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

For the Year Ended October 31, 2025

As of February 4, 2026

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1. INTRODUCTION

This management's discussion and analysis ("**MD&A**") should be read in conjunction with Copper Fox Metals Inc.'s (the "**Company**" or "**Copper Fox**") audited annual consolidated financial statements for the years ended October 31, 2025, and 2024, and the related notes thereto.

All the Company's material subsidiaries are wholly owned. Accounting policies are applied consistently throughout all consolidated entities.

Technical and corporate information contained in this MD&A has previously been disseminated by way of news releases and are filed on SEDAR+ at www.sedarplus.ca and on the Company's website at www.copperfoxmetals.com. The reader should be aware that historical results are not necessarily indicative of future performance (readers should refer to "*Forward Looking Statements*" on page 4).

All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as February 4, 2026, and was reviewed, approved, and authorized for issue by the Company's Board of Directors on that date.

Description of Business

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

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

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

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

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

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

Directors	Officers and Position
Elmer B. Stewart (Chair)	Elmer B. Stewart, President and Chief Executive Officer
R. Hector MacKay-Dunn	Mark T. Brown, Chief Financial Officer
Manuel Gomez	Lynn Ball, Corporate Secretary and VP Corporate Affairs
Ernesto Echavarria	
Mark T. Brown	

Audit Committee	Corporate Governance and Nominating Committee	Compensation Committee
Manuel Gomez (Chair)	Elmer B. Stewart	R. Hector MacKay-Dunn
R. Hector MacKay-Dunn	Mark T. Brown	Manuel Gomez
Ernesto Echavarria	R. Hector MacKay-Dunn	Ernesto Echavarria

Qualified Person

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

2. FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

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

3. YEAR ENDED OCTOBER 31, 2025, HIGHLIGHTS AND SIGNIFICANT EVENTS

- On November 26, 2024, the Company provided an update on the Sombrero Butte project. The primary objective of the 2024 program was to obtain a more comprehensive chargeability/resistivity (DCIP) model for the project in conjunction with updated geology, alteration and mineralization models to transition the project to the drilling stage. The 2024 program, in addition to the geophysical surveys, included mapping, sampling, petrographic studies and whole-rock, trace and zircon geochemistry.

- On December 19, 2024, the Company provided preliminary results of the DCIP and magnetotelluric (MT) geophysical surveys on the Sombrero Butte porphyry copper project. Highlights included:
  - Anomalous chargeability was identified on all seven lines representing an area measuring approximately 2,400 meters (m) in an east-west direction and ranging from 500m on L0000E to 2,500m on L0800E in a north-south direction.
  - A strong spatial correlation exists between the anomalous chargeability and a large zone of moderate to intense limonite alteration hosted in moderate to intensely altered Laramide age Glory Hole volcanics.

- On January 16, 2025, the Company provided the analytical results for the six (6) geotechnical drillholes completed at Schaft Creek in 2024. Highlights are summarized below:
  - Four of the geotechnical drillholes were completed along the east side of the Paramount zone referred to as the 'highwall' and two holes were completed on the west side of the Paramount zone.
  - The mineralization interested in DDH SCK-24-472 extended the mineralization in the Paramount zone approximately 250m to the north.
  - Analytical highlights include:
    - DDH SCK-24-471, intersected a core interval of 134.60m (21.60 to 156.20m) that averaged 0.338% copper, 0.037% molybdenum, 0.058 g/t gold and 0.78 g/t silver that included a 63.80m core interval (59.20 to 123.00m) that averaged 0.437% copper, 0.066% molybdenum, 0.050 g/t gold and 1.11 g/t silver.
    - DDH SCK-24-472, intersected a core interval of 208.64m (406.10 to 614.74m) that averaged 0.253% copper, 0.014% molybdenum, 0.115 g/t gold and 0.88 g/t silver.
    - DDH SCK-24-476, intersected a core interval of 202.60m (189.70 to 392.30m) that averaged 0.324% copper, 0.023% molybdenum, 0.044 g/t gold and 1.68 g/t silver that included a 14.40m core interval (196.80 to 211.20m) that averaged 0.634% copper, 0.104% molybdenum, 0.092 g/t gold and 3.48 g/t silver.
  - The other three geotechnical drillholes were not expected to intersect mineralization due to their locations and returned background metal concentrations.

- On January 30, 2025, Copper Fox Metals Inc. provided an outline of the 2025 program for the Schaft Creek project.
  - Pre-Production Costs at Schaft Creek are reported to have exceeded $60 million as set out in the SCJV agreement.
  - The primary objective of the 2025 program is to transition the project from the Scoping Study stage to the Preliminary Feasibility Study (PFS) stage. Planned expenditures in 2025 are budgeted at $15.8 million shared pro rata by Teck and Copper Fox.

- The main components of the 2025 program include:
  - Technical program:
    - Review of current technical models and updating as required
    - Completion of geometallurgical program, including interpretation and modelling of data
    - Completion of geotechnical slope stability and hydrogeological models
    - Trade-off studies on potential infrastructure sites
  - Field program:
    - Environmental baseline data collection
    - Archeological investigations in key site infrastructure locations
    - Drill program to assess suitability of planned site infrastructure

- On February 18, 2025, the Company provided the results of the completed DCIP and MT geophysical surveys at Sombrero Butte. The geophysical program maps a large north-northwest-trending body of anomalous chargeability that in places extends from surface to depths exceeding 800m located along the interpreted Copper Creek granodiorite/Glory Hole volcanic contact. At surface, the chargeability anomaly exhibits a strong spatial correlation with the large zone of moderate-to-intense limonite (after pyrite) alteration/staining that has been mapped within the Laramide-age Glory Hole volcanics. The chargeability signature is interpreted to represent the potential of a large body of sulphide mineralization at depth and further supports the potential for a porphyry copper system underlying the Sombrero Butte project.

- On February 28, 2025, the Company closed a non-brokered private placement for a total of 7,317,074 units at a price of $0.205 per unit for aggregate gross proceeds of $1.5 million. Each unit consists of one common share in the capital 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 at 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 15-day volume weighted average price of the common shares listed on the TSXV is above $0.29 in the first 12-month period after the closing of the offering, or $0.33 during the subsequent 12-month period, the expiry date of the warrants may be accelerated, in whole or in part at the discretion of the Company, to any date or dates, as the case may be, that is 30 days after the first date such threshold is met.

- On April 8, 2025, the Company provided an update on the permitting process to complete a drilling program on Mineral Mountain property.
  Highlights:
  - The environmental assessment (EA) pursuant to the National Environmental Protection Act (NEPA) has been published by the BLM.
  - The 30-day solicitation of public comment period commenced on April 7, 2025.
  - Fieldwork on Arizona State mining exploration permit 08-122622 located numerous occurrences of interpreted Laramide-age quartz veinlet and fracture-hosted copper mineralization.

  Based on the survey, no acuña cactus were observed in the species-specific survey area, and SWCA conclusions of the biological evaluation (BE) are:
  - The proposed drilling program may affect but is not likely to adversely affect the acuña cactus and its designated critical habitat through the removal of 0.180 acre of potential seed bank at drill pads 1 to 4, including disturbance of 0.135 acre of PBFs (physical or biological features) of its critical habitat at drill pads 1 to 3.

  - The cumulative effects related to future mining proposals in the project area and continuing development in the species range may affect individual acuña cactus.
  - Other activities, including livestock grazing, off-highway vehicle use, dispersed recreation and cross-border activities, could impact acuña cactus.
  - Incremental effects on acuña cactus from the proposed drilling program are anticipated to be insignificant because no acuña cactus are present in the planned disturbance area.

- On May 12, 2025, the Company received from Teck Resources Limited reports on environmental baseline studies completed over the past two years for the Schaft Creek project.
  - Archeological and cultural heritage studies:
    This report summarizes the results of an archeological impact assessment (AIA) completed pursuant to the Heritage Conservation Act under permit issued by the British Columbia Ministry of Forests. The AIA included an assessment of revisions to the previously assessed project footprint, including within the proposed rock storage areas and tailing storage facility and associated infrastructure. The AIA located several new archeological sites and revisited several previously identified sites.
  - Surface water and hydrology studies:
    The objectives of this report were to compile the cumulative surface water quality data and characterize the baseline surface water quality for streams in the project area while comparing this data to provincial and federal water quality guidelines for the protection of freshwater aquatic life.
  - Hydrogeological studies:
    Groundwater levels were found to be generally close to surface and flow patterns are largely controlled by topography. The groundwater quality is characterized as neutral to slightly basic pH levels (ranging from 7.0 to 8.5), indicating high alkalinity and potential buffering capacity of the subsurface. Local exceedances of provincial and federal water quality guidelines for the protection of freshwater aquatic life were identified in several portions of the study area for fluorine, aluminum, arsenic and iron.
  - Fish and fish habitat studies:
    No fish were observed during the study period in Skeeter Lake or Snipe Lake, which are in close proximity to proposed infrastructure. The presence of kokanee was confirmed in Mess Lake located approximately 12 kilometres northeast of the Schaft Creek deposit.

- On May 19, 2025, the Company announced that President and CEO of the Company would present and host one-on-one meetings with investors at the Sidoti May Virtual Investor Conference, taking place on May 21-22, 2025.

- On May 26, 2025, the Company provided an update on the permitting process to complete a maiden drilling program on Mineral Mountain property.
  Highlights:
  - The Company's mining plan of operation (MPO) was completed and accepted by the Bureau of Land Management field manager on March 11, 2024, subject to an environmental assessment including public involvement.
  - SWCA completed the environmental assessment, and a finding of 'no significant impact' was determined by the BLM.
  - The 30-day public review period concluded on May 7, 2025, and the BLM advises there were no substantive public comments made during this public review period.

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

- On May 15, 2025, the Company's proposed plan of operations (POO) was approved by the BLM Field Manager.
- Operations under the plan may commence only after a suitable reclamation bond has been accepted by the BLM.

- On June 23, 2025, the Company assembled a project team to explore advancing Van Dyke ISCR project to the prefeasibility study stage.

Project Team

Contractor	Contractor Primary Area of Responsibility
Stantec Consulting Services Inc.	Mineral Reserve Estimate, Underground Mine Access, Mine Design and Mining Method, Hydrogeology, Market Studies and Contracts, Environmental Studies, Permitting and Social or Community Impact, Economic Analysis, Surface and Underground Non-Process Infrastructure, Overall Study Management, Report Compilation
Samuel Engineering, Inc.	Mineral Processing and Metallurgical Testing, Recovery Methods, Process Plant Infrastructure
Bird Resource Consulting Corp.	Mineral Resource Estimate, Project Description, QA/QC studies
RGC Hydro Services, LLC	Project Consulting and Permitting Guidance
Call & Nicholas, Inc.	Surface and Underground Mine Geotechnical

- On July 10, 2025, the Company received Bureau of Land Management (BLM) acceptance of surety bond for the Mineral Mountain plan of operation to conduct an exploratory drill program.
  The plan of operation consisted of up to four diamond drill holes for a total of 2,500 metres to test two areas of higher chargeability (greater than 18 milliradians) within a 3,200-metre-long-by-1,200-metre-wide chargeability anomaly (greater than 12 milliradians) that underlies a 3,400-metre-long-by-1,600-metre-wide porphyry copper footprint.
  The Company was in the process of soliciting bids for the drill program from four Arizona certified drilling contractors as well as completing logistical arrangements to support the drill program.

- On July 16, 2025, the Company contracted Dias Geophysical Ltd. to complete a 3-D pole-dipole distributed DCIP (direct-current induced polarization) survey on Eaglehead project.
  The objectives of the planned 2025 survey are to image the chargeability and resistivity signatures within the survey area to a depth of over 600 metres and generate an unconstrained 3-D inversion model of chargeability and resistivity. As follow-up work to the 2025 survey, the Company planned to incorporate all geophysical data collected within the mineralized corridor into updated chargeability/resistivity models for the Eaglehead project.
  The planned geophysical survey area is located to the north of the existing geophysical coverage and overlaps the northern edge of previous geophysical surveys to enable preparation of significantly longer, updated chargeability and resistivity signature profiles based on the previous and current geophysical data. Dias carried out a rolling distributed-array 3-D survey in common voltage reference mode, in which the Dias32 receivers were deployed across several survey lines and current injections were injected within the active array of receivers. The survey comprises five receiver lines and four current injection lines. As the current injection progresses across the survey area, the receivers are rolled along by picking up receivers on the trailing portion of the survey area and placing them in the leading portion to maintain a consistent array relative to the current injection line.

- On July 23, 2025, the Company updated the exploration model for Sombrero Butte project.

Highlights:

- The southern extension of the Copper Creek granodiorite consists primarily of porphyritic and non-porphyritic hornblende-biotite granodiorite and biotite granodiorite;
- The porphyry copper target and underlying 3,200-metre-long-by-1,300-metre-wide chargeability anomaly (greater than 25 milliradians) occupies the same structural setting as the Copper Creek porphyry copper deposit;
- A central potassic zone surrounded by widespread phyllic (the Limonite zone, oxidized quartz-pyrite-sericite veinlets) and lesser amounts of distal advanced argillic, propylitic and tourmaline alteration;
- Hypogene enrichment (that is, bornite rimming chalcopyrite) of copper mineralization and magnetite rimming pyrite indicating several superimposed high-temperature hydrothermal events;
- Hypersaline fluid inclusions with liquid-plus-vapour-plus-solid phases of halite, hematite, chalcopyrite and anhydrite typically observed in epizonal portions of porphyry copper deposits;
- Multiple (120) breccia pipes, including magmatic hydrothermal breccia containing high-grade copper plus or minus molybdenum-gold-silver mineralization;
- Thermal metamorphism of the Glory Hole volcanics suggesting a relatively thin cover of Glory Hole volcanics overlying the Copper Creek granodiorite intrusive.

- On July 24, 2025, the Company provided the results of the 2024 geotechnical investigations and an update on 2025 activities at the Schaft Creek project.
  Highlights:
  - Upgrades to the camp facilities, including installation of solar array to supply clean, renewable electrical power, are under way.
  - The 2025 drilling program has commenced south of the Liard zone and is intended to collect data in an area proposed for rock storage.
  - Archeological investigations and baseline environmental data collection are in progress.
  - The 2024 report on geotechnical drilling and related geophysical and hydrogeological surveys has been received (see geotechnical investigation section below).
  - Coarse particle flotation test work has been added to the geometallurgical studies to better characterize the geometallurgical response from the Liard zone.
  - Strengthening collaboration and engagement with the Tahltan Nation through the support of educational opportunities, youth athletics and cultural training is continuing.

- On August 12, 2025, the Company announced agreements for research coverage. Atrium Research Corp. and HoldCo Markets Advisory Inc. (HCM) were providing research coverage of the Company. and had published their initiation reports. These comprehensive reports on the Company, including business operations, financial performance and competitive positioning, are disseminated through Bloomberg, FactSet, Capital IQ, Reuters, as well as their own investor distribution lists.

- On August 22, 2025, the Company provided update on geophysical program at Eaglehead porphyry copper project. The Company completed the planned 3-D pole-dipole distributed DCIP survey.
  Highlights of the 2025 survey:
  - A 2,800-metre-long zone of anomalous chargeability (greater than eight millivolts/second contour/approximately 17 mrads) occurs at surface in the same northwest-trending valley that hosts the four zones of porphyry style mineralization. The anomaly dips to the north under propylitic altered quartz eye porphyry of the Eaglehead intrusive.

  - The surface expression of the anomalous chargeability exhibits a strong correlation to the anomalous chargeability identified in the 2014 geophysical survey.
  - The chargeability anomaly occurs over a horizontal distance of 2,800 m and extends down dip approximately 2,400 m to the north.
  - Several pipe-like bodies of anomalous chargeability correspond to leached, mineralized hydrothermal breccia and secondary copper showings mapped on surface.
  - The anomalous chargeability occurs within a zone of lower resistivity and extends a significant distance north (down dip) and a short distance south of the mineral resource area.

- On August 28, 2025, the Company provided the results of the preliminary geometallurgical model (PGM) completed by Samuel Engineering on Van Dyke in situ copper recovery (ISCR) project.
  The study highlights:
  The PGM achieved three critical components for developing an updated geometallurgical model to support the completion of a PFS level of investigation by identifying the mineralogical domains (zones) in the Van Dyke deposit, data gaps in the project metallurgical results across the deposit and developed recommendations for future metallurgical testing.

- On September 5, 2025, the Company provided an execution plan for the Van Dyke prefeasibility study prepared by Stantec Consultants Services Inc. on Van Dyke in situ copper recovery (ISCR) project.
  Preliminary economic assessment (PEA) indicated:
  Highlights of the plan:
  - Outlines plan for completion of a PFS-level report on the Van Dyke project;
  - Outlines the objectives, work programs and expected timelines for the main components of the study;
  - A two-phase, multipurpose drilling program (12,620 metres) focused primarily on expanding and upgrading the resource categories within the Van Dyke copper deposit;
  - Estimated three years completion time, subject to time required to complete metallurgical test work;
  - Estimated cost of approximately $23.4-million (U.S.), including a 10-per-cent ($2.17-million (U.S.)) contingency.

- On September 18, 2025, the Company provided additional results of preliminary exploration completed on the Mineral Mountain project. The highlights include:
  - A broadly defined northeast trending zone of quartz vein hosted copper mineralization (>500 – 30,000 parts per million (ppm)) extends over an area that is approximately 2,000 meters (m) long by up to 750m wide.
  - The molybdenum mineralization (>10 – 282ppm) is located within the area of copper mineralization and extends over an area of approximately 1,600m long by 400m wide.
  - Host rocks to the mineralization are interpreted Laramide age porphyritic quartz monzonite, biotite granite and Precambrian age Pinal Schist.
  - The intrusive rocks exhibit strong potassic and propylitic alteration locally overprinted by phyllic alteration.

- On October 16, 2025, the Company provided an update on the Schaft Creek project.
  2025 field program highlights

  - Five diamond drill holes (1,797.1 metres (m)) were completed in the area south of the Liard zone, four of which intersected variable intervals of discontinuous copper mineralization. Analytical results are pending.
  - Electrical resistivity tomography (13,31 m) and seismic refraction (6,825m) geophysical surveys were completed in the areas of the proposed rock storage facilities.
  - Environmental field activities including archeological investigations, water, glacier and meteorological studies were conducted during the field season.
  - Geometallurgical studies are progressing, and an update on the interpretation is discussed below.
  - Transition to the prefeasibility study (PFS) stage is expected to commence in early 2026, subject to meeting stringent criteria to deliver attractive risk-adjusted returns in alignment with Teck's capital allocation framework.

- On October 28, 2025, the Company commenced maiden drilling program at Mineral Mountain project. The diamond drilling program is designed to drill test at depth the large area of copper-molybdenum mineralization and alteration exposed at surface and the equally large, open ended positive chargeability body at depth.
  Porphyry copper target
  - Copper and molybdenum mineralization occurs over an area of approximately 4,500 metres (m) long up to 2,000m wide and is underlain by an open-ended, northeast-trending positive chargeability anomaly (greater than 14 mrad) measuring approximately 3,200m by 1,200m.
  - The copper mineralization is hosted in Laramide age, potassic, propylitic, and phyllic altered porphyritic and non-porphyritic quartz monzonites and biotite granodiorites, typical host rocks for porphyry copper deposits in Arizona.
  - Copper mineralization contains enhanced gold concentrations, several Laramide age porphyry copper deposits in Arizona contain enhanced gold concentrations.
  - The copper mineralization contains a significant amount of chalcocite, a copper sulphide mineral that results from weathering/oxidization/supergene cycles and is typically observed in Laramide age porphyry copper deposits in Arizona.

<u>Subsequent to the Year Ended:</u>

- On November 19, 2025, the Company provided updated on the 2025 geophysical program on the Eaglehead Porphyry copper property.
  Highlights of the 2025 Geophysical Program
  - Outlined an open-ended, northwest trending, north dipping zone of anomalous chargeability and associated low resistivity measuring approximately 4,400 meters (m) long.
  - At the 250m level below surface, the chargeability anomaly measures approximately 1,000m wide in the East deposit and increases to 2,000m wide in the Camp deposit. The chargeability anomaly is open to the northwest past the Camp deposit.
  - The four deposits (East, Bornite, Pass, Camp) of porphyry mineralization outlined in the 2023 Mineral Resource Estimate (MRE), *NI 43-101 Mineral Resource Estimate of the Eaglehead Project, submitted by Moose Mountain Technical Services, Sue Bird, P.Eng. with an effective date of August 21, 2023*, are located along the apex of the chargeability anomaly within the "mineralized corridor".
  - The program identified several pipe-like bodies of anomalous chargeability extending from the main chargeability body to surface that show a strong spatial correlation to leached, mineralized hydrothermal breccia and areas of copper showings exposed in outcrop.

- On December 3, 2025, the Company provided an update on plans PEA update for Van Dyke project. The PEA would incorporate, among other items, the results of technical studies completed since 2021, update the capital, operating and sustaining costs, and update pretax and post tax economic models using consensus long-term copper pricing and a project economic sensitivity analysis to copper price.

- On December 17, 2025, the Company congratulated Teck Resources Limited. and Anglo-American PLC for having received regulatory approval from the government of Canada under the Investment Canada Act for the Merger of Equals.

  Industry Minister Melanie Joly has approved the $53-billion Anglo Teck mega-merger, clearing the way for the creation of one of the world's largest copper producers following the overwhelming endorsement of both Teck's and Anglo's shareholders last week. The merger previously received approval under national security grounds in November, and lawmakers still needed to conclude that the deal would deliver a net economic benefit to Canada under tightened takeover rules.

- On December 22, 2025, the Company provided an update on Van Dyke Copper project. The project had significant resource expansion potential and benefits from access to local infrastructure that included a copper smelter, a copper rod plant, highways, rail lines and electrical power.
  Highlights
  - Execution of non-binding letters of intent (LOIs) to purchase industrial water for leaching purposes and removal (offtake) of the Gila conglomerate excavated from the planned underground development;
  - Assembling the engineering team to complete the recently announced preliminary economic assessment (PEA) is in progress;
  - Continuation and advancement of hydrogeological studies, a critical component of understanding the groundwater flow in relation to in situ copper recovery projects;
  - Working toward the permitting process with the Town of Miami for future planned drilling activities.

On January 26, 2025, the Company provided the analytical results for the five drillholes completed at the Schaft Creek project in 2025.
The 2025 drilling program intersected significant intervals of copper and copper-gold mineralization over a distance of approximately 500 meters (m), in an area south of the Liard zone. Analytical highlights include:

- DDH SCK-25-478, intersected a 67.27m core interval (357.73 to 425.00m) that averaged 0.286% copper, trace molybdenum, 1.814g/t gold and 1.77g/t silver that included an 11.5m core interval (408.50 to 420.00m) that averaged 0.381% copper, trace molybdenum, 9.352g/t gold and 2.67g/t silver.
- DDH SCK-25-480, intersected a 181.50m core interval (21.00 to 202.50m) that averaged 0.299% copper, 0.006% molybdenum, 0.088g/t gold and 0.96g/t silver, that included a 15.00m core interval (110.90 to 125.90m) that averaged 0.562% copper, 0.009% molybdenum, 0.131g/t gold and 1.70g/t silver.
- Two additional drillholes intersected near surface copper mineralization with lower concentrations of gold, molybdenum and silver over core intervals ranging from 96.00 to 215.50m.

4. PROPERTY SUMMARY

Industry Overview

The outlook for copper demand to the end of the decade and beyond is bullish. Rapidly shifting inventories, supply disruptions, commodity hording, the need to process significantly more ore to maintain production levels combined with depleting resources at existing copper mines compounded by the lack of large copper discoveries is placing significant pressure on meeting future copper demand.

Global copper supply rapidly went from a modest supply surplus in 2025 to a forecasted supply deficit over the past six months due to technical issues in the industry, copper hoarding and the forecasted increased demand as the world transitions toward electrification, alternate forms of energy and more recently the forecasted demand for copper and energy to support AI expansion. These factors compounded by geopolitical and economic uncertainty are thought to be the underlying factors for the significant increase in prices over the past year with copper, gold and silver reaching new all-time highs

An illustration of the tightness on the copper supply side is shown by the costs (referred to as TC/RC) for refining of copper concentrates has been set at zero for 2026. In the spot concentrate market, smelters have resorted to paying producers to deliver concentrates, a situation not experienced in the past 50 years. The tightness in the concentrate market is a reflection of the lack of project development over the past few years compounded by the on average 4–5-year construction time required from sanctioning large copper projects until reaching initial production.

Structural issues impacting copper supply have not changed in the past few years. Declining metal grades, higher production costs, processing more material to maintain production levels, aging facilities and increased environmental and social scrutiny as well as supply disruption are all significant factors affecting copper supply. The significant decrease in the discovery rate of large higher grade copper deposits, long lead time for development in addition to the significant increase in metal prices are leading the copper producers to increased reliance on earlier-stage lower quality copper porphyry deposits.

Corporate Overview

During 2025, the Company focussed on advancing its Van Dyke, Mineral Mountain and Sombrero Butte copper projects located within the prolific Laramide age porphyry copper belt of southwest USA and on the Eaglehead project located in northwest British Columbia. Our planned activities on each project achieved their objectives and have provided the technical certainty to warrant advancing each project in 2026. At Schaft Creek, the Joint Venture efforts focussed on determining the project's readiness to transition to the prefeasibility ("PFS") stage.

Entering 2026, Copper Fox is positioned to become a future supplier of critical metal projects to meet the expected demand over the next decade. With its project portfolio focussed on copper with associated gold-molybdenum-silver in geopolitical stable, tier 1 mining jurisdictions, the Company is positioned to take advantage of the current commodities prices and forecasted demand for these metals going forward.

Copper Fox's project portfolio consists of four projects and a 25% carried interest in the Schaft Creek Joint Venture. Of our five projects, three host current mineral resources each with significant potential to increase our already substantial metal balance and two projects are at the drilling stage. With two advanced stage copper projects in the process of transitioning to the PFS stage, an ongoing drilling program on a large porphyry copper target at Mineral Mountain supported by projected positive long term copper demand provide the basis for a robust 2026 exploration program.

Our focus in the first half of 2026 is to advance the Van Dyke project to the PFS stage, complete the first ever drilling program at Mineral Mountain and obtain the permits to continue exploration activities on the resource stage Eaglehead project and the drill ready Sombrero Butte project.

Environment, Social and Governance ("ESG")

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

Schaft Creek Joint Venture ("SCJV")

The SCJV was created in 2013 between Teck and Copper Fox to further explore and develop the Schaft Creek project. The project hosts one of the largest undeveloped porphyry copper-gold-molybdenum-silver deposits in North America and is located in Tahltan Territory in northwestern British Columbia. The mineralization in the Schaft Creek deposit remains open to expansion in several directions and the exploration potential to locate additional zones of porphyry style mineralization within the 12km long mineralized trend is considered significant.

Under the SCJV agreement, Teck is required to make three cash milestone payments (the "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 (M) in pre-production costs. As at October 31, 2025, Teck has funded approximately $30M above the fully funded $60M pre-production costs. Copper Fox's pro-rata share of expenditures above the initial $60M is approximately $7.5M. Copper Fox's pro-rata share of these costs will be offset against the remaining two Milestone Payments. If pre-production costs exhaust the two cash Milestone Payments, (pre-production costs funded by Teck would need to exceed $220M to exhaust these payments), Teck will further assist the Company by providing loans, as necessary, without dilution to the Company's 25% joint venture interest.

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

The 2025, estimated expenditures reported by Teck at Schaft Creek total C$15.3M bringing the total estimated expenditures incurred by the Joint Venture to C$89.6M since inception of the Joint Venture.

At Schaft Creek, the Joint Venture is focussed on determining if the project is ready to transition the to the PFS stage. The 2025 program included updating various geological, and geotechnical models related to resource estimation and pit slope stability, geometallurgical studies, baseline environmental data collection, archeological investigations, climate and glacier studies, geophysical surveys and a five hole (1,797 meter (m)) drilling program. Preliminary results from the metallurgical testwork are encouraging and indicated that Coarse Particle Flotation should be investigated to enhance metal recoveries and the viability of this technology for the Project. The geometallurgical testwork, including the Coarse Particle Flotation testing is expected to be completed in early 2026. The 2025 drilling in the area south of the Liard zone of the Schaft Creek deposit designated as a potential location for rock storage facility #2 intersected broad intervals of copper and copper-gold mineralization in four of the five drill holes. The significance of these mineralized intersections is currently being assessed.

Four of the drillholes completed in 2025 intersected variable concentration of copper and copper-gold mineralization up to a distance of approximately 500m south of the Schaft Creek deposit. Analytical highlights from the 2025 drilling program are:

- DDH SCK-25-478, intersected a 67.27m core interval (357.73 to 425.00m) that averaged 0.296% copper, trace molybdenum, 1.814g/t gold and 1.77g/t silver that included an 11.5m core interval (408.50 to 420.00m) that averaged 0.381% copper, trace molybdenum, 9.352g/t gold and 2.67g/t silver.
- DDH SCK-25-480, intersected a 181.50m core interval (21.00 to 202.50m) that averaged 0.299% copper, 0.006% molybdenum, 0.080g/t gold and 0.96g/t silver, that included a 15.00m core interval (110.90 to 125.90m) that averaged 0.562% copper, 0.009% molybdenum, 0.131g/t gold and 1.70g/t silver.

The results of the geophysical, archeological and environmental baseline studies are expected to be received during Q1-2026.

As per the Schaft Creek Joint Venture Agreement, Teck has until the end of February to provide the 2026 budget and program for Schaft Creek. Copper Fox plans to announce the 2026 budget and program for the project when received from Teck.

Van Dyke Project

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

The simple geology, the soluble copper mineralogy, the water saturated nature of the deposit and previously successful historical copper production from the deposit utilizing in-situ recovery ("ICR"). strongly suggests that the Van Dyke deposit is a candidate for copper recovery utilizing ICR technology. ISR is a non-destructive method of recovering copper from naturally occurring mineralized quartz veins and fractures by leaching, thus eliminating the need for conventional open pit mining methods.

The development of the Van Dyke copper deposit contemplates accessing the deposit by way of a decline to a depth of approximately 50m above the Gila Conglomerate/leach cap contact. Two production ramps from the end of the decline are planned to install inclined injection/recovery wells and other installation required for operations. Copper production contemplates in-situ leaching, whereby the leaching solution is injected into the deposit via injection wells to dissolve the soluble copper minerals and recovery of the copper bearing solutions to produce grade A cathode copper. Geochemical and mineralogical studies completed at Van Dyke indicate the mineralization is hosted in a low acid consuming host rock, resulting in low acid consumption, and mitigates generation of carbon dioxide gas and significantly reduces the potential to precipitate gypsum during the leaching process.

During fiscal 2025, an Updated Conceptual Hydrogeological Site Model, compilation of publicly available hydrogeological and water quality data, hydrogeological monitoring, water quality sampling, preliminary metallurgical modelling, updated geological, mineralogical and mineral zonation modelling, completion of a PFS Execution Plan, negotiating non-binding Letters of Intent for access to industrial water for leaching purposes and an off-take of the Gila Conglomerate, a sedimentary rock local to the Miami-Globe area from the planned underground development to access the Van Dyke deposit, and social outreach to Miami and surrounding communities was completed.

The Execution Plan describes the timeline, programs, permits and estimated cost to complete a PFS level technical report prepared in accordance with NI-43-101. The Execution Plan includes a flexible, two-phase (12,600m) drilling program that is projected to take approximately 32 months to complete at an estimate cost of US$23.4M (includes 10% contingency). Phase I of the Execution Plan calls for drilling approximately 8,700m of diamond and reverse circulation drilling at an estimated cost of US$17.0M. The Execution Plan did not incorporate results of studies, investigations, and modelling completed at Van Dyke since 2021.

Activities planned in 2026 include quarterly hydrogeological monitoring and water quality sampling, permitting for future drilling purposes, preparation of a preliminary semi regional 3D groundwater flow model and an updated Preliminary Economic Assessment ("PEA") incorporating the results of the studies completed since 2021, updated capital, operating, sustaining costs and pre-and post-tax economic models using current long term copper prices. These activities are expected to be completed by the end of July 2026 at an estimated cost of approximately C$450,000. It is expected the PEA could optimize the Execution Plan and would set the stage to commence the drilling, metallurgical, hydrogeological and engineering studies as well as permitting and social activities to advance the project to the PFS stage. On completion of the planned PEA, a follow-up budget based on recommendations of the updated PEA would be prepared for board review and approval.

Eaglehead Property

In 2024, the Company through its wholly owned subsidiary Northern Fox Copper Inc**.** ("Northern Fox") completed the purchase of the Eaglehead Project located in the Liard Mining Division in northwest British Columbia; approximately 52km east of Dease Lake. The aggregate consideration paid by Northern Fox to District Copper Corp was cash payments of $1,200,000 and $212,000 to the BC Ministry of Mines to replace the $212,000 reclamation bond held by District Copper. The final installment payable to District Copper pursuant to the purchase agreement was paid in April 2024. In addition to the District Copper NSR, certain claims within the Eaglehead project are subject to NSRs and a net milling returns royalty (the "Royalties"). Individually, the Royalties range from 2% to 2.5% and the Company has the right to purchase 1% to 1.5% of each of the Royalties for purchase prices ranging from $1M to $2M.

The Eaglehead project (15,712.9 ha) is a resource stage project that covers a large calc-alkalic polymetallic (Cu-Mo-Au-Ag) porphyry system consisting of four open-ended deposits and two open-ended zones of porphyry style mineralization. The porphyry system is hosted in granodioritic and dioritic phases of the early Jurassic composite intrusive (the Eaglehead pluton) located within the prolific Quesnel Terraine. The mineralized zones, alteration patterns and associated chargeability anomaly occur within a zone referred to as the "mineralized corridor" measuring approximately 8km by 3km. located in the southern portion of the Eaglehead pluton.

The porphyry mineralization at Eaglehead is similar to other "Plutonic" hosted porphyry copper deposits in British Columbia, (Highland Valley, Gibraltar) in terms of metals of economic interest, alteration, host rocks, average grades and metal recoveries. The open-ended nature of the mineralization and the strong positive spatial correlation between anomalous chargeability and porphyry style mineralization indicates continuity of the mineralization between the mineralized zones and significant potential to expand the dimensions of the mineralization.

In 2025 activities included a DCIP geophysical survey covering the northern portion of the "mineralized corridor", water quality sampling programs and a topographic study for future drilling purposes. Merging of the 2025 geophysical survey data with two previously completed geophysical surveys outlined a north dipping, open-ended chargeability/resistivity anomaly measuring approximately 4,400m long by up to 2,000m wide significantly expanded the size of chargeability/resistivity signature both down dip and along strike. The water quality program indicated no material change in the water quality since 2021, and the topographic contour study as required in the BC "mines act" concluded that the trail to the drill sites can be constructed as planned.

The current Notice of Work permit to conduct exploration activities at Eaglehead expires at the end of March 2026. As such, Copper Fox plans to prepare and file a Multi-Year Area Based Permit ("MYAB") for future exploration programs. The cost to prepare the MYAB is expected to be minimal. Exploration activities in 2026 are contingent on receipt of the MYAB. Assuming receipt of the MYAB, before the end of June 2026, a budget and program of planned activities which could include drilling to connect the Bornite and East deposits and preliminary metallurgical testwork to further define the geometallurgical characteristics across the Bornite and East deposits would be prepared.

Sombrero Butte Project

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

Sombrero Butte is an exploration stage porphyry copper project situated at the intersection of two regional scale copper trends located approximately 3km south of the Copper Creek porphyry copper deposit, currently in the development stage. The Copper Creek deposit and the Sombrero Butte project are underlain by the Copper Creek granodiorite, a Laramide age composite intrusive thought to be the causative intrusive for the Copper Creek porphyry copper deposit.

Activities in 2025 culminated in the identification of a large, near surface, highly evolved porphyry copper target; a transformational year in understanding and advancing the porphyry potential of this project.

The "near surface" porphyry copper target is characterized by quartz vein hosted copper-molybdenum mineralization exhibiting a strong spatial correlation to a central zone of potassic alteration and laterally phyllic alteration of the Glory Hole volcanics. The potassic alteration hosts areas of quartz-magnetite, and magnetite veining (indicative of high temperature, early potassic alteration), quartz veins containing prospective hypersaline fluid inclusions (liquid+vapor+daughter minerals) typically observed in the epizonal portion of porphyry copper deposits and indication of "hypogene enrichment" of the copper mineralization. These geological features are underlain by a strong positive chargeability/resistivity anomaly (approximately 3,300m long by up to 1,300m wide) hosted in the Laramide age Copper Creek intrusive (Pb/U zircon ages of 62.97+/-0.01 Ma and 63.08+/-0.01 Ma.) and overlying Glory Hole volcanics. Activities planned in the first half of 2026 include "ground truthing" of potential drillhole locations, additional modelling of the chargeability/resistivity data followed by submission of a Plan of Operations ("PoO") to regulatory authorities (BLM and/or ASLD) to drill test selected portions of the porphyry target. The estimated costs of these activities is estimated to be approximately C$50,000. A budget and program would be prepared to either comply with requests for additional survey/studies or to conduct drilling activities contingent on the response to the PoO from the regulatory bodies.

Mineral Mountain Project

In 2015, Copper Fox through its wholly owned subsidiary Desert Fox Minerals Co, staked the Mineral Mountain copper project located in the Mineral Mountain Mining District, 20 miles east of Florence, Arizona. The Mineral Mountain project is 100% owned by Copper Fox and consists of two Arizona Mineral Exploration Permits and 260 BLM claims covering approximately 2,633.8 ha (6,508.2 acres).

The project lies within a 100 km long, ENE porphyry copper trend that hosts the Santa Cruz, Florence, Resolution and Globe-Miami copper deposits and is located approximately 25 km southwest from Rio Tinto and BHP's giant Resolution porphyry copper-molybdenum deposit and approximately 20 km northeast of the Florence porphyry copper deposit.

Based on the Environmental Review completed by Copper Fox, the BLM delivered a "Finding of No Significant Impact" decision and concluded that the proposed drilling program is not expected to impact the local environment. Approval of the Plan of Operations included drilling at four locations (2,500m) is a significant step in investigating the porphyry potential of the project.

The porphyry target at Mineral Mountain is an area of copper-molybdenum mineralization with more than 800 copper occurrences measuring approximately 4,500mlong up to 2,000m wide hosted in Laramide age, potassic, propylitic and phyllic altered porphyritic and non-porphyritic quartz monzonites and biotite granodiorites. The copper mineralization contains enhanced gold concentrations and a significant amount of chalcocite, a copper sulfide mineral that results from weathering/oxidization/ supergene cycles typically observed in Laramide age porphyry copper deposits in Arizona. The porphyry target is underlain by a buried open-ended, northeast trending positive chargeability anomaly (>14mrad) measuring approximately 3,200m by 1,200m.

The drilling program calls for up to 2,000m of drilling in four locations as specified in the drilling permit. Drilling commenced in late October 2025. One drillhole has been completed, and the second drillhole is drilling. Analytical results for the first drillhole are expected in Q2-2026. In addition to the drilling, a 3-

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

day program (mapping, sampling, geochemistry) identified mineralization and alteration patterns indicative of a porphyry copper system approximately 1.5 km SE of the current drilling.

Activities planned for 2026 include completion of the drilling program. The geological, geotechnical and magnetic data combined with the analytical results will be incorporated into an update geological model that is expected to be completed by the end of Q2-2026. The results from the initial drilling program are required to determine if additional drilling is warranted. Assuming positive results from the initial drilling program, a supplemental budget to continue drill testing the large porphyry target could be prepared for board review and approval. It is expected that BLM approval would be required to establish new drill hole locations in future drilling programs.

5. SUMMARY OF OPERATIONAL RESULTS

Selected annual information is as follows:

	Year ended October 31, 2025	Year ended October 31, 2024	Year ended October 31, 2023
Total revenues	$ -	$ -	$ -
Operating expenses	1,243,584	1,088,214	1,114,512
Loss for the year	1,071,237	607,303	1,114,512
Loss per share	0.00	0.00	0.00
Total assets	86,835,248	84,629,318	83,914,801
Total long-term financial liabilities	487,320	669,149	1,187,667
Cash dividends declared - per share	N/A	N/A	N/A

The quarterly results are as follows:

	3 Months Ended October 31, 2025	3 Months Ended July 31, 2025	3 Months Ended April 30, 2025	3 Months Ended January 31, 2025
Loss before taxes	$ 336,885	$ 295,679	$ 374,058	$ 236,962
Net loss/ (Income)	164,538	295,679	374,058	236,962
Comprehensive (gain) / loss	(100,174)	197,381	1,225,382	(461,245)
Comprehensive loss per share, basic and diluted	0.00	0.00	0.00	0.00

	3 Months Ended October 31, 2024	3 Months Ended July 31, 2024	3 Months Ended April 30, 2024	3 Months Ended January 31, 2024
Loss before taxes	$ 261,484	$ 293,185	$ 302,668	$ 230,877
Net loss/ (Income)	(219,427)	293,185	302,668	230,877
Comprehensive (gain) / loss	(402,630)	199,185	(167,104)	905,445
Comprehensive loss per share, basic and diluted	0.00	0.00	0.00	0.00

Corporate Update

- On February 28, 2025, the Company closed a non-brokered private placement for a total of 7,317,074 units at a price of $0.205 per unit for aggregate gross proceeds of $1.5 million. Each unit consists of one common share in the capital 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 at 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 15-day volume weighted average price of the common shares listed on the TSXV is above $0.29 in the first 12-month period after the closing of the offering, or $0.33 during the subsequent 12-month period, the expiry date of the warrants may be accelerated, in whole or in part at the discretion of the Company, to any date or dates, as the case may be, that is 30 days after the first date such threshold is met.

- On May 19, 2025, the Company announced that President and CEO of the Company would present and host one-on-one meetings with investors at the Sidoti May Virtual Investor Conference, taking place on May 21-22, 2025.

- On September 19, 2025, the Company announced the acceleration of the expiry of outstanding common share purchase warrants issued on February 28, 2025. Pursuant to the terms of the Warrants and the 15-day volume weighted average price of the Common Shares on the TSXV being in excess of $0.30 the expiry date of the Warrants has been accelerated to 5:00pm (Calgary Time) on October 14, 2025.

- On October 17, 2025, the Company announced the acceleration the expiry of outstanding common share purchase warrants issued on July 31, 2024. Pursuant to the terms of the Warrants, and the 15-day volume weighted average price of the common shares on the TSXV being in excess of $0.35 the expiry date of the Warrants has been accelerated to 5:00pm (Calgary Time) on November 17, 2025.

6. DISCUSSION OF OPERATIONS

All the information described below is accounted for in accordance with IFRS Accounting Standards, as issued by the IASB. The reader is encouraged to refer to Note 2 of the Company's audited annual consolidated financial statements for the year ended October 31, 2025, for Copper Fox's "*Basis of Presentation and Material Accounting Policy Information*".

<u>For the three months ended October 31, 2025, compared with the three months ended October 31, 2024:</u>

For the three months ended October 31, 2025, the Company recorded a net income of $164,538 or $0.00 per share compared to a net loss of $219,427 or $0.00 per share in the comparable prior year.

The Company recorded $172,347 deferred income tax recovery in Q4 2025, while recording $480,911 deferred income tax recovery in Q4 2024.

<u>For the year ended October 31, 2025, compared with the year ended October 31, 2024:</u>

For the year ended October 31, 2025, the Company recorded a net loss of $1,071,237 or $0.00 per share compared to a net loss of $607,303 or $0.00 per share in the comparable prior year.

The Company recorded $172,347 deferred income tax recovery in 2025, while recording $480,911 deferred income tax recovery in 2024.

7. LIQUIDITY AND CAPITAL RESOURCES

Capital Resources

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

Copper Fox has no long-term debt or long-term liabilities, other than its decommissioning provision of $421,000, and its office lease liability of $66,320.

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

Major expenditures are required to establish mineral reserves and to construct mining and processing facilities. The recoverability of valuations assigned to exploration and development mineral properties are dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete such exploration and development as well as the future profitable production or proceeds from potential dispositions.

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

Liquidity and Working Capital

As of October 31, 2025, Copper Fox had working capital of $310,778 (October 31, 2024 – working capital of $671,082). As of October 31, 2025, the Company's cash position was $686,236 (October 31, 2024 - $785,184). The working capital decreased during the year ended October 31, 2025, compared to the prior year ended October 31, 2024, due to the $1,156,097 spent in operating activities, $1,951,216 used in the mineral property expenditures, $18,180 spent in share issuance cost and $21,640 spent in office lease payments, while being offset by $3,035,760 provided in net proceeds from issuance of shares, and $16,000 shares to be issued pursuant to warrant exercise.

Commitments, Expected or Unexpected, or Uncertainties

<u>Schaft Creek Joint Venture</u>

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

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

The SCJV agreement provides that Teck and the Company are each responsible for their pro-rata share of project costs in accordance with their interests, except that Teck is solely responsible for the first $60 million in pre-production costs. As at October 31, 2025, Teck Resources has funded approximately $30M above the fully funded $60M pre-production costs, with approximately $7.5M being the Company's pro-rata share. The pro-rata share of these costs will be offset against the remaining two Milestone Payments. If pre-production costs exhaust the two cash Milestone Payments, (pre-production costs funded by Teck would need to exceed $220M to exhaust these payments), Teck will further assist the Company by providing loans, as necessary, without dilution to the Company's 25% joint venture interest.

As set out in the Schaft Creek Joint Venture Agreement, 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.

<u>Office Lease</u>

The Company has an office lease extension expiring on October 31, 2027, with a renewal clause until October 31, 2030.

8. RELATED PARTY TRANSACTIONS

<u>Copper Fox</u>

During the year ended October 31, 2025, legal fees of $71,021 (October 31, 2024 - $49,718) were paid to Farris LLP ("Farris"). As of October 31, 2025, included in accounts payable to Farris was $11,788 (October 31, 2024 - $316). One of the partners at Farris' is a member of Copper Fox's Board.

As of October 31, 2025, included in accounts payable to Pacific Opportunity Capital Ltd. ("POC") was $6,353 (October 31, 2024 - $6,353). The Chief Financial Officer of the Company is the president of POC.

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

Key Management Compensation

The remuneration of the CEO, CFO, directors, and those persons having authority and responsibility for planning, directing, and controlling activities of the Company for the year are as follows:

	October 31, 2024	October 31, 2025
Directors fees included in Administration	$ 2,000	**$ 2,000**
Salaries and consulting fees included in Administration and Exploration and evaluation assets	373,648	**394,667**
Total	**$ 375,648**	**$ 396,667**

9. FINANCIAL INSTRUMENTS AND RELATED RISKS

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

Determination of Fair Value

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

- *Level 1* – observable inputs such as quoted prices in active markets.

- *Level 2* – inputs, other than the quoted market prices in active markets, which are observable, either directly and/or indirectly, and

- *Level 3* – unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The Company's direct investment in Liard is carried every year at fair value and is a Level 3 instrument.

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

- Credit risk
- Market risk

- Liquidity risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from partners and tax authorities. The maximum exposure to credit risk at October 31, 2025, is $13,551 (October 31, 2024 - $6,537).

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.

Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. The Company's investments are susceptible to price risk arising from uncertainties about their future outlook, future values and the impact of market conditions.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate because of changes in foreign exchange rates. During the year ended October 31, 2025, the Company was involved with preliminary exploration activities in the United States. As such, the Company is exposed to fluctuations in the United States dollar exchange rates compared to Canadian dollar exchange rates. A 5% strengthening or weakening of the US dollar would have significant impact on the total assets and the net losses of the Company.

Due to its US activities, the Company has an exposure to foreign currency exchange rates. The carrying values of US dollar denominated monetary assets and liabilities are subject to foreign exchange risk.

As at October 31, 2025, the Company had $21,332 in US denominated cash balances.

Interest Rate Risk

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

As of October 31, 2025, the Company is exposed only on its cash balances.

Commodity Price Risk

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

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

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's financial liabilities consist of trade and other payables, and office lease liability (current portion). Trade and other payables consist of invoices payable to trade suppliers for office, field operating activities and capital expenditures. The Company processes invoices within a normal payment period of approximately 30 days. Office lease liability relates to the Company's office space in Calgary, Alberta. Lease payments are due on a monthly basis.

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

10. CAPITAL MANAGEMENT

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

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

There were no changes in the Company's approach to capital management during the year ended October 31, 2025. The Company is not subject to externally imposed capital requirements. The Company's investment policy is to invest its surplus cash in highly liquid short-term interest-bearing investments; all held within major Canadian financial institutions.

11. RISKS AND UNCERTAINTIES

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

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

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

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

Joint Ventures

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

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

Securing Additional Funding to Bring an Ore Body into Commercial Production

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

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

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

Estimates of Mineral Reserves and Resources may not be Realized

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

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

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

Title Matters

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

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

Share Price Risk

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

12. PROPOSED TRANSACTIONS

None.

13. DISCLOSURE OF OUTSTANDING SHARE CAPITAL DATA

Authorized share capital

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

As of October 31, 2025, the issued and outstanding shares are as follows:

	Number of Shares	Amount
At October 31, 2024	567,808,238	$ 90,610,527
Additions		
Private Placement	7,317,074	1,500,000
Warrants granted	-	(450,001)
Warrants exercised	5,933,790	1,535,760
Share issuance costs - Legal fees	-	(18,180)
At October 31, 2025	**581,059,102**	**$ 93,178,106**

During the year ended October 31, 2025, the Company incurred the following shares issuances:

- On February 28, 2025, the Company closed a non-brokered private placement for a total of 7,317,074 units at a price of $0.205 per unit for aggregate gross proceeds of $1.5 million. Each unit consists of one common share in the capital 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 at 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 15-day volume weighted average price of the common shares listed on the TSXV is above $0.29 in the first 12-month period after the closing of the offering, or $0.33 during the subsequent 12-month period, the expiry date of the warrants may be accelerated, in whole or in part at the discretion of the Company, to any date or dates, as the case may be, that is 30 days after the first date such threshold is met.

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

- 5,933,790 warrants were exercised for net proceeds of $1,535,760.

As of October 31, 2024, the issued and outstanding shares are as follows:

	Number of Shares	Amount
At October 31, 2023	558,692,213	$ **88,789,430**
Additions		
Private Placement	5,116,000	**1,125,520**
Warrants granted	-	**(281,380)**
Warrants exercised	4,000,025	**1,000,006**
Share issuance costs - Legal fees	-	**(23,049)**
At October 31, 2024	**567,808,238**	**$ 90,610,527**

During the year ended October 31, 2024, the Company incurred the following shares issuances:

- On July 31, 2024, the Company closed a non-brokered private placement, raising aggregate gross proceeds of $1,125,520 through the sale of 5,116,000 units ("Unit") at a price of $0.22 per Unit. Each Unit consisted of one common share in the capital of the Company and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share for a two-year term, for an exercise price of $0.26 during the first 12-month period after the closing of the offering and $0.32 during the subsequent 12-month period after the closing of the offering. In the event that the 15-day volume weighted average price of the common shares listed on the TSXV 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 may be accelerated to any date or dates, as the case may be, that is 30 days after the first date such threshold is met.
- 4,000,025 warrants were exercised for net proceeds of $1,000,006.

Warrants

As of October 31, 2025, the warrants outstanding are as follows:

	Number of Warrants
At October 31, 2024	3,253,000
Additions, exercises or expiries:	
Warrants exercised	(5,933,790)
Warrants expired	(402,250)
Warrants granted	3,658,540
At October 31, 2025	**575,500**

Subsequent to the year ended October 31, 2025, the Company received $184,160 for the exercise of 575,500 warrants at $0.32, of which proceeds of $16,000 were received as at October 31, 2025 and recorded as share to be issued.

For the Year Ended October 31, 2025 (Expressed in Canadian Dollars)

As of October 31, 2024, the warrants outstanding are as follows:

	Number of Warrants
At October 31, 2023	4,695,025
Additions, exercises or expiries:	
Warrants exercised	(4,000,025)
Warrants granted	2,558,000
At October 31, 2024	**3,253,000**

The breakdown of the warrants outstanding is as follows:

Number of Warrants Outstanding	Warrant Exercise Price ($)	Warrants Exercisable as of October 31, 2025	Warrant Expiry Date
575,500	0.26 - 0.32	575,500	July 31, 2026
575,500		**575,500**	

As of October 31, 2025, and the date of this MD&A, the issued and outstanding shares and warrants are as follows:

	Issued and Outstanding	
	October 31, 2025	February 4, 2026
Common shares outstanding	581,059,102	581,634,602
Warrants	575,500	-
Fully diluted common shares oustanding	**581,634,602**	**581,634,602**

14. OFF-BALANCE SHEET ARRANGEMENTS

During the year ended October 31, 2025, the Company was not party to any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations, financial condition, revenues, expenses, liquidity, capital expenditures or capital resources of the Company.

15. CHANGES IN ACCOUNTING STANDARDS

The Company has not adopted any new accounting standard during the year ended October 31, 2025. New and revised accounting standards are described in Note 3, "*Changes in Accounting Policies*", in the audited annual consolidated financial statements for the year ended October 31, 2025.

16. CRITICAL ACCOUNTING ESTIMATES

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

(i) Significant Assumptions and Judgements in Applying Accounting Policies

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

a) Capitalization of Exploration and Evaluation Costs

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

(ii) Key Sources of Estimation Uncertainty

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

a) Deferred Tax Liabilities

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

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

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

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

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

17. APPROVAL

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