



Unaudited Interim Consolidated Financial Statements

For the Three Months Ended January 31, 2019 and January 31, 2018

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

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

	January 31, 2019	October 31, 2018
Assets		
<i>Current Assets:</i>		
Cash	\$ 311,789	\$ 938,311
Loan and other receivables (Note 4)	13,124	18,430
Total Current Assets	324,913	956,741
<i>Non-Current Assets:</i>		
Deposits	223,828	223,809
Investments (Note 4)	115,977	112,233
Exploration & evaluation assets (Note 5)	80,995,345	80,733,217
Property and equipment (Note 6)	77,716	84,893
Total Assets	\$ 81,737,779	\$ 82,110,893
Liabilities and Shareholders' Equity		
<i>Current Liabilities:</i>		
Accounts payable and accrued liabilities	\$ 83,698	\$ 233,661
Flow-through premium liabilities	10,805	43,484
Total Current Liabilities	94,503	277,145
<i>Non-Current Liabilities:</i>		
Decommissioning liabilities (Note 7)	418,295	419,665
Deferred tax liabilities	1,659,415	1,659,415
Total Liabilities	2,172,213	2,356,225
<i>Shareholders' Equity:</i>		
Share capital (Note 8)	77,613,179	77,613,179
Share purchase warrants (Note 8)	1,238,412	1,238,412
Accumulated other comprehensive income	1,906,162	2,113,893
Contributed surplus	15,823,771	15,823,771
Deficit	(21,132,325)	(21,183,754)
Total Shareholders' Equity of Parent	75,449,199	75,605,501
Non-controlling interest (Note 9)	4,116,367	4,149,167
Total Shareholders' Equity	79,565,566	79,754,668
Total Liabilities and Shareholders' Equity	\$ 81,737,779	\$ 82,110,893
Reporting entity and nature of operations (Note 1)		
Commitments (Note 11)		

Approved on behalf of the Board of Directors on March 20, 2019:

"J. Michael Smith"

J. Michael Smith, Director

"Elmer B. Stewart"

Elmer B. Stewart, Director

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

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

Three Months Ended January 31, 2019 and January 31, 2018

(Expressed in Canadian Dollars)

	Three Months Ended	
	January 31, 2019	January 31, 2018
<i>Expenses:</i>		
Administration	\$ 214,722	\$ 245,885
Depreciation, amortization and accretion	5,807	5,293
Professional fees	8,141	4,499
Interest and other income	(33,063)	(41,903)
Net Loss	\$ 195,607	\$ 213,774
<i>Other Comprehensive Income to be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Foreign currency translation loss	1,523	574,126
Comprehensive Loss	\$ 197,130	\$ 787,900
<i>Net Loss Attributable to:</i>		
Common shareholders	\$ 162,807	\$ 183,416
Non-controlling interest (Note 9)	32,800	30,358
Attributable Net Loss	\$ 195,607	\$ 213,774
<i>Total Comprehensive Loss Attributable to:</i>		
Common shareholders	\$ 164,330	\$ 757,542
Non-controlling interest (Note 9)	32,800	30,358
Attributable Comprehensive Loss	\$ 197,130	\$ 787,900
Loss per share - basic and diluted	\$ 0.00	\$ 0.00
Weighted average number of shares	448,980,160	436,980,160

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.
Interim Consolidated Statements of Changes in Equity *(Unaudited)*
Three Months Ended January 31, 2019 and Year Ended October 31, 2018
(Expressed in Canadian Dollars)

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholders' Equity of Parent	Non-Controlling Interest	Total Shareholders' Equity
<i>Balance as at October 31, 2018:</i>	\$ 77,613,179	\$ 1,238,412	\$ 2,113,893	\$ 15,823,771	\$ (21,183,754)	\$ 75,605,501	\$ 4,149,167	\$ 79,754,668
Currency translation adjustment	-	-	(207,731)	-	214,236	6,505	-	6,505
Net loss for the period	-	-	-	-	(162,807)	(162,807)	(32,800)	(195,607)
Balance as at January 31, 2019	\$ 77,613,179	\$ 1,238,412	\$ 1,906,162	\$ 15,823,771	\$ (21,132,325)	\$ 75,449,199	\$4,116,367	\$ 79,565,566

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.
Interim Consolidated Statements of Changes in Equity *(Unaudited)*
Three Months Ended January 31, 2019 and Year Ended October 31, 2018
(Expressed in Canadian Dollars)

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholders' Equity of Parent	Non-Controlling Interest	Total Shareholders' Equity
<i>Balance as at October 31, 2017:</i>	\$ 76,583,300	\$ 1,095,212	\$ 1,905,035	\$ 15,823,771	\$ (20,065,134)	\$ 75,342,184	\$ 2,053,875	\$ 77,396,059
Shares issued for cash	1,173,079	-	-	-	-	1,173,079	-	1,173,079
Warrants granted	(143,200)	143,200	-	-	-	-	-	-
Currency translation adjustment	-	-	208,858	-	-	208,858	-	208,858
Dilution of District Copper ownership (Note 9)	-	-	-	-	(155,506)	(155,506)	2,500,306	2,344,800
Net loss for the year	-	-	-	-	(963,114)	(963,114)	(405,014)	(1,368,128)
Balance as at October 31, 2018	\$ 77,613,179	\$ 1,238,412	\$ 2,113,893	\$ 15,823,771	\$ (21,183,754)	\$ 75,605,501	\$4,149,167	\$ 79,754,668

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Cash Flows *(Unaudited)*
Three Months Ended January 31, 2019 and January 31, 2018
(Expressed in Canadian Dollars)

	Three Months Ended	
	January 31, 2019	January 31, 2018
Cash Provided by (Used in) :		
<i>Operations:</i>		
Net loss	\$ (195,607)	\$ (207,014)
<i>Items not affecting cash:</i>		
Depreciation, amortization and accretion	5,807	5,293
Flow-through premium income	(32,679)	-
<i>Changes in non-cash working capital:</i>		
Accounts payable	(87,989)	12,660
Accounts receivable	9,699	3,372
Cash Used in Operating Activities	(300,768)	(192,449)
<i>Investing:</i>		
Net proceeds from sale of investments	-	30,557
Mineral property expenditures	(326,960)	(30,402)
Cash Provided by / (Used in) Investing Activities	(326,960)	155
<i>Financing:</i>		
Net proceeds from issuance of shares – Copper Fox	-	-
Net proceeds from issuance of shares – District Copper	-	-
Cash Provided by Financing Activities	-	-
Decrease in cash during the period	(627,728)	(192,294)
Translation effect of foreign currency	1,206	(1,164)
Cash, beginning of year	938,311	286,195
Cash, End of Period	\$ 311,789	\$ 92,737

See Accompanying Notes to the Unaudited Interim Consolidated Financial Statements.

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

1. Reporting Entity and Nature of Operations

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

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

- 100% ownership of Northern Fox Copper Inc.
 - 39.51% ownership of District Copper Corp.
- 100% ownership of Desert Fox Copper Inc.
 - 100% ownership of Desert Fox Minerals Co.
 - 100% ownership of Desert Fox Sombrero Butte Co.
 - 100% ownership of Desert Fox Van Dyke Co.

2. Basis of Presentation and Significant Accounting Policies

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

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

These interim unaudited consolidated financial statements were approved for issue by the Board of Directors on March 20, 2019.

3. Standards Issued but Not Yet Effective

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

IFRS 16 - Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions*

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance

sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees: leases of 'low-value' assets (i.e., personal computers); and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

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

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

4. Loans, Other Receivables and Investments

As at January 31, 2019, Copper Fox had 83,200 Bell shares remaining, which were trading at \$0.11 per share.

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

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

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

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

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

The FMV of all the investments are as follows:

Investments	Fair Market Value October 31, 2018	Fair Market Value January 31, 2019
Bell Copper Corp.	\$ 5,408	\$ 9,152
Liard Copper Mines Ltd.	106,825	106,825
Total	\$ 112,233	\$ 115,977

5. Exploration and Evaluation Assets

	Balance October 31, 2018	Additions	Balance January 31, 2019
Arizona Properties:			
<i>Van Dyke Project:</i>			
Acquisition of property rights	\$ 2,585,093	\$ -	\$ 2,585,093
Technical analysis	5,820,955	33,039	5,853,993
Licenses and permits	56,029	-	56,029
Foreign exchange	1,534,765	2,233	1,536,998
Total Van Dyke Project	9,996,842	35,272	10,032,113
<i>Sombrero Butte Project:</i>			
Acquisition of property rights	\$ 899,279	\$ -	\$ 899,279
Technical analysis	802,238	2,557	804,795
Licenses and permits	64,466	-	64,466
Foreign exchange	300,022	2,831	302,853
Total Sombrero Butte Project	2,066,005	5,388	2,071,393
<i>Mineral Mountain Project:</i>			
Technical analysis	\$ 480,091	\$ 60,164	\$ 540,254
Foreign exchange	863	(123)	740
Total Mineral Mountain Project	480,954	60,041	540,994
Total Arizona Properties	\$ 12,543,800	\$ 100,700	\$ 12,644,500
British Columbia Properties:			
<i>Schaft Creek:</i>			
Acquisition of property rights	\$ 3,053,755	\$ -	\$ 3,053,755
Technical analysis	61,906,198	10,026	61,916,224
Licenses and permits	106,623	-	106,623
Sub-Total Schaft Creek	65,066,576	10,026	65,076,602
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek	61,491,071	10,026	61,501,097
<i>Eaglehead:</i>			
Property acquisition	639,000	112,407	751,407
Technical analysis	6,153,327	38,995	6,192,322
BC Mineral Exploration Tax Credit	(93,981)	-	(93,981)
Total Eaglehead	6,698,346	151,402	6,849,748

COPPER FOX METALS INC.
Notes to the Interim Consolidated Financial Statements (Unaudited)
Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

Total British Columbia Properties	68,189,417	161,428	68,350,845
Total Mineral Properties	\$ 80,733,217	\$ 262,128	\$ 80,995,345

	Balance October 31, 2017	Additions	Balance October 31, 2018
Arizona Properties:			
<i>Van Dyke Project:</i>			
Acquisition of property rights	\$ 2,585,093	\$ -	\$ 2,585,093
Technical analysis	5,787,832	33,123	5,820,955
Licenses and permits	56,029	-	56,029
Foreign exchange	1,364,649	170,116	1,534,765
Total Van Dyke Project	9,793,603	203,239	9,996,842
<i>Sombrero Butte Project:</i>			
Acquisition of property rights	\$ 847,819	\$ 51,460	\$ 899,279
Technical analysis	716,988	32,898	749,886
Licenses and permits	116,818	-	116,818
Foreign exchange	263,323	36,699	300,022
Total Sombrero Butte Project	1,944,948	121,057	2,066,005
<i>Mineral Mountain Project:</i>			
Technical analysis	\$ 355,384	\$ 124,706	\$ 480,091
Foreign exchange	(7,901)	8,764	863
Total Mineral Mountain Project	347,483	133,470	480,954
Total Arizona Properties	\$ 12,086,034	\$ 457,766	\$ 12,543,801
British Columbia Properties:			
<i>Schaft Creek:</i>			
Acquisition of property rights	\$ 3,053,755	\$ -	\$ 3,053,755
Technical analysis	61,884,978	21,220	61,906,198
Licenses and permits	106,623	-	106,623
Sub-Total Schaft Creek	65,045,356	21,220	65,066,576
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek	61,469,851	21,220	61,491,071
<i>Eaglehead:</i>			
Property acquisition	-	639,000	639,000
Technical analysis	5,304,123	849,204	6,153,327
BC Mineral Exploration Tax Credit	(93,981)	-	(93,981)
Total Eaglehead	5,210,142	1,488,204	6,698,346
Total British Columbia Properties	66,679,993	1,509,424	68,189,417
Total Mineral Properties	\$ 78,766,027	\$ 1,967,190	\$ 80,733,217

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

Schaft Creek Project

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

Teck is the operator of the SCJV and is responsible for, in addition to other obligations, funding the first \$60 million in pre-production expenditures at Schaft Creek. After the first \$60 million has been funded by Teck, the costs will be split based on the ownership percentage. As of January 31, 2019, Teck has funded approximately \$21 million towards the Schaft Creek project since mid-2013 (Note 12).

Van Dyke Project

In 2012, Copper Fox acquired 100% of Bell's interest in the Van Dyke copper project located in Miami, Arizona. Acquisition costs were \$500,000 in cash to Bell, \$1,499,400 (US \$1,500,000) to the Vendors (owners of the Van Dyke project) and assumption of obligations in respect of the Van Dyke project, subject to certain amended terms and conditions. The Vendors retained a 2.5% Net Smelter Return ("NSR") production royalty from the Van Dyke deposit. As of January 31, 2019, Copper Fox has incurred \$10,032,113 (US \$7,650,823) in expenditures, which includes the acquisition and exploration costs as well as completion of the Preliminary Economic Assessment ("PEA").

Sombrero Butte Project

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

Acquisition costs were \$500,000 in cash and an assumption of Bell's remaining option obligation on the property of \$599,760 (US \$600,000). In 2016, Copper Fox re-negotiated the continuing obligation on the property to a US \$40,000 annual payment. As at January 31, 2019 the option obligation outstanding is US \$120,000. Upon completion of these annual payments, Copper Fox will hold an undivided 100% interest in the Sombrero Butte property. As of January 31, 2019, Copper Fox has incurred \$2,071,393 (US \$1,576,139) in expenditures, which includes the acquisition and exploration costs.

Mineral Mountain Project

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

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

As of January 31, 2019 the Company has incurred \$540,995 (US \$411,647) in expenditures over the life of the project, by completing a regional geochemical assessment, locating claims, annual filing fees, acquiring an Arizona exploration permit and funding exploration activities.

Eaglehead Project

Copper Fox, through its wholly owned subsidiary Northern Fox, owns 39.51% of the common shares of District Mining Corp. District holds a 100% working interest in the Eaglehead copper-molybdenum-gold-silver property (15,956 ha) located in the Liard Mining Division, approximately 40 kilometers east of Dease Lake in northern British Columbia.

The Eaglehead project is subject to three NSR agreements. An original portion (12,557 ha) of the Eaglehead Property is subject to a 2.5% NSR, of which 1.5% can be purchased for \$2,000,000. A separate area of the property (981 ha) is subject to a 2% NSR, to an arm's length third party, one-half (1%) of which may be purchased for \$1,000,000. The four mineral tenures acquired in 2018 (2,416 ha) is subject to a 2% NSR, payable to an arm's length third party, of which one and one-half (1.5%) may be purchased for \$1,000,000.

6. Property and Equipment

Description	Cost	Accumulated Amortization	Net Book Value January 31, 2019	Net Book Value October 31, 2018
Asset retirement	\$ 140,992	\$ 115,901	\$ 25,091	\$ 30,306
Buildings	137,250	97,758	39,492	40,505
Computer equipment	82,544	78,006	4,538	4,906
Furniture & equipment	46,887	42,846	4,041	4,254
Heavy equipment	173,332	168,778	4,554	4,922
Total	\$ 581,005	\$ 503,289	\$ 77,716	\$ 84,893

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

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

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

7. Decommissioning Liabilities

The Company's decommissioning liabilities relate to the Company's share of reclamation and closure costs for the Schaft Creek and Eaglehead properties. The total decommissioning liability is based on the Company's estimated costs to reclaim the property and facilities along with the estimated timing costs to be incurred in future years.

The Company has estimated the net present value of its share of the decommissioning liabilities of Schaft Creek to be \$182,495 as at January 31, 2019 (October 31, 2018 - \$184,338) based on an undiscounted and inflated future liability of \$190,467 (October 31, 2018 - \$193,198).

The Company's estimated risk-free rate of 2.08% (October 31, 2018 – 2.41%) and inflation rate of 1.57% (October 31, 2018 – 1.60%) were used to calculate the present value of the decommissioning liabilities.

The decommissioning provision for the Eaglehead exploration and evaluation asset was estimated by management to be the net present value of \$235,800 as at January 31, 2019. (October 31, 2018 - \$235,327) based on a total undiscounted liability of \$241,000 (October 31, 2018 - \$241,000).

Description	Copper Fox	District Copper	Total
<i>Opening Balance, November 1, 2018:</i>	\$ 184,338	\$ 235,327	\$ 419,665
<i>Additions:</i>			
Accretion – Copper Fox	715	-	715
Accretion – District Copper	-	473	473
Revisions – Copper Fox	(2,558)	-	(2,558)
Balance, January 31, 2019	\$ 182,495	\$ 235,800	\$ 418,295

Description	Copper Fox	District Copper	Totals
<i>Opening Balance, November 1, 2017:</i>	\$ 188,252	\$ 36,123	\$ 224,375
<i>Additions:</i>			
Accretion – Copper Fox	2,633	-	2,633
Accretion – District Copper	-	92	92
Revisions – Copper Fox	(6,547)	-	(6,547)
Revisions – District Copper	-	199,112	199,112
Balance, October 31, 2018	\$ 184,338	\$ 235,327	\$ 419,665

8. Share Capital

Authorized

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

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

As of January 31, 2019, the issued and outstanding shares are as follows:

Common Shares	Number	Amount
<i>Opening Balance, November 1, 2018:</i>	448,980,160	\$ 77,613,179
<u>Additions:</u>		
There were no private placements in Q1 2019	-	-
Balance, January 31, 2019	448,980,160	\$ 77,613,179

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

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

Warrants

As of January 31, 2019, the warrants outstanding are as follows:

Share Purchase Warrants	Number of Warrants	Amount
<i>Opening Balance, November 1, 2018:</i>	25,919,665	\$ 1,238,412
<u>Additions:</u>		
There were no warrants granted in Q1 2019	-	-
Balance, January 31, 2019	25,919,665	\$ 1,238,412

Share Purchase Warrants	Number of Warrants	Amount
<i>Opening Balance, November 1, 2017:</i>	19,919,665	\$ 1,095,212
<u>Additions:</u>		
June 18, 2018 warrants granted	6,000,000	143,200
Balance, October 31, 2018	25,919,665	\$ 1,238,412

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

The value of the June 18, 2018 warrants were calculated using Black Sholes with an exercise price of \$0.10 in the first year and \$0.15 in the second year, an expected life of two years, a volatility rate of 64.42% and a risk-free rate of 1.87%.

Number of Warrants Outstanding	Warrant Exercise Price	Warrants Exercisable as of October 31, 2018	Warrant Expiry Date
10,753,000	\$ 0.17	10,753,000	June 9 and 30, 2019
9,166,665	0.17	9,166,665	July 27, 2019
6,000,000	0.12 - 0.15	6,000,000	June 18, 2020
25,919,665		25,919,665	

Stock Option Plan

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

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

As of January 31, 2019, the Company's options outstanding were as follows:

Stock Options	Weighted Avg. Exercise Price	Number of Options
<i>Opening Balance, November 1, 2018:</i>	\$ -	-
<u>Additions:</u> There was no option activity in Q1 2019	-	-
Balance, January 31, 2019	\$ -	-

Stock Options	Weighted Avg. Exercise Price	Number of Options
<i>Opening Balance, November 1, 2017:</i>	\$ -	-
<u>Additions:</u> There was no option activity in Q1-Q4 2018	-	-
Balance, October 31, 2018	\$ -	-

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)****9. Non-Controlling Interest**

As of January 31, 2019, Copper Fox beneficially owned and controlled 33,283,264 of the 84,241,618 issued and outstanding common shares of District Copper, post-consolidation, representing a 39.51% ownership of District Copper. Even though Copper Fox no longer owns greater than 50% of District Copper, the Company still retains control of District as of January 31, 2019 (Note 14) due to it being the largest shareholder of the company by a significant margin and having two directors on District's Board, out of 5 directors total.

The non-controlling interest ("NCI") is as follows:

	NCI Percentage
District Copper's Ownership Percentage as at January 31, 2019	60.49%

District Copper's summarized financial information is as follows:

	District Copper's Financials as at January 31, 2019
Net Loss	54,224
Total Net Loss Attributable To Non-Controlling Interest	\$ 32,800
Comprehensive Loss	54,224
Total Comprehensive Loss Attributable To Non-Controlling Interest	\$ 32,800
Current assets	85,902
Non-current assets	7,061,748
Current liabilities	(106,893)
Non-current liabilities	(235,800)
Net Assets	6,804,957
Net Assets Attributable To Non-Controlling Interest	\$ 4,116,367
Cash flows used in operating activities	(72,684)
Cash flows used in investing activities	(221,174)
Cash flows from financing activities	-
Net Decrease In Cash	\$ (293,858)

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

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

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

	District Copper Financials As at October 31, 2018
Net Loss	669,555
Total Loss Attributable to Non-Controlling Interest	\$ 405,014
Comprehensive Loss	669,555
Total Comprehensive Loss Attributable to Non-Controlling Interest	\$ 405,014
Current assets	385,840
Non-current assets	6,910,346
Current liabilities	(201,678)
Non-current liabilities	(235,327)
Net Assets	6,859,181
Net Assets Attributable to Non-Controlling Interest	\$ 4,149,167
Cash flows used in operating activities	(779,685)
Cash flows used in investing activities	(674,478)
Cash flows from financing activities	1,755,549
Net Increase in Cash	\$ 301,386

10. Related Party Transactions**Copper Fox**

During the three months ended January 31, 2019, legal fees of \$3,304 (January 31, 2018 - \$761) were paid to Farris, Vaughan, Wills & Murphy LLP ("Farris"). As at January 31, 2019, included in accounts payable to Farris was \$1,290 (October 31, 2018 - \$2,087). One of the partners at Farris' is a member of Copper Fox's Board of Directors.

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (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, including District are as follows:

Description	January 31, 2018	January 31, 2019
Directors fees	\$ 3,000	\$ 5,500
Salaries and consulting fees	119,154	129,875
Total	\$ 122,154	\$ 135,375

11. Commitments

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

Year Ended	2019
Amount	\$ 58,093

Sombrero Butte

The Company is also committed to pay the balance outstanding of three yearly option payments totalling \$157,704 (US \$120,000) under the Sombrero Butte acquisition agreement. The next payment of \$52,568 (US \$40,000) is due on October 15, 2019 (Note 5).

Schaft Creek Joint Venture

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

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

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

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

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

- (i) to use all reasonable commercial efforts to arrange project equity and debt financing for at least 60% of project capital costs or such portion as Teck determines is commercially available on reasonable terms at the relevant time, and
- (ii) to fund by way of loans to the Company, the Company's pro rata share of project capital costs not covered by project debt financing, if requested by the Company, without dilution to the Company's 25% joint venture interest.

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

12. Financial Instruments

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

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

	As at January 31, 2019				
Description	Loans and Receivables	Available For Sale	Other Financial Liabilities	Total Carrying Amount	Total Fair Value
<i>Financial Assets:</i>					
Cash	\$ 311,789	\$ -	\$ -	\$ 311,789	\$ 311,789
Other receivables	13,124	-	-	13,124	13,124
Investments	-	115,977	-	115,977	115,977
Total Financial Assets	\$ 324,913	\$ 115,977	\$ -	\$ 440,890	\$ 440,890
<i>Financial Liabilities:</i>					
A/P and accrued liabilities	\$ -	\$ -	\$ 83,698	\$ 83,698	\$ 83,698
Total Financial Liabilities	\$ -	\$ -	\$ 83,698	\$ 83,698	\$ 83,698

	As at October 31, 2018				
Description	Loans and Receivables	Available For Sale	Other Financial Liabilities	Total Carrying Amount	Total Fair Value
<i>Financial Assets:</i>					
Cash	\$ 938,311	\$ -	\$ -	\$ 938,311	\$ 938,311
Other receivables	18,430	-	-	18,430	18,430
Investments	-	112,233	-	112,233	112,233
Total Financial Assets	\$ 956,741	\$ 112,233	\$ -	\$ 1,068,974	\$ 1,068,974
<i>Financial Liabilities:</i>					

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

A/P and accrued liabilities	\$ -	\$ -	\$ 233,661	\$ 233,661	\$ 233,661
Total Financial Liabilities	\$ -	\$ -	\$ 233,661	\$ 233,661	\$ 233,661

Determination of Fair Value

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

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

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

- Credit risk
- Market risk
- Liquidity risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from partners and tax authorities. The maximum exposure to credit risk at January 31, 2019 is \$13,124 (October 31, 2018 - \$18,430).

Market Risk

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

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. During the three months ended January 31, 2019 the Company was involved with preliminary exploration activities in the United States. As such, the Company is exposed to fluctuations in the United States dollar exchange rates compared to Canadian dollar exchange rates. A 5% strengthening or weakening of the US dollar would have significant impact on the total assets and the net

COPPER FOX METALS INC.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)

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 January 31, 2019, the Company had \$16,965 in US denominated cash balances.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As of January 31, 2019, the Company is exposed only on its cash balances.

Commodity Price Risk

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

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

Liquidity Risk

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

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

Capital Management

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

13. Geographic Segments

	Three Months Ended	
	January 31, 2019	January 31, 2018
<i>Net Loss:</i>		
Canada	\$ 190,123	\$ 209,192
United States	5,484	4,582
Total	\$ 195,607	\$ 213,774

COPPER FOX METALS INC.*Notes to the Interim Consolidated Financial Statements (Unaudited)***Three Months Ended January 31, 2019 and January 31, 2018 (Expressed in Canadian Dollars)**

	January 31, 2019	October 31, 2018
<i>Current Assets:</i>		
Canada	\$ 302,617	\$ 922,096
United States	22,296	34,645
<i>Non-Current Assets:</i>		
Canada	\$ 68,366,553	\$ 68,210,336
United States	13,046,313	12,943,816
Total Assets	\$ 81,737,779	\$ 82,110,893

14. Subsequent Events

- On February 8, 2019, District Copper issued 5,900,000 flow-through units and 5,900,000 non-flow-through units at a cost of \$0.05 each per unit, pursuant to a private placement, for gross proceeds of \$590,000. Each flow-through unit consists of one common share and one-half share purchase warrant, which can be exercised at \$0.075 until August 8, 2020. Each non-flow-through unit consists of one common share and one share purchase warrant, which can be exercised at \$0.05 until August 8, 2020.

The warrants have an early acceleration provision wherein the warrants will become callable on 21 days' notice in the event the Company's shares trade at a price of \$0.12 per share or greater for a 14 day trading period at any time after June 9, 2019.

Finders' fees of 200,000 shares and 300,000 warrants exercisable at \$0.05 until August 8, 2020 and legal fees of \$21,025 were paid with respect to this financing.

- On February 8, 2019, District Copper issued 40,000,000 shares to complete the Stony Lake acquisition (see August 15, 2018 news release). This issuance of shares further diluted Copper Fox's ownership percentage of District Copper from 39.51% to 24.43%. This significant reduction in equity ownership resulted in Copper Fox's loss of control of District Copper. As a result, in Q2 2019, District Copper will be deconsolidated from Copper Fox's financial statements and will instead be recorded as an equity accounted associate pick up.