

# COPPER FOX METALS INC.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED JANUARY 31, 2015

March 31, 2015



Management's Discussion and Analysis  
Three Months Ended January 31, 2015

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**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') unaudited interim consolidated financial statements for the three months ended January 31, 2015 and related notes thereto and the audited consolidated financial statements for the year ended October 31, 2014 and related notes thereto.

All of the Company's material subsidiaries are wholly owned except for Carmax Mining Corp. ('Carmax') (TSX-V: CXM), of which the Company owns 42.09% of the outstanding common shares. The consolidated financial statements include 100% of the assets and liabilities related to Carmax and include a non-controlling interest representing 57.91% of Carmax's assets and liabilities not owned by the Company. 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 release and is filed on Sedar at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.copperfoxmetals.com](http://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 11).

The effective date of this MD&A is March 31, 2015. All amounts expressed are in Canadian dollars unless otherwise stated.

**Description of Business**

Copper Fox is a Canadian based resource company with a Tier 1 listing on the TSX-Venture Exchange (TSX-V: CUU). The Company is focused on the exploration and development of copper projects in North America. Copper Fox's corporate office is located in Calgary, Alberta. Copper Fox's wholly-owned subsidiaries are Desert Fox Copper Inc. ('Desert Fox') and Northern Fox Copper Inc. ('Northern Fox'). Desert Fox holds all the assets of Copper Fox located in the United States and Northern Fox holds the investment in Carmax. Desert Fox has established an office in Miami, Arizona to support the current work being completed on the Van Dyke copper deposit. Copper Fox's primary asset is its 25% interest in the Schaft Creek Joint Venture with Teck Resources Limited ('Teck') on the Schaft Creek copper-gold-molybdenum-silver project located in northwestern British Columbia and the Van Dyke oxide copper deposit located in Miami, Arizona. Pursuant to the Joint Venture agreement with Teck dated July 15, 2013, among other obligations, Teck is responsible for the first \$60 million in expenditures on the Schaft Creek project.

For corporate and tax planning purposes, the Company established Desert Fox and Northern Fox to manage all future exploration/development activities as well as any equity or working interest acquired in other mineral projects in North America. Desert Fox and its wholly-owned subsidiaries, hold mineral tenures located in Pinal County, Arizona (the 'Sombrero Butte Copper Project') and in Gila County, Arizona (the 'Van Dyke Copper Project'), both located in the Arizona porphyry copper belt.

Subsequent to the quarter end, Teck, as operator of the Schaft Creek joint venture, has proposed a 2015 program to advance the Schaft Creek project. The 2015 work program represents a continuation of the optimization studies commenced in 2014.

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Copper Fox completed a NI 43-101 resource estimate on the Van Dyke project in 2014. This estimate outlined a current Inferred mineral resource of 264 million tonnes grading 0.25% total copper that contains approximately 1.44 billion pounds of in-situ copper. Copper Fox also maintained its 42.09% equity interest in Carmax. Carmax owns 100% of the Eaglehead copper-molybdenum-gold project located in northwestern British Columbia. The Eaglehead project is an advanced exploration project with a current inferred mineral resource of 102.5 million tonnes grading 0.29% copper, 0.01% molybdenum and 0.08 g/t gold containing 662 million pounds of copper, 22 million pounds of molybdenum and 265,000 ounces of gold.

In the United States Copper Fox currently operates through its Desert Fox subsidiary and is funding their costs to advance the Arizona copper assets. The majority of Desert Fox's current activities are focussed on the Van Dyke oxide copper deposit with the objective is to complete a Preliminary Economic Assessment ('PEA') for the Van Dyke project in fiscal 2015.

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

#### **Highlights for the quarter ended January 31, 2015**

##### **Schaft Creek Project**

Copper Fox is a 25% partner in the Schaft Creek Joint Venture ('SCJV') with Teck. Teck is the operator of the SCJV which holds two main assets; i) the Schaft Creek copper-gold-molybdenum-silver project located in northwestern British Columbia and a 78% equity interest in Liard Copper Mines Limited ('Liard'). Liard holds a 30% Net Proceeds Interest in the Schaft Creek project. On January 23, 2013, a National Instrument 43-101 ('NI 43-101') Technical Report was prepared by Tetra Tech under the direction of Copper Fox comprising a feasibility study of a 130,000 tonne per day-open pit mine with a Proven and Probable Reserve of 940.8 million tonnes grading 0.27% copper, 0.19 g/t gold, 0.018% molybdenum and 1.72 g/t silver over a 21 year mine life with contained metal of 5,611.7 million pounds of copper, 5.8 million ounces of gold, 363.5 million pounds of molybdenum and 51.7 million ounces of silver.

The Schaft Creek deposit hosts a Measured and Indicated Resource of 1.228 billion tonnes grading 0.26% copper, 0.017% molybdenum, 0.19 g/t gold and 1.69 g/t silver and a 597.2 million tonne Inferred Resource grading 0.22% copper, 0.016% molybdenum, 0.17 g/t gold and 1.65 g/t silver. The above stated Proven and Probable Reserves for the Schaft Creek project are included within the stated Measured and Indicated Resources for this project.

The objectives of the 2015 work program is to continue the optimization studies that were commenced in 2014 and to test the higher grade copper-gold mineralization located in the Lacasse zone. The 2015 program for the Schaft Creek project is estimated to cost \$4.8 million which is funded pursuant to the Joint Venture agreement by Teck. The three main activities for the 2015 Schaft Creek program are described below.

##### **Geotechnical/Geometallurgical modelling:**

The scope of these studies includes additional infill sampling and re-logging of diamond drill cores that will be used for geometallurgical modelling and definition of geometallurgical domains. Sampling for litho geochemistry and acid rock

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drainage investigations and additional field mapping are also planned.

#### **Evaluation of Key Economic Drivers:**

This aspect of the 2015 program includes studies on comminution (grinding), daily throughput rates, electrical demand, mine planning to match throughput rates, land use concepts, updating the resource model, review of infrastructure planning, water management and various possibilities related to tails and tails storage.

#### **Exploration:**

This work includes an estimated 1,500m of diamond drilling focusing on the higher grade copper-gold mineralization located in the Lacasse zone in 2014. If sufficient mineralization is outlined by the proposed drilling program, then this zone could be used to augment the mill feed during the first few years of a potential mining operation.

As per the Schaft Creek Joint Venture agreement, in addition to other obligations, Teck is responsible for funding the first \$60 million in joint venture expenditures at Schaft Creek.

#### **Van Dyke Copper Project**

The Van Dyke oxide copper project (100% owned by Desert Fox) is located in the Globe-Miami Mining District in Arizona which hosts the Pinto Valley, Carlota and Miami-Inspiration (all currently in operation) copper deposits. The Van Dyke property was first explored and developed in the early 1900s where underground mining operations are reported to have produced 11.8 million pounds of copper between 1929 and 1945 from copper oxide mineralization with a reported grade of 5.0% copper. The project was explored by Occidental Minerals Corporation ("Occidental") between 1968 and 1980. Occidental completed a considerable amount of exploration on the Van Dyke oxide copper project including two in-situ leaching ("ISL") tests consisting of drilling injection and recovery wells into the oxide portion of the deposit and circulating solution to recover copper. The first test was preliminary in nature (two wells) and in addition to testing the ability to dissolve and recover the oxide copper mineralization, this test also obtained significant hydrogeological and geotechnical data. The second test consisted of five injection and recovery wells and eight monitoring wells with a well pattern spacing of 100 feet. The second test commenced in 1978 and lasted until May 1980 and demonstrated the technical viability of an in-situ leach operation on the Van Dyke oxide copper deposit.

Subsequent to quarter end, Desert Fox and its technical consultants commenced a program to verify that the information collected in 2014 is sufficient to support the preparation of a Preliminary Economic Assessment ('PEA'). The completion of a NI 43-101 resource estimate and the in-situ pressure leach tests on oxide copper mineralization combined with the geotechnical and hydrogeological information collected in 2014 as well as the available historical geological, metallurgical, geotechnical, hydrogeological information related to the two in-situ leach tests completed by Occidental are expected to be sufficient to proceed to the preparation of a technical report outlining the results of a PEA level study on the Van Dyke oxide copper deposit.

The completion of a PEA on the Van Dyke oxide copper deposit would provide a conceptual study that includes an independent preliminary engineering assessment of the project, an estimate of potential value, operating costs, capital and sustaining costs and a conceptual plan on development and operations of the Van Dyke oxide copper deposit.



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### **Eaglehead Project**

During the quarter, the Company, through its wholly owned subsidiary Northern Fox Copper Inc. ("**Northern Fox**"), closed a non-brokered private placement (the "**Top-up Investment**") in Carmax Mining Corp. ("**Carmax**") (TSX-V: **CXM**). Copper Fox has indirectly acquired an additional 2,180,450 units of Carmax for an aggregate subscription price of \$109,022.50. Units (each a "**Unit**") were subscribed for at a price of \$0.05 per Unit and consisted of one previously unissued common share ("**Share**") and one common share purchase warrant ("**Warrant**") of Carmax. Each Warrant is exercisable for a period of 24 months from the closing date of the Top-up Investment and entitles the holder, on exercise, to purchase one additional common share of Carmax at a price of \$0.10 per share. If the common shares of Carmax trade at a price of greater than \$0.15 per share over a 30 day trading period, then the Warrants are subject to mandatory exercise immediately. The Top-up Investment was made pursuant to the pre-emptive and top-up rights granted to Northern Fox under the terms of the private placement announced on April 10, 2014.

As of the date of this MD&A Copper Fox beneficially owns and controls 25,566,528 Shares of Carmax, representing approximately 42.09% of the issued and outstanding common shares of Carmax on an undiluted basis. Copper Fox also holds Warrants which entitle Copper Fox to indirectly acquire an additional 25,566,528 common shares of Carmax. Copper Fox acquired the shares and warrants in Carmax for investment purposes. Depending on economic and financial conditions, Copper Fox may acquire further common shares of Carmax (through market or private transactions) from time to time for investment purposes.

Carmax is the operator of the Eaglehead project. The 2014 Eaglehead exploration program consisted of re-logging 18 selected historical diamond drill holes from the previously located zones of mineralization, airborne and ground geophysical (Titan-24 DCIP) surveys, recovery of the historical drill core, collection of samples for preliminary metallurgical testwork and a four hole (2,229m) diamond drilling program. The 2014 work program has confirmed the preliminary interpretation of the historical results and tested the interpreted correlation between the chargeability results from the Titan 24 DCIP survey and copper mineralization. The four drill holes completed in 2014 intersected broad intervals of porphyry style mineralization on both the northern and southern edge of the chargeability anomaly.

Preliminary metallurgical testwork to provide an indication of the potential range of recoveries for the copper-gold-molybdenum-silver from the mineralization on the Eaglehead project is in progress. This work is expected to be completed before the end of March 2015. The preliminary metallurgical test work program combined with the compilation of all current and historical results from the project would form the basis for the proposed 2015 program; the estimated cost and details of which are expected to be received from Carmax before the end of April 2015. Copper Fox will evaluate the merit of maintaining its 42.09% interest at that time.

### **Sombrero Butte Project**

The Sombrero Butte project (100% owned by Desert Fox) is located in the southwest porphyry copper belt in Arizona, USA that hosts large porphyry copper deposits such as Miami/Globe, Superior/Resolution and San Manuel/Kalamazoo. The area is host to numerous mining projects and mentioned above and has a reputation of being a mining friendly jurisdiction; politically secure with excellent and readily accessible infrastructure.

The Sombrero Butte property contains at least two main clusters of mineralized breccia pipes which elsewhere in the district are known to overlie buried porphyry copper deposit. At least 40 mineralized breccia pipes and 12 breccia pipes



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with intense dickite alteration (indicative of a porphyry environment) have been located on the property. Dickite is an indicator mineral that occurs in multiple porphyry copper deposits throughout the Arizona copper belt including BHP's San Manuel/Kalamazoo deposit.

In 2014, the Company received approval (but did not complete) to conduct a Titan-24 DCIP survey over the two potential target areas that cover a strike length of approximately 4 kilometers. The Company is currently assessing its options related to the future exploration of this project. One option is to complete the Titan-24 DCIP survey to explore the project at depth to determine if a target of merit exists. The second option would be to either option or joint venture the project to a third party and have the incoming party conduct at their expense; exploration of this project. If the Company decides to complete the proposed Titan-24 survey, then the estimated expenditure in 2015 would be in the order of \$300,000.

Elmer B. Stewart, MSc. P. Geol., President of Copper Fox, the Company's nominated Qualified Person pursuant to National Instrument 43-101, Standards for Disclosure for Mineral Projects, has reviewed the technical information disclosed in the preceding paragraphs.

**Period Overview**

**Revenues**

The Company has no income producing assets and has not reported revenue from operations for either of the quarters ended January 31, 2015 and January 31, 2014. The Company is considered to be in the exploration and development stage.

**Expenses**

During the three months ended January 31, 2015 Copper Fox incurred expenses of \$718,457 (2014 - \$469,429). A comparison of the expenses incurred by Copper Fox for the quarters ended January 31, 2015 and January 31, 2014:

	2015	2014
Expenses:		
Administration*	\$ 312,320	\$ 361,881
Amortization and accretion*	8,600	10,204
Professional fees*	392,537	97,344
Share based compensation*	5,000	-
Net Loss	\$ 718,457	\$ 469,429

\*Includes 100% of Carmax Expenditures

The change in total expenses for three months ended January 31, 2015 compared to the three months ended January 31, 2014 is mainly due to legal fees of \$316,433 related to the BCMETC audit.



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Included in the administration expense for the three months ended January 31, 2015 is \$88,511 (2011 – Nil) related to Carmax and \$22,921 (2014 - \$17,505) of unrealized foreign exchange expense related to the conversion of the Desert Fox balances from US dollars to CDN dollars at the end of the period.

#### Loss/Income

Copper Fox had a net comprehensive income/(loss) for the three months ended January 31, 2015 of \$509,648 (2014 – (\$182,095)).

#### Loss/Income per Share

Loss per share is computed by dividing net loss for the period by the weighted average number of shares outstanding. In computing loss per share the weighted average number of shares outstanding during the three months ended January 31, 2015 was 407,660,044 (2014 – 404,740,044) common shares. Stock options and warrants granted by the Company during this period have not been included in the computation of loss per share as they are anti-dilutive.

The (loss)/income per share for the three months ended January 31, 2015 was \$0.00 (2014 – \$0.00).

#### Total Assets

Total assets of the Company at January 31, 2015 are \$80,945,250 (October 31, 2014 - \$80,067,623).

#### Selected Unaudited Quarterly Financial Information

	Net (loss)/income	Net (loss)/income per share - basic and diluted
<u>2015</u>		
First Quarter	\$ 509,648	\$ 0.00
<u>2014</u>		
Fourth Quarter	\$ 696,685	\$ 0.00
Third Quarter	\$ (951,334)	\$ 0.00
Second Quarter	\$ (613,970)	\$ 0.00
First Quarter	\$ (469,429)	\$ 0.00
<u>2013</u>		
Fourth Quarter	\$ (439,695)	\$ 0.00
Third Quarter	\$ 3,117,445	\$ 0.01
Second Quarter	\$ (697,664)	\$ 0.00

The gain in the first quarter of 2015 is mainly related to unrealized foreign exchange. The gain for the fourth quarter of 2014 is due to a deferred income tax recovery. The increase in net loss for the third quarter of 2014 is mainly due to share based compensation related to the Carmax acquisition. The increase in loss for the second quarter of 2014 is due to professional fees related to the BCMETC audit. Income in the third quarter of 2013 is primarily due to a future income tax adjustment of \$3,887,762.



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### Liquidity and Capital Resources

At January 31, 2015, the Company had working capital of \$5,578,680 and an accumulated deficit of \$17,680,805 and had comprehensive income of \$509,648 for the three months ended January 31, 2015.

Fixed costs to maintain operations, pay taxes and upkeep on the Arizona properties are approximately \$220,000 per annum, this includes an annual payment to Silver Nickel for Sombrero Butte of approximately \$147,000 CDN. Corporate and general costs have been approximately \$1,200,000 in 2013 and 2014.

As at January 31, 2015, the Company's cash and cash equivalents were \$1.3 million. The balance of the working capital includes the BCMETC due in the amount of \$4.4 million. Of the \$4.4 million, \$3.5 million was received on March 12, 2015. The Company has access to sufficient funds to meet its current overhead and planned capital expenditures.

### Off Balance Sheet Arrangements

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

Period	Feb 1, 2015 - Oct 31, 2015	Nov 1, 2015 - Oct 31, 2016	Nov 1, 2016 - Oct 31, 2017	Nov 1, 2017 - Oct 31, 2018	Nov 1, 2018 - Jun 30, 2019
Amount	\$ 83,011	\$ 110,682	\$ 112,031	\$ 112,031	\$ 87,058

The Company is required to pay US \$390,000 under the Sombrero Butte acquisition agreement. The next payment of US \$130,000 is due on October 15, 2015 and on each October 15 thereafter with the final payment being in 2017.

In the Schaft Creek Joint Venture arrangement, the Company is responsible for 25% of pre-production costs beyond \$60 million and 25% of capital costs following a production decision. Copper Fox's pro rata share of any pre-production costs in excess of \$60 million will be funded by Teck and the two remaining direct cash payments payable to Copper Fox (based on certain milestones being achieved) will be reduced by an equivalent amount, and Teck will fund any additional costs incurred prior to a production decision, if required, by way of loan to Copper Fox to the extent of its pro rata share, without dilution to Copper Fox's 25% joint venture interest. The joint venture arrangement also provides that Teck is responsible by way of a loan at prime plus 2% to Copper Fox to cover Copper Fox's share of capital costs. The loan amounts are recoverable by Teck from 90% of the net free cash flow from the Schaft Creek project.

### Related Party Transactions

During the three months ended January 31, 2015, directors and officers of the Company incurred Nil (2014 - \$66,000) for management and technical services on behalf of the Company. At January 31, 2015 Nil (2014 - Nil) is included in accounts payable.

### Mineral Property

All operations and expenditures on the Schaft Creek project in British Columbia are now allocated to the Schaft Creek Joint Venture of which Teck Resource Limited is the operator.

A comparison and detail of expenditures related to the Arizona properties for 2015/2014 and 2014/2013 is as follows:

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Van Dyke Property		
	Expenditures November 1, 2014 to January 31, 2015	Expenditures November 1, 2013 to October 31, 2014
Drilling Program	\$ 39,140	\$ 2,080,874
Environmental Program	3,539	111,074
Geology	35,669	359,256
Geotechnical	22,840	704,092
Land Management	16,297	156,424
Metallurgy	7,045	103,121
Miscellaneous	3,320	68,330
Permits	-	7,951
Resource Estimate	47,081	183,342
Testing, Assaying, Mapping, Etc.	25,353	192,727
Travel	4,289	178,926
	\$ 204,572	\$ 4,146,115

Sombrero Butte Property		
	Expenditures November 1, 2014 to January , 2015	Expenditures November 1, 2013 to October 31, 2014
Environmental Program	\$ -	\$ 5,828
Geology, Engineering, Metallurgy	3,346	27,692
Land Management	-	13,968
Travel	-	11,959
Miscellaneous	2,593	11,431
Permits	-	25,955
	\$ 5,939	\$ 96,833

**Recent Accounting Pronouncements**

In December 2011, "Offsetting Financial Assets and Financial Liabilities", amendments to IAS 32 "Financial Instruments: Presentation" was published by the IASB. These amendments clarify the requirements for offsetting financial instruments. The amendments introduce new disclosure requirements for financial assets and financial liabilities that

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are offset in the Consolidated Balance Sheets, or are subject to enforceable master netting arrangements or similar agreements. The amendments to IAS 32 are applied retrospectively for annual periods beginning on or after January 1, 2014. The adoption of these standards had no impact on the amounts recorded in the financial statements for the periods presented in these consolidated interim financial statements.

On November 1, 2014, the Company adopted IFRIC 21 Levies. IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that no liability should be recognized before the specified minimum threshold to trigger that levy is reached. The adoption of this standard had no impact on the amounts recorded in the financial statements for the periods presented in these consolidated interim financial statements.

**Share Capital**

The Company is authorized to issue an unlimited number of common shares of which 407,660,044 were outstanding at January 31, 2015. The following table shows the detailed number of shares, options and warrants outstanding as of January 31, 2015 and changes (if any) that have occurred up to the date of this MD&A.

	As of 31-Jan-15	Change	As of 31-Mar-15
Common shares issued and outstanding	407,660,044	-	407,660,044
Common shares issuable upon exercise of stock options	1,650,000	-	1,650,000
Common shares issuable upon exercise of warrants	3,358,228	-	3,358,228
Common shares fully diluted	412,668,272	-	412,668,272

**Cautionary Note Regarding Forward-Looking Information**

This Management’s Discussion and Analysis (MD&A) contains “forward-looking statements” and “forward-looking information” (collectively, “forward-looking information”) within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words “believes,” “may,” “plans,” “will,” “anticipates,” “intends,” “budgets”, “could”, “estimates”, “expects”, “forecasts”, “projects” and similar expressions, and the negative of such expressions. Forward-looking information in this MD&A includes statements about the Schaft Creek optimization studies’ ability to enhance the economics of the project; the Inferred mineral resource of the Eaglehead project; Desert Fox’s objective to complete the testwork required to prepare a Preliminary Economic Assessment (‘PEA’) for the Van Dyke project; the Proven and Probable mineral reserves and the Measured, Indicated and Inferred resources on the Schaft Creek project; the expectation that the Optimization studies commenced in 2014 at the Schaft Creek Project will continue into 2015; the overall metal recovery and daily throughput at Schaft Creek; the role of additional geometallurgy testwork in determining the mill size, daily mill throughput, metal recoveries as well as power consumption of the Schaft Creek Project; the expectation that the updated geological model will provide a better understanding of the environmental and resource aspects of the Schaft Creek project; the timing of when the management committee for the Schaft Creek Joint Venture will finalize their proposed 2015 plans; the inferred mineral resource estimate of the Van Dyke project; the degree to which the work performed in 2014 has advanced the understanding of geological and metallurgical aspects of the Van Dyke oxide copper deposit; the timing of when the Company will determine if the data collected in 2014 is sufficient to complete a PEA on the Van Dyke oxide copper deposit, the contents of such PEA, and the completion time and cost; the size of the Eaglehead porphyry copper system; the ability of the Eaglehead drill hole information to provide guidance as to the potential size and future exploration and in selecting future drill hole locations; the timing to receive from Carmax the estimated cost and details of the 2015 re-logging program, the expectation for Copper Fox to evaluate its interest at that time, and plans for additional work; a possible option or joint venture partner for the Sombrero Butte project, along with estimated expenditure on a survey; the expected amount to receive from the BCMETC and by when; and the future funding and payments from Teck in the Schaft Creek Joint Venture arrangement.



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In connection with the forward-looking information contained in this MD&A, Copper Fox has made numerous assumptions, regarding, among other things: the geological, metallurgical, engineering, financial and economic advice that Copper Fox has received is reliable, and is based upon practices and methodologies which are consistent with industry standards; the continued financing of Copper Fox and Desert Fox's operations; the ability to find and retain suitable venture partners; and the processing time of various parties. While Copper Fox considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause Copper Fox's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include: the Company may change its focus; studies and testwork may be inaccurate or may not yield the results hoped for; resource estimates may fall short, or not result in economic mining thereof; further exploration and development of the Schaft Creek property may not occur as expected; funding to the Company may not be paid in the quantum or timing expected, or at all; financing commitments may not be sufficient to advance the projects as expected, or at all; the planned activities for the Van Dyke property may not commence as currently planned, or at all; a Preliminary Economic Assessment may never be obtained by the Company for the Van Dyke property; the planned activities for the Eaglehead property may not commence as currently planned, or at all; metal prices and currency exchange rates may fluctuate; there may be uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; there may be inaccuracies in the estimates of capital and operating costs, recovery rates, and estimated economic return; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs; uncertainty of meeting anticipated program milestones; conditions in the financial markets and overall economy may deteriorate; the actual mineralization in the Eaglehead property may not be as favorable as suggested by the resource estimate; future drilling and geophysical exploration on the Eaglehead property may not occur on a timely basis, or at all; the Company may not find a possible option or joint venture partner for the Sombrero Butte project; the Company may not complete the proposed Titan-24 survey on the Sombrero Butte project on a timely basis or at all; there may not be timely availability of permits and other governmental approvals; and venture partners may not provide expected funding and payments.

A more complete discussion of the risks and uncertainties facing Copper Fox is disclosed in Copper Fox's continuous disclosure filings with Canadian securities regulatory authorities at [www.sedar.com](http://www.sedar.com). All forward-looking information herein is qualified in its entirety by this cautionary statement, and Copper Fox disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.