



Management's Discussion and Analysis of Financial Condition and Results of Operations

Quarterly Highlights

For the Three and Nine Months Ended July 31, 2022

As of September 28, 2022

COPPER FOX METALS INC.

*Management's Discussion and Analysis of Financial Condition and Results of Operations
Quarterly Highlights*

For the Three and Nine Months Ended July 31, 2022 (Expressed in Canadian Dollars)

1. OVERVIEW AND INTRODUCTORY COMMENT

Copper Fox is a Canadian based resource company with a Tier 1 listing on the TSX Venture Exchange (“**TSX:V**”) under the trading symbol “CUU” and on the OTCQX® Best Market (“**OTCQX**”) under the symbol “CPFXF”. The Company is focused on the exploration and development of copper projects in North America. The Company maintains its head office at Suite 650, 340 – 12th Avenue SW, Calgary, Alberta, Canada.

Copper Fox recognizes environmental, social and governance (“**ESG**”) best practices as key components to responsible mineral exploration and development. The Company’s exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Copper Fox strives to earn its social license with local and Indigenous communities by meeting with stakeholders, regulators, and other concerned parties before, and during, exploration work to understand traditional and cultural issues important to these communities. Copper Fox’s approach is based on transparency, open communication, inclusivity, and respect, to better enable social and economic benefit for communities as well as value for investors.

Copper Fox has a pipeline of high-quality operated and non-operated exploration and advanced staged porphyry and in-situ copper recovery (“**ISCR**”) projects in proven mining districts in North America providing the Company with the ability to increase value through exploration and advanced stage development studies. Copper Fox’s primary assets are its 25% interest in the Schaft Creek Joint Venture (“**SCJV**”) with Teck Resources Limited (“**Teck**”) on the Schaft Creek copper-gold-molybdenum-silver project located in northwestern British Columbia and its 100% owned Van Dyke copper project located in Miami, Arizona.

Copper Fox’s wholly owned subsidiaries Desert Fox Copper Inc. (“**Desert Fox**”) and Northern Fox Copper Inc. (“**Northern Fox**”) were established to manage all future exploration and development activities, including equity interest acquired in other mineral projects within North America. Desert Fox holds the US assets of the Company and Northern Fox holds the Eaglehead project and the investment in District Copper Corp. Desert Fox’s wholly owned subsidiaries Desert Fox Minerals Co, Desert Fox Van Dyke Co, and Desert Fox Sombrero Butte Co, hold mineral tenures located in Pinal and Gila Counties, which are all located in the Laramide age porphyry copper belt in Arizona. Northern Fox holds the Eaglehead project located in northwestern British Columbia.

This management’s discussion and analysis (“**MD&A**”) should be read in conjunction with the Company’s unaudited interim condensed consolidated financial statements and the related notes for the three and nine months ended July 31, 2022, and the Company’s audited consolidated financial statements for the year ended October 31, 2021, and the related notes thereto.

Technical and corporate information contained in this MD&A has previously been disseminated by way of news releases and are filed on SEDAR at www.sedar.com and on the Company’s website at www.copperfoxmetals.com.

All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as of September 28, 2022, and was reviewed, approved, and authorized for issue by the Company’s Board of Directors on the aforementioned date.

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Qualified Person

Mr. Elmer B. Stewart, MSc. P. Geol., President, and CEO of the Company is the qualified person as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") who has reviewed and approved all technical and scientific disclosure contained in this MD&A regarding the Company's mineral properties. Mr. Stewart is not independent of the Company.

2. MAJOR QUARTERLY OPERATING MILESTONES

During the quarter, the planned 2022 programs on the Mineral Mountain and Sombrero Butte projects were completed. Field activities by the Schaft Creek Joint Venture on the Schaft Creek project and by Copper Fox on the Van Dyke and Eaglehead projects continued throughout the Quarter. At Schaft Creek, investigation of identified project enhancements outlined in the 2022 Schaft Creek program continued with the 5,000m metallurgical drilling program focused on the first five-year pit as well as other portions of the Liard, Paramount and West Breccia zones. The 2022 program is designed to confirm throughput assumptions, improve metal recoveries, and ensure a 'fit for purpose' process design flowsheet and associated equipment selection in addition to making additions to the project analytical data base. Collection of geotechnical data in key areas to improve the life of mine ("LOM") strip ratio to reduce operational costs and associated greenhouse gas emissions and further study of the currently envisaged construction timeline and offsite infrastructure costs to reduce initial development cost continued.

On Copper Fox operated projects; the budget and program to establish a project wide system of hydrogeological monitoring sites and advance the Van Dyke project to the Preliminary Feasibility stage was finalized. Commencement of the Phase I activities; estimated to cost in the order of US\$240,000, was contingent on a Biological Evaluation of the areas to be affected by the Phase I program. The Biological Evaluation indicated the absence of special status species and their habitat within the proposed Phase I activities areas.

The delay in receipt of the drilling permit and suspension of the proposed drilling program until mid-2023 on the Eaglehead project was disappointing. On the positive side, the 2022 program resulted in locating additional historical drill holes with unsampled intervals of porphyry style mineralization, a new area of copper mineralization southwest of the Bornite zone and identification of two additional target areas.

The airborne magnetic and radiometric surveys on the Mineral Mountain and Sombrero Butte projects have significantly upgraded the understanding of morphology and distribution of mineralization related to these porphyry systems. The results of these studies will be used to determine the next steps required to develop priority drilling targets on both projects.

During the next quarter, activities on the Schaft Creek project include completing the drilling program, receipt of analytical results and commencing the metallurgical program. Analytical results will be reported when received. At Van Dyke, the Phase I activities and additional stakeholder engagement within a 40-mile radius of the town of Miami are expected to commence, barring any unforeseen additional delays. At Eaglehead, activities include receipt of analytical results from the 2022 sampling program and further modelling to better inform the limits of the mineralized envelope in the Bornite and East zones in advance of a 2023 drilling program. Limited ground verification of the interpretation of

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the airborne results from the Mineral Mountain and Sombrero Butte projects are planned in the quarter.

Schaft Creek Joint Venture ("SCJV")

On November 5, 2021, the Company filed on SEDAR the NI 43-101 technical report which included the results of a Preliminary Economic Assessment for the Schaft Creek project.

On March 7, 2022, the Company announced the analytical results for the four-hole 2021 metallurgical drilling program from the Schaft Creek Project. The drilling intersected a broad range of metal grades representative of the metal grade range for the Schaft Creek deposit, as well as several, long, near surface intervals of higher-grade copper and gold mineralization. All four drill holes ended in mineralization above the cut-off grade used in the updated resource estimation completed in early 2021. The drilling program was suspended earlier than expected due to the onset of winter weather conditions.

On March 10, 2022, the Company announced the 2022 program and budget for the Schaft Creek project. The main components of the program include, a proposed 5,000m drilling program, updating the permitting timeline with the current project configuration, environmental and climatological studies, and engagement with the Tahltan Nation. The 2022 program is estimated to cost \$6.6 million.

On April 19, 2022, the Company announced that the SCJV was preparing for the planned 5,000m summer drill program, including completing geotechnical analysis and updating the structural geology interpretation to inform the 2022 and 2023 geotechnical program scope to identify opportunities to further decrease the life of mine strip ratio and strengthen base case overall pit slope design criteria; completing rock geochemistry analysis to confirm the scope of the 2022 field program; finalizing metallurgical test work contract to process samples from the 2021 and 2022 drilling program; refining the 2022 environmental baseline data collection activities to reflect the updated project configuration and current regulatory requirements; and strengthening the company's 2022 engagement plan with the Tahltan Nation.

On July 18, 2022, the Company provided an update of activities on the Schaft Creek project:

- Two diamond drill rigs were secured to complete the 2022 planned 5,000m drilling program (approximately 10 drill holes) where drilling had commenced.
- The drilling program focused on collecting samples to complement historical metallurgical test work within the West Breccia, Liard and Paramount mineralized zones.
- Field crews were on site completing camp facilities refurbishment and readying overall logistics for the drilling activities.
- The geotechnical data gap analysis had been completed and would inform the scope of the 2023 geotechnical drill program designed to identify opportunities to further decrease the life of mine (LOM) strip ratio and strengthen base case overall pit slope design criteria.
- Environmental baseline data collection activities were under way.

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Van Dyke Project

On November 29, 2021, the Company provided an update on its Van Dyke ISCR project. Montgomery & Associates completed an order of magnitude (plus/minus 30%) estimate of the timeline, costs and data/surveys required to complete the hydrogeological portion of the pre-application and formal permitting process for the Van Dyke project.

On April 7, 2022, the Company announced that it retained Ausenco Engineering USA South Inc. and Hemmera, a subsidiary of Ausenco Engineering Canada Inc. ("Ausenco"), to provide process and hydrogeological services for the Van Dyke project. Ausenco completed the review of all hydrogeological data compiled to the end February 2022 and is working toward finalizing its recommended 2022 hydrogeological work program and budget. The Company also advised that the introductory meetings with the Arizona Department of Environmental Quality ("ADEQ") and the Environmental Protection Agency ("EPA") have been concluded and that the data requirements and timeline leading to preparation of a formal application to obtain an underground injection control permit ("UIC") and aquifer protection permit ("APP") for Class III wells have been established.

On July 13, 2022, the Company provided 2022 plans to advance Van Dyke copper project including a two-phase program with the objective of establishing a broad network of hydrogeological monitoring and testing locations that would be used to collect hydrogeological and water quality data. The proposed hydrogeological field monitoring and testing program would help to support federal and state regulatory applications that will be needed to advance the project.

On September 8, 2022, the Company released the results of an early-stage biological evaluation (BE) of certain parts of the Van Dyke project, prepared by WestLand Engineering & Environmental Services, Tucson, Arizona. The objective of the BE was to determine if special status species or critical habitat occur within, or would be impacted by, project construction activities.

Highlights:

- Of the six Endangered Species Act-listed special status species evaluated, four species had no potential to occur, and two species were unlikely to occur.
- Of the two Bald and Golden Eagle Protection Act species evaluated, one had no potential to occur, and one had an unlikely potential to occur.
- None of the special status species evaluated had the potential to be adversely affected by the project. There was no designated critical habitat within the project area.
- Increases in noise and vibration levels from construction activities would be temporary and in keeping with existing noise effects.
- The potential effects of dust on wildlife and vegetation were not expected to be substantially different from current conditions within the project area.
- Disturbance related to construction activities would result in some minor loss of vegetation that may provide limited wildlife habitat.

Sombrero Butte Project

On February 9, 2022, the Company provided its 2022 exploration plan for the Sombrero Butte project. A combined high resolution airborne magnetic and radiometric survey over the property and mapping of a Laramide age stock located on the south end of the project was planned. The magnetic data can be used to locate interpreted potassic altered, late-stage felsic stocks and identification of low Th/K

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anomalies due to an increase in potassium concentration related to potassic alteration phase of a porphyry system. It is expected that this approach would more precisely locate and estimate the depth to the top of the porphyry system within the currently defined 3,000m long chargeability target. The budget for the Sombrero Butte project is \$35,000.

On June 29, 2022, the Company announced results of airborne geophysical survey on Sombrero Butte copper project. The airborne survey mapped the geophysical characteristics related to the distribution and concentrations of magnetic minerals and radioactive elements to provide a geophysical/geochemical framework to complement the lithology, structure and alteration data for the project. The principal task of the 3-D susceptibility modelling of the magnetic data was to identify new areas of potential copper and gold mineralization. The highlights of the survey and the 3-D modelling were as follows:

- Two K/Th (potassium/thorium) anomalies associated with a positive magnetic susceptibility body located in the footwall of an interpreted west-dipping normal fault system had been identified. These K/Th anomalies exhibited coincident:
 - N30W trending zones of copper (greater than 500 parts per million and molybdenum (greater than 20 parts per million) mineralization;
 - Mineralized breccia pipes;
 - Previously identified chargeability anomalies.
- The K/Th anomaly at the north end of the property crossed the property boundary to the north. On a regional scale, the geological features of the property hosting the Copper Creek porphyry copper deposit were interpreted to extend to the southeast onto the Sombrero Butte project.
- The survey identified several interpreted west-dipping interpreted normal faults underlying the central and eastern portion of the property. The centrally located normal fault appeared to be the main control on the location of the interpreted porphyry system.

Mineral Mountain Project

On February 9, 2022, the Company provided its 2022 exploration plan for the Mineral Mountain project. Geochemical vectoring and mineralogical associations suggest that the main part of the porphyry system lies at an undetermined depth below surface. A combined high resolution airborne magnetic and radiometric survey was planned. The magnetic data can be used to locate interpreted late-stage buried felsic stocks with associated potassic alteration halos and identification of low Th/K anomalies due to an increase in potassium concentration related to potassic alteration phase of the porphyry system. The combination of magnetic and radiometric data should more precisely locate and estimate the depth to the top of a porphyry system within a 2,900m by 1,300m chargeability anomaly. In addition to the airborne magnetic survey, a property wide deep penetrating Induced Polarization ("IP") survey, to better define the chargeability and resistivity signatures associated with any late-stage intrusive stocks identified by the magnetic vector inversion ("MVI") study, is planned. Completion of the IP survey will be decided after receipt of the results of the airborne survey. The estimated cost of the 2022 airborne survey is \$45,000. The budget increases to \$220,000 if the IP survey is completed.

On May 25, 2022, the Company released results of the high-resolution airborne magnetic and radiometric survey on the Mineral Mountain project. The airborne data maps the geophysical characteristics related to the distribution and concentrations of magnetic minerals and radioactive elements within the project area. The magnetic and radiometric data provides a geophysical/

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geochemical framework to compliment the mapping lithology, structure, and alteration for the project. The survey identified a number of interpreted late-stage felsic stocks, but only three stocks located along the eastern/northern Laramide/Precambrian contact show a strong spatial correlation to the copper-molybdenum mineralization, chargeability anomaly and a well defined, strong Th/K anomaly.

On August 18, 2022, the Company released both an updated compilation and the 3-D modelling results of magnetic data from the Mineral Mountain project. Highlights included:

- 3-D modelling had identified a potential cupola underlying the project area, with several, cylindrical, pipe-like intrusives exhibiting a positive magnetic signature.
- Two of these pipe-like bodies showed a strong spatial correlation to the area of coincident copper-molybdenum mineralization/porphyry style alteration/chargeability anomaly outlined to date; the other pipe-like bodies, while larger in size, were not-mineralized.
- The area previously referred to as target No. 2 was related to a regional scale northeast trending (30-degree) structural feature and was not considered to be a porphyry target.
- The near-surface, higher-chargeability portion (plus/minus 300 to 550 metres wide) of the positive chargeability anomaly (2,900 metres long by 1,300 metres wide) identified in 2021, exhibited a strong spatial correlation to the mineralized pipe-like intrusives.

Eaglehead Property

On November 10, 2021, the Company provided an update on the exploration activities completed during the 2021 field program on its Eaglehead property.

On January 6, 2022, the Company provided an update on its Eaglehead project that included the identification of several chemically distinct intrusive phases and extending the porphyry 'footprint' approximately 3km to the southeast to include the Far East zone. Highlights of the re-logging and sampling program include; four intervals of Cu-Mo-Au-Ag mineralization, from 70.26m to 160.32m in DDH-066, including a 12.56m interval that returned a weighted average of 0.473% Cu, 0.013% Mo, 0.119g/t Au and 7.53g/t Ag, and DDH-078 contained a 7.17m interval that returned a weighted average of 0.276% Cu, 0.003% Mo, 0.732g/t Au and 6.85 g/t Ag.

On January 20, 2022, the Company released an update on the geophysical modelling on its Eaglehead property. Highlights included, the MVI study identified five areas, interpreted to represent late-stage intrusive plugs with associated potassic (magnetite) alteration. Four of the interpreted late-stage intrusive plugs exhibit a strong spatial correlation to the Thibert fault system and exhibit a strong positive correlation to known areas of copper-molybdenum-gold-silver mineralization and copper-molybdenum in-soil geochemical anomalies. The compilation indicates the main portion of the porphyry could be to the north and at depth below the near surface mineralized zones.

On February 1, 2022, the Company provided the results of the ORION Swath DCIP survey and the details of a mineral tenure exchange on its Eaglehead property. The ORION survey located an open ended, 2,500m by 1,200m, northerly dipping positive chargeability (greater than 10 mrad (milliradians)) on the northern flank of one of the intrusive centres identified by the MVI study. The chargeability anomaly underlies a large area of copper mineralization in outcrop/subcrop and coincident copper-molybdenum in-soil geochemical anomaly located north of the Pass-Camp zones.

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On February 9, 2022, the Company provided its 2022 exploration plan for the Eaglehead property. The program was focussed on demonstrating continuity of the polymetallic porphyry mineralization in the 500m long gap between the East and Bornite zones. Four drill holes, spaced at 125m intervals, totalling 2,500m were planned to test the 500m long zone. Continuity of the mineralization between these zones would yield a mineralized zone exceeding 2,000m in strike length. Metallurgical testwork (lock-cycle testing, BWi and Ab) water quality and archeological surveys are also planned. The Notice of Work ("NoW") and application for the Archeological permit had been submitted for review and approval and completion of the 2022 work program was contingent on receipt of these permits and availability of service providers. The 2022 program had been budgeted at \$830,000.

On May 4, 2022, the Company announced that it retained Moose Mountain Technical Services to review all data for the Eaglehead project, including the proposed 2022 drilling program. The logistics planning for the 2022 field program was progressing and the drilling and archeological contracts had been executed. The Company also announced that the approval of the NoW filed with the B.C. Ministry of Mines was pending. The Company also noted that the first instalment on the promissory note (\$340,000), pursuant to the Eaglehead property acquisition agreement, was made on April 19, 2022.

On June 13, 2022, the Company provided an update on its Eaglehead project where the 2022 fieldwork had commenced and would focus on diamond drilling to test the continuity of porphyry mineralization between the Bornite and East zones, a distance of approximately 500m.

On August 2, 2022, the Company noted that the following activities were completed prior to the Company receiving the drill permit:

- Moose Mountain Technical Services had provided its comments and input to the location/orientation of the proposed 2022 drilling program.
- Review of specific historical drill core had confirmed the quartz eye porphyry as a late-stage intrusive unit.
- Review of historical drill core had located several unsampled, mineralized (chalcopyrite-bornite) intervals. Sampling of these intervals was in progress.
- The field portion of the archeological survey had been completed. Receipt of the study was pending.
- The water quality survey continued with 16 stream water samples being collected and sent for analysis.
- The 2022 mapping/prospecting program had been completed.
- Two additional mineral tenures had been added to the project. These tenures were located by Copper Fox.

On August 25, 2022, the Company provided an update of additional activities completed in anticipation of receipt of the permit to conduct drilling operations:

- The water quality surveys completed in 2022 show no appreciable changes in water quality.
- Field investigation of the four previously identified targets resulted in two targets for future exploration.

On September 14, 2022, the Company advised that it suspended plans to complete its proposed 2,500m drilling program on its Eaglehead project as approval for the NoW to conduct the proposed drilling program was pending. In the absence of a definitive timeline in which to receive the approval for the

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NoW and changing weather conditions, the Company opted to delay the drilling program until mid-2023. Additional activities completed in anticipation of receipt of approval for the NoW included:

- Sampling of mineralized intervals (chalcopyrite +/-bornite-molybdenite) in 10 historical drill holes.
- A draft of the 2022 Archaeological survey report has been received; one site of interest has been identified in the alpine approximately 2.8km north of the proposed drilling area.
- The Archaeological survey concluded that no archaeological resources or areas of archaeological potential were identified within the access road and drill pad locations, and the program may proceed as proposed.
- Mapping located copper mineralization over a 300m by 200m area (Target #4 - see news release dated June 13, 2022) southwest of the Bornite zone.

Corporate Update

On April 1, 2022, the Company announced that it retained Proactive Investors North America Inc. to provide the Company with media and research services for an initial period of 13 months, subject to the terms of the services agreement.

The Company filed certain tax filings under the Voluntary Disclosure Program ("VDP") with the Canada Revenue Agency ("CRA"). It is estimated that the penalties and arrears interest could amount to approximately \$92,000, but by filing under the VDP, the CRA may waive up to \$79,000 in penalties and arrears interest. Accordingly, these penalties and arrears interest have been disclosed as a contingent liability, and not recognized as a liability or provision. No update from the CRA as of today's date.

3. INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

As an exploration company, Copper Fox has no regular cash in-flow from operations, and the extent of its operations is principally a function of the availability of capital resources. To date, the primary source of funding has been equity financing.

Copper Fox has no long-term debt or long-term liabilities, other than its decommissioning provision of \$421,000, the long-term promissory note for the Eaglehead acquisition of \$303,826, its deferred tax liability of \$713,258 and its office lease liability of \$134,885.

The Company manages its working capital through conscientious controlling of spending on its properties and operations. Due to the on-going planned advancement of project milestones for the Eaglehead, Van Dyke, Sombrero Butte and Mineral Mountain projects over the near term, Copper Fox intends to continue to incur expenditures without revenues and accumulate operating losses. As a result, the Company needs to obtain adequate financing to fund future exploration and development, including the potential construction of a mine, to reach profitable levels of operation. It is not possible to predict whether future financing efforts will be successful or whether financing on favourable terms will be available.

Major expenditures are required to establish mineral reserves and to construct mining and processing facilities. The recoverability of valuations assigned to exploration and development mineral properties

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are dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete such exploration and development as well as the future profitable production or proceeds from potential dispositions.

Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining adequate financing at favourable terms for these or other endeavours, including general working capital purposes.

Liquidity

As at July 31, 2022, Copper Fox had working capital of \$263,566 (October 31, 2021 – \$2,265,019). As at July 31, 2022, the Company's cash position was \$611,859 (October 31, 2021 - \$2,646,608). The working capital decreased during the nine months ended July 31, 2022, compared to the year ended October 31, 2021, due to \$834,935 spent in operating activities, \$854,245 used in the mineral property expenditures, \$340,000 in promissory note payment and \$22,259 in office lease payments.

Operations

For the three months ended July 31, 2022, compared with the three months ended July 31, 2021:

For the three months ended July 31, 2022, the Company recorded a net loss of \$277,827 or \$0.00 per share compared to a net loss of \$205,040 or \$0.00 per share in the comparable prior period.

The Company's quarterly administration and professional fees varied slightly in Q3 2022 compared to Q3 2021 as the Company's activity levels remained similar.

The Company did not record its share of income of an associate in Q3 2022 compared to recording its share of income of an associate of \$84,404 in Q3 2021 since the Company ceased having significant influence on District Copper effective November 1, 2021.

For the nine months ended July 31, 2022, compared with the nine months ended July 31, 2021:

For the nine months ended July 31, 2022, the Company recorded a net loss of \$889,829 or \$0.00 per share compared to a net loss of \$747,620 or \$0.00 per share in the comparable prior period.

The Company's professional fees increased during the nine months ended July 31, 2022 compared to the same period in 2021 due to the Company recorded the fees paid to the CFO as professional fees in 2022; while the fee paid to the former CFO in 2021 was recorded as administration expense. The Company also incurred interest expense due to the promissory note of \$60,160 during the nine months ended July 31, 2022 while no such interest expense was recorded in 2021.

The Company did not record its share of income of an associate during the nine months ended July 31, 2022 compared to recording its share of income of an associate of \$30,494 during the same period in Q2 2021 since the Company ceased having significant influence on District Copper effective November 1, 2021.

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4. COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

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 at the Prime Rate plus 2%, 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.

Office Lease

The Company has an office lease expiring on October 31, 2024, with a renewal clause until October 31, 2029.

5. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties other than the normal course of business.

6. RISKS FACTORS

In our MD&A filed on SEDAR February 25, 2022 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Copper Fox. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

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7. DISCLOSURE OF OUTSTANDING SHARE CAPITAL DATA

The authorized share capital of the Company 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.

	Issued and Outstanding	
	July 31, 2022	September 28, 2022
Common shares outstanding	524,185,496	524,185,496
Warrants	25,116,667	25,116,667
Fully diluted common shares outstanding	549,302,163	549,302,163

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties, and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.