



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

Quarterly Highlights

For the Nine Months Ended July 31, 2023

As of September 20, 2023

COPPER FOX METALS INC.

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

Quarterly Highlights

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

1. OVERVIEW AND INTRODUCTORY COMMENT

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

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

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

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

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 condensed consolidated financial statements and the related notes for the nine months ended July 31, 2023, and the Company’s audited consolidated financial statements for the year ended October 31, 2022, and the related notes thereto.

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

All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as of September 20, 2023, and was reviewed, approved, and authorized for issue by the Company’s Board of Directors on the aforementioned date.

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

Qualified Person

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

2. PERIOD-TO-DATE OPERATING DISCUSSION

Schaft Creek Joint Venture ("SCJV")

On January 18, 2023, the Company provided the analytical results for six (6) of the eleven (11) drill holes completed as part of the 2022 metallurgical drill program at the Schaft Creek project. The program expanded the coverage across the Schaft Creek deposit with a focus on the early part of the mine life, to better inform metal recoveries and comminution characteristics. A wide range of metal concentrations including several intervals of at surface high-grade mineralization were intersected in the six drill holes.

On February 21, 2023, the Company provided final analytical results for the 2022 metallurgical drill program at the Schaft Creek project. The 2022 metallurgical drill program completed 4,688 metres with the objective of collecting samples to complement historical metallurgical test work. The drill program expanded the metallurgical sampling coverage across the Schaft Creek project, with a focus on the early part of the mine life, to better inform metal recoveries and comminution characteristics. Eleven drill holes were completed across the project's mineralized zones: Liard (six holes), Paramount (three holes) and West Breccia (two holes). Highlights and additional details regarding the analytical results received are summarized below.

- The analytical results from the last five drill holes intersected copper-gold-molybdenum-silver mineralization across a range of grades, representative of the project life of mine for metallurgical test work.
- DDH SCK-22-456 in the Liard zone intersected 144.7 m grading 0.442 per cent copper (Cu), 0.552 gram per tonne (g/t) gold (Au), 0.032 per cent molybdenum (Mo) and 3.46 g/t silver (Ag) (CuEq (copper equivalent) 0.778 per cent) starting at 112.3 m downhole. This interval includes 70.3 m of 0.67 per cent copper, 0.859 g/t gold, 0.043 per cent molybdenum and 5.41 g/t silver (CuEq 1.18 per cent) starting at 116.7 m.
- DDH SCK-22-457 in the Paramount zone intersected 270 m grading 0.371 per cent copper, 0.09 g/t gold, 0.054 per cent molybdenum and 1.6 g/t silver (CuEq 0.52 per cent) starting at 377 m downhole. This interval includes 45.63 m of 0.442 per cent copper, 0.095 g/t gold, 0.088 per cent molybdenum and 1.63 g/t silver (CuEq 0.656 per cent) starting at 377 m, and 90 m of 0.447 per cent copper, 0.106 g/t gold, 0.058 per cent molybdenum and 1.82 g/t silver (CuEq 0.612 per cent) starting at 536 m.

On March 2, 2023, the Company announced the 2023 Schaft Creek program.

- Advancing the project with focus on key areas including Safety, Geoscience and Engineering, Environmental, Communities, and Permitting.
- Planned expenditures in 2023 are \$17.2 million.
- Proposed 9,000 metre drill program focused on geotechnical data collection.

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

- External review of currently envisaged construction timeline and offsite infrastructure costs to reduce initial development costs and payback period, to improve the overall investment case.
- Collection of geotechnical data in key areas identified during a gap analysis, including the proposed pit highwall, which aim to improve the pit design and life of mine strip ratio to reduce operating costs and associated greenhouse gas emissions.
- The implementation of a 2-year, monthly sampling, and environmental baseline field campaign, and further work on the site's original Archaeology Impact Assessment and cultural heritage in collaboration with the Tahltan Nation.

On July 13, 2023, the Company provided an update on the Schaft Creek project. The 2023 geotechnical drilling program has commenced utilizing four diamond drills. In addition, metallurgical testwork of samples selected from the 2021 and 2022 drilling programs have been initiated.

Mineral Mountain Project

On March 30, 2023, the Company announced the 2023 exploration plans for Mineral Mountain copper project. The geophysical survey will employ Quantez's Orion 3-D Swath DCIP configuration. Highlights of the survey are set out below.

- The objective of the survey was to further define the horizontal and depth extensions of the open-ended chargeability and resistivity signatures associated with the 4,500-metre-long by 2,000 m wide copper footprint.
- Detailed mapping of lithology, alteration and mineralization along the proposed geophysical survey lines was planned to better interpret the results of the geophysical survey.
- The survey was to commence in May, 2023, and may vary subject to crew availability.
- Geochemical vectoring (copper-zinc ratio) defined a 4,000 m long northeast-southwest trending corridor potentially hosting two additional porphyry targets on strike with the mineralized Laramide age intrusive.

On April 19, 2023, the Company provided an update on the recently completed mapping program in advance of the planned geophysical survey for Mineral Mountain copper project. Highlights of the mapping program are set out below:

- Copper mineralization occurs primarily in quartz-K-spar-hematite, quartz-hematite, quartz and hematite veins hosted in potassic altered porphyritic quartz monzonite.
- Fracture-controlled, chalcopyrite-pyrite mineralization (trace amounts) occurs within the quartz monzonite on the margins of the main zone of copper mineralization.
- The pipe-like positive magnetic features identified by the 2022 airborne magnetometer survey were due to a significant increase in magnetite content in the porphyritic quartz monzonite.
- The positive magnetic signature associated with the two potential targets along strike of the main zone of mineralization was attributed to discrete zones of increased magnetite content in the Pinal schist and the Laramide intrusive.
- The mapping located several occurrences of copper mineralization crosscutting late-stage aplite and granodiorite dikes that suggest the introduction of several episodes of copper mineralization.

On June 1, 2023, the Company provided the results of continuing compilation of recently acquired data in advance of the planned geophysical survey on Mineral Mountain project. The survey is expected to

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

commence before the end of June subject to the arrival of the geophysical crew. Highlights of the compilation are set out below:

- The modelling of analytical data outlined overlapping, northeast-trending zones of greater than 1,000 parts per million (ppm) copper and greater than 30 ppm molybdenum.
- The copper zone measures approximately 3,000 metres by 700 m, and the molybdenum zone measures approximately 2,800 m by 600 m. These zones exhibit a strong spatial correlation to the chargeability signature identified in 2021.
- Whole rock geochemistry had outlined two distinct rock suites: a granodiorite-quartz diorite suite and a quartz monzonite suite. The recent sampling returned significant copper mineralization ranging from 1,620 to 27,200 ppm in granodiorite, quartz diorite and quartz monzonite intrusive phases of the Mineral Mountain intrusive.
- A new wholly owned subsidiary of Copper Fox named Desert Fox Mineral Mountain Co. had been formed for legal and accounting purposes.

On July 13, 2023, the Company Further updated that the geophysical survey is underway and is being completed by Quantec Geosciences USA Inc using its ORION 3D Swath DCIP configuration to map at depth the geophysical signatures of the surface mineralization.

Van Dyke Project

On November 10, 2022, the Company provided an update as well as detailing plans for its Van Dyke project. In late October 2022, meetings with local communities and First Nations within a 40-mile radius of the Van Dyke project were completed. Upgrading of existing access to the wells selected for rehabilitation and the Van Dyke mine shaft commenced in early December 2022. Upon completing the access upgrades, a downhole video survey of the selected wells and the shaft was planned to determine if they were in a condition to allow re-entry and further testing. Successful completion of the downhole video survey would be followed by well development and testing/water sampling activities. These surveys were expected to take up to 3-4 months to complete subject to availability of certain service providers. Inspection and refurbishment of three vibrating-wire piezometers ('VWP') installed in drill holes completed in 2014 were also planned.

On April 6, 2023, the Company provided an update of recent activities and plans on its Van Dyke in situ copper recovery (ISCR) project. The Company proceeded with Phase I of a Hydrogeologic Monitoring and Testing Program along with other activities highlighted below:

- The downhole camera survey determined that four of the historical drill holes surveyed were suitable for further investigation. Additional work planned on these drill holes includes, surge, bail, and pump testing the drill hole and sampling of the water for analytical purposes.
- Mineralogical, solubility, whole rock and trace element studies were planned to test mineral solubility across the deposit and the chemical changes that would occur from the leaching process.
- Unconfined Compressive Strength ('UCS') tests on samples from the Gila Conglomerate were planned to obtain geotechnical data on ground support requirements related to the proposed underground access for the project. Copper Fox had made a significant contribution toward the restoration of the Keystone Stairs; a historic landmark in Miami, Arizona by contributing the surface rights to a small parcel of land owned by Desert Fox Van Dyke Co

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

On May 11, 2023, the Company provided an update of recent activities and plans on its Van Dyke ISCR project. The Company was proceeding with a drill hole rehabilitation and testing program along with other activities highlighted below:

- Cascade Drilling and Technical Services had commenced surge, bail and pump testing on four drill holes.
- Planning for the mineralogical, solubility, whole rock and trace element studies had been completed.
- Sampling of the Gila conglomerate for unconfined compressive strength (UCS) tests for geotechnical purposes was planned.

On July 13, 2023, the Company further updated that the sample selection for the mineralogical, solubility, whole rock and trace element studies has been completed. The samples obtain more specific data on the solubility of the secondary copper minerals within the proposed Phase 1 mine plan set out in the 2020 Preliminary Economic Assessment. It is expected that data from the solubility tests could allow the Company to better predict potential future copper production from the Van Dyke project.

Eaglehead Property

On November 29, 2022, the Company provided an update on the Eaglehead project including receiving the Mines Act permit to conduct activities set out in the Notice of Work files with the BC Ministry of Mines on February 1, 2022. The permit expires on March 31, 2024. Drilling activities pursuant to the conditions of the permit can only be conducted within the period of July 16 to November 15, 2023.

On July 13, 2023, the Company updated that the Eaglehead Moose Mountain Technical Services have confirmed the database for the project is suitable for completion of an updated mineral resource estimate in accordance with National Instrument 43-101. The porphyry style mineralization at Eaglehead belongs to the "Plutonic" subtype of porphyry copper-molybdenum-gold-silver deposits in British Columbia. The database contains a total of 126 drillholes, 112 of these will be used in the model. Updates on the progress of the mineral resource estimate will be announced when received.

Sombrero Butte Project

On June 27, 2023, the Company announced that it had completed the planned hyperspectral survey over its 100%-owned Sombrero Butte project. Combining the Hyperspectral data and previously collected trace element geochemistry can be used to identify areas of alteration associated with breccia pipes, hydrothermal centers and/or styles of mineralization indicative of porphyry copper deposits not readily apparent at the outcrop level.

On July 13, 2023, the Company updated that the preliminary results of the hyperspectral survey was expected in August. An ongoing compilation of historical analytical data identified a previously unreported interval of porphyry style mineralization hosted in potassic altered Copper Creek granodiorite. Drillhole SB-03 was drilled to the northeast towards a positive chargeability body (target #1) located east of the area of historical copper mining. This drill hole includes a previously unreported weighted average mineralized core interval (522.0 – 645.7m) that returned 0.18% Cu, trace Mo and Au and 0.45g/t Ag. This mineralized interval is located outside the area of the mineralized magmatic breccia pipes and the metal assemblage supports proximity to a potential mineralized porphyry center.

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 *(Expressed in Canadian Dollars)*

Corporate Update

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

On March 28, 2023, the Company's controlling shareholder, Ernesto Echavarria, exercised a total of 21,666,667 common share purchase warrants of the Company. As a result of the exercise of the warrants, together with prior acquisitions, Mr. Echavarria now holds an aggregate of 312,242,855 common shares of the Company, representing approximately 56.84% of the currently issued and outstanding shares.

On July 5, 2023, the Company appointed Lynn Ball as vice-president of corporate affairs. Her responsibilities include leading and executing a strategy to build long-term environmental and social stewardship policies, management of corporate reporting requirements and ESG communications.

Subsequent to the Quarter-end

On August 8, 2023, the Company provided a corporate update, highlighted below:

- The 2023 Schaft Creek program is in progress, with the geotechnical drilling focused on collecting data to inform and improve the pit design and life-of-mine strip ratio, and to gain a better understanding of the hydrogeology of the area. A total of 1,882 metres of drilling out of the planned 9,000-metre program has been completed.
- Environmental baseline data collection and community engagement programs are advancing as well at Schaft Creek.
- The metallurgical test work portion of the 2023 Schaft Creek program is progressing, with results expected by the end of November.
- Work toward completion of the updated mineral resource estimate at Eaglehead is progressing.
- Survey results from the airborne hyperspectral alteration mapping survey on the Sombrero Butte project have been received and are currently being reviewed in conjunction with the project database.
- At Mineral Mountain, the geophysical survey using the ORION 3-D Swath DCIP configuration has been completed. The 3-D modelling results of the survey are expected in September.
- The mineral solubility/mineralogical studies at the Van Dyke project have commenced.

On August 30, 2023, the Company released the results of an updated mineral resource estimate (MRE) on its 100-per-cent-owned Eaglehead copper-gold-molybdenum-silver porphyry copper project located in northwestern British Columbia. The MRE was prepared by Moose Mountain Technical Services ("MMTS") in accordance with National Instrument 43-101 ("NI 43-101") standards (May 9, 2016), CIM Definition Standards (May 19, 2014) with guidance from CIM Best Practice Guidelines (November 29, 2019). For reporting purposes, a C\$5.50 net smelter return ("NSR") is considered the base case for the MRE. Highlights of the pit constrained MRE are as follows:

- Indicated mineral resource of 70.8Mt with a weighted average grade of 0.22% Cu, 0.011%Mo, 0.061g/t Au and 0.90 g/t Ag containing 345Mlbs Cu, 16.9Mlbs Mo, 139,600 ozs Au and 2,150,000 ozs silver.

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

- Inferred mineral resource of 242.3Mt with a weighted average grade of 0.19% Cu, 0.003%Mo, 0.043 g/t Au and 0.060g/t Ag containing 1.03Blbs Cu, 18.7Mlbs Mo, 365,800 ozs Au and 4,970,000 ozs Ag.
- The mineral resources are contained with four separate mineralized zone that occur over a strike length of approximately 4 kms.
- The four zones of porphyry style mineralization are open at depth, along strike and indicates potential to significantly expand the project resource base.

On September 8, 2023, the Company closed a non-brokered private placement, raising aggregate gross proceeds of \$1,878,010 through the sale of 9,390,050 units ("Unit") at a price of \$0.20 per Unit. Each Unit consisted of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share for a two-year term, for an exercise price of \$0.25 during the first 12-month period after the closing of the offering and \$0.30 during the subsequent 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 \$0.30 in the first 12-month period after the closing of the offering, or \$0.35 during the subsequent 12-month period, the expiry date of the warrants will be accelerated to any date or dates, as the case maybe, that is 30 days after the first date such threshold is met.

On September 20, 2023, the Company provided an update on 2023 activities on the Schaft Creek program as highlighted below:

- The 2023 Schaft Creek geotechnical drilling program is focused on collecting data to inform and optimize the pit design, life of mine strip ratio, and to gain a better understanding of the pit slope hydrogeology. As of September 12, 2023 a total of 3,062 metres have been drilled with 4 complete holes and 4 holes in progress.
- Community engagement with the Tahltan Nation is continuing.
- The metallurgical testwork (76 samples) portion of the 2023 Schaft Creek program is progressing with results expected by the end of November. The variability sampling will provide an update of copper, gold, molybdenum, and silver recovery in addition to comminution data. The test program will also characterize tailings material which will better inform planned tailings management and storage.
- Hydrogeological, environmental, and social baseline work is ongoing. The planned archeological, wildlife, and ecosystem field studies for 2023 have been completed.

3. CURRENT QUARTER HIGHLIGHTS

Industry Overview

During the current period, spot copper prices continue to trade within a narrow range (US\$3.70 – US\$3.90/lb) as the anticipated recovery in the Chinese economy has not materialized, commentary on soft landing, hard landing or recession persist and reported surplus in copper inventories has increased the bearish sentiment toward near term future copper demand. In addition to these issues the indications that central banks and the US Federal Reserve could continue to increase interest rates are giving rise to a cautionary environment over the next few quarters.

COPPER FOX METALS INC.

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

Quarterly Highlights

For the Nine Months Ended July 31, 2023 *(Expressed in Canadian Dollars)*

Over the longer term, the forecast demand for copper remains bullish. This optimistic view is based primarily on global policies focussed on green initiatives, a low carbon economy and sustainable energy generation, and transmission. Lower head grades, availability of water, supply disruption due to weather events, and social unrest continue to be substantive operational issues impacting the copper industry.

Corporate Overview

During the Quarter the Company completed the field data collection portions of planned activities on its 100% owned projects. In addition, the mobilization and infrastructure portion of the 2023 program at Schaft Creek commenced in early May with drilling activities getting underway in mid June.

During the next Quarter, the Company plans to focus on the Van Dyke project to complete the mineral solubility/mineralogical studies, award the geotechnical contract to collect additional data to better inform the construction and ground support related to the decline to access the deposit and complete rehabilitation of the selected historical drill holes to establish hydrogeological monitoring stations. Results from these studies could allow a better understanding of the mineral solubility timing and projected copper recoveries, potential changes to the timeline and underground support required for the proposed decline to access the deposit and establishing the initial monitor stations to collect hydrogeological and water quality data across the project.

The updated Mineral Resource Estimate for the Eaglehead project yielded both Indicated and Inferred mineral resources and indicates the presence of a large, as yet not fully defined, porphyry copper system with significant resource expansion potential. The independent updated Mineral Resource Estimate was completed using a \$5.50/t Net Smelter return ("NSR") and based on input parameters used by Moose Mountain Technical Services. The Eaglehead mineralization yields a strong NSR value per tonne for both the Indicated and Inferred mineral resource categories. The NSR value per tonne is an estimation of the value of the metals recovered from a tonne of rock based on estimated metallurgical recoveries and long-term metal prices net of transportation, refining, smelting and other costs related to the smelting and refining process. During the next Quarter, the Company needs to file the National Instrument 43-101 Technical report that includes the Updated Mineral Resource Estimate.

During the quarter the Company incorporated Desert Fox Mineral Mountain Co; a wholly owned subsidiary of Desert Fox Copper Inc. to simplify accounting procedures related to the Mineral Mountain project.

At Mineral Mountain, the planned geophysical survey has been completed and it is expected that results of the survey could be available by mid-late October. The Company is working with Quantec providing, data on lithology, alteration and mineralization to better inform the final interpretation of the data collected during the recently completed geophysical survey. As part of the interpretation, the effects of the oxidization and supergene processes as mapped in outcrop are being incorporated into the final interpretation.

At Sombrero Butte, the preliminary data from the airborne Hyperspectral survey has been received and is being interpreted and when completed incorporated into the project database. The result of this survey is expected to better define the distribution of the advanced argillic alteration pattern associated

COPPER FOX METALS INC.

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

Quarterly Highlights

For the Nine Months Ended July 31, 2023 *(Expressed in Canadian Dollars)*

with the large porphyry target located within the central portion of the project. The geochemical and petrographic studies that were planned to further investigate the porphyry target located at the north end of the property hosted in the Copper Creek Intrusive have been delayed until November.

During the Quarter, the field portion of the \$17.2 million 2023 Schaft Creek program operated and fully funded by Teck commenced. The infrastructure portion of the 2023 program commenced in mid May with drilling activities starting in mid-June. The 2023 work program contemplated 9,000 m of geotechnical drilling, metallurgical studies and environmental, wildlife and fish studies. The geotechnical drilling program is focused on expanding geotechnical data coverage across the proposed mine plan to support an updated mine plan design. The geotechnical drill holes are being completed in an area of extensively fractured and broken rock located on the east pit slope wall of the Schaft Creek deposit. It is expected that eight drill holes will be completed by the end of the program. These drill holes will expand the area covered by geotechnical drilling and collected data at several elevations of the proposed pit slope will also be used to investigate the hydrogeology of the pit slope and sampling for waste rock characterization test work. The drilling is progressing slower than expected with 3,062 m of drilling completed by September 12, 2023, primarily related to abnormally poor ground conditions.

Wildlife and ecosystem studies are being conducted in areas upstream and downstream of the Schaft Creek project with archaeological investigations focused in the area surrounding the Schaft Creek deposit in conjunction/consultation with the Tahltan Nation. The field data collection planned for 2023 has been completed and results of these studies are being compiled. Additional work is planned for future years. In addition to these studies, monthly hydrogeological and water sampling continues.

4. INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

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

Copper Fox has no long-term debt or long-term liabilities, other than its decommissioning provision of \$421,000, its deferred tax liability of \$653,258 and its office lease liability of \$118,602.

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

Major expenditures are required to establish mineral reserves and to construct mining and processing facilities. The recoverability of valuations assigned to exploration and development mineral properties are dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

financing to complete such exploration and development as well as the future profitable production or proceeds from potential dispositions.

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

Liquidity and Working Capital

As at July 31, 2023, Copper Fox had working capital of \$15,631 (October 31, 2022 – working capital deficiency of \$177,540). As at July 31, 2023, the Company's cash position was \$260,665 (October 31, 2022 - \$132,192). The working capital increased during the nine months ended July 31, 2023, compared to the year ended October 31, 2022, due to a total of \$2,028,100 net proceeds from the exercise of warrants received during the current period. This increase in cash was offset by \$795,244 spent in operating activities, \$727,514 used in the mineral property expenditures, \$16,858 in property and equipment additions, \$330,000 in promissory note payment and \$24,282 in office lease payments.

Operations

For the three months ended July 31, 2023, compared with the three months ended July 31, 2022:

For the three months ended July 31, 2023, the Company recorded a net loss of \$348,787 or \$0.00 per share compared to a net loss of \$277,827 or \$0.00 per share in the comparable prior year.

The Company's quarterly administration expenses increased slightly in Q3 2023 from \$264,797 compared to Q3 2022's \$245,533. The Company's quarterly professional fees increased in Q3 2023 from \$86,489 compared to Q3 2022's \$29,897 mainly due to legal fees incurred for the internal evaluation identifying potential opportunities to optimize the corporate structure of its mineral properties and the costs related to the private placement.

For the nine months ended July 31, 2023, compared with the nine months ended July 31, 2022:

For the nine months ended July 31, 2023, the Company recorded a net loss of \$882,395 or \$0.00 per share compared to a net loss of \$889,829 or \$0.00 per share in the comparable prior year.

The Company's nine months administration expenses increased slightly in Q3 2023 from \$737,106 compared to Q3 2022's \$706,192. The Company's nine months administration and professional fees increased slightly in Q3 2023 from \$145,115 compared to Q3 2022's \$116,793 mainly due to legal fees incurred for the internal evaluation identifying potential opportunities to optimize the corporate structure of its mineral properties and the costs related to the private placement.

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

5. COMMITMENTS, EXPECTED OR UNEXPECTED OR UNCERTAINTIES

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 both 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, (\$29 million spent to date) the Company's pro rata share of such costs will be set off against the two remaining cash milestone payments (totaling \$40 million) payable by Teck to the Company. If pre-production costs exhaust the two cash milestone payments, Teck will further assist the Company by providing loans, as necessary, without dilution to the Company's 25% joint venture interest.

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

- (i) to use all reasonable commercial efforts to arrange project equity and debt financing for at least 60% of project capital costs or such portion as Teck determines is commercially available on reasonable terms at the relevant time, and
- (ii) to fund by way of loans to the Company, the Company's pro rata share of project capital costs not covered by project debt financing at the Prime Rate plus 2%, if requested by the Company, without dilution to the Company's 25% joint venture interest.

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

Office Lease

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

6. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

7. RISKS FACTORS

In our MD&A filed on SEDAR February 15, 2023, in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors which we believe are the most

COPPER FOX METALS INC.

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

For the Nine Months Ended July 31, 2023 (Expressed in Canadian Dollars)

significant risks faced by Copper Fox. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

8. DISCLOSURE OF OUTSTANDING SHARE CAPITAL DATA

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

	Issued and Outstanding	
	July 31, 2023	September 20, 2023
Common shares outstanding	549,302,163	558,692,213
Warrants	-	4,695,025
Fully diluted common shares outstanding	549,302,163	563,387,238

Cautionary Statements

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