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

For the Year Ended October 31, 2022

As of February 15, 2023

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1. INTRODUCTION

This management's discussion and analysis ("**MD&A**") should be read in conjunction with Copper Fox Metals Inc.'s (the "**Company**" or "**Copper Fox**") audited annual consolidated financial statements for the years ended October 31, 2022, and 2021, and the related notes thereto.

All the Company's material subsidiaries are wholly owned. As of October 31, 2022, the Company owned 16.01% of the outstanding common shares of District Copper Corp., ("**District"** or **"District Copper"**). Accounting policies are applied consistently throughout all consolidated entities.

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. The reader should be aware that historical results are not necessarily indicative of future performance (readers should refer to "*Forward Looking Statements*" on page 4).

All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as of February 15, 2023, and was reviewed, approved, and authorized for issue by the Company's Board of Directors on that date.

Description of Business

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 100% owned Van Dyke copper project located in Miami, Arizona and the 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.

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.

To date the Company has not earned revenues from any of these activities and these projects are still considered to be in the exploration and development stage.

As at the date of this MD&A, Copper Fox's directors and officers are as follows:

Directors	Officers and Position
Elmer B. Stewart (Chairman)	Elmer B. Stewart, President and Chief Executive Officer
R. Hector MacKay-Dunn	Mark T. Brown, Chief Financial Officer
J. Michael Smith	J. Michael Smith, Corporate Secretary
Ernesto Echavarria	
Mark T. Brown	

Audit Committee	Corporate Governance and Nominating Committee	Compensation Committee
J. Michael Smith (Chairman)	Elmer B. Stewart	R. Hector MacKay-Dunn
R. Hector MacKay-Dunn	Mark T. Brown	J. Michael Smith
Ernesto Echavarria	R. Hector MacKay-Dunn	Ernesto Echavarria

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. FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements" within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable laws.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral resource and mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. This MD&A contains forward-looking statements which reflect management's expectations and goals, as well as statements with respect to our belief, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "continue", "could", "should", "would", "suspect", "outlook", "believes", "plan", "anticipates", "estimate", "expects", "intends" and words and expressions of similar import are intended to identify forward-looking statements.

Forward-looking statements include, without limitation, information concerning possible or assumed future results of the Company's operations. These statements are not historical facts and only represent the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments and future opportunities. Although management considers those assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

These statements do not guarantee future performance and involve assumptions and risks and uncertainties that are difficult to predict, therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements.

By their very nature, forward looking statements involve several known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements considering the risk factors set forth below and as further detailed in the "*Risks and Uncertainties*" section of this MD&A.

These risk factors include, but are not limited to, fluctuation in metal prices which are affected by numerous factors such as global supply and demand, inflation or deflation, global political and economic conditions; the Company's need for access to additional capital to explore and develop its projects; the risks inherent in the exploration for and development of minerals including the risks of estimating the quantities and qualities of minerals, operating parameters and costs, receiving project permits and approvals, successful construction of mining and processing facilities, and uncertainty of ultimate profitability of mining operations; risks of litigation and other risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on any forward-looking statements in this MD&A to make decisions with respect to the Company, investors and others should carefully consider the risk factors set out in this MD&A and other uncertainties and potential events.

3. YEAR ENDED OCTOBER 31, 2022, HIGHLIGHTS AND SIGNIFICANT EVENTS

- On November 5, 2021, the Company filed on SEDAR the NI 43-101 technical report which included the results of a PEA for the Schaft Creek project.
- On November 10, 2021, the Company provided an update on the exploration activities completed during the 2021 field program on its Eaglehead property.
- On November 29, 2021, the Company provided an update on its Van Dyke ISCR project. Montgomery 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 January 6, 2022, the Company provided an update on its Eaglehead project. The identification of several chemically distinct intrusive phases and three episodes of copper mineralization in the Far East zone extended the porphyry 'footprint' approximately 3km to the southeast. Highlights of the re-logging and sampling program identified mineralized intervals in all drill holes; the core interval from 70.26m to 160.32m in DDH-066 contained four intervals of Cu-Mo-Au-Ag mineralization, 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-78 contained two intervals of Cu-Au-Ag mineralization including 0.276% Cu, 0.003% Mo, 0.732g/t Au and 6.85 g/t Ag over a core interval of 7.17m.
- On January 20, 2022, the Company identified additional porphyry targets at Eaglehead project using the magnetization vector inversion (MVI) analyses with four interpreted intrusives located along the Thibert fault exhibit a strong positive correlation to known areas of copper mineralization and copper-molybdenum (Cu-Mo) in-soil geochemical anomalies.
- 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 extended the area covered by the 2014 geophysical survey approximately three km north of the Camp-Pass zones to map the chargeability/resistivity signatures underlying a large area of copper mineralization in outcrop/subcrop and coincident soil copper-molybdenum in soil geochemical anomaly. The Company also completed the mineral tenure exchange with Giga Metals Corp. extending a portion of the project boundary approximately 1.5 km to the north over the Eaglehead intrusion.
- On February 9, 2022, the Company provided its 2022 exploration plans for its 100% owned exploration stage projects that included 2,500m of drilling and preliminary metallurgical testwork on the Eaglehead project and airborne geophysical surveys on the Mineral Mountain and Sombrero Butte projects. The completion of the 2022 work programs is contingent on receipt of required permits in BC and Arizona.
- On March 7, 2022, the Company announced the analytical results for the four-hole 2021 metallurgical drilling program from the Schaft Creek Project.
- On March 10, 2022, the Company announced the 2022 program and budget for the Schaft Creek project: a 5,000-metre drill program focusing on geotechnical and metallurgical data collection with a budget of $6.6-million.
- On April 1, 2022, the Company retained Proactive Investors North America Inc. to provide the company with media and research services for an initial period of 13 months.
- 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.

- On April 19, 2022, the Company provided an update of activities including guiding the geotechnical program, aligning the environmental program to regulatory requirements and expanding consultation with the Tahltan Nation on advancing the Schaft Creek project.
- On May 4, 2022, the Company engaged Moose Mountain Technical Services ("MMTS") to review all data for the Eaglehead project, including the proposed 2022 drilling program.
- On May 25, 2022, the Company released the results of the high-resolution airborne magnetic and radiometric survey on its Mineral Mountain project.
- On June 13, 2022, the Company provided an update on Eaglehead as it prepared its drill program.
- On June 29, 2022, the Company announced the results of the high-resolution airborne magnetic and radiometric survey on its Sombrero Butte project.
- On July 13, 2022, the Company provided 2022 plans to advance its Van Dyke project.
- On July 18, 2022, the Company announced the beginning of its 5,000-metre drill program at Schaft Creek project.
- On August 2, 2022, the Company provided a summary of recent operations at the Eaglehead project.
- On August 18, 2022, the Company announced an update at the Mineral Mountain project detailing the 3-D modelling results.
- On August 25, 2022, the Company provided a summary of activities completed at the Eaglehead project in anticipation of receipt of the permit to conduct drilling operations.
- On September 8, 2022, the Company released the results of an early-stage biological evaluation (BE) of certain parts of the Van Dyke project and announced the plans to commence phase 1 activities.
- On September 14, 2022, the Company suspended plans to complete its proposed 2,500-metre drilling program on its Eaglehead project.
- On October 17, 2022, the Company announced the completion of metallurgical drilling program at the Schaft Creek project by completing 4,688 meters in eleven drill holes focusing on collecting samples to complement historical metallurgical testwork.

Subsequent to the Year Ended:

- On November 3, 2022, the Company retained Creative Capital Corp. to provide the Company investor relations services for an initial period of 12 months.
- On November 10, 2022, the Company provided an update as well as detailing plans for its Van Dyke project.
- On November 29, 2022, the Company provided an update on the Eaglehead project including receiving the Mines Act permit to conduct activities set out in the NOW files with the BC Ministry of Mines February 1, 2022.
- On January 18, 2023, the Company provided the analytical results for six (6) of the eleven (11) drill holes completed as part of the 2022 metallurgical drill program at the Schaft Creek project. The program expanded the coverage across the Schaft Creek deposit with a focus on the early part of the mine life, to better inform metal recoveries and comminution characteristics. A wide range of metal concentrations including several intervals of at surface high-grade mineralization intersected in the six drill holes.

4. PROPERTY SUMMARY

Industry Overview

The ending of the COVID restrictions in China, the opening of China's economy, expected lower US interest rate increases in conjunction with the move to a lower carbon society suggests an improving global economic climate in 2023.

The copper market experienced significant volatility throughout 2022. After reaching an all time high in March, copper prices declined thereafter to US$3.15/lb in July and is currently trading in the US$4.05/lb range. The recent increase in copper prices could be a reflection of the supply disruptions and forecasted recovery in demand in China, possibly setting the stage for a bullish climate for future copper prices.

Copper inventory levels are expected to remain low throughout 2023 with an anticipated substantial tightening in copper supply towards the mid to later portion of the decade. Despite the forecast for a modest surplus in copper, it is expected that copper prices should remain high enough to incentivize new project development and construction.

With global policies continuing to focus on green initiatives, sustainable energy generation, transmission, and consumption, the demand for copper, a major component in these initiatives, is expected to increase significantly. The expected future growth in copper to meet demand forecasts is not without challenges; the recent social and geopolitical unrest in several copper producing countries in Central and South America is expected to continue to disrupt the global copper supply chain. Other factors impacting global copper supply include; declining head grades, water issues, and a low inventory of large, advanced stage copper projects in the exploration and development pipeline bodes well for future copper prices.

Corporate Overview

During 2022, the Company achieved positive results on its operated projects. On an annual basis, the Company reviews the results of each exploration program, determines the exploration activities and estimated costs required to advance the projects to the next stage. In 2023, the Company plans include; advancing the Van Dyke project toward completion of a Preliminary Feasibility Study, the Eaglehead project toward completion of an Updated Resource Estimate based on the current 120 mineralized drill hole database and the Mineral Mountain and Sombrero Butte projects to the drill testing stage.

At Schaft Creek; (operated by Teck Resources Limited), the Schaft Creek Joint Venture successfully completed an 11 hole (4,688m) metallurgical drilling program within the three mineralized zones comprising the Schaft Creek deposit. The 2022 drilling intersected numerous "at surface" or "near surface" higher-grade zones of mineralization within the Liard zone and a broad range of copper-gold-molybdenum-silver concentrations allowing for the selection of mineralized intervals representative of the identified geometallurgical domains within the Schaft Creek deposit for further metallurgical testwork.

COVID-19 Response Plan

The Company has developed COVID-19 protocols based on updated rules and regulations outlined by the Province of BC's Ministry of Energy, Mines and Low Carbon Innovation and is following guidelines recommended by the State of Arizona.

Environment, Social and Governance ("ESG")

The Company is committed to operating as good stewards of the environment to ensure future generations enjoy the project areas as those before them have. The Company engages with the local communities and stakeholders in the early stage of a project to discuss issues important to these communities gain local knowledge and participate preserving the local cultures and customs. The board maintains robust corporate governance practices to ensure shareholders, employees, regulatory agencies, and other stakeholders will have confidence and trust in the Company.

Schaft Creek Joint Venture ("SCJV")

The SCJV was created in 2013 between Teck and Copper Fox to further explore and develop the Schaft Creek project. The project hosts one of the largest undeveloped porphyry copper-gold-molybdenum-silver deposits in North America located in Tahltan Territory in northwestern British Columbia. The Schaft Creek deposit remains open to expansion in several directions and the exploration potential to locate additional zones of porphyry style mineralization within the project is considered significant.

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. As of October 31, 2022, Teck had funded approximately $29 million towards the Schaft Creek project since mid-2013.

By way of example, assuming the existing 75% interest held by Teck and the 25% interest held by the Company remain unchanged, pre-production expenditures on the Schaft Creek Project would have to exceed a cumulative total of $220 million to eliminate the two cash milestone payments payable to the Company through set-off, after which Teck would be obligated to fund the Company's pro-rata share of additional pre-production costs by way of loan to the Company (at prime plus 2%). The Joint Venture Agreement allows Teck to recover Copper Fox share of capital costs from 90% of Free Cash Flow, with the remaining 10% of free cash flow split 75:25 by Teck and Copper Fox.

The 2023 Schaft Creek Joint Venture program is expected to be delivered to the Joint Venture partners before the end of February 2023.

The 2022 Schaft Creek program focussed on a drilling program to collect representative samples to augment historical metallurgical test work data and to expand coverage across the various geometallurgical domains to better inform metal recoveries, comminution characteristics and provide better predictions of future metal production across the Schaft Creek deposit. The program consisted of 11 drill holes (4,688m) located in areas of the Liard, Paramount and West Breccia zones of the Schaft Creek deposit with lower drill hole density. The majority of the holes were located within the proposed first five-year pit outlined in the 2021 Preliminary Economic Assessment (PEA).

The primary purpose of the drilling program was to collect additional metallurgical samples to provide a more balanced data set representative of the expected metal grades "above", "at" and "below" the Life of Mine (LOM) average grade as set out in the 2021 resource estimate for the Schaft Creek deposit. In addition to providing samples for metallurgical test work, the drilling provided additional analytical and geotechnical information to augment these project databases.

The drilling intersected a range of copper-gold-molybdenum-silver concentrations that are considered representative of the project LOM expected grades. Sample intervals representative of the expected grades ranges will be selected for metallurgical test work purposes in 2023. The significant mineralized intervals, from the first six drill holes, (based on 0.10% copper cut-off) intersected in 2022 drilling are listed below. Remaining five drill holes will be reported when received.

For the Year Ended October 31, 2022 (Expressed in Canadian Dollars)

DDH ID	TD (m)	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
SCK-22-450	539	21.00	109.00	88.00	0.433	0.292	0.022	1.91	0.620
	Includes	*21.00*	*60.00*	*39.00*	*0.533*	*0.250*	*0.037*	*1.97*	*0.728*
		133.00	319.80	186.80	0.213	0.232	0.012	1.42	0.351
		319.80	433.20	113.40	0.330	0.308	0.051	2.04	0.579
		433.20	472.40	39.20	0.083	0.033	0.001	0.43	0.102
		472.40	514.00	41.60	0.497	0.418	0.007	4.25	0.725
		538.00	539.00	1.00	0.214	0.265	0.000	3.05	0.352
SCK-22.451	371	15.70	249.92	234.22	0.347	0.117	0.019	1.44	0.443
	Includes	*19.10*	*78.00*	*58.90*	*0.443*	*0.414*	*0.047*	*2.41*	*0.737*
	Includes	*183.00*	*244.00*	*61.00*	*0.419*	*0.091*	*0.005*	*1.21*	*0.476*
		249.20	371.00	121.80	0.098	0.053	0.000	0.44	0.125
SCK-22-452	755	16.00	250.55	234.55	0.450	0.274	0.019	2.05	0.624
	Includes	*46.00*	*163.00*	*117.00*	*0.678*	*0.558*	*0.080*	*2.60*	*1.102*
		261.00	377.00	116.00	0.082	0.109	0.002	0.51	0.140
		377.00	573.00	196.00	0.220	0.225	0.023	1.37	0.375
		573.00	600.25	27.25	0.067	0.041	0.038	0.57	0.159
		600.25	719.60	119.35	0.215	0.057	0.014	0.95	0.272
SCK-22-453	248	21.00	144.00	123.00	0.237	0.100	0.017	0.94	0.320
	Includes	*45.00*	*95.00*	*50.00*	*0.330*	*0.173*	*0.039*	*1.42*	*0.490*
		162.00	213.00	51.00	0.134	0.110	0.001	0.88	0.192
		227.00	240.00	13.00	0.177	0.275	0.020	0.80	0.348
SCK-22-454	302	5.25	206.00	200.75	0.261	0.117	0.010	3.47	0.348
	Includes	*112.23*	*141.35*	*29.12*	*0.374*	*0.206*	*0.010*	*4.16*	*0.506*
		241.10	302.00	60.90	0.152	0.020	0.001	0.50	0.165
SCK-22-455	476	43.45	94.25	50.80	0.130	0.063	0.012	1.76	0.189
		94.25	141.00	46.75	0.179	0.356	0.026	1.59	0.403
		141.00	211.00	70.00	0.123	0.232	0.020	1.02	0.275
		211.00	232.72	21.72	0.443	0.519	0.015	3.08	0.730
		232.72	383.00	150.28	0.168	0.100	0.010	0.62	0.237
		395.00	443.00	48.00	0.158	0.047	0.014	0.63	0.209

Note: *The core intervals listed in the above table do not represent true widths, CuEq = copper equivalent, % = percent, g/t = grams per tonne, m = meters, TD = total depth of drill hole. Int = interval in meters. Copper equivalent calculations are based on 100.0% of the copper content plus 71% of the gold content, 60.1% of the molybdenum content and 40.3% of the silver content. Metal prices used in the copper equivalent calculation are copper US$3.25/pound, gold US$1,500/ounce, molybdenum US$10.00/pound and silver US$20.00/ounce.*

The drill hole locations and hole traces of the 2021 and the 2022 program are shown below:

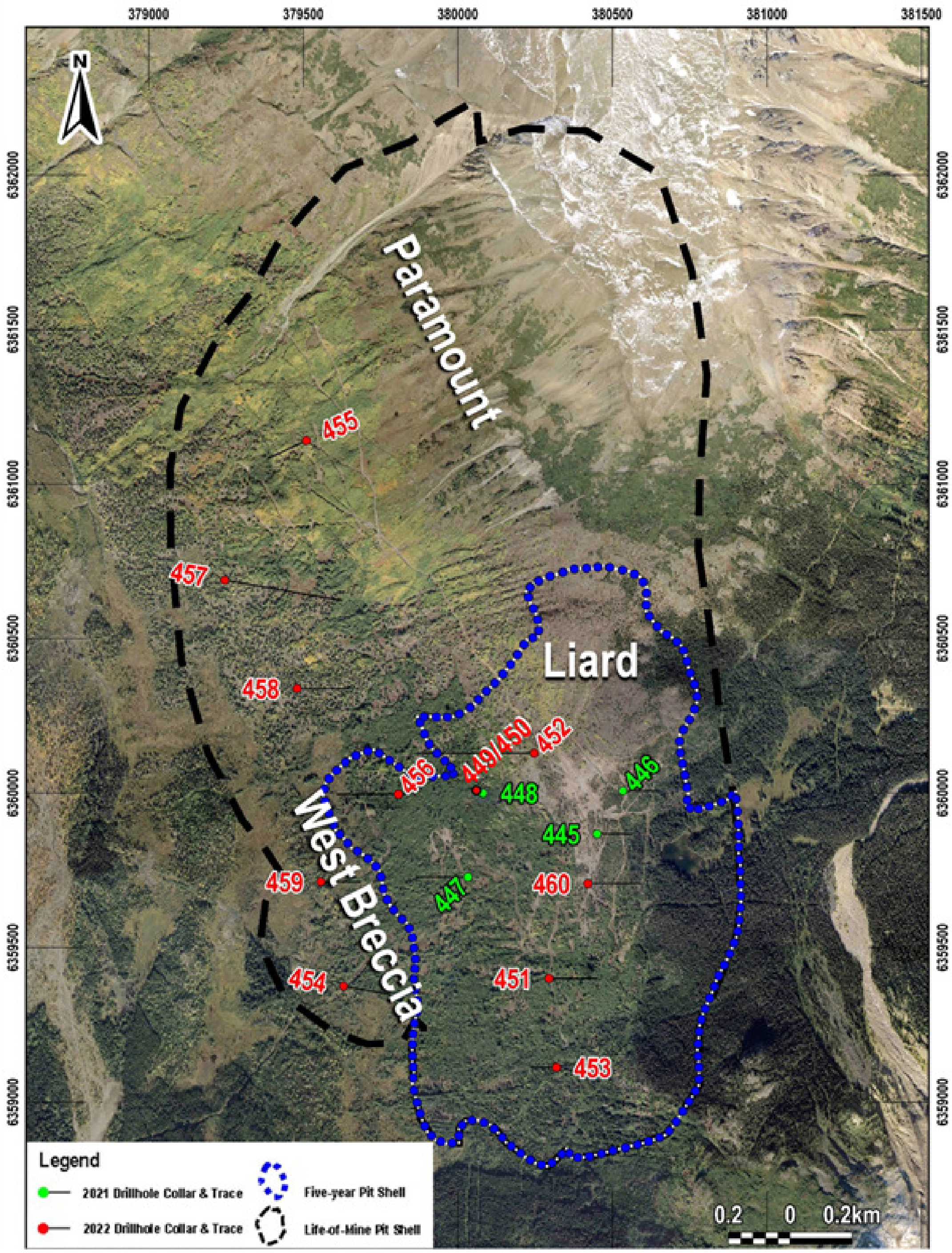

Figure 1: *Plan map of the Schaft Creek deposit outlining the five-year pit shell and life-of-mine pit shell as set out in the "Schaft Creek Preliminary Economic Assessment (PEA), an NI 43-101 Technical Report", with an effective date of September 10, 2021, prepared by Tetra Tech Canada Inc. ("Tetra Tech"), H. Ghaffari. M.A.Sc., P. Eng. et. al. as Qualified Persons (see news release dated September 20, 2021).*

Discussion of Diamond Drill Results

All 2022 drill holes within the proposed five-year pit intersected broad intervals (ranging from 14.0 m to 234.55 m) of "near" or "at surface" higher-grade copper-gold-molybdenum-silver mineralization. The implication of these higher-grade zones regarding the overall grade of the mineralization within the first five-year pit cannot be quantified at this time. The broad range of metal concentration provides the SCJV the ability to select samples for additional metallurgical and comminution testwork to better inform future metal production and determine any changes that may be required in the current design of the process facilities.

The range of metal concentration intersected in the Paramount and West Breccia zones are similar to those intersected in previous drilling programs.

During 2022, environmental baseline data collection activities continued, upgrades to the camp facilities to accommodate future exploration program and meteorological data collection stations were completed and collaboration with the Tahltan Nation continued on employment opportunities and social activities within the Tahltan Nation.

Van Dyke Project

In 2012, Copper Fox through its wholly owned subsidiary Desert Fox, acquired a 100% working interest in the Van Dyke copper project located in the Globe-Miami Mining District in Arizona. The acquisition cost was US$1,500,000 including assumption of continuing obligations subject to certain amended terms and conditions including a 2.5% Net Smelter Return production royalty. The Van Dyke project consists of 531.5 hectares (1,312.8 acres) of mineral rights and 5.75 hectares (14.02 acres) of surface rights.

Following the recommendations and potential economic enhancements set out in the 2020 Preliminary Economic Assessment; the Company is advancing the Van Dyke project toward completion of a Preliminary Feasibility Study. In advance of implementing field operations, discussions with the two lead regulatory bodies being the United States Environmental Protection Agency ("EPA") and Arizona Department of Environmental Quality ("ADEQ") to determine the data requirements to obtain an underground injection control permit ("UIC") and aquifer protection permit ("APP") for Class III injection wells were held.

Ausenco Engineering USA South Inc. and Hemmera, a subsidiary of Ausenco Engineering Canada Inc. ("Ausenco"), have been retained to provide process and hydrogeological services for the Van Dyke project. The Company plans to retain the services of other technical consulting groups to provide oversite on the metallurgical and geotechnical aspects of advancing the project to the Preliminary Feasibility Study stage.

In advance of initiating field activities, the Company retained independent consultants to complete an early-stage Biological Evaluation (BE) of certain parts of the Van Dyke project to determine if special status species or critical habitat for special status species occur within, or would be impacted by, project construction activities. Conclusion of the Biological Evaluation are:

- Of the six special status species listed under the Endangered Species" Act evaluated, four species had no potential to occur, and two species were unlikely to occur.
- Of the two species listed pursuant to the Bald and Golden Eagle Protection Act 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 related to 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 establish limited wildlife habitat.

Based on the conclusions of the BE study the Company initiated a two-phase program to advance the project to the Preliminary Feasibility stage with the initial objective of establishing a broad network of locations to collect hydrogeological and water quality data.

Commencing Phase I of the program, (expected to cost in the order of US$240,000) took longer than expected due primarily to longer than expected lead times in obtaining services required to complete the planned surveys. The Phase I program contemplates selecting a number of historical drill holes for rehabilitation, which if successful, is estimated to save the Company approximately US$2.0 million in drilling costs. Phase I activities commenced in early December 2022, with upgrading of the access to the selected drill holes. A downhole video survey of the selected wells to determine suitability for re-entry was completed in late January 2023, results of which are pending. If the downhole video survey indicates that these wells are suitable, well development and testing/water sampling activities are planned and are expected to take up to 3-4 months to complete subject to availability of certain service providers. Inspection and refurbishment of the vibrating-wire piezometers installed in three 2014 drill holes are planned.

The Company commenced a "community out-reach" program in October 2023 that included meetings with local communities and First Nations within a 40-mile radius of the Van Dyke project to present the Van Dyke project and provide an updated on planned field operations.

Phase II activities are currently being discussed with the technical consulting group. The need to better understand the variability in solubility characteristics of the mineralization across the Van Dyke deposit and the changes in mineralogy resulting from the leaching process is essential to understanding the chemical changes that could occur during the leaching process. As well, geotechnical testing of core samples of the Gila conglomerate to provide data on the stability of this lithologic unit and better inform ground support requirements for the underground workings is planned in 2023. Additional multi-purpose diamond drill holes are planned to be provide analytical data for future resource updates, samples for metallurgical and geotechnical testing and hydrogeological monitoring stations following completion of Phase I activities. The scope and level of Phase II activities planned in 2023 is expected to be finalized and costed on receipt of the results from the Phase I activities.

Eaglehead Property

During the year ended October 31, 2021, the Company through its wholly owned subsidiary Northern Fox Copper Inc. ("Northern Fox") completed the purchase of a 100% of the Eaglehead Project located in the Liard Mining Division in northwest British Columbia; approximately 52km east of Dease Lake. The aggregate consideration to be paid by Northern Fox for the Eaglehead Property is $1,412,000, of which $200,000 has been paid to District Copper and $212,000 to the BC Ministry of Mines for the reclamation bond for the property. On reclamation of the project in compliance with provincial standards, the

$212,000 would be returned to Northern Fox. The remaining $1 million will be paid to District Copper in three annual instalments of $340,000, $330,000, and $330,000, respectively, on each anniversary of the April 19, 2021, closing. The first installment has been paid and the next installment is due in April 2023. In addition to the District Copper NSR, certain claims under the Eaglehead project are subject to NSRs and a net milling returns royalty (the "Royalties"). Individually, the Royalties range from 2% to 2.5%. The Company has the right to purchase 1% to 1.5% of each of the Royalties for purchase prices ranging from $1,000,000 to $2,000,000.

The Eaglehead project (16,492.6 ha) is an advanced stage exploration project that covers an intrusion hosted calc-alkalic polymetallic (Cu-Mo-Au-Ag) porphyry system with four known, open-ended deposits located within a copper "footprint" measuring 8km by 3km hosted in the Late Triassic-early Jurassic multi-phase, Eaglehead granodioritic/dioritic intrusive stock. Two, under-explored open-ended zones of porphyry style mineralization have been located outside the identified copper "footprint".

Northern Fox conducted field programs on the Eaglehead project in 2021 and 2022. The focus of the work was to compile all historical data into working databases and use this data to formulate a porphyry exploration model honoring the technical data. It was Northern Fox's view that all prior exploration had been concentrated in a specific area of the property and that no concerted effort was made to identify the limits of the porphyry "footprint". Systematic compilation of all current and historical data was felt to be the most cost efficient approach, prior to continuing exploration programs with the objective of expanding the limits of the open-ended deposits within the project.

In 2021; re-logging and sampling of historical diamond drill core from the Far East zone identified several significant intervals of porphyry style mineralization including: the core interval from 70.26m to 160.32m in DDH-066, included 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.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, confirming the presence of porphyry style mineralization in this area of the project.

Re-modelling the historical high sensitivity airborne magnetic and radiometric data employed Magnetic Vector Inversion (MVI) to identify late stage intrusives exhibiting magnetite alteration associated with the potassic alteration phase of the porphyry system. Five potential late stage intrusives were identified, four of which exhibit a strong spatial correlation to the regional scale Thibert fault system, areas of copper-molybdenum-gold-silver mineralization and a large copper-molybdenum in-soil geochemical anomaly.

A geophysical survey employing the ORION SWATH configuration completed north of the Camp and Pass zones located an open ended, 2,500m by 1,200m, northerly dipping positive chargeability (greater than 10 mrads (milliradians)) body on the northern flank of a late stage intrusive. The chargeability anomaly underlies a large area of copper mineralization in outcrop and a large copper-molybdenum in-soil geochemical anomaly.

The 2022 program focussed on demonstrating continuity of the polymetallic porphyry mineralization in the 500m long gap between the East and Bornite zones by completing a four-hole (2,500m) drilling program. Unfortunately, the permit required to complete the drilling was received in mid-November, to late to commence the drilling program due to winter weather conditions. Continuity of the mineralization between these zones would have indicated a continuous mineralized zone exceeding 2,000m in strike length. Stream water quality sampling, an archeological survey, geological mapping, re-logging and sampling of the core when deemed necessary were completed. The work completed in 2022 better informed the geological and structural controls of the four open-ended porphyry copper deposits and upgraded the porphyry potential of the project.

As part of the compilation work completed in 2022, geological modelling of the mineralized areas indicated a number of discrepancies in the lithologic description that necessitated examining 34 drill holes from the Camp, Pass, Bornite and East zones to confirm lithologies, alteration and styles of porphyry mineralization. The compilation identified the three main intrusive phases hosting the copper mineralization and confirmed the quartz eye porphyry as a separate intrusive phase. The drill core review located unsampled intervals of copper mineralization (chalcopyrite plus/minus bornite) in 11 drill holes. Analytical results for the sampling returned low concentrations (<0.15%) of copper which extended the mineralized envelopes in these drill holes up to a maximum of core interval of 27.0m.

Other activities completed during the year consisted of a land swap to extend the project boundary to the north, locating two mineral tenures along the southern portion of the property to protect lands that some day may be required for project infrastructure, ongoing stream water sampling to establish a water quality baseline for the project, an archeological survey and the discovery of a new area (300m by 200m) of quartz veinlet and fracture-controlled copper mineralization approximately 300-400m southwest of the Bornite zone. This copper discovery significantly extending the known limits of the porphyry style mineralization on the property.

Sombrero Butte Project

In 2012, Copper Fox through its wholly owned subsidiary Desert Fox, acquired the Sombrero Butte copper project located in the Bunker Hill Mining District in Arizona. The acquisition cost was US$500,000 including assumption of continuing obligations subject to certain amended terms and conditions including an option on certain mineral and patented claims held by an arm's length third party. In October 2021, the Company made its final US$40,000 payment and now holds an undivided 100% interest in the Sombrero Butte property. The Sombrero Butte project consists of three Arizona mineral exploration permits, 77 BLM claims and 3 patented mineral claims covering approximately 1,388.9 ha (3,432.5 acres).

Sombrero Butte is an exploration stage porphyry copper project located at the intersection of two regional scale copper trends. The project is located approximately 3 kms south of the Copper Creek porphyry copper deposit. The Copper Creek deposit and the Sombrero Butte project are underlain by the Copper Creek granodiorite, a Laramide age multi-phase intrusive through to be the causative intrusive for the Copper Creek porphyry copper deposit.

Due to the substantial amount of overburden and post-Laramide age rocks covering the project, the Company completed a property wide high resolution airborne magnetic and radiometric survey in 2022. Based on the results of the airborne survey, the mapping of a Laramide age stock located on the south end of the project was not completed as planned.

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. 3D modelling of the magnetic data identified several previously unknown potential targets.

The airborne survey identified a large intrusive underlying the Sombrero Butte project with several pipe-like late stage intrusives exhibiting a positive magnetic signature extending above the deep seated intrusive located in the footwall of an interpreted northwest trending west-dipping "range front" fault system. The magnetic signature associated with these intrusive bodies are interpreted to represent magnetite alteration associated with the potassic phase of a porphyry copper system. The survey better informed the structural controls on the location of the N30W trending zones of copper (greater than 500 parts per million and molybdenum (greater than 20 parts per million) mineralization, mineralized breccia pipes and the chargeability anomalies located in the footwall of the interpreted range front fault system.

The Arizona Exploration permits comprising a portion of the Sombrero Butte project are in the fifth year of a five-year term. The Company has determined that it would be more capital efficient to defer large scale exploration activities and pay the cash equivalent of annual holding costs in 2023. Any expenditures in excess of US$38,000 incurred in 2023 would not be carried over into the next five-year term. It is planned that the Arizona Exploration Permits will be renewed for a five-year term in October 2023. Plans for 2023 include and airborne high sensitivity alteration mapping to identify the potassic and phyllic alteration patterns typical of the central portion of a porphyry copper system.

Mineral Mountain Project

In 2015, Copper Fox through its wholly owned subsidiary Desert Fox, staked the Mineral Mountain copper project located in the Mineral Mountain Mining District, 20 miles east of Florence, Arizona. Mineral Mountain is an early-stage Laramide age, exploration project located within the 100km long, ENE structural trend that hosts the Casa Grande, Florence, Resolution and Globe-Miami copper deposits. The property is 100% owned by Copper Fox and consists of one Arizona exploration permit (725 acres) and 180 BLM claims covering approximately 2,043 ha.

Mineral Mountain is an exploration stage porphyry copper project centered on a Laramide age intrusive stock. Prior to completing the 2022 high-resolution airborne magnetic and radiometric airborne survey, two, large exploration targets based on surface mapping, alteration and mineralization were identified within the property. The primary exploration target is underlain by an open-ended 2,900m by 1,300m chargeability anomaly located within a mineralized area that measures approximately 4,500m long by 2,000m wide.

3-D modelling of the 2022 magnetic data identified a deep seated "parental" intrusive with several, late-stage pipe-like intrusives exhibiting a positive magnetic signature extending to surface. Of the total number of pipe like features identified, the three pipes located along the eastern Laramide/Precambrian contact show a strong spatial correlation to the copper-molybdenum mineralization and chargeability anomaly located within a well-defined Th/K anomaly. The survey better informed the controls on the distribution of the copper mineralization and associated alteration patterns mapped within the project.

On the previously identified Target #2, the 3D modelling of the 2022 magnetic data did not identify pipe like intrusives underlying target thus eliminating this area of the property as a potential porphyry target.

For the Year Ended October 31, 2022 (Expressed in Canadian Dollars)

5. SUMMARY OF OPERATIONAL RESULTS

Selected annual information is as follows:

	Year ended October 31, 2022	Year ended October 31, 2021	Year ended October 31, 2020
Total revenues	$ -	$ -	$ -
Operating expenses	1,350,966	1,115,228	1,128,453
Loss for the year	1,290,966	861,228	537,453
Loss per share	0.00	0.00	0.00
Total assets	81,003,595	81,396,242	77,078,767
Total long-term financial liabilities	1,527,985	1,857,744	1,271,745
Cash dividends declared - per share	N/A	N/A	N/A

The quarterly results are as follows:

	3 Months Ended October 31, 2022	3 Months Ended July 31, 2022	3 Months Ended April 30, 2022	3 Months Ended January 31, 2022
Loss before taxes	$ 461,137	$ 277,827	$ 363,283	$ 248,719
Net loss	401,137	277,827	363,283	248,719
Comprehensive (gain) / loss	(668,062)	832,007	(116,314)	140,436
Comprehensive loss per share, basic and diluted	0.00	0.00	0.00	0.00

	3 Months Ended October 31, 2021	3 Months Ended July 31, 2021	3 Months Ended April 30, 2021	3 Months Ended January 31, 2021
Loss before taxes	$ 367,608	$ 205,040	$ 343,256	$ 199,324
Net loss	113,608	205,040	343,256	199,324
Comprehensive loss	133,849	32,777	842,711	791,658
Comprehensive loss per share, basic and diluted	0.00	0.00	0.00	0.00

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.

On November 3, 2022, the Company announced that it retained Creative Capital Corp. to provide the company investor relations services for an initial period of 12 months to increase general market awareness of Copper Fox.

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 would be insignificant.

Accordingly, these penalties and arrears interest have been disclosed as a contingent liability, and not recognized as a liability or provision.

6. DISCUSSION OF OPERATIONS

All the information described below is accounted for in accordance with IFRS, as issued by the IASB. The reader is encouraged to refer to Note 2 of the Company's audited annual consolidated financial statements for the year ended October 31, 2022, for Copper Fox's "*Basis of Presentation and Significant Accounting Policies*".

<u>For the three months ended October 31, 2022, compared with the three months ended October 31, 2021:</u>

For the three months ended October 31, 2022, the Company recorded a net loss of $401,137 or $0.00 per share compared to a net loss of $113,608 or $0.00 per share in the comparable prior year.

The Company did not record its share of income of an associate in Q4 2022 compared to recording its share of loss of an associate of $27,477 in Q4 2021 since the Company ceased having significant influence on District Copper effective November 1, 2021.

The Company recorded $60,000 deferred income tax recovery in Q4 2022 while recording $254,000 deferred income tax recovery in Q4 2021.

<u>For the year ended October 31, 2022, compared with the year ended October 31, 2021:</u>

For the year ended October 31, 2022, the Company recorded a net loss of $1,290,966 or $0.00 per share compared to a net loss of $861,228 or $0.00 per share in the comparable prior year.

The Company did not record its share of income of an associate during the year ended October 31, 2022, compared to recording its share of income of an associate of $3,017 during the prior year ended October 31, 2021, since the Company ceased having significant influence on District Copper effective November 1, 2021.

The Company recorded $60,000 deferred income tax recovery in 2022 while recording $254,000 deferred income tax recovery in 2021.

7. LIQUIDITY AND CAPITAL RESOURCES

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 $326,132, its deferred tax liability of $653,258 and its office lease liability of $ 127,595.

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 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 and Working Capital

As at October 31, 2022, 2022, Copper Fox had working capital deficiency of $177,540 (October 31, 2021 – working capital of $2,265,019). As at October 31, 2022, the Company's cash position was $132,192 (October 31, 2021 - $2,646,608). The working capital decreased during the year ended October 31, 2022, 2022, compared to the prior year ended October 31, 2021, due to $1,083,660 spent in operating activities, $1,312,952 used in the mineral property expenditures, $340,000 in promissory note payment and $29,678 in office lease payments.

Commitments, Expected or Unexpected, or Uncertainties

<u>Schaft Creek Joint Venture</u>

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.

8. RELATED PARTY TRANSACTIONS

Copper Fox

During the year ended October 31, 2022, legal fees of $49,977 (October 31, 2021 - $65,051) were paid to Farris LLP ("Farris"). As of October 31, 2022, included in accounts payable to Farris was $13,272 (October 31, 2021 - $5,945). One of the partners at Farris' is a member of Copper Fox's Board.

As of October 31, 2022, included in accounts payable to Pacific Opportunity Capital Ltd. ("POC") was $5,250 (October 31, 2021 - $10,500). The Chief Financial Officer of the Company is the president of POC.

As of October 31, 2022, included in trade and other receivables to Copper Fox was $20,791 (October 31, 2021 - $41,660) due from District Copper. As at October 31, 2022, the Company owes District Copper a promissory note of $ $660,000 to be paid over 2 years (see "Property Summary - Eaglehead Project" section).

For the Year Ended October 31, 2022 (Expressed in Canadian Dollars)

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 for the year are as follows:

	October 31, 2021	October 31, 2022
Directors fees included in Administration	$ 4,000	**$ 3,500**
Salaries and consulting fees included in Administration and Exploration and evaluation assets	365,460	**367,000**
Total	**$ 369,460**	**$ 370,500**

9. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, deposits, investment, trade and other payables, promissory note and office lease liability. The estimated fair value of cash and cash equivalents, amounts receivable, deposits and accounts payable approximate their carrying value due to the immediate or relatively short period to maturity. The Company's investment is measured at fair value using Level 3 inputs. The Company's investment consists of unlisted equity instruments. The determination of fair value by management was based on the most recent transaction of the underlying Company (Note 4). The Company performed a sensitivity analysis on the carrying value of its Level 3 asset and noted that a 20% decrease would result in $21,365 decrease in fair value. The fair values of office lease liability and promissory note are initially recorded at fair value and subsequently carried at amortized cost using rates comparable to market interest rates.

Determination of Fair Value

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

- *Level 1* – observable inputs such as quoted prices in active markets.
- *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 is carried every year at fair value and is a Level 3 instrument.

The Company's activities expose it to a variety of financial risks, which arise because 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 October 31, 2022, is $42,066 (October 31, 2021 - $77,430).

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 because of changes in foreign exchange rates. During the year ended October 31, 2022, 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 October 31, 2022, the Company had $18,672 in US denominated cash balances.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates.

As of October 31, 2022, the Company is exposed only on its cash balances.

Commodity Price Risk

Commodity price risk is the risk that future cash flows will fluctuate because 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.

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 trade and other payables, office lease liability (current portion) and promissory note (current portion). Trade and other payables consist 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. Office lease liability relates to the Company's office space in Calgary, Alberta. Lease payments are due on a monthly basis. The promissory note consists of annual payments with respect to the Company's Eaglehead project.

Trade and other payables 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.

10. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of share capital and warrants. The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management.

The mineral properties in which the Company currently has an interest in are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. Additional sources of funding, which may not be available on favourable terms, if at all, include share equity and debt financings; equity, debt or property level joint ventures; and sale of interests in existing assets. To carry out the planned exploration and development and pay for operating expenses, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended October 31, 2022. The Company is not subject to externally imposed capital requirements. The Company's investment policy is to invest its surplus cash in highly liquid short-term interest-bearing investments; all held within major Canadian financial institutions.

11. RISKS AND UNCERTAINTIES

It is Indeterminable if Exploration Properties Will Result in Profitable Commercial Mining Operations

Mine development projects, specifically the Schaft Creek and Van Dyke projects, require significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and availability of adequate financing. The economic feasibility of development projects is based on many factors, including estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future metal prices, and anticipated capital and operating costs. The Schaft Creek and Van Dyke projects have no operating history upon which to base estimates of future production and cash operating costs. Particularly for development projects, estimates of Proven and Probable Mineral Reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of metals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to production.

Any of the following events, among others, could affect the profitability or economic feasibility of a project. Unanticipated changes in grade and tons of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability and costs of labor, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, availability of surface on which to locate processing and refining facilities, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, environmental), fluctuations in metals prices, foreign exchange rates, accidents, labor actions and force-majeure events.

It is not unusual for new mining operations to experience unexpected problems during the start-up phase, and delays can often occur at the start of production. The actual results for the Schaft Creek, Van Dyke and Eaglehead projects could differ from current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions that could reduce production below, or increase capital or operating costs above, current estimates. If actual results are less favorable than currently estimated, our business, results of operations, financial condition and liquidity could be materially adversely affected.

Joint Ventures

Copper Fox participates in a joint venture with Teck on the Schaft Creek project. There are risks associated with joint ventures, including:

- disagreement with a joint-venture partner about how to develop, operate or finance a project,
- a joint-venture partner not complying with a joint-venture agreement,
- possible litigation between joint-venture partners about joint-venture matters, and
- limited control over decisions related to a joint venture in which Copper Fox does not have a controlling interest.

Securing Additional Funding to Bring an Ore Body into Commercial Production

The business of mineral exploration and extraction involves a high degree of risk with very few properties that are explored ultimately achieving commercial production. As a mining company in the exploration stage, the future ability of the Company to conduct exploration and development will be affected principally by its ability to raise adequate amounts of capital through equity financings, debt financings, joint venturing of projects and other means.

In turn, the Company's ability to raise such funding depends in part upon the market's perception of its management and properties, as well as metal prices and the marketability of securities of speculative mineral exploration and development companies.

There is no assurance that the Company will be successful in obtaining the required financing.

Estimates of Mineral Reserves and Resources may not be Realized.

The Mineral Reserves and Resources estimates contained in this MD&A are only estimates. No assurance can be given that any level of recovery of metals will be realized or that identified resources will ever qualify as a commercially mineable or viable deposit which can be legally and economically utilized. The Company relies on laboratory-based recovery models to project estimated ultimate recoveries by mineral type. Actual recoveries may exceed or fall short of projected laboratory test results. In addition, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical, or engineering work, and work interruptions. Short term factors, such as the need for an orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of those operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in proven and probable reserves or resources, grades, waste-to-minerals ratios, or recovery rates may affect the economic viability of projects. The estimated Proven and Probable Mineral Reserves and Mineral Resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations.

The Company's Activities on its Properties are Subject to Environmental Regulations and Approvals

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will adversely affect the Company's operations, or its ability to develop its properties economically. Before production may commence on any property, the Company must obtain regulatory and environmental approvals and permits. There is no assurance such approvals and permits will be obtained on a timely basis, if at all. Compliance with environmental and other regulations may reduce profitability or preclude economic development of a property entirely.

Title Matters

In those jurisdictions where the Company has property interests, the Company makes a search of mining records in accordance with mining industry practices to confirm satisfactory title to properties in which it holds or intends to acquire an interest but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims, or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. There is, however, no guarantee that title to the Company's properties and concessions will not be challenged or impugned in the future. The properties may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

Share Price Risk

The market price of a publicly traded stock is affected by many variables not directly related to the success of the Company, including the market sentiment toward the resource sector and for all resource sector shares, the breadth of the public market for the stock, the need for certain Funds to sell shares for external reasons other than those relevant to the Company and the attractiveness of alternative investments. The effect of these and other factors on the market price of the common shares of the Company on the exchanges on which the common shares are listed suggests that the share price will be volatile.

For the Year Ended October 31, 2022 (Expressed in Canadian Dollars)

12. PROPOSED TRANSACTIONS

None.

13. DISCLOSURE OF OUTSTANDING SHARE CAPITAL DATA

Authorized share capital

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.

As of October 31, 2022, the issued and outstanding shares are as follows:

	Number of Shares	Amount
At October 31, 2021	524,185,496	$ 85,065,803
Additions		
Warrants exercised	360,000	32,400
At October 31, 2022	**524,545,496**	**$ 85,098,203**

During the year ended October 31, 2022, the Company incurred the following shares issuances:

- 360,000 warrants were exercised for proceeds of $32,400.

As of October 31, 2021, the issued and outstanding shares are as follows:

	Number of Shares	Amount
At October 31, 2020, 2021, and 2022	491,009,829	$ 79,872,399
Additions		
Warrants exercised	33,175,667	5,193,404
At October 31, 2021	**524,185,496**	**$ 85,065,803**

During the year ended October 31, 2021, the Company incurred the following shares issuances:

- 33,175,667 warrants were exercised for proceeds of $5,193,404.

For the Year Ended October 31, 2022 (Expressed in Canadian Dollars)

Warrants

As of October 31, 2022, the warrants outstanding are as follows:

	Number of Warrants
At October 31, 2021	25,116,667
Additions, exercises or expiries:	
Warrants exercised	(360,000)
At October 31, 2022	**24,756,667**

As of October 31, 2021, the warrants outstanding are as follows:

	Number of Warrants
At October 31, 2020	58,342,334
Additions, exercises or expiries:	
Warrants exercised	(33,175,667)
Warrants expired	(50,000)
At October 31, 2021	**25,116,667**

The breakdown of the warrants outstanding is as follows:

Number of Warrants Outstanding	Warrant Exercise Price ($)	Warrants Exercisable as of October 31,2022	Warrant Expiry Date
21,790,000	0.09 - 0.12	21,790,000	March 26, 2024
2,966,667	0.09 - 0.12	2,966,667	April 24, 2024
24,756,667		**24,756,667**	

As of October 31, 2022, and the date of this MD&A, the issued and outstanding shares and warrants are as follows:

	Issued and Outstanding	
	October 31, 2022	February 15, 2023
Common shares outstanding	524,545,496	**547,997,163**
Warrants	24,756,667	**1,305,000**
Fully diluted common shares oustanding	**549,302,163**	**549,302,163**

Subsequent to October 31, 2022, 23,451,667 warrants were exercised for gross proceeds of $2,110,650 of which proceeds of $200,000 were received as at October 31, 2022 and recorded as shares to be issued.

14. OFF-BALANCE SHEET ARRANGEMENTS

During the year ended October 31, 2022, the Company was not party to any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations, financial condition, revenues, expenses, liquidity, capital expenditures or capital resources of the Company.

15. CHANGES IN ACCOUNTING STANDARDS

The Company has not adopted any new accounting standard during the year ended October 31, 2022. New and revised accounting standards are described in Note 3, "*Changes in Accounting Policies*", in the audited annual consolidated financial statements for the year ended October 31, 2022.

16. CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements, along with reported amounts of income and expenses during the period. Actual results may differ from these estimates, and as such, estimates and underlying assumptions and judgements are reviewed on an ongoing basis by management. Revisions are recognized in the period in which the estimates are revised and in any future periods so affected.

(i) Significant Assumptions and Judgements in Applying Accounting Policies

Critical judgements required in applying the Company's accounting policies that would have the most significant impact on the Company's consolidated financial statements include determination of control and significant influence, capitalization of exploration and evaluation costs and going concern.

a) Capitalization of Exploration and Evaluation Costs

The measurement and impairment of mineral properties are based on various judgments, including, but not limited to, the technical and commercial feasibility of these properties, which incorporates various assumptions for mineral reserves and/or resources, future mineral prices and operating and capital expenditures. The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which is based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. For example, if, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the period when the new information became available.

(ii) Key Sources of Estimation Uncertainty

Significant accounts that require estimates as the basis for determining the stated amounts included, but are not limited to, deferred tax liabilities.

a) Deferred Tax Liabilities

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss,

- In respect of taxable temporary differences associated with an investment in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax liabilities are measured at the tax rates that are expected to apply in the year when the liability is settled, based on tax rates (and laws) that have been enacted or substantively enacted at the reporting date.

17. APPROVAL

The Audit Committee of Copper Fox has reviewed and approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it, and it is also available under our SEDAR profile at www.sedar.com.