COPPER FOX METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED JULY 31, 2011

September 28, 2011

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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 financial statements for the three and nine months periods ended July 31, 2011 and related notes thereto and the audited annual financial statements for the year ended October 31, 2010 and related notes thereto and management discussion and analysis thereon. Technical information contained in this MD&A has previously been disseminated by way of news release and is 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 14). The effective date of this MD&A is September 28, 2011. All amounts are in Canadian dollars unless otherwise stated.

Description of Business

Copper Fox is a Canadian-based resource company listed on the TSX-Venture Exchange (CUU) involved in the exploration and development of the Schaft Creek copper-molybdenum-gold-silver deposit located at Schaft Creek in northwest British Columbia, Canada.

Copper Fox holds title and a 100% working interest in the Schaft Creek Property a contiguous 21,024.96 hectare (51,954 acre) property that is subject to a 3.5% Net profits interest held by Royal Gold Inc., a 30% carried net proceeds interest held by Liard Copper Mines Limited ("Liard") and an earn back option held by Teck Resources Limited ("Teck"). On completion of the feasibility study, Copper Fox will earn Teck's 78% interest in Liard. Teck's earn back option to acquire either, 20%, 40% or 75%, of Copper Fox's interest in the Schaft Creek property is triggered upon delivery of a positive feasibility study to Teck. Should Teck elect to exercise its option for 75% they are required to fund subsequent property expenditures up to a total of 400% of those incurred by Copper Fox (approximately $63.6 million to July 31, 2011) and arrange for project financing, including the Copper Fox portion. For full details of the Teck earn back option please refer to the Company's website www.copperfoxmetals.com.

In March 2011, the Company acquired mineral claims located adjacent the Schaft Creek property totalling 2,978.5 hectares (7,360 acres) (the "March 2011 Mineral Claims") which are subject to a 2% Net Smelter Return ("NSR"). Copper Fox has the option to repurchase, at any time, one-half of the NSR on the March 2011 Mineral Claims for a total purchase price of $3.0 million. In September 2011, the Company acquired mineral claims located adjacent to the Schaft Creek property totalling 6,115.12 hectares (15,110.73 acres) (the "September 2011 Mineral Claims") which are subject to a 2% NSR. Copper Fox has the option to repurchase, at any time, one-half of the NSR on the September 2011 Mineral Claims for a purchase price of $1.0 million. The March 2011 Mineral Claims and the September 2011 Mineral Claims are subject to inclusion with the Schaft Creek project under the terms of the Area of Interest provision of the Teck Option Agreement. Copper Fox has incurred $2.99 million on the new property acquisitions. The terms and conditions for the inclusion of the March 2011 Mineral Claims and the September 2011 Mineral Claims into the Schaft Creek project have yet to be negotiated with Teck.

In addition Copper Fox owns a further contiguous group of mineral claims encompassing 3,937 hectares (9,753 acres) not subject to the Area of Interest clause in the Teck Option Agreement.

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Schaft Creek – An Emerging Porphyry Copper District?

The results of the Titan-24 geophysical surveys completed in 2010 and the extension of the higher-grade copper-gold molybdenum-silver mineralization to the east and at depth in the Paramount zone in 2011 demonstrated the potential to increase the size and average grade of the Schaft Creek deposit. While this milestone is extremely important to support the development and construction of a large open pit mining operation, the further understanding of the potential of the area to host additional porphyry deposit is fundamental to sustain longer term operations.

The exploration completed since 2010 has demonstrated sufficient criteria to suggest the Schaft Creek area should more properly be described as a developing Porphyry District. The Schaft Creek Mineral Trend, containing the Schaft Creek deposit, two large zones of copper-gold-molybdenum-silver mineralization on surface, a large untested chargeability anomaly (Mike Zone) and a structural setting defined by the high resolution aeromagnetic survey are all features typical of a porphyry district. The Schaft Creek Mineral Trend is a 15 kilometre long zone of favourable rocks, alteration, geophysical anomalies and mineralization that adds significant potential to find additional porphyry style copper deposits within the Schaft Creek property.

The focus of the 2011 program is to complete the feasibility study before the end of 2011. The understanding of the mineral potential of the Schaft Creek Mineral Trend is in the early stages. The results to date from the 2011 program have been very encouraging in that the higher grade mineralization (located in 2010) in the Paramount zone has been extended an additional 150m to the east further demonstrating the mineralized nature of the large chargeability anomaly identified in 2010. Approximately 400m of this chargeability anomaly lies under the area know as Mount La Casse and remains to be drill tested. Contingent on the results of the recently completed Titan-24 survey, drilling of the Mike zone and ES and GK zones of copper-gold mineralization is planned, subject to weather conditions.

The exploration work to understand the mineral potential of the Schaft Creek Mineral Trend has focused on the area located north of the Schaft Creek deposit. This area is considered to have significant potential to host additional porphyry style deposits. The Schaft Creek Mineral Trend also continues to the south as was demonstrated by the Titan-24 surveys completed in 2010. The area south of the Schaft Creek deposit has not been explored and should be prospective for porphyry style copper-gold-molybdenum-silver mineralization.

Feasibility Study:

The recently completed resource estimation focused on increasing the grade to maximize the net smelter return per tonne. This resulted in a decrease in total tonnes in the Measured and Indicated resource categories. The average grade of the mineralization in the Inferred resource category was significantly higher than that outlined in the Preliminary Feasibility Study (the "PFS"). The mineralization in the Inferred Resource category cannot be included in the Feasibility Study, however in an actual mining operation this material would be further explored with the objective of upgrading this mineralization to either an Indicated or Measured resource category. If successful, these resources would then be upgraded to either proven or probable reserves and then included into the overall mine plan for mining and processing thereby extending the mine life.

Now that the resource estimation has been completed, Wardrop, a TETRA TECH company, (Wardrop) is focusing on the pit optimization process whereby an optimized pit is designed to provide the maximum Net Present Value (NPV). On completion of the pit optimization process, haul roads, berms, pit slopes and the mine plan for future operations will be

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superimposed on the optimized pit to design the pit used during the mining operations. On completion of the pit optimization process, a mineral reserve can be estimated allowing an economic analysis of the deposit to determine NPV and Internal Rate of Return ("IRR").

Porphyry deposits of the scale to be mined over a number of decades are difficult to value due to the inherent uncertainties in estimating long term costs and metal prices. Recognizing this reality, Copper Fox's strategy is to reduce the payback period for recovery of the initial capital expenditures and then concentrate on maximizing the cash flow over the life of the proposed mine. The most common valuation method used to determine the value of a mining project is the discounted cash flow method ("DCF"). Using this method, a long mine life results in a longer discount period thus lowering the estimated NPV. It is essential that the initial capital costs are recovered as soon as possible. After recovery of the initial capital costs, the annual cash flow is the primary metric used to value the project. The longer the mine life, the more value is added, hence the need to move Inferred resources into the Indicated and Measures categories to extend the mine life. An alternate method that is now being used to value long term mining assets is referred to as Real Option valuation. This method uses the same input parameters as the DCF method but treats future pricing of metal prices differently due to changes in metal pricing cycles.

Copper Fox's objectives in the feasibility study are to reduce the payback period for the initial capital expenditures to around three years or less if possible while at the same time develop a mine plan to maximize the cash flow over the mine life. An increase in daily processing rate and the ability to develop a higher-grade starter pit are part of the feasibility planning process to reduce the payout period and maximize cash flow over the life of the mine.

Management Changes:

Copper Fox was pleased to announce the appointment of Ms. Catherine Henderson as Chief Financial Officer of Copper Fox during the quarter.

Highlights

During the quarter, Copper Fox received the updated resource estimation for the Schaft Creek deposit, completed land acquisitions, purchased shares in Liard Copper Mining and commenced the 2011 Schaft Creek field program. AMEC Americas Limited ("AMEC") completed the National Instrument 43-101 compliant report updating the current mineral resource estimate for the Paramount zone and the Liard zone of the Schaft Creek deposit. The high resolution airborne magnetic survey over the entire Schaft Creek property was completed followed by commencement of the 2011 diamond drilling program. To date nine exploration drill holes and three geotechnical holes totaling 5,319 m were completed. During the quarter, Copper Fox acquired three strategically located mineral tenures that consolidated the land covering the northern extension of the Schaft Creek Mineral Trend. Subsequent to the quarter, Copper Fox purchased additional mineral tenures to protect the extensions of the Schaft Creek Mineral Trend in light of the possibility that the Schaft Creek project and the surrounding area could represent emerging porphyry copper district. The technical information set out below has been previously released by way of news releases made by Copper Fox over the past few months.

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Airborne Magnetic Survey:

The high resolution airborne magnetic survey identified a 4 kms wide by 20 kms long area of "exploration interest" that contains a number of significant structural features which are typical of a porphyry copper district. Should this prove out with subsequent exploration, it would represent a substantial increase in the exploration potential of the Schaft Creek property and the surrounding area.

The area of "exploration interest" is an elliptical shaped zone that is bounded on both sides by narrow, linear, positive Total Field (TF) and Calculated Vertical Gradient (CVG) magnetic signatures that are interpreted to be regional scale faults similar to those that typically occur along the boundaries of porphyry districts. The Schaft Creek deposit, the ES and GK zones of copper mineralization, the Mike chargeability anomaly and the recently identified Schaft Creek Mineral Trend are located within the area of "exploration interest". The correlation of the TF and CVG magnetic signatures with the Titan-24 DCIP and MT chargeability anomaly at the south end of the Schaft Creek deposit suggest that the Schaft Creek deposit could extend for an additional 1,000 m. This area has not yet been surveyed by the Titan-24 system.

2011 Diamond Drilling Program:

Three diamond drills are currently working on the Paramount zone of the Schaft Creek deposit. The results from the diamond drilling received to date in 2011 continue to extend the higher-grade mineralization to the east into an area of the Paramount zone that was previously untested. These holes were drilled within an area that measures 1,200m long by 800m wide to test the extension of the higher grade zone of mineralization identified by the chargeability anomaly identified in 2010 and the resource estimate.

The analytical results for four diamond drill holes have been received. The mineralization has now been extended to the east beyond the limits of the 2008 proposed open pit in an area previously considered to be waste rock. This is expected to have a positive implication on the long term economics of the deposit mainly related to the waste to ore ratio. Highlights of the analytical results to the date of this MD&A are set out below:

- Diamond drill hole (DDH) CF407-2011 located 140 metres (m) east of DDHCF399-2010, intersected 0.40% copper, 0.24 g/t gold, 0.025% molybdenum and 1.98 g/t silver (0.69% copper equivalent) over a core interval of 519.2m from 5.3m to a depth of 524.47m including a 160.36m interval that intersected 0.65% copper, 0.53 g/t gold, 0.034% molybdenum and 3.80 g/t silver (1.18% copper equivalent) over an interval of 160.36m. The mineralized interval in DDHCF407-2011 is open to the east and at depth.
- Diamond drill hole (DDH) CF409-2011 located 147 metres (m) east of DDH CF402-2010 (see News Release dated February 3, 2011), intersected 0.43% copper, 0.27 g/t gold, 0.04% molybdenum and 1.70 g/t silver (0.81% copper equivalent) over an interval of 154.30m starting at a core length of 319.13m. This hole was terminated in the mineralized zone due to drilling difficulties. The mineralization is open to the east, along strike and at depth.
- DDH CF408-2011 is located at the collar of DDHCF407B-2011 and was drilled to the west and intersected 0.42% copper, 0.07 g/t gold, 0.05% molybdenum and 2.45 g/t silver (0.74% copper equivalent) over a core interval of 76.98m from 114.78m to a depth of 191.76m,
- Diamond drill hole (DDH) CF410B-2011 located 104 metres (m) east of DDH CF407-2011, intersected two zones of mineralization, the first interval intersected 0.30% copper, 0.10 g/t gold, 0.02% molybdenum and 1.23 g/t silver (0.52% copper equivalent) over an interval of 250.75m starting at a down hole depth of 262.08m and a second interval of mineralization that averaged 0.51% copper, 0.18 g/t gold, 0.026% molybdenum and 1.42 g/t

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silver (0.78% copper equivalent) over a core interval of 24.68m from a down hole depth of 544.60m to a depth of 569.28m, and

- The Titan-24 survey over the Mike zone and the recently acquired ES and GK zones (all within a 6 kilometre strike length) located north of the Schaft Creek deposit has been completed. Results are pending.

Variable concentrations of chalcopyrite, bornite and molybdenite have been observed over thick intervals in the cores of the four holes completed in the Paramount zone, for which analytical results are pending. The presence of these sulphides cannot be taken to mean that significant grades of copper and molybdenum will be present in the core. The analytical results are required to determine the actual grade of the material.

Updated Resource Estimate:

During the quarter, Copper Fox received from AMEC America's Limited (AMEC) a National Instrument 43-101 compliant Technical Report with an Updated Resource Estimate for the Schaft Creek deposit. To review the details of the input parameters and the methodology used to complete the Updated Resource Estimate, the reader is asked to review Copper Fox's News Release dated July 11, 2011. The Base Case table for the Updated Resource Estimate is shown below. Copper Fox selected a base case that provides optimal economics to achieve an early payout of the capital expenditures and at the same time maximize the cash flow from the deposit over the first 7-10 year period. Unfortunately the silver grade for the deposit could not be included in the Updated Resource Estimate due to legacy data issues that cannot meet the test pursuant to National Instrument 43-101. The legacy data issues are due to a number of exploration companies (including Teck and Hecla) that explored the Schaft Creek deposit over the past 50 years.

Table-1: Mineral Resource Estimate – Schaft Creek Deposit - David Thomas P. Geo., Effective Date: May 1, 2011

Resource	Tonnage	Copper	Molybdenum	Gold	Cu Eq.	Contained Metal		
Category	(Million Tonnes)	(%)	(%)	g/t	(%)	Cu (Mlbs)	Mo (Mlbs)	Au (Moz)
Measured	40.30	0.36	0.023	0.25	0.61	319.60	20.5	0.32
Indicated	971.20	0.27	0.017	0.18	0.45	5,795.70	363.2	5.50
Measured and Indicated	1,011.50	0.27	0.017	0.18	0.46	6,113.70	383.6	5.81
Inferred	283.60	0.24	0.011	0.15	0.39	1,517.20	68.8	1.34

Mlbs = pounds expressed in millions
Moz = ounces expressed in million
Cu Eq. = copper equivalent grade

*The copper equivalent ("Cu Eq.") cut-off calculation is based on metal prices of 1,200 US$/oz gold, 2.90 US$/lb of copper and 15.95 US$/lb of molybdenum, a mining cost of $1.35 US$/t mined and a processing cost of 5.12 US$/t milled. The Mineral Resource is reported at a cut-off grade of 0.20 % Cu Eq. contained within a Lerchs-Grossman resource pit shell optimized on copper, gold and molybdenum grades. The contained metal figures shown are in situ. All figures have been rounded to reflect accuracy and to comply with securities regulatory requirements following "best practice principles". AMEC undertook quality assurance and quality control studies on the mineral resource data and concludes that the collar, survey, assay and lithology data are adequate to support resource estimation.

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Highlights of the Resource Estimate are set out below:

a) The Measured and Indicated mineral resource for the Schaft Creek deposit (at a 0.20% copper equivalent cut-off) totals 1.01 billion tonnes grading 0.27% copper, 0.017% molybdenum and 0.18 g/t gold (copper equivalent 0.46%) containing 6.1 billion pounds copper, 383 million pounds molybdenum and 5.8 million ounces gold,
b) The Inferred mineral resource for the Schaft Creek deposit (at a 0.20% copper equivalent cut-off) totals 283.6 million tonnes grading 0.24% copper, 0.011% molybdenum and 0.15 g/t gold (copper equivalent 0.39%) containing 1.5 billion pounds copper, 69 million pounds molybdenum and 1.3 million ounces gold,
c) The silver grade of the Schaft Creek deposit is estimated to range between 1 and 2 g/t. The silver content of the deposit has not been included in the resource estimate due to legacy data issues, and
d) This resource estimate reports significantly higher average copper grade in the Measured mineral resource (0.36%) category, the Indicated mineral category (0.27%) and the Inferred mineral resource (0.24%) category compared to the Measured mineral resource category (0.30%), the Indicated mineral category (0.23%) and Inferred mineral resource category (0.14%) set out in the preliminary feasibility study on the Schaft Creek deposit dated September 2008.

Titan-24 DCIP & MT Survey:
The Titan-24 survey over the Mike zone and the recently acquired ES and GK zones (all within a 6 kilometre strike length) located north of the Schaft Creek deposit has been completed. Results are pending.

Feasibility Study:
During the quarter, Wardrop commenced work on determining the optimal pit based on a number of scenarios using various input parameters and metal prices. Knight Piesold are currently working on the geotechnical aspect of the proposed open pit concentrating on the pit slope design and overall pit slope angle. On completion of this work, the proposed production pit will have been designed and used as the basis for completion of the feasibility study. The next stage is preparation of a proposed production pit design, mineral reserve, mine plan and overall strip ratio. Finalization of the haul road and water diversion ditches will resume after the mine plan and pit optimization studies have been completed.

Environmental Studies:
During the quarter, progress was made on the environmental assessment application and the environmental impact statement through the advancement of a transportation study for both operations and construction of the mine. Work has also progressed on the Tahltan Traditional Use and Knowledge studies which will be finalized in 2011. Finally, Copper Fox continues to work closely with representatives from the Tahltan Nation on the economic, social and cultural impact assessment.

Future Activities:
Copper Fox plans to complete the feasibility study as soon as possible with an expected completion date by December 31, 2011. The integration of the exploration work and the pit planning process has identified several areas of work to be completed before the end of the field season. This work will not affect the feasibility study's expected completion date.

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The focus for Copper Fox at Schaft Creek over the next three months will be to:

a) Complete the feasibility study on the Schaft Creek deposit by December 31, 2011;
b) Add an additional diamond drill (bringing the total to four drills) to test priority exploration targets and test areas around the deposit for geotechnical purposes;
c) Testing of one or more of any chargeability anomalies defined by the Titan-24 survey completed over a three kilometer long section of the Schaft Creek Mineral Trend located immediately north of the Schaft Creek deposit is planned;
d) The Titan-24 survey completed in 2010 located a broad chargeability that remains open to the south in the area of the proposed waste dump site. Testing of this interpreted southern extension of the Schaft Creek deposit is required for geotechnical purposes to insure the area located under a proposed waste dump area does not contain significant copper-molybdenum-gold-silver mineralization.

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

MD&A Reporting Requirements:

In accordance with Section 1.3 of National Instrument 51-102 *Continuous Disclosure Obligations,* Form 51-102F1, the Company is required to provide financial data derived from the Company's financial statements for each of the three most recently completed financial years in the following areas:

- Total revenues;
- Net income or loss, in total and on a per-share and diluted per-share basis;
- Total assets; and
- Total long-term financial liabilities

Revenues:

The Company has no income producing assets and has not reported revenue from operations for any of the quarters ended July 31, 2011, July 31, 2010 or July 31, 2009. The Company is considered to be in the exploration and development stage.

Expenses:

A comparison of the expenses incurred by Copper Fox for the quarters ended July 31, 2011, July 31, 2010 and July 31, 2009 are set out below. During the quarter ended July 31, 2011 Copper Fox incurred expenses of $502,944 compared to $436,792 for the quarter ended July 31, 2010 and $490,856 for the quarter ended July 31, 2009.

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Quarter ended	July 2011	July 2010	July 2009
Expenses:			
Administration	$ 215,428	$ 216,689	$ 219,242
Amortization and accretion	28,951	34,382	43,454
Insurance	72,808	65,409	47,772
Professional fees	100,230	78,312	89,903
Processing fees	26,196	10,035	47,742
Rent	7,711	7,203	5,702
Stock based compensation	4,983	4,983	29,901
Travel	46,862	19,879	7,140
Interest income	(225)	(100)	-
Net loss	$ 502,944	$ 436,792	490,856

The increase in expenses from the quarter ended July 31, 2010 to July 31, 2011 is mainly due to an increase in professional fees related the resource estimate, review of the Teck option agreement and work on our annual information form. The increase in processing fees is due to our 2011 Stock option plan and the increase in travel is related to increased corporate activity.

Loss:

Copper Fox incurred a net loss and comprehensive loss for the three months ended July 31, 2011 of $502,944 (2010 - $436,792) (2009 - $490,856) and for the nine months ended July 31, 2011 a loss of $3,208,587 (2010 - $1,192,681) (2009 - $30,057,979).

Loss 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 and nine months ended July 31, 2011 were 374,335,066 (2010 – 282,663,051) (2009 – 119,597,324) and 368,056,977 (2010 – 262,504,109) (2009 – 119,597,324) 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 per share for the current quarter and year to date ended July 31, 2011 was ($0.00) (2010 – ($0.00)) (2009 – ($0.00)) and ($0.01) (2010 – ($0.00)) (2009 – ($0.27)).

Cash Position:

As at July 31, 2011, Copper Fox's current cash position was approximately $1.0 million. These funds are considered to be insufficient to complete the feasibility study and the 2011 exploration program. The application of the going concern concept is dependent upon the Company's ability to either generate future profitable operations and/or obtain additional financing. The Company is currently in the process of obtaining additional financing sufficient to complete the

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planned programs. The ability of the Company to generate future profitable operations is primarily dependent on achieving successful exploration and profitable operations of its mineral properties.

Total Assets:

Total assets of the Company at July 31, 2011 are $37,376,266 (October 31, 2010 - $23,749,503) (October 31, 2009 - $13,555,763). Since 2005, Copper Fox has incurred approximately $63.6 million to July 31, 2011 in qualifying expenditures as per the Option Agreement with Teck to collect the information required to complete the feasibility study on the Schaft Creek deposit.

Selected Financial Information

	Net Loss	Net (loss)/income per share - basic and diluted
2011		
Third Quarter	$ (502,944)	$ 0.00
Second Quarter	$ (2,378,650)	$ (0.01)
First Quarter	$ (358,211)	$ 0.00
2010		
Fourth Quarter	$ (421,346)	$ 0.00
Third Quarter	$ (436,792)	$ 0.00
Second Quarter	$ (309,067)	$ 0.00
First Quarter	$ (446,822)	$ 0.00
2009		
Fourth Quarter	$ 1,533,575	$ 0.01

The gain in the fourth quarter of 2009 was due to a reversal of future income tax expense of $2,451,266. The loss in the second quarter of 2011 includes $1,765,758 of stock based compensation charges and $28,786 of amortization and accretion which do not affect the cash flow of the Company

Liquidity and Capital Resources:

The Company's working capital deficit, defined as current assets less current liabilities, was $878,689 at July 31, 2011.

During the period, the Company raised a total of $12,902,625 from the completion of private placements totaling $7,755,000, 2,235,000 options exercised for total proceeds of $1,053,750, 1,828,500 warrants exercised for total proceeds of $2,593,875 and a Director loaned $1,500,000 to the Company. The loan is unsecured, bears no interest and there are no fixed terms of repayment.

At July 31, 2011, the Company had spent approximately $63.6 million of qualifying expenditures towards the feasibility study. The Company will require additional capital to complete this study and to provide for the administration of its

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Vancouver and Calgary offices. The Company believes that it will be able to raise the capital required through the continued exercise of its outstanding options or through the public market. Circumstances that could affect liquidity include early positive or negative results from the feasibility study, the general state of the equity markets for junior exploration companies and the overall state of the economy.

Off Balance Sheet Arrangements:

The Company established a $75,000 university bursary, to a deserving student within the Tahltan Nation, over a 5 year period commencing in the Company's 2007 fiscal year and ending in 2011. At July 31, 2011, there is $15,000 remaining to be paid against this commitment. Subsequent to the end of the quarter, this bursary was paid in full.

The Company has a commitment with respect to its office leases in Calgary and Vancouver as follows:

Period	Aug 1, 2011 - Oct 31, 2011	Nov 1, 2011 - Oct 31, 2012	Nov 1, 2012 - Jun 30, 2013	Nov 1, 2013 - Jun 30, 2014
Amount	$ 34,516	$ 140,078	$ 113,818	$ 18,406

Related Party Transactions:

During the three and nine months ended July 31, 2011 directors and officers of the Company incurred $195,447 (2010 - $187,500) and $636,172 (2010 - $543,750) for management and technical services on behalf of the Company. In addition, $63,021 (2010 – 47,323) and $258,607 (2010 - $97,719) of legal fees were paid during the three and nine months ended July 31, 2011 to a law firm of which one of the Company's Directors is a partner. At July 31, 2011 $13,105 (2010 - $45,534) was included in accounts payable for management and technical services and $36,790 (2010 – $47,323) was included in accounts payable for legal fees.

Also, the Company paid an investment dealer, of which one of the Company's Directors is an Officer and Director (1) $120,150 and issued 133,500 broker warrants (exercisable at $0.75 per share and expiring on December 15, 2012) for finder's fees in relation to the equity private placement which closed on December 15, 2010 and; (2) $243,750 and issued 195,000 broker warrants (exercisable at $1.25 per share and expiring on March 16, 2012) for finder's fees in relation to the equity private placement which closed on March 16, 2011.

In addition, during the period a Director loaned the Company $1,500,000. The loan bears no interest and has no fixed terms of repayment. These transactions were recorded at the exchange amount agreed to by the related parties.

Mineral Property:

As of July 31, 2011, the Company has incurred approximately $63.6 million qualifying expenditures ("QE") at Schaft Creek under the terms of the option agreement with Teck. Teck has an earn-back right under the terms of the option which is based on the qualifying expenditures incurred by Copper Fox. Should Teck elect to exercise its earn-back option it will be required to solely fund subsequent property expenditures to the extent of 100%, 300% or 400% to earn 20%, 40% or 75% of the Copper Fox interest. Also, in the event Teck elects to earn 75% interest, it will be responsible for arranging property financing including that of Copper Fox.

Copper Fox's balance sheet shows a carrying value of the Schaft Creek Property to be $30,581,304, an increase of

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$9,157,915 from October 2010. During the first quarter of 2009, the Company wrote down the carrying value of these expenditures by $31,000,000. The write down in carrying value of Copper Fox's interest in the Schaft Creek Property was based on a number of factors then prevalent including its market capitalization, the value of competing offers to acquire the company and its working capital deficiency.

A comparison and details of these expenditures related to the Schaft Creek property for 2009, 2010 and 2011 are as follows:

	Expenditures November 1, 2010 to July 31, 2011	Expenditures November 1, 2009 to October 31, 2010	Expenditures November 1, 2008 to October 31, 2009
Drilling Program/camp activities	$ 5,931,531	$ 4,520,022	$ 173,034
Environmental Program	605,285	1,688,798	424,208
Feasibility Study	945,158	3,270,241	844,558
Social License	142,262	138,924	52,594
Geology, Engineering, Metallurgy	318,828	1,190,290	221,835
Testing, Assaying, Mapping, Etc.	464,186	470,200	36,071
Miscellaneous	163,740	239,029	37,332
Capital Compensation	586,925	50,336	93,958
	$ 9,157,915	$ 11,567,840	$ 1,883,590

The increase in drilling program/camp expenditures in 2011 is due to 2010 drilling season continuing through November and December 2010 along with three drills operating in 2011 compared to two in 2010. The decrease in expenditures in the Environmental program and the Feasibility study resulted from a delay in the Resource estimate which caused a slowdown in these two areas. In fiscal year ending October 31, 2010 a Geological Model and a Metallurgical Assessment were completed resulting in a decrease in Geology, Engineering and Metallurgy expenses in 2011. The increase in Capital Compensation in 2011 is related to the stock options issued in March 2011.

Reporting Standards:

In February 2008 the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt International Financial Reporting Standards ("IFRS") for financial quarters beginning on and after January 1, 2011. Accordingly, the Company will be required to present its financial statements in accordance with IFRS for its fiscal year beginning November 1, 2011, including 2010 IFRS compliant comparative financial results.

In the second quarter of 2011, the Company retained a professional services firm to assist in completing a diagnostic review of the significant differences between IFRS and Canadian GAAP. The Company has currently completed the IFRS scoping and is working on the impact assessment analysis. In the coming quarter a detailed analysis of the major financial statement impact areas will be completed and those financial impacts presented to the Audit Committee and

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Board of Directors by quantifying the statement of financial position and statement of financial position changes under IFRS and comparing the amounts to those under GAAP. The major financial impact areas identified for the Company are:

1. Property plant and equipment – evaluation of componentization of assets and derecognition of assets is not expected to have a material impact to the financial statements. The IFRS 1 first-time adoption standard under IFRS allows for selective revaluation of property and equipment to fair value upon adoption of IFRS and otherwise, use of historic cost under prior Canadian GAAP, adjusted for appropriate recognition/derecognition of assets in accordance with IFRS, and adjusted for any potential impairments/reversal of impairments, as further noted in the point, below. Management is currently considering the appropriate approach to be taken upon transition to IFRS ;
2. Impairment reversal – an impairment loss recognized in prior year(s) for long lived assets shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The Company believes that facts and circumstances have changed subsequent to the mineral property impairment carried out under Canadian GAAP and therefore the valuation of the mineral property on transition to IFRS is under review;
3. Asset retirement obligations ("ARO") – the concept of constructive obligation and the method used to calculate the ARO differ from Canadian GAAP to IFRS. As such, the Company is still assessing the accounting impact of the transition to IFRS;
4. Future income taxes – the adjustments to future income tax assets and liabilities mainly reflect the tax effects of other IFRS adjustments;
5. Stock based compensation – the Company is analyzing the effect of various GAAP differences including the definition of consultants and employees and the associated differences in accounting for them on transition, as well as any effect of applying an IFRS forfeiture rate and graded vesting principals. Any adjustments, while not yet precisely quantified, are not expected to have a material effect on the financial statements.

The Company is currently completing accounting position papers, preparing its proposed January 31, 2012 IFRS compliant note disclosures and working with its auditors to have these disclosures reviewed.

The Company's October 31, 2011 IFRS Balance Sheet and Income Statement are expected to be audited concurrently with the Company's annual audit under GAAP.

Share Capital

The Company has 375,385,645 shares, 126,833 warrants and 10,560,000 options outstanding as of the effective date of this MD&A of September 28, 2011.

Subsequent Event

Subsequent to the quarter, a Director of the Company advanced the Company $4,450,000 of which $2,500,000 may be applied to the private placement announced on September 7, 2010.

In September 2011, the Company acquired mineral claims located adjacent to the Schaft Creek property totalling

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6,115.11 hectares (15,111 acres) which are subject to a 2% NSR (the "September 2011 Mineral Claims"). Copper Fox has the option to repurchase, at any time, one-half of the NSR on the September 2011 Mineral Claims for a purchase price of $1 million. The September 2011 Mineral Claims are subject to inclusion with the Schaft Creek project under the terms of the Area of Interest provisions of the Teck Option Agreement.

Basis of Presentation

The accompanying financial statements of Copper Fox have been prepared by management in accordance with Canadian generally accepted accounting principles.

Cautionary Note Regarding Forward-Looking Information

This Management's Discussion and Analysis (MD&A) contains "forward-looking information" within the meaning of the Canadian 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 include statements about the timing and completion of a feasibility study; the chargeability anomalies at the Schaft Creek project; the scope and timing of work on the outstanding sections of the feasibility study; the potential to find additional porphyry style copper deposits within the Schaft Creek property; expected capital requirements to continue planned activities; expected sources and the adequacy of required capital resources; the results and interpretation of the high resolution airborne magnetic survey over the Schaft Creek project; the timing and scope of expected diamond drilling; the timing and completion of the Feasibility Study and Environmental Assessment application for the development of the Schaft Creek project; potential existence and size of mineralization within the Schaft Creek project; estimated timing and amounts of future expenditures and "earn-back" options; geological interpretations and potential mineral recovery processes. Information concerning mineral reserve and resource estimates also may be deemed to be forward-looking information in that it reflects a prediction of the mineralization that would be encountered if a mineral deposit were developed and mined.

The forward-looking information contained in this MD&A, Copper Fox has made numerous assumptions, regarding, among other things: the interpretation of the results of the high resolution airborne magnetic survey over the Schaft Creek project; 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; and the continued financing of the Feasibility Study; and the anticipated analytical results of the current drilling program. 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, among others: the feasibility study may not be completed within the expected timeframe, or at all; the actual mineralization in the Schaft Creek deposit may not be as favourable as suggested by the interpretation of the results of the high resolution airborne magnetic survey; another deposit may never be discovered on Copper Fox's property, or contain anticipated mineralization, or mineralization of any significance at all; the Feasibility Study or the Environmental Assessment may not be completed within the contemplated time frame, or at all; the possibility that the analytical results from the core sampling does not return significant grades of copper mineralization; the possibility that future drilling on the Schaft Creek project may not occur on a timely basis, or at all; fluctuations in copper and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, and estimated economic return; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals.

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. 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.