Unaudited Interim Consolidated Financial Statements

For the Three and Six Months Ended April 30, 2018 and April 30, 2017

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

COPPER FOX METALS INC.

Interim Consolidated Statements of Financial Position *(Unaudited)*

As at April 30, 2018 and October 31, 2017

(Expressed in Canadian Dollars)

	April 30, 2018	October 31, 2017
Assets		
Current Assets:		
Cash	**$ 992,179**	$ 286,195
Loan and other receivables (Note 4)	**15,262**	179,040
Total Current Assets	**1,007,441**	465,235
Non-Current Assets:		
Deposits	**282,303**	250,351
Investments (Note 4)	**114,313**	143,885
Exploration & evaluation assets (Note 5)	**78,856,902**	78,766,027
Property and equipment (Note 6)	**96,591**	111,603
Total Assets	**$ 80,357,550**	$ 79,737,101
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	**$ 182,445**	$ 192,352
Total Current Liabilities	**182,445**	192,352
Non-Current Liabilities:		
Decommissioning liabilities (Note 7)	**220,994**	224,375
Deferred tax liabilities	**1,924,315**	1,924,315
Total Liabilities	**2,327,754**	2,341,042
Shareholders' Equity:		
Share capital (Note 8)	**76,583,300**	76,583,300
Share purchase warrants (Note 8)	**1,095,212**	1,095,212
Accumulated other comprehensive income	**2,308,977**	1,905,035
Contributed surplus	**15,823,771**	15,823,771
Deficit	**(21,205,630)**	(20,065,134)
Total Shareholder's Equity of Parent	**74,605,630**	75,342,184
Non-controlling interest (Note 9)	**3,424,166**	2,053,875
Total Shareholder's Equity	**78,029,796**	77,396,059
Total Liabilities and Shareholders' Equity	**$ 80,357,550**	$ 79,737,101
Reporting entity and nature of operations (Note 1)		
Commitments (Note 11)		

Approved on behalf of the Board of Directors on June 26, 2018:

"J. Michael Smith" — J. Michael Smith, Director

"Elmer B. Stewart" — Elmer B. Stewart, Director

See Accompanying Notes to the Unaudited Consolidated Financial Statements.

COPPER FOX METALS INC.

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

Three and Six Months Ended April 30, 2018 and April 30, 2017

(Expressed in Canadian Dollars)

	Three Months Ended		Six Months Ended	
	April 30, 2018	April 30, 2017	**April 30, 2018**	April 30, 2017
Expenses:				
Administration	**$ 492,393**	$ 371,861	**$ 738,272**	$ 619,417
Depreciation, amortization and accretion	**6,337**	7,008	**11,630**	13,706
Professional fees	**64,242**	98,729	**18,740**	46,857
Share based compensation	**-**	-	**-**	-
Interest and other income	**(21,058)**	(24,553)	**(62,960)**	(19,879)
Net Loss	**$ 541,914**	$ 453,045	**$ 705,682**	$ 660,101
Other Comprehensive (Gain)/Loss:				
Foreign currency translation (gain)/loss	**(589,682)**	(673,690)	**58,318**	(240,736)
Comprehensive (Gain)/Loss	**$ (47,768)**	$ (220,645)	**$ 764,000**	$ 419,365
Net Loss Attributable to:				
Common shareholders	**$ 392,484**	$ 418,721	**$ 514,155**	$ 613,792
Non-controlling interest	**149,430**	34,324	**191,527**	46,309
Attributable Net Loss	**$ 541,914**	$ 453,045	**$ 705,682**	$ 660,101
Total Comprehensive (Gain)/Loss Attributable to:				
Common shareholders	**$ (197,198)**	$ (254,969)	**$ 572,473**	$ 373,056
Non-controlling interest	**149,430**	34,324	**191,527**	46,309
Attributable Comprehensive (Gain)/Loss	**$ (47,768)**	$ (220,645)	**$ 764,000**	$ 419,365
Loss per share - basic and diluted	**$ 0.00**	$ 0.00	**$ 0.00**	$ 0.00
Weighted average number of shares	**436,980,160**	427,813,494	**436,980,160**	427,813,494

See Accompanying Notes to the Unaudited Consolidated Financial Statements.

COPPER FOX METALS INC.

Interim Consolidated Statements of Changes in Equity *(Unaudited)*

Six Months Ended April 30, 2018 and Year Ended October 31, 2017

(Expressed in Canadian Dollars)

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholder's Equity of Parent	Non-Controlling Interest	Total Shareholder's Equity
Balance as at October 31, 2017:	$ 76,583,300	$ 1,095,212	$ 1,905,035	$ 15,823,771	$ (20,065,134)	**$ 75,342,184**	$ 2,053,875	$ 77,396,059
Currency translation adjustment	-	-	403,942	-	(626,341)	**(222,399)**	-	(222,399)
Dilution to Carmax ownership	-	-	-	-	-	**-**	1,561,818	1,561,818
Net loss for the period	-	-	-	-	(514,155)	**(514,155)**	(191,527)	(705,682)
Balance as at April 30, 2018	**$ 76,583,300**	**$ 1,095,212**	**$ 2,308,977**	**$ 15,823,771**	**$ (21,205,630)**	**$ 74,605,630**	**$ 3,424,166**	**$ 78,029,796**

	Share Capital	Share Purchase Warrants	AOCI	Contributed Surplus	Deficit	Total Shareholder's Equity of Parent	Non-Controlling Interest	Total Shareholder's Equity
Balance as at October 31, 2016:	$ 75,884,886	$ 693,626	$ 2,354,794	$ 15,823,771	$ (18,821,540)	**$ 75,935,537**	$ 1,802,410	$ 77,737,947
Shares issued for cash	1,100,000	-	-	-	-	**1,100,000**	-	1,100,000
Warrants granted	(401,586)	401,586	-	-	-	**-**	-	-
Currency translation adjustment	-	-	(449,759)	-	-	**(449,759)**	7,330	(442,429)
Dilution to Carmax ownership	-	-	-	-	(156,837)	**(156,837)**	358,235	201,398
Net loss for the year	-	-	-	-	(1,086,757)	**(1,086,757)**	(114,100)	(1,200,857)
Balance as at October 31, 2017	**$ 76,583,300**	**$ 1,095,212**	**$ 1,905,035**	**$ 15,823,771**	**$ (20,065,134)**	**$ 75,342,184**	**$ 2,053,875**	**$ 77,396,059**

COPPER FOX METALS INC.

Interim Consolidated Statements of Cash Flows *(Unaudited)*

Six Months Ended April 30, 2018 and April 30, 2017

(Expressed in Canadian Dollars)

	Six Months Ended	
	April 30, 2018	April 30, 2017
Cash Provided by (Used in) :		
Operations:		
Net loss	**$ (705,682)**	$ (660,101)
Items not affecting cash:		
Depreciation, amortization and accretion	**11,630**	13,706
Changes in non-cash working capital:		
Accounts payable	**(3,154)**	53,410
Accounts receivable	**243,025**	15,257
Prepaid expenses	**-**	5,533
Net Cash Used in Operating Activities	**(454,181)**	(572,195)
Investing:		
Accumulated other comprehensive income	**-**	18,500
Net proceeds from sale of investments	**30,557**	5,454
Mineral property expenditures	**(231,792)**	(214,295)
Reclamation deposit	**(32,000)**	-
Net Cash Used in Investing Activities	**(233,235)**	(190,341)
Financing:		
Net proceeds from issuance of shares	**1,396,844**	-
Net Cash Provided by Financing Activities	**1,396,844**	-
Increase (decrease) in cash during the period	**709,428**	(762,536)
Translation effect of foreign currency	**(3,444)**	28,913
Cash, beginning of year	**286,195**	847,505
Cash, End of Period	**$ 992,179**	$ 113,882

See Accompanying Notes to the Unaudited Consolidated Financial Statements.

1. Reporting Entity and Nature of Operations

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

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

- 100% ownership of Northern Copper Fox Inc.
    - 45.06% ownership of Carmax Mining Corp. (through Northern Copper Fox Inc.)
- 100% ownership of Desert Fox Minerals Co.
- 100% ownership of Desert Fox Sombrero Butte Co.
- 100% ownership of Desert Fox Van Dyke Co.

2. Basis of Presentation and Significant Accounting Policies

Statement of Compliance

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

These interim unaudited consolidated financial statements follow the same accounting policies and methods of computation as outlined in Note 2 of the Company's consolidated audited financial statements for the year ended October 31, 2017. These unaudited interim consolidated financial statements do not include all of the information required for reporting in the annual financial statements.

These interim unaudited consolidated financial statements were approved for issue by the Board of Directors on June 26, 2018.

3. Standards Issued but Not Yet Effective

The IASB issued a number of new and revised accounting standards that are not yet effective. These standards include the following:

IFRS 9 - Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Except for hedge accounting, retrospective application is required, but the provision of comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Company plans to continue to assess the potential effect of IFRS 9 on its consolidated financial statements.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address the conflict between IFRS 10 *Consolidated Financial Statements* and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognized in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments is required to apply them prospectively. The Company will apply these amendments when they become effective.

IFRS 15 - Revenue

IFRS 15 was issued in May 2014, and amended in April 2016, and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted.

The Company plans to adopt the new standard on the required effective. Currently, the Company does not have any contracts with Customers and as such the Company does not foresee a material impact to the financial statements upon adoption of IFRS 15.

IFRS 16 - Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees: leases of 'low-value' assets (i.e., personal computers); and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

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

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

4. Loans, Other Receivables and Investments

On March 18, 2015, Copper Fox agreed to lend Bell Copper Corporation, ("**Bell**") $150,000. The terms of the loan were a 12% annual interest rate, a maturity date of March 19, 2016 and Bell pledged its Kabba Property copper project as security for the loan. As compensation for this loan, Copper Fox received 500,000 shares of Bell. Copper Fox extended this loan to Bell as a potential investment in a new mineral exploration company.

On March 1, 2016, Copper Fox agreed to extend the $150,000 Bell loan. The accrued interest of $18,000 was added to the principle which amended the Bell loan amount to $168,000. As compensation for extending the loan payable by an additional year, Copper Fox received 1,000,000 Bell warrants with an exercise price of $0.05 and an expiry date of March 19, 2017. Bell is a publicly traded on the TSX:V and the maximum exposure to this loan would be the entirety of the loan $168,000 (October 31, 2017 - $168,000).

On March 3, 2017, Copper Fox agreed to extend the $168,000 Bell loan. As compensation for extending the loan an additional year, Copper Fox received an accrued interest payment of $20,160 from Bell and 1,000,000 Bell warrants with an exercise price of $0.10 and an expiry date of March 19, 2018.

On March 13, 2018, the loan outstanding of $168,000 was paid in full, as well as an interest payment of $19,829. On receipt of the full amount owing, Copper Fox released its security on the Kabba property to Bell.

On December 13, 2017, Copper Fox sold 219,000 shares of Bell for gross proceeds of $44,800 and incurred selling costs of $500.

On January 23, 2018, Copper Fox sold 140,500 shares of Bell for gross proceeds of $27,277 and incurred selling costs of $295.

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

As at April 30, 2018, Copper Fox had 83,200 Bell shares remaining, which were trading at $0.09 per share.

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

During the year ended October 31, 2016, pursuant to a purchase of Liard shares by the Schaft Creek Joint Venture ("**SCJV**"), the Company determined that the value of the Liard shares purchased in 2011 were impaired by $652,480 and were subsequently written down to the Fair Market Value ("**FMV**") carrying cost of $106,825, which was referenced to a private sale of Liard shares in 2016 (Level 3). There were no similar transactions in 2017 or 2018, so the Company determined that the 2016 private sale is the best reference of the FMV of the Liard shares as of April 30, 2018.

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

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

The FMV of all the investments are as follows:

Investments	**Fair Market Value October 31, 2017**	**Fair Market Value April 30, 2018**
Bell Copper Corp.	37,060	**7,488**
Liard Copper Mines Ltd.	106,825	**106,825**
Total	**$ 143,885**	**$ 114,313**

5. Exploration and Evaluation Assets

	Balance October 31, 2017	**Additions**	**Balance April 30, 2018**
Arizona Properties:			
Van Dyke Project:			
Acquisition of property rights	$ 2,585,093	$ -	$ 2,585,093
Technical analysis	5,787,832	15,417	5,803,249
Licenses and permits	56,029	-	56,029
Foreign exchange	1,364,649	(47,572)	1,317,077
Total Van Dyke Project	**9,793,603**	**(32,155)**	**9,761,448**
Sombrero Butte Project:			
Acquisition of property rights	$ 847,819	$ -	$ 847,819
Technical analysis	769,340	5,402	774,742
Licenses and permits	64,466	-	64,466
Foreign exchange	263,323	(8,102)	255,221
Total Sombrero Butte Project	**1,944,948**	**(2,700)**	**1,942,248**
Mineral Mountain Project:			
Technical analysis	$ 355,384	$ 45,338	$ 400,722

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Foreign exchange	(7,901)	(956)	(8,857)
Total Mineral Mountain Project	**347,483**	**44,382**	**391,865**
Total Arizona Properties	**$ 12,086,034**	**$ 9,527**	**$ 12,095,561**
British Columbia Properties:			
Schaft Creek:			
Acquisition of property rights	$ 3,053,755	$ -	$ 3,053,755
Technical analysis	61,884,978	11,739	61,896,717
Licenses and permits	106,623	-	106,623
Sub-Total Schaft Creek	65,045,356	11,739	65,057,095
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek	**61,469,851**	**11,739**	**61,481,590**
Eaglehead:			
Technical analysis	5,303,123	69,609	5,373,732
BC Mineral Exploration Tax Credit	(93,981)	-	(93,981)
Total Eaglehead	**5,210,142**	**69,609**	**5,279,751**
Total British Columbia Properties	**66,679,993**	**81,348**	**66,761,341**
Total Mineral Properties	**$ 78,766,027**	**$ 90,875**	**$ 78,856,902**

	Balance October 31, 2016	**Additions**	**Balance October 31, 2017**
Arizona Properties:			
Van Dyke Project:			
Acquisition of property rights	$ 2,585,093	$ -	$ 2,585,093
Technical analysis	5,623,355	164,476	5,787,832
Licenses and permits	56,029	-	56,029
Foreign exchange	1,751,549	(386,900)	1,364,649
Total Van Dyke Project	**10,016,026**	**(222,424)**	**9,793,603**
Sombrero Butte Project:			
Acquisition of property rights	$ 847,819	$ -	$ 847,819
Technical analysis	669,438	99,902	769,340
Licenses and permits	64,466	-	64,466
Foreign exchange	338,013	(74,690)	263,323
Total Sombrero Butte Project	**1,919,736**	**25,212**	**1,944,948**
Mineral Mountain Project:			
Technical analysis	$ 240,875	$ 114,510	$ 355,384
Foreign exchange	3,119	(11,020)	(7,901)
Total Mineral Mountain Project	**243,994**	**103,490**	**347,483**
Total Arizona Properties	**$ 12,179,756**	**$ (93,722)**	**$ 12,086,034**
British Columbia Properties:			
Schaft Creek:			
Acquisition of property rights	$ 3,053,755	$ -	$ 3,053,755
Technical analysis	61,839,754	45,224	61,884,978
Licenses and permits	106,623	-	106,623

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Sub-Total Schaft Creek	65,000,132	45,224	65,045,356
BC Mineral Exploration Tax Credit	(3,575,505)	-	(3,575,505)
Total Schaft Creek	**61,424,627**	**45,224**	**61,469,851**
Eaglehead:			
Technical analysis	5,236,278	67,845	5,303,123
BC Mineral Exploration Tax Credit	(93,981)	-	(93,981)
Total Eaglehead	**5,142,297**	**67,845**	**5,210,142**
Total British Columbia Properties	**66,566,924**	**113,069**	**66,679,993**
Total Mineral Properties	**$ 78,746,679**	**$ 19,347**	**$ 78,766,027**

Schaft Creek Project

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

Teck is the operator of the SCJV and is responsible for, in addition to other obligations, funding the first $60 million in pre-production expenditures at Schaft Creek. After the first $60 million has been funded by Teck, the costs will be split based on the ownership percentage. As of April 30, 2018, Teck has funded approximately $20 million towards the Schaft Creek project since mid-2013 (see Note 11).

Van Dyke Project

In 2012, Copper Fox acquired 100% of Bell's interest in the Van Dyke copper project located in Miami, Arizona. Acquisition costs were $500,000 in cash to Bell, $1,499,400 (US $1,500,000) to the Vendors (owners of the Van Dyke project) and assumption of obligations in respect of the Van Dyke project, subject to certain amended terms and conditions. The Vendors retained a 2.5% Net Smelter Return ("**NSR**") production royalty from the Van Dyke deposit. As of April 30, 2018, Copper Fox has incurred $9,761,448 (US $7,612,410) in expenditures, which includes the acquisition and exploration costs as well as completion of the Preliminary Economic Assessment ("**PEA**").

Sombrero Butte Project

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

Acquisition costs were $500,000 in cash and an assumption of Bell's remaining option obligation on the property of $599,760 (US $600,000). In 2016, Copper Fox re-negotiated the continuing obligation on the property to a US $40,000 annual payment. As at April 30, 2018 the option obligation outstanding is US $160,000. Upon completion of these annual payments, Copper Fox will hold an undivided 100% interest in the Sombrero Butte property. As of April 30, 2018, Copper Fox has incurred $1,942,247 (US $1,512,901) in expenditures, which includes the acquisition and exploration costs.

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Mineral Mountain Project

Mineral Mountain is located in the same structural trend that hosts the Globe-Miami, Resolution, Florence and Casa Grande copper deposits in Arizona and is 100% wholly owned by Copper Fox. The property is located between the Florence copper deposit and the Resolution copper deposit and is underlain by Precambrian age Pinal Schist, diabase and granite that has been intruded by Laramide age quartz monzonite and granodiorite. As of January31, 2018 the Company has incurred $391,865 (US $305,241) in expenditures over the life of the project, by completing a regional geochemical assessment, locating claims, annual filing fees and acquiring an Arizona exploration permit.

Eaglehead Project

Copper Fox, through its wholly owned subsidiary Northern Fox, owns 45.06% of the common shares of Carmax Mining Corp. ("**Carmax**"). Copper Fox's equity interest decreased from 60.38% to 45.06% due to the Company not participating in Carmax's March 29, 2018 private placement. Carmax holds a 100% working interest in the Eaglehead copper-molybdenum-gold-silver property (13,540 ha) located in the Liard Mining Division, approximately 40 kilometers east of Dease Lake in northern British Columbia.

A portion of the Eaglehead Property is subject to a 2.5% NSR of which 1.5% can be re-purchased by Carmax for $2,000,000. An area covering 981 hectares of the Eaglehead project is also subject to a separate 2% NSR royalty payable to an arm's length third party, one-half (1%) of which may be purchased for $1,000,000.

6. Property and Equipment

Description	Cost	Accumulated Amortization	Net Book Value October 31, 2017	Net Book Value April 30, 2018
Asset retirement	$ 145,420	$ 108,305	$ 47,239	**$ 37,115**
Buildings	137,250	94,495	45,005	**42,755**
Computer equipment	82,544	76,587	7,008	**5,957**
Furniture & equipment	46,887	42,101	5,318	**4,786**
Heavy equipment	173,332	167,354	7,033	**5,978**
Total	**$ 585,433**	**$ 488,842**	**$ 111,603**	**$ 96,591**

Description	Cost	Accumulated Amortization	Net Book Value October 31, 2016	Net Book Value October 31, 2017
Asset retirement	$ 150,098	$ 102,859	$ 46,571	**$ 47,239**
Buildings	137,250	92,245	50,006	**45,005**
Computer equipment	82,544	75,536	10,012	**7,008**
Furniture & equipment	46,887	41,569	6,647	**5,318**
Heavy equipment	173,332	166,299	10,047	**7,033**
Total	**$ 590,111**	**$ 478,509**	**$ 123,282**	**$ 111,603**

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

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

7. Decommissioning Liabilities

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

The Company has estimated the net present value of its share of the decommissioning liabilities of Schaft Creek to be $184,825 as at April 30, 2018 (October 31, 2017 - $188,252) based on an undiscounted and inflated future liability of $194,489 (October 31, 2017 - $194,863).

The Company's estimated risk-free rate of 2.24% (October 31, 2017 – 2.00%) and inflation rate of 1.47% (October 31, 2017 – 0.87%) were used to calculate the present value of the decommissioning liabilities.

The decommissioning provision for the Eaglehead exploration and evaluation asset was estimated by management to be the net present value of this provision at April 30, 2018 to be $36,169 (October 31, 2017 - $36,123) based on a total undiscounted liability of $36,500 (October 31, 2017 - $36,500).

Description	Copper Fox	Carmax	Total
Opening Balance, November 1, 2017:	**$ 188,252**	**$ 36,123**	**$ 224,375**
Additions:			
Accretion – Carmax	-	46	**46**
Accretion – Copper Fox	678	-	**678**
Revisions – Copper Fox	(4,105)	-	**(4,105)**
Balance, April 30, 2018	**$ 184,825**	**$ 36,169**	**$ 220,994**

Description	Copper Fox	Carmax	Totals
Opening Balance, November 1, 2016:	$ 173,753	$ 36,031	**$ 209,784**
Additions:			
Accretion – Carmax	-	92	**92**
Accretion – Copper Fox	2,171	-	**2,171**
Revisions – Copper Fox	12,328	-	**12,328**
Balance, October 31, 2017	**$ 188,252**	**$ 36,123**	**$ 224,375**

8. Share Capital

Authorized

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

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

As of April 30, 2018, the issued and outstanding shares are as follows:

Common Shares	**Number**	**Amount**
Opening Balance, November 1, 2017:	436,980,160	**$ 76,583,300**
Additions:		
There was no share activity in Q1 or Q2 2018	-	**-**
Balance, April 30, 2018	**436,980,160**	**$ 76,583,300**

Common Shares	**Number**	**Amount**
Opening Balance, November 1, 2016:	427,813,495	**$ 75,884,886**
Additions:		
July 27, 2017 private placement	9,166,665	**1,100,000**
July 27, 2017 warrants granted	-	**(401,586)**
Balance, October 31, 2017	**436,980,160**	**$ 76,583,300**

Warrants

As of April 30, 2018, the warrants outstanding are as follows:

Share Purchase Warrants	**Number of Warrants**	**Amount**
Opening Balance, November 1, 2017:	19,919,665	**$ 1,095,212**
Additions:		
There was no warrant activity in Q1 or Q2 2018	-	**-**
Balance, April 30, 2018	**19,919,665**	**$ 1,095,212**

Share Purchase Warrants	**Number of Warrants**	**Amount**
Opening Balance, November 1, 2016:	10,753,000	**$ 693,626**
Additions:		
July 27, 2017 warrants granted	9,166,665	**401,586**
Balance, October 31, 2017	**19,919,665**	**$ 1,095,212**

Stock Option Plan

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

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

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

As of April 30, 2018, the Company has options outstanding entitling the holders to acquire common shares as follows:

Stock Options	Weighted Avg. Exercise Price	Number of Options
Opening Balance, November 1, 2017:	$ -	**-**
Additions:		
There was no option activity in Q1 or Q2 2018	-	-
Balance, April 30, 2018	**$ -**	**-**

Stock Options	Weighted Avg. Exercise Price	Number of Options
Opening Balance, November 1, 2016:	$ 1.04	**550,000**
Additions:		
Expired	$ 1.04	**(550,000)**
Balance, October 31, 2017	**$ -**	**-**

9. Non-Controlling Interest

As of April 30, 2018, Copper Fox beneficially owned and controlled 33,283,264 of the 73,871,266 issued and outstanding common shares of Carmax, post-consolidation, representing a 45.06% ownership of Carmax.

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

	NCI Percentage
Carmax's Ownership Percentage as at April 30, 2018	**54.94%**

Carmax's summarized financial information is as follows:

	Carmax Financials as at April 30, 2018
Net Loss	348,611
Total Loss Attributable To Non-Controlling Interest	**$ 191,542**
Comprehensive Loss	348,611
Total Comprehensive Loss Attributable To Non-Controlling Interest	**$ 191,542**
Current assets	793,455
Non-current assets	10,873,036
Current liabilities	(16,962)
Non-current liabilities	(36,169)
Consolidation fair value adjustments	(5,381,285)

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Net Assets	6,232,075
Net Assets Attributable To Non-Controlling Interest	**$ 3,424,166**
Cash flows used in operating activities	(369,229)
Cash flows used in investing activities	(185,896)
Cash flows from financing activities	1,269,834
Net Decrease In Cash	**$ 714,709**

	NCI Percentage
Carmax's Ownership Percentage as at October 31, 2017	**39.62%**

Carmax's summarized financial information is as follows:

	Carmax Financials as at October 31, 2017
Net Loss	287,986
Total Loss Attributable to Non-Controlling Interest	**$ 114,100**
Comprehensive Loss	269,486
Total Comprehensive Loss Attributable to Non-Controlling Interest	**$ 106,770**
Current assets	75,778
Non-current assets	5,390,142
Current liabilities	(143,851)
Non-current liabilities	(138,133)
Net Assets	5,183,936
Net Assets Attributable to Non-Controlling Interest	**$ 2,053,875**
Cash flows used in operating activities	(224,193)
Cash flows used in investing activities	(103,633)
Cash flows from financing activities	269,144
Net Decrease in Cash	**$ (58,682)**

10. Related Party Transactions

Copper Fox

During the six months ended April 30, 2018, legal fees of $8,547 (April 30, 2017 - $30,001) were paid to Farris, Vaughan, Wills & Murphy LLP ("**Farris**"). As at April 30, 2018, included in accounts payable to Farris was $2,643 (October 31, 2017 - $12,569). One of the partners at Farris' is a member of Copper Fox's Board of Directors.

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Carmax

For the six months ended April 30, 2018, $Nil (April 30, 2017 - $2,500) was paid in rent to a company controlled by a former officer of Carmax.

Key Management Compensation

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

Description	April 30, 2017	April 30, 2018
Directors fees	$ 3,500	**$ 9,000**
Salaries and consulting fees	237,250	**227,417**
Total	**$ 240,750**	**$ 236,417**

11. Commitments

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

Year Ended	2018	2019
Amount	$ 58,039	$ 87,058

Sombrero Butte

The Company is also committed to pay the balance outstanding of four yearly option payments totalling $205,408 (US $160,000) under the Sombrero Butte acquisition agreement. The next payment of $51,352 (US $40,000) is due on October 15, 2018 (See Note 5).

Schaft Creek Joint Venture

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

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

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

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

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

(i) to use all reasonable commercial efforts to arrange project equity and debt financing for at least 60% of project capital costs or such portion as Teck determines is commercially available on reasonable terms at the relevant time; and

(ii) to fund by way of loans to the Company, the Company's pro rata share of project capital costs not covered by project debt financing, if requested by the Company, without dilution to the Company's 25% joint venture interest.

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

12. Financial Instruments

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

The Company's financial assets, measured at fair value, are categorized as follows:

	As at April 30, 2018				
Description	**Loans and Receivables**	**Available For Sale**	**Other Financial Liabilities**	**Total Carrying Amount**	**Total Fair Value**
Financial Assets:					
Cash	$ 992,179	$ -	$ -	$ 992,179	$ 992,179
Other receivables	15,262	-	-	15,262	15,262
Deposits	282,303	-	-	282,303	282,303
Investments	-	114,313	-	114,313	114,313
Total Financial Assets	**$ 1,289,744**	**$ 114,313**	**$ -**	**$ 1,404,057**	**$ 1,404,057**
Financial Liabilities:					
A/P and accrued liabilities	$ -	$ -	$ 182,445	$ 182,445	$ 182,445
Total Financial Liabilities	**$ -**	**$ -**	**$ 182,445**	**$ 182,445**	**$ 182,445**

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

	As at October 31, 2017				
Description	**Loans and Receivables**	**Available For Sale**	**Other Financial Liabilities**	**Total Carrying Amount**	**Total Fair Value**
Financial Assets:					
Cash	$ 286,195	$ -	$ -	$ 286,195	$ 286,195
Other receivables	179,040	-	-	179,040	179,040
Deposits	250,352	-	-	250,352	250,352
Investments	-	143,885	-	143,885	143,885
Total Financial Assets	$ 715,587	$ 143,885	$ -	$ 859,472	$ 859,472
Financial Liabilities:					
A/P and accrued liabilities	$ -	$ -	$ 192,352	$ 192,352	$ 192,352
Total Financial Liabilities	$ -	$ -	$ 192,352	$ 192,352	$ 192,352

Determination of Fair Value

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

- *Level 1* – observable inputs such as quoted prices in active markets. The Company's common share ownership in Bell Resources is a Level 1 instrument (Note 4);

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

- *Level 3* – unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The Company's direct investment in Liard, for all years carried at fair market value is a Level 3 instrument (Note 4).

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

- Credit risk
- Market risk
- Liquidity risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from partners and tax authorities. The maximum exposure to credit risk at April 30, 2018 is $15,262 (October 31, 2017 - $179,040).

Market Risk

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

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. During the six months ended April 30, 2018 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, but a minimal impact to the loss 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.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As of April 30, 2018, the Company is exposed only on its cash balance.

Commodity Price Risk

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

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

Liquidity Risk

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

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

As at April 30, 2018, the Company had $19,075 in US denominated cash balances.

Three and Six Months Ended April 30, 2018 and April 30, 2017 (Expressed in Canadian Dollars)

Capital Management

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

13. Geographic Segments

	Three Months Ended		Six Months Ended	
	April 30, 2018	April 30, 2017	**April 30, 2018**	April 30, 2017
Net Loss:				
Canada	**$ 535,351**	$ 425,132	**$ 694,542**	$ 622,254
United States	**6,563**	27,913	**11,140**	37,847
Total	**$ 541,914**	$ 453,045	**$ 705,682**	$ 660,101
Capital Expenditures:				
Canada	**$ 40,431**	$ 2,874	**$ 81,348**	$ 64,655
United States	**43,659**	76,201	**66,157**	127,651
Total	**$ 84,090**	$ 79,075	**$ 147,505**	$ 192,306

	April 30, 2018	October 31, 2017
Non-Current Assets:		
Canada	**$ 66,929,267**	$ 66,881,415
United States	**12,420,841**	12,390,451
Total	**$ 79,350,108**	$ 79,271,866

14. Subsequent Events

On May 18, 2018 Copper Fox extended the expiry dates of 10,753,000 warrants outstanding. These warrants were originally issued in two separate tranches, on June 9, 2016 and June 30, 2016 respectively, with an original expiry date of two years. The new expiry date provides an additional one year extension. These warrants continue to be exercisable at their original exercise price.

On June 18, 2018 Copper Fox closed its previously announced non-brokered private placement, raising aggregate gross proceeds of $1,200,000 through the sale of 12,000,000 units at a price of $0.10 per unit.

Each unit consists of one common share in the capital of the Company and one-half common share purchase warrant. Each warrant entitles the holder to purchase one common share for an exercise price of $0.12 during the first 12 month period after the closing and $0.15 during the second 12 month period after the closing. In the event that the 20-day volume weighted average price of the common shares listed on the TSX Venture Exchange is above $0.20, the expiry date of the warrants will be accelerated to a date that is 30 days after the first date such threshold is met. The common shares are subject to a hold period of four months plus one day from the date of the closing. Finders' fees of $12,500 were paid with respect to this financing.