,548)**	**$ 74,952,599**	**$ -**	**$ 74,952,599**

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Changes in Equity *(Unaudited)*

Six Months Ended April 30, 2019 and Year Ended October 31, 2018

(Expressed in Canadian Dollars)

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholders' Equity of Parent	Non-Controlling Interest	Total Shareholders' Equity
Balance as at October 31, 2017	$ 76,583,300	$ 1,095,212	$ 1,905,035	$ 15,823,771	$ (20,065,134)	**$ 75,342,184**	$ 2,053,875	$ 77,396,059
Shares issued for cash	1,173,079	-	-	-	-	**1,173,079**	-	1,173,079
Warrants granted	(143,200)	143,200	-	-	-	**-**	-	-
Currency translation adjustment	-	-	208,858	-	-	**208,858**	-	208,858
Dilution of District	-	-	-	-	(155,506)	**(155,506)**	2,500,306	2,344,800
Net loss for the year	-	-	-	-	(963,114)	**(963,114)**	(405,014)	(1,368,128)
Balance as at October 31, 2018	**$ 77,613,179**	**$ 1,238,412**	**$ 2,113,893**	**$ 15,823,771**	**$ (21,183,754)**	**$ 75,605,501**	**$4,149,167**	**$ 79,754,668**

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Cash Flows *(Unaudited)*

Six Months Ended April 30, 2019 and April 30, 2018

(Expressed in Canadian Dollars)

	Six Months Ended	
	April 30, 2019	April 30, 2018
Operations		
Net loss	**$ (5,168,589)**	$ (705,682)
Items not affecting cash		
Depreciation, amortization and accretion	**11,684**	11,630
Flow-through premium income	**(32,679)**	-
Gain on loss of control of subsidiary	**(830,392)**	-
Impairment of mineral property	**5,536,746**	-
Loss on investment in associate	**28,883**	-
Changes in non-cash working capital		
Accounts payable	**27,241**	(3,154)
Accounts receivable	**3,576**	243,025
Cash Used in Operating Activities	**(423,530)**	(454,181)
Investing		
Net proceeds from sale of investments	**-**	30,557
Mineral property expenditures	**(240,917)**	(231,792)
Reclamation deposit	**-**	(32,000)
Cash Used in Investing Activities	**(240,917)**	(233,235)
Financing		
Net proceeds from issuance of shares – Copper Fox	**1,337,057**	-
Net proceeds from exercising of warrants – Copper Fox	**14,400**	-
Net proceeds from issuance of shares – District Copper	**-**	1,396,844
Cash Provided by Financing Activities	**1,351,457**	1,396,844
Increase in cash during the period	**687,010**	709,428
Translation effect of foreign currency	**45,956**	(3,444)
Cash, beginning of year	**564,877**	286,195
Cash, End of Period	**$ 1,297,843**	$ 992,179

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

1. Reporting Entity and Nature of Operations

Copper Fox Metals Inc. ("**Copper Fox**" or the "**Company"**) was incorporated on February 27, 2004 under the Business Corporations Act of Alberta. On July 14, 2010 the Company transferred its registration from Alberta and became incorporated under the Business Corporations Act of British Columbia. The Company is engaged in the exploration for and development of copper mineral properties in Canada and the United States. Copper Fox's shares trade on the TSX Venture Exchange ("**TSX.V**") under the trading symbol ("**CUU**"). To date, the Company has not earned any revenue from these operations and is considered to be in the exploration and evaluation stage.

The Company maintains its head office at 340 – 12 Avenue SW, Suite 650, Calgary, Alberta. These annual audited consolidated financial statements include the accounts of the Company and the accounts of its subsidiaries. Copper Fox's subsidiaries include:

- 100% ownership of Desert Fox Copper Inc.
    - 100% ownership of Desert Fox Minerals Co.
    - 100% ownership of Desert Fox Sombrero Butte Co.
    - 100% ownership of Desert Fox Van Dyke Co.

- 100% ownership of Northern Fox Copper Inc.
    - 24.43% ownership of District Copper Corp., which is equity accounted for (Note 4).

2. Basis of Presentation and Significant Accounting Policies

These interim unaudited consolidated financial statements have been prepared in accordance and in compliance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**").

These interim unaudited consolidated financial statements follow the same accounting policies and methods of computation as outlined in Note 2 of the Company's consolidated audited financial statements for the year ended October 31, 2018. These unaudited interim consolidated financial statements do not include all of the information required for reporting in the annual financial statements.

When a company losses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value. Copper Fox lost control over District Copper in Q2 2019 (Note 4).

These interim unaudited consolidated financial statements were approved for issue by the Board of Directors (**"Board"**) on June 27, 2019.

3. Standards Issued but Not Yet Effective

The IASB issued a new and revised accounting standard that is not yet effective.

IFRS 16 - Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees: leases of 'low-value' assets (i.e., personal computers); and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (i.e., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases. IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. The Company plans to continue to assess the potential effect of IFRS 16 on its consolidated financial statements.

4. Investments and Investment in Associate

Investments

As at April 30, 2019, Copper Fox had 83,200 Bell shares remaining, which were trading at $0.10 per share.

Copper Fox directly owns 29,342 shares of Liard Copper Mines Ltd. ("**Liard**"), a private company incorporated in British Columbia, which represents approximately 1.55% of the issued and outstanding shares of Liard. These shares were originally recorded at a cost value of $759,305 upon acquisition in two separate 2011 transactions.

During the year ended October 31, 2016, pursuant to a purchase of Liard shares by the Schaft Creek Joint Venture ("**SCJV**"), the Company determined that the value of the Liard shares purchased in 2011 were impaired by $652,480 and were subsequently written down to the Fair Market Value ("**FMV**") carrying cost of $106,825, which was referenced to a private sale of Liard shares in 2016 (Level 3). There were no similar transactions in 2017, 2018 or 2019, so the Company determined that the 2016 private sale is the best reference of the FMV of the Liard shares as of April 30, 2019.

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

Copper Fox indirectly owns an additional 21.35% of the Liard shares through its SCJV with Teck Resources Limited ("**Teck**"). As these Liard shares are held within a trust account that the Company does not control, the 21.35% ownership of Liard is not reflected in the table below.

Liard holds a 30% Net Proceeds Interest in the Schaft Creek project, subject to certain terms and conditions.

The FMV of all the investments are as follows:

Investments	Fair Market Value October 31, 2018	Fair Market Value April 30, 2019
Bell Copper Corp.	$ 5,408	**$ 8,320**
Liard Copper Mines Ltd.	106,825	**106,825**
Total	**$ 112,233**	**$ 115,145**

Investment in Associate

On February 8, 2019, District Copper issued 52,000,000 shares for the purchase of the Stony Lake property as well as a private placement, both of which Copper Fox did not participate in. Copper Fox's ownership percentage of District Copper was diluted from 39.51% to 24.43%, which lead to a loss of control and deconsolidation of District Copper from Copper Fox's financial statements. Copper Fox still retains significant influence over District, resulting in District Copper being recorded on Copper Fox's financial statements as an investment in associate.

The calculation for investment in associate is as follows:

Description	Amount
Carrying value of District's assets as at February 8, 2019	$ 3,399,125
Copper Fox's ownership percentage as at February 8, 2019	24.43%
Investment in Associate as at February 8, 2019	**$ 830,392**

Description	Amount
District's net loss from February 9 – April 30, 2019	$ 118,229
Copper Fox's ownership percentage as at April 30, 2019	24.43%
Loss on Investment in Associate From February 9 - April 30, 2019	**$ 28,883**

Description	Amount
Investment in associate as at February 8, 2019	$ 830,392
Loss on investment in associate from February 9 - April 30, 2019	(28,883)
Investment in Associate as at April 30, 2019	**$ 801,509**

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets

	Balance October 31, 2018	Additions	Balance April 30, 2019
Arizona Properties			
Van Dyke Project			
Acquisition of property rights	$ 2,585,093	$ -	$ 2,585,093
Technical analysis	5,820,955	142,289	5,963,244
Licenses and permits	56,029	-	56,029
Foreign exchange	1,534,765	201,925	1,736,690
Total Van Dyke Project	**9,996,842**	**344,214**	**10,341,056**
Sombrero Butte Project			
Acquisition of property rights	$ 899,279	$ -	$ 899,279
Technical analysis	802,238	5,113	807,351
Licenses and permits	64,466	-	64,466
Foreign exchange	300,022	47,994	348,016
Total Sombrero Butte Project	**2,066,005**	**53,107**	**2,119,112**
Mineral Mountain Project			
Technical analysis	$ 480,091	$ 81,977	$ 562,068
Foreign exchange	863	11,864	12,727
Total Mineral Mountain Project	**480,954**	**93,841**	**574,795**
Total Arizona Properties	**$ 12,543,801**	**$ 491,162**	**$ 13,034,962**
Schaft Creek Project			
Acquisition of property rights	$ 3,053,755	$ -	$ 3,053,755
Technical analysis	61,906,198	11,538	61,917,736
Licenses and permits	106,623	-	106,623
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek Project	**61,491,071**	**11,538**	**61,502,609**
Total Mineral Properties	**$ 74,034,871**	**$ 502,700**	**$ 74,537,571**

As of February 8, 2019, the Eaglehead property is no longer recorded in the exploration and evaluation table as a result of District Copper being deconsolidated from Copper Fox's financial statements.

	Balance October 31, 2017	Additions	Balance October 31, 2018
Arizona Properties			
Van Dyke Project			
Acquisition of property rights	$ 2,585,093	$ -	$ 2,585,093
Technical analysis	5,787,832	33,123	5,820,955
Licenses and permits	56,029	-	56,029
Foreign exchange	1,364,649	170,116	1,534,765
Total Van Dyke Project	**9,793,603**	**203,239**	**9,996,842**
Sombrero Butte Project			
Acquisition of property rights	$ 847,819	$ 51,460	$ 899,279
Technical analysis	716,988	32,898	749,886

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

Licenses and permits	116,818	-	116,818
Foreign exchange	263,323	36,699	300,022
Total Sombrero Butte Project	**1,944,948**	**121,057**	**2,066,005**
Mineral Mountain Project			
Technical analysis	$ 355,384	$ 124,706	$ 480,091
Foreign exchange	(7,901)	8,764	863
Total Mineral Mountain Project	**347,483**	**133,470**	**480,954**
Total Arizona Properties	**$ 12,086,034**	**$ 457,766**	**$ 12,543,801**
British Columbia Properties:			
Schaft Creek			
Acquisition of property rights	$ 3,053,755	$ -	$ 3,053,755
Technical analysis	61,884,978	21,220	61,906,198
Licenses and permits	106,623	-	106,623
Sub-Total Schaft Creek	65,045,356	21,220	65,066,576
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek	**61,469,851**	**21,220**	**61,491,071**
Eaglehead			
Property acquisition	-	639,000	639,000
Technical analysis	5,304,123	849,204	6,153,327
BC Mineral Exploration Tax Credit	(93,981)	-	(93,981)
Total Eaglehead	**5,210,142**	**1,488,204**	**6,698,346**
Total British Columbia Properties	**66,679,993**	**1,509,424**	**68,189,417**
Total Mineral Properties	**$ 78,766,027**	**$ 1,967,190**	**$ 80,733,217**

Schaft Creek Project

Copper Fox's primary asset is a 25% direct and indirect working interest in the Schaft Creek Joint Venture ("**SCJV**"). The SCJV holds two main assets: i) the Schaft Creek copper-gold-molybdenum-silver project located in northwestern British Columbia and ii) an 85.41% equity interest in the Liard Copper Mines Ltd. Liard holds a 30% Net Proceeds Interest in the Schaft Creek project subject to certain terms and conditions. Royal Gold holds a 3.5% Net Profits Interest in certain mineral claims.

Teck is the operator of the SCJV and is responsible for, in addition to other obligations, funding the first $60 million in pre-production expenditures at Schaft Creek. After the first $60 million has been funded by Teck, the costs will be split based on the ownership percentage. As of April 30, 2019, Teck has funded approximately $21 million towards the Schaft Creek project since mid-2013 (Note 11).

Van Dyke Project

In 2012, Copper Fox acquired 100% of Bell's interest in the Van Dyke copper project located in Miami, Arizona. Acquisition costs were $500,000 in cash to Bell, $1,499,400 (US $1,500,000) to the Vendors (owners of the Van Dyke project) and assumption of obligations in respect of the Van Dyke project, subject to certain amended terms and conditions. The Vendors retained a 2.5% Net Smelter Return ("**NSR**") production royalty from the Van Dyke deposit. As of April 30, 2019, Copper Fox has incurred $10,341,056 (US $7,732,881) in expenditures, which includes the acquisition and exploration costs as well as completion of the Preliminary Economic Assessment ("**PEA**").

Sombrero Butte Project

In 2012, Copper Fox acquired the rights, provided all option payments are made when due, to 100% of Bell's Sombrero Butte property located in the Bunker Hill Mining District, 44 miles northeast of Tucson, Arizona.

Acquisition costs were $500,000 in cash and an assumption of Bell's remaining option obligation on the property of $599,760 (US $600,000). In 2016, Copper Fox re-negotiated the continuing obligation on the property to a US $40,000 annual payment. As at April 30, 2019 the option obligation outstanding is US $120,000. Upon completion of these annual payments, Copper Fox will hold an undivided 100% interest in the Sombrero Butte property. As of April 30, 2019, Copper Fox has incurred $2,119,112 (US $1,578,059) in expenditures, which includes the acquisition and exploration costs.

Mineral Mountain Project

Mineral Mountain is located in the same structural trend that hosts the Globe-Miami, Resolution, Florence and Casa Grande copper deposits in Arizona and is 100% wholly owned by Copper Fox. The property is located between the Florence copper deposit and the Resolution copper deposit and is underlain by Precambrian age Pinal Schist, diabase and granite that has been intruded by Laramide age quartz monzonite and granodiorite.

As of April 30, 2019 the Company has incurred $574,795 (US $428,038) in expenditures over the life of the project, by completing a regional geochemical assessment, locating claims, annual filing fees, acquiring an Arizona exploration permit and funding exploration activities.

Impairment of Mineral Property - Eaglehead

District Copper determined there were indicators of potential impairment for its Eaglehead property, including that District had no near term plans to conduct further exploration on the property as well as the Company's decision to focus its efforts away from copper and towards gold exploration. The Company determined the Eaglehead property's recoverable amount based on the assets fair value less cost of disposal (**"FVLCD"**). Specifically, the Company looked at recent sales transactions of similar properties in Canada to estimate the FVLCD. The recoverable amount was estimated to be $1,215,000, resulting in an impairment of $10,950,834, of which $5,536,746 was recognized in Copper Fox's statements before District was deconsolidated on February 8, 2019.

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

6. Property and Equipment

	Cost	Accumulated Amortization	Net Book Value April 30, 2019	Net Book Value October 31, 2018
Asset retirement	$ 138,247	$ 119,093	**$ 19,154**	$ 30,306
Buildings	137,250	98,771	**38,479**	40,505
Computer equipment	82,544	78,374	**4,170**	4,906
Furniture & equipment	46,887	43,058	**3,829**	4,254
Heavy equipment	173,332	169,148	**4,184**	4,922
Total	**$ 578,260**	**$ 508,444**	**$ 69,816**	**$ 84,893**

	Cost	Accumulated Amortization	Net Book Value October 31, 2018	Net Book Value October 31, 2017
Asset retirement	$ 143,550	$ 113,244	**$ 30,306**	$ 47,239
Buildings	137,250	96,745	**40,505**	45,005
Computer equipment	82,544	77,638	**4,906**	7,008
Furniture & equipment	46,887	42,633	**4,254**	5,318
Heavy equipment	173,332	168,409	**4,922**	7,033
Total	**$ 583,563**	**$ 498,670**	**$ 84,893**	**$ 111,603**

Property and equipment are stated at cost which includes the acquisition price and any direct costs to bring the asset into productive use at its intended location.

7. Decommissioning Liability

The Company's decommissioning liability relates to its share of reclamation and closure costs for the Schaft Creek property. The total decommissioning liability is based on the Company's proportion of estimated future costs necessary to reclaim the property and facilities.

The Company estimated the net present value of its share of the decommissioning liability of Schaft Creek to be $180,473 as at April 30, 2019 (October 31, 2018 - $184,338) based on an undiscounted and inflated future liability of $187,779 (October 31, 2018 - $193,198).

The Company's estimated risk-free rate of 1.71% (October 31, 2018 – 2.41%) and inflation rate of 1.60% (October 31, 2018 – 1.60%) were used to calculate the present value of the decommissioning liabilities.

	Amount
Opening Balance, November 1, 2018	**$ 184,338**
Additions	
Accretion	1,437
Revisions	(5,303)
Balance, April 30, 2019	**$ 180,472**

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

	Copper Fox	District Copper	Amount
Opening Balance, November 1, 2017	**$ 188,252**	**$ 36,123**	**$ 224,375**
Additions			
Accretion – Copper Fox	2,633	-	**2,633**
Accretion – District Copper	-	92	**92**
Revisions – Copper Fox	(6,547)	-	**(6,547)**
Revisions – District Copper	-	199,112	**199,112**
Balance, October 31, 2018	**$ 184,338**	**$ 235,327**	**$ 419,665**

8. Share Capital

Authorized

Authorized share capital consists of an unlimited number of common shares and an unlimited number of first and second preferred shares, without par value, of which no preferred shares have been issued.

As of April 30, 2019, the issued and outstanding shares are as follows:

	Number of Shares	Amount
Opening Balance, November 1, 2018	448,980,160	**$ 77,613,179**
Additions		
February 25, 2019 warrants exercised	120,000	**14,400**
April 29, 2019 private placement, net	12,174,000	**1,337,056**
April 29, 2019 warrants granted	-	**(122,199)**
Balance, April 30, 2019	**461,274,160**	**$ 78,842,436**

	Number of Shares	Amount
Opening Balance, November 1, 2017	436,980,160	**$ 76,583,300**
Additions		
June 18, 2018 private placement, net	12,000,000	**1,173,079**
June 18, 2018 warrants granted	-	**(143,200)**
Balance, October 31, 2017	**448,980,160**	**$ 77,613,179**

During the six months ended April 30, 2019, the Company incurred the following shares issuances:

On April 29, 2019, the Company closed a non-brokered private placement, raising aggregate gross proceeds of $1,339,140 through the sale of 12,174,000 units at a price of $0.11 per unit. Each unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder to purchase one common share for an exercise price of $0.13 during the first 12 month period after the closing of the offering and $0.15 during the second 12 month period after the closing of the offering. In the event that the 20-day volume weighted average price of the common shares listed on the TSX Venture

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

Exchange is above $0.20, the expiry date of the warrants will be accelerated to a date that is 30 days after the first date such threshold is met. Shares issuance costs, in the form of legal fees, of $2,083 were paid in connection with this private placement.

During the year ended October 31, 2019, the Company incurred the following shares issuances:

On June 18, 2018, the Company closed a non-brokered private placement, raising aggregate gross proceeds of $1,200,000 through the sale of 12,000,000 units at a price of $0.10 per unit. Each unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder to purchase one common share for an exercise price of $0.12 during the first 12 month period after the closing of the offering and $0.15 during the second 12 month period after the closing of the offering. In the event that the 20-day volume weighted average price of the common shares listed on the TSX Venture Exchange is above $0.20, the expiry date of the warrants will be accelerated to a date that is 30 days after the first date such threshold is met.

Warrants

As of April 30, 2019, the warrants outstanding are as follows:

	Number of Warrants	Amount	
Opening Balance, November 1, 2018	25,919,665	$	**1,238,412**
Additions			
February 25, 2019 warrants exercised	(120,000)		-
April 29, 2019 warrants granted	6,087,000		**122,199**
Balance, April 30, 2019	**31,886,665**	**$**	**1,360,611**

The value of the April 29, 2019 warrants were calculated using Black Sholes with an exercise price of $0.13 in the first year and $0.15 in the second year, an expected life of two years, a volatility rate of 67.04% and a risk-free rate of 1.56%.

	Number of Warrants	Amount	
Opening Balance, November 1, 2017	19,919,665	$	**1,095,212**
Additions			
June 18, 2018 warrants granted	6,000,000		**143,200**
Balance, October 31, 2018	**25,919,665**	**$**	**1,238,412**

The value of the June 18, 2018 warrants were calculated using Black Sholes with an exercise price of $0.12 in the first year and $0.15 in the second year, an expected life of two years, a volatility rate of 64.42% and a risk-free rate of 1.87%.

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

The breakdown of the warrants outstanding is as follows:

Number of Warrants Outstanding	Warrant Exercise Price	Warrants Exercisable as of April 30, 2019	Warrant Expiry Date
10,753,000	$ 0.17	10,753,000	June 9 and 30, 2019
9,166,665	0.17	9,166,665	July 27, 2019
5,880,000	0.12 - 0.15	5,880,000	June 18, 2020
6,087,000	0.13 – 0.15	6,087,000	April 29, 2021
31,886,665		**31,886,665**	

Stock Option Plan

The number of shares reserved for issuance under the Company's stock option plan is limited to 10% of the number of shares which are issued and outstanding on the date of a particular grant of options.

Under the plan, the Board of Directors determines the term of a stock option, the vesting period of the options and the option exercise price, which shall not be less than the closing price of the Company's share on the TSX:V immediately preceding the date of grant. The Compensation Committee determines and makes recommendations to the Board as to the recipients, nature and size of the share-based compensation awards in compliance with applicable securities law, stock exchange and other regulatory requirements.

As of April 30, 2019, the Company had no options outstanding.

9. Non-Controlling Interest

As of April 30, 2019, Copper Fox beneficially owned and controlled 33,283,264 of the 136,241,618 issued and outstanding common shares of District Copper, representing a 24.43% ownership of District Copper. Due to the further dilution of ownership in District Copper that occurred in Q2 2019, Copper Fox does not control District Copper and as such, District Copper is no longer consolidated into Copper Fox's financial statements. As of April 30, 2019, non-controlling interest is no longer recorded on Copper Fox's financial statements.

District Copper's prior year summarized financial information is as follows:

	NCI Percentage
District Copper's Ownership Percentage as at October 31, 2018	**60.49%**

	District Copper Financials As at October 31, 2018
Net Loss	669,555
Total Loss Attributable to Non-Controlling Interest	**$ 405,014**
Comprehensive Loss	669,555
Total Comprehensive Loss Attributable to Non-Controlling Interest	**$ 405,014**

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

Current assets		385,840
Non-current assets		6,910,346
Current liabilities		(201,678)
Non-current liabilities		(235,327)
Net Assets		6,859,181
Net Assets Attributable to Non-Controlling Interest	**$**	**4,149,167**
Cash flows used in operating activities		(779,685)
Cash flows used in investing activities		(674.478)
Cash flows from financing activities		1,755,549
Net Increase in Cash	**$**	**301,386**

10. Related Party Transactions

Copper Fox

During the six months ended April 30, 2019, legal fees of $23,060 (April 30, 2018 - $8,547) were paid to Farris, Vaughan, Wills & Murphy LLP ("**Farris**"). As at April 30, 2019, included in accounts payable to Farris was $22,981 (October 31, 2018 - $2,087). One of the partners at Farris' is a member of Copper Fox's Board.

Key Management Compensation

The remuneration of the CEO, CFO, directors and those persons having authority and responsibility for planning, directing and controlling activities of the Company are as follows:

	April 30, 2019	April 30, 2018
Directors fees	**$ 2,000**	$ 9,000
Salaries and consulting fees	**159,750**	227,417
Total	**$ 161,750**	**$ 236,417**

11. Commitments

The Company has a commitment with respect to its office lease in Calgary as follows:

Year Ended	2019	2020	2021	2022	2023	2024
Amount	$ 58,093	$60,930	$60,930	$60,930	$62,953	$62,953

Sombrero Butte

The Company is also committed to pay the balance outstanding of three yearly option payments totalling $159,780 (US $120,000) under the Sombrero Butte acquisition agreement. The next payment of $53,260 (US $40,000) is due on October 15, 2019 (Note 5).

Schaft Creek Joint Venture

Teck holds a 75% interest and the Company holds a 25% interest in the SCJV, and Teck is the operator of the SCJV. Management of the SCJV is made up of two representatives from Teck and the Company with voting proportional to their equity interests.

Under the SCJV agreement, Teck is required to make three cash milestone payments to the Company: (i) $20 million upon entering into the agreement (received), (ii) $20 million upon a Production Decision approving mine construction, and (iii) $20 million upon completion of construction of mine facilities.

The SCJV agreement provides that Teck and the Company are each responsible for their pro-rata share of project costs in accordance with their interests, except that Teck is solely responsible for the first $60 million in pre-production costs. If pre-production costs exceed $60 million, the Company's pro rata share of such costs will be set off against the two remaining cash milestone payments (totaling $40 million) payable by Teck to the Company. If pre-production costs exhaust the two cash milestone payments, Teck will further assist the Company by providing loans, as necessary, without dilution to the Company's 25% joint venture interest.

Once a production decision has been made, Teck will make an irrevocable offer to the Company:

(i) to use all reasonable commercial efforts to arrange project equity and debt financing for at least 60% of project capital costs or such portion as Teck determines is commercially available on reasonable terms at the relevant time, and

(ii) to fund by way of loans to the Company, the Company's pro rata share of project capital costs not covered by project debt financing, if requested by the Company, without dilution to the Company's 25% joint venture interest.

The Company must notify Teck within 60 days after Teck's offer as to whether it accepts Teck's offer or whether it will arrange for its own financing (Note 5).

12. Financial Instruments

The Company's financial instruments consist of cash, amounts receivables, investments and accounts payables and accrued liabilities.

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

The Company's financial assets and liabilities are categorized as follows:

	As at April 30, 2019				
	Loans and Receivables	**Available For Sale**	**Other Financial Liabilities**	**Total Carrying Amount**	**Total Fair Value**
Financial Assets					
Cash	$ 1,297,843	$ -	$ -	**$ 1,297,843**	**$ 1,297,843**
Amounts receivables	46,501	-	-	**46,501**	**46,501**
Investments	-	115,145	-	**115,145**	**115,145**
Total Financial Assets	**$ 1,344,344**	**$ 115,145**	**$ -**	**$ 1,459,489**	**$ 1,459,489**
Financial Liabilities					
A/P and accrued liabilities	$ -	$ -	$ 87,985	**$ 87,985**	**$ 87,985**
Total Financial Liabilities	**$ -**	**$ -**	**$ 87,985**	**$ 87,985**	**$ 87,985**

	As at October 31, 2018				
	Loans and Receivables	**Available For Sale**	**Other Financial Liabilities**	**Total Carrying Amount**	**Total Fair Value**
Financial Assets					
Cash	$ 938,311	$ -	$ -	**$ 938,311**	**$ 938,311**
Amounts receivables	18,430	-	-	**18,430**	**18,430**
Investments	-	112,233	-	**112,233**	**112,233**
Total Financial Assets	**$ 956,741**	**$ 112,233**	**$ -**	**$ 1,068,974**	**$ 1,068,974**
Financial Liabilities					
A/P and accrued liabilities	$ -	$ -	$ 233,661	**$ 233,661**	**$ 233,661**
Total Financial Liabilities	**$ -**	**$ -**	**$ 233,661**	**$ 233,661**	**$ 233,661**

Determination of Fair Value

The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy, based on the amount of observable inputs used to value the instrument:

- *Level 1* – observable inputs such as quoted prices in active markets. The Company's common share ownership in Bell Resources is a Level 1 instrument (Note 4),
- *Level 2* – inputs, other than the quoted market prices in active markets, which are observable, either directly and or indirectly, and
- *Level 3* – unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The Company's direct investment in Liard, for all years carried at fair market value is a Level 3 instrument (Note 4).

The Company's activities expose it to a variety of financial risks, which arise as a result of its exploration, development, production and financing activities. These include:

- Credit risk
- Market risk
- Liquidity risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from partners and tax authorities. The maximum exposure to credit risk at April 30, 2019 is $46,501 (October 31, 2018 - $18,430).

Market Risk

Market risk is the risk that changes in market conditions, such as commodity prices, foreign exchange rates and interest rates will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the Company's return.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. During the six months ended April 30, 2019 the Company was involved with preliminary exploration activities in the United States. As such, the Company is exposed to fluctuations in the United States dollar exchange rates compared to Canadian dollar exchange rates. A 5% strengthening or weakening of the US dollar would have significant impact on the total assets and the net losses of the Company.

Due to its US activities, the Company has an exposure to foreign currency exchange rates. The carrying values of US dollar denominated monetary assets and liabilities are subject to foreign exchange risk.

As at April 30, 2019, the Company had $8,613 in US denominated cash balances.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As of April 30, 2019, the Company is exposed only on its cash balances.

Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices.

Commodity prices for minerals are impacted by the relationship between the Canadian dollar and United States dollar as well as the global economic events that dictate levels of supply and demand.

Three and Six Months Ended April 30, 2019 and April 30, 2018 (Expressed in Canadian Dollars)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's financial liabilities consist of accounts payable and accruals. Accounts payable consists of invoices payable to trade suppliers for office, field operating activities and capital expenditures. The Company processes invoices within a normal payment period of approximately 30 days.

Accounts payable have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash flow which is used to finance all operating and capital expenditures.

Capital Management

The Company's capital structure includes working capital and shareholders' equity. The Company is largely reliant on junior resource venture capital markets for additional financing requirements.

13. Geographic Segments

	Three Months Ended		Six Months Ended	
	April 30, 2019	April 30, 2018	**April 30, 2019**	April 30, 2018
Net Loss				
Canada	**$ 4,969,390**	$ 535,351	**$ 5,165,615**	$ 694,542
United States	**6,491**	6,563	**11,974**	11,140
Total	**$ 4,975,881**	$ 541,914	**$ 5,168,589**	$ 705,682

	April 30, 2019	October 31, 2018
Current Assets		
Canada	**$ 1,332,778**	$ 922,096
United States	**11,566**	34,645
Non-Current Assets		
Canada	**$ 62,089,861**	$ 68,210,336
United States	**13,446,266**	12,943,816
Total Assets	**$ 76,880,471**	$ 82,110,893

14. Subsequent Events

- On June 9, 2019, 1,250,000 warrants, with an exercise price of $0.17, expired.
- On June 12, 2019, 9,166,665 warrants, with an exercise price of $0.17, which were set to expire on July 27, 2019, were extended to July 27, 2020.
- On June 26, 2019, 9,503,000 warrants, with an exercise price of $0.17, which were set to expire on June 30, 2019, were extended to June 30, 2020.