COPPER FOX METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED OCTOBER 31, 2016

As at February 23, 2017

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 consolidated financial statements for the year ended October 31, 2016 and the related notes thereto.

All of the Company's material subsidiaries are wholly owned except for Carmax Mining Corp. ("**Carmax"**) (**TSX-V: CXM**), of which the Company owns 65.4% of the outstanding common shares as at October 31, 2016. The consolidated financial statements include 100% of the assets and liabilities related to Carmax and include a non-controlling interest representing 34.6% of Carmax's assets and liabilities not owned by the Company. Accounting policies are applied consistently throughout all consolidated entities.

As of the date of this MD&A, the Company owns 65.4% of Carmax.

Technical and corporate information contained in this MD&A has previously been disseminated by way of news releases and are filed on Sedar at www.sedar.com and on the Company's website at www.copperfoxmetals.com. The reader should be aware that historical results are not necessarily indicative of future performance (readers should refer to "**Forward Looking Statements**" on page 3).

All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as of February 23, 2017 and was reviewed, approved and authorized for issue by the Company's Board of Directors on the aforementioned date.

Description of Business

Copper Fox is a Canadian based resource company with a Tier 1 listing on the TSX Venture Exchange (**TSX-V: CUU**). 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.

Copper Fox's wholly-owned subsidiaries are Desert Fox Copper Inc. ("**Desert Fox**") and Northern Fox Copper Inc. ("**Northern Fox**"). Desert Fox has an office space in Miami, Arizona and holds the US assets of the Company and Northern Fox holds the investment in Carmax. Copper Fox's primary assets are its 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, its 100% owned Van Dyke, Sombrero Butte and Mineral Mountain copper projects and the Eaglehead copper-molybdenum-gold project through its controlling interest in Carmax.

The Company established Desert Fox and Northern Fox in order to manage all future exploration and development activities, including any equity or working interest acquired in other mineral projects within North America. Desert Fox's wholly-owned subsidiaries; Van Dyke, Sombrero Butte and Mineral Mountain, all hold mineral tenures located in Pinal and Gila Counties, Arizona (which are all located in the Laramide age porphyry copper belt in Arizona. 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.

For the Years Ended October 31, 2016 and 2015 (Expressed in Canadian Dollars)

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

Directors	Officers and Position
Elmer B. Stewart (Chairman)	Elmer B. Stewart, President and Chief Executive Officer
R. Hector MacKay-Dunn	Braden Jensen, Chief Financial Officer
J. Michael Smith	J. Michael Smith, Corporate Secretary
Ernesto Echavarria	
Erik Koudstaal	

Audit Committee	Corporate Governance and Nominating Committee	Compensation Committee
Erik Koudstaal (Chairman)	Elmer B. Stewart	R. Hector MacKay-Dunn
J. Michael Smith	Erik Koudstaal	J. Michael Smith
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.

2. DISCLOSURE CONTROLS AND PROCEDURES

The Company's management is responsible for the design and effectiveness of disclosure controls and procedures that are intended to provide reasonable assurance that material information related to the Company, including our consolidated subsidiaries, is made known to the Company's certifying officers. Management, including the Chief Executive Officer and the Chief Financial Officer of the Company, have evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as at October 31, 2016. There have been no changes in the Company's disclosure controls and procedures during the year ended October 31, 2016, that have materially affected, or are reasonably likely to materially affect, the Company's disclosure controls and procedures. Based on this evaluation, management has concluded that the Company's disclosure controls and procedures were effective as at October 31, 2016.

3. 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 are not guarantees of 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 a number of 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, and readers are advised to consider such forward-looking statements in light of 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.

4. YEAR ENDED OCTOBER 31, 2016 HIGHLIGHTS AND SIGNIFICANT EVENTS

- In December 2015, Copper Fox closed a private placement that resulted in aggregate gross proceeds of $1,500,000 from the issuance and sale of 8,823,528 flow-through common shares at a price of $0.17 per flow-through share and $75,000 from the issuance and sale of 576,922 common shares on a non-flow through basis at a price of $0.13 per common share. The Company paid an aggregate finder's fee of $78,750 for the Offering to Secutor Capital Management Corp., representing 5% of the gross proceeds raised in the Offering.

- In January 2016, Teck, as operator of the SCJV, proposed and the joint venture approved a $0.7 million program in 2016 to complete a number of the activities commenced in 2014 to advance the Schaft Creek project. The review of the geotechnical, comminution and infrastructure (including tailing storage facility) aspects of the project have been completed and activities in 2016 focussed on completion of the geological model with emphasis on the distribution of the precious metal grades throughout the deposit and determining if an updated resource estimate is required. At year end this work was ongoing and continued into 2017. At the completion of the re-modelling work, based on the conclusions and recommendation of the work, the SCJV will make a decision on if an updated resource estimate is required.

  During 2016, the SCJV purchased 7.41% of the issued and outstanding shares of Liard Copper Mines Limited ("**Liard**"). Pursuant to this transaction, the SCJV owns approximately 85.41% of the issued and outstanding shares of Liard. Liard holds a 30% Net Proceeds Interest in certain portions of the Schaft Creek Project. Copper Fox directly owns 1.55% of the Liard shares outstanding.

- On January 12, 2016, the Company, through its wholly owned subsidiary Northern Fox, closed a non-brokered private placement in Carmax Mining Corp., pursuant to which Copper Fox indirectly acquired an additional 30,000,000 common shares of Carmax on a flow-through basis at a price of $0.05 per Flow-Through Share for an aggregate subscription price of $1,500,000. Copper Fox beneficially owns and controls, through Northern Fox, approximately 65.4% of the issued and outstanding common shares of Carmax on an undiluted basis. The proceeds of this private placement was used by Carmax to fund the 2016 exploration program on its 100% owned Eaglehead copper-molybdenum-gold project located in northwestern British Columbia.

- On March 2, 2016, 1,025,000 of the Company's options with an exercise price of $1.69 expired, unexercised.

- On March 17, 2016, Copper Fox received 1,000,000 warrants from Bell Copper Corporation ("**Bell**") as consideration for a one year extension on the $150,000 loan to Bell. The warrants are exercisable into common shares at an exercise price of $0.05 until March 17, 2017.

- On April 8, 2016, 3,358,228 warrants with an exercise price of $1.00 expired, unexercised.

- On April 12, 2016, Carmax was advised that its Eaglehead Property had been forfeited for failure to file work or pay cash in lieu of assessment work in order to maintain the claim in good standing. The circumstances giving rise to the forfeiture involved a filing made by Carmax in March 2015 to group all mineral claims to create one mineral claim. Before the amalgamation of the mineral claims there was more than adequate assessment work completed to maintain the claims in good standing.

Following April 12, 2016, intervening parties staked claims over the forfeited land. Carmax made application under Section 67 to the Mineral Tenure Act to the Chief Gold Commissioner for the Province of British Columbia to set aside the forfeiture which would, if granted, allow a further period of time for Carmax to amend the filings in order to maintain the consolidated claim in good standing.

On April 22, 2016, Carmax received the written decision of the Chief Gold Commissioner for the Province of British Columbia re-instating Carmax's mineral claim and providing Carmax an extension of time to comply with Section 29 of the Mineral Tenure Act (the "**Act**") to September 30, 2016.

On June 14, 2016 Carmax received notice that certain parties filed a Petition in the Supreme Court of British Columbia against the Chief Gold Commissioner requesting a judicial review of his decision to reinstate Carmax's mineral claim #1034634.

The judicial review was heard in the Supreme Court of British Columbia on January 24, 2017. Although Carmax is not a party to the proceedings, until the decision of the Supreme Court is delivered, Carmax's title to claim #1034634 is in doubt.

- On June 30, 2016 Copper Fox closed a non-brokered private placement which was oversubscribed and raised aggregate gross proceeds of $1,290,360. The Offering consisted of 10,753,000 total units at a price of $0.12 per Unit. Each Unit consisted of one common share in the capital of the Company and one whole common share purchase warrant. Each Warrant entitles the holder to purchase one Common Share for an exercise price of $0.15 during the first 12 month period after the closing of the Offering and $0.17 during the second 12 month period after the closing of the Offering. In the event that the 20-day volume weighted average price of the common shares listed on the TSX Venture Exchange is above $0.30, 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 Company paid aggregate cash finder's fees of $8,820 to Altus Securities Inc. and PI Financial Corp.

- In the United States, Copper Fox is funding Desert Fox's activities by way of a series of loans to advance the Van Dyke, Sombrero Butte and Mineral Mountain projects. In 2016, Desert Fox's activities focussed on the completion of a Preliminary Economic Assessment ("**PEA**") for the Van Dyke In-Situ Leach ("**ISL**") project located in Miami, Arizona. The PEA suggests that Van Dyke is a technically sound ISL copper project, utilizing underground access and conventional solvent extraction and electrowinning ("**SX-EW**") recovery methods. The PEA showed low cash costs, strong cash flows and an after-tax Net Present Value ("**NPV**") of US $149.5 million and Internal Rate of Return ("**IRR**") of 27.9%. The PEA recommended the completion of a pre-feasibility study including a drilling program to upgrade and extend the resources at Van Dyke. Desk-top studies completed in 2016 indicated that the cost of obtaining the main permits for the completion of the recommended pre-feasibility study could be reduced substantially from that stated in the PEA.

  At Sombrero Butte, a study of the mineralized breccia pipes drilled in 2006 to 2008 indicated that number of breccia phases are present, each with distinctive mineralogy and geochemical signatures.

- In 2016, Copper Fox announced the Mineral Mountain copper project in central Arizona. This project lies within in the Jemez structural trend located between the Florence and Resolution copper deposits. The exploration target is the interpreted surface expression of a buried porphyry copper system. This project provides a cheap, early stage entry to copper exploration in the Laramide porphyry copper province in Arizona; one of the most prolific copper districts in the world.

- During the year ended October 31, 2016, the Company and its former CFO discontinued their respective legal actions to the mutual satisfaction of both parties.

Subsequent to the Year End:

- Pursuant to the Joint Venture Agreement between Teck and Copper Fox; every year Teck as the Operator of the SCJV is required to propose a draft program by February 28th for Management Committee approval. In January 2017, Teck recommended and the SCJV Management Committee approved a budget of $0.9 million to complete the resource re-model, desk-top engineering and trade off studies, continue collection of baseline environmental data and obtain a Multi-Year Area Based Permit ("**MYAB**"). The main activities covered pursuant to a MYAB permit include approval for up to 50 diamond drill holes, 5 kms of new drill road and 20 kms of line cutting; none of which are planned for at the current stage.

- In January and February 2017, Copper Fox announced results of a bedrock sampling program for its Mineral Mountain copper project. The program outlined an area that measures 1,100 m by 900 m that hosts copper-molybdenite-gold mineralization in steeply dipping classical "A" veins with potassic +/- chlorite +/- hematite envelopes. The main copper minerals are chalcocite and chrysocolla along with rare chalcopyrite and covellite.

5. PROPERTY SUMMARY

Over the last five years of the downturn in the commodity cycle which has affected the ability of junior exploration and development companies to raise capital in order to continue exploration. The commodity cycle also affected copper producers, resulting in a significant slowdown in mergers and acquisitions, reduced cash flows, lack of capital investments and delayed decisions on construction projects. Recent increases in the copper price suggest that the commodity cycle may have turned positive.

In keeping with the conditions of the resource sector and availability of capital; Copper Fox adopted a strategy to conduct a limited amount of meaningful work on its projects.

Schaft Creek Project

Copper Fox's primary asset is a 25% working interest in the Schaft Creek Joint Venture. 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 Liard Copper Mines ("**Liard**"). Liard holds a 30% Net Proceeds Interest in the Schaft Creek project subject to certain terms and conditions. Teck is the operator of the SCJV.

For the Years Ended October 31, 2016 and 2015 (Expressed in Canadian Dollars)

On January 23, 2013, Copper Fox filed a NI 43-101 Technical Report entitled "Feasibility Study on the Schaft Creek Project, BC Canada" prepared by Tetra Tech with A. Farah, P.Eng. as the Qualified Person. The Feasibility Study proposed a 130,000 tonne per day ("**TPD**") flotation/open pit mine with Proven and Probable Reserves as follows:

Reserve Category	Tonnes (Mt)	Copper (%)	Molybdenum (%)	Gold (g/t)	Silver (g/t)
Proven	135.40	0.31	0.018	0.25	1.81
Probable	805.41	0.27	0.018	0.19	1.70

The Proven and Probable Reserve are deemed sufficient to support a 21 year mine life and contain 5.6 billion pounds of copper, 373.5 million pounds of molybdenum, 6.03 million ounces of gold, and 51.7 million ounces of silver. The Feasibility Study suggested annual production from the Schaft Creek project would be in the order of 230 million pounds of copper, 201,000 ounces gold, 1.2 million ounces silver and 10.2 million pounds of molybdenum.

The Feasibility Study also showed that the Schaft Creek deposit hosts a Measured and Indicated Resource of 1.2 billion tonnes, grading 0.26% copper, 0.017% molybdenum, 0.19 g/t gold and 1.69 g/t silver as well as a 597.2 million tonne Inferred Resource grading 0.22% copper, 0.016% molybdenum, 0.17 g/t gold and 1.65 g/t silver. *The above stated Proven and Probable Reserves for the Schaft Creek project are included within the stated Measured and Indicated Resources.*

The Feasibility Study indicated that the NPV and the IRR for the Schaft Creek project were most sensitive to fluctuations in the Foreign Exchange ("**FOREX**") between the Canadian and United States dollar and the price of copper. The Feasibility Study used a FOREX of $1.00 US = $0.97 CAD. Since that time, many of the input parameters used in the feasibility study have changed significantly, including the reduction in the price of Copper, and an increase in FOREX.

In July 2013, Copper Fox and Teck created the SCJV to further explore and develop the Schaft Creek project. Pursuant to the Joint Venture agreement, among other commitments, Teck is responsible for funding the first $60 million in pre-production expenditures at Schaft Creek. As of the date of the MD&A, Teck has funded approximately $19 million of work on the Schaft Creek project since mid-2013.

In 2013, the SCJV completed an $8.2 million program to: i) drill test the extension of the mineralization in the Paramount Zone, ii) drill test Inferred Resource blocks inside the pit shell, and iii) collect additional geotechnical information for pit slope stability studies.

In 2014, the SCJV completed a $2.5 million program consisting of: i) consideration of an initial 12 year mine plan in the Liard zone, ii) studies on the metallurgical, pit slope design, geological modelling and environmental aspects of the project, iii) mapping and core re-logging to gain a better understanding of the geotechnical and geometallurgical aspects of the mineralization over the initial 12 year mine plan, iv) collection of samples for geometallurgical variability testing, and v) resource modelling. The 2014 field program delineated the LaCasse zone, an area of copper and gold mineralization located north of the Discovery zone with outcrop samples up to 1.56% copper and 1.3 g/t gold over an area that measures 1,300m long by 800m wide.

In 2015, the SCJV completed a $4.8 million program consisting of i) diamond drilling on the LaCasse zone, ii) geometallurgical test work, iii) re-logging of historical drill core, iv) examination of the proposed tailing impoundment area, and v) geochemical and geophysical surveys. The drilling (2,634 metres in five holes) on the LaCasse zone intersected narrow intervals of low grade copper mineralization. The mineralization is similar to that intersected in the Discovery zone located in 2012; suggesting that these zones are part of the same mineralizing system. The alteration, styles of mineralization and hosts rocks in these zones are similar to that in the Paramount zone of the Schaft Creek deposit.

The geometallurgical test work indicated that mill throughput for the various GeoMet Units (based on 50th percentile of hardness) ranged from 118,000 to 153,000 TPD at a 150 micron flotation feed size. Mapping of the proposed tailings impoundment area identified surficial materials that could impact the design of the facility and did not find any evidence to support the existence of the large slope sagging feature reported in 2011. The review of the geotechnical, comminution and electrical requirement for the project found similar results to that set forth in the 2013 Feasibility Study.

By the end of 2015, approximately 43,000m of historical drill core has been re-logged by the SCJV. The information collected by the re-logging program over the past three years were used to further constrain the geological model and provide additional information for geotechnical and geometallurgical purposes. Surface mapping, geochemical and geophysical surveys completed in 2015 located several new exploration targets both north and south of the Schaft Creek deposit.

In 2016, the SCJV completed a $0.7 million program that consisted of updating the resource model for the Schaft Creek deposit, collection of environmental baseline data and consultation with the Tahltan First Nation.

The resource remodeling that commenced in 2016 is being completed to determine if an updated resource estimate is required for the Schaft Creek deposit. The resource remodel incorporates the results of the core re-logging program, the 2013 drilling and other work completed on the Schaft Creek deposit between 2013 and the end of 2015. The collection of environmental baseline data and ongoing consultation with the Tahltan First Nation on social and cultural matters were also completed in 2016. This work has continued into 2017.

In 2016, the SCJV voluntarily withdrew from the Environmental Assessment ("**EA**") process and its queue for the Northwest Transmission Line ("**NTL**"). The SCJV is of the opinion that there are no technical or procedural disadvantages to leaving these processes. Re-entering the EA process or returning to the NTL queue at a later date is not foreseen by the SCJV to be problematic.

In January 2017, the SCJV approved the 2017 program and budget, estimated to cost approximately $0.9 million, to complete the resource remodeling of the Schaft Creek deposit, desk-top Engineering and Trade-Off Studies, collection of environmental baseline data and permitting and social aspects of the project.

The 2017 program provides the SCJV the opportunity to update many aspects of the Schaft Creek project including long term metal pricing, FOREX and previously estimated Operating and Capital costs as well as incorporating the results of the geotechnical, comminution and infrastructure reviews completed since 2013, the results of the core re-logging and 2013 drilling program.

The understanding of the controls on the concentrations and distribution of the mineralization in a deposit is fundamental to project development. The QA/QC review and verification of the data set to be used for the remodeling work as well as defining the mineralized domains have been completed. The next phase of the remodeling includes selection of industry acceptable input parameters (metal prices, FOREX, operating costs and capital costs) and should be completed by fiscal Q2 2017. The resource remodeling is expected to be completed by the end of March 2017. Issues encountered, if any, during the work may result in delays of completing this work. The decision for whether an updated resource estimate for the Schaft Creek deposit is required will be made on completion of the remodeling work.

In 2017 external consultants will be used to collected environmental baseline data (including humidity cell tests and field sampling) for the Schaft Creek deposit. Other aspects of the 2017 program include the application for a MYAB, pursuant to which; approval for up to 50 diamond drill holes, 5 kms of new drill road and 20 kms of line cutting could be requested; none of which are planned at this stage. The 2017 program also includes ongoing consultation with the Tahltan First Nations on social and cultural matters.

Van Dyke Project

In 2012, Copper Fox acquired Bell Copper's interests in the Van Dyke copper project ("**Van Dyke**") located in Miami, Arizona. Acquisition costs were CDN $500,000 in cash to Bell Copper, CDN $1,499,400 (US $1,500,000) to the Vendors (owners of the Van Dyke project) and assumption of continuing 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. Copper Fox, in its sole discretion, had the right to purchase up to 2% of the 2.5% NSR for a period of three years by the payment of CDN $1,962,450 (US $1,500,000) for each 1% NSR purchased. These rights expired unexercised.

Copper Fox, through its wholly owned subsidiary, owns a 100% working interest in the Van Dyke project located in the Globe-Miami Mining District in Arizona. The projects consists of 531.5 hectares (1,312.8 acres) of mineral rights and 5.75 hectares (14.02 acres) of surface rights.

Between 1968 and 1980 the Van Dyke deposit was explored by Occidental Minerals Corporation. Occidental completed a significant amount of exploration and two successful (permitted) ISL tests on a portion of the Van Dyke copper deposit. Kocide Chemicals also permitted the project and produced copper from the Van Dyke deposit using the ISL recovery method between 1988 and 1990.

In 2013, total expenditures were US $455,199 to cover general and administrative costs and the cost of recovering approximately 6,000 boxes of core, 3,500 of the original pulp samples and the majority of the geotechnical, hydrogeological and engineering studies as well as operating information and copper production statistics generated by the In-Situ Leach tests completed by Occidental Minerals Corporation and Kocide Chemicals on the Van Dyke deposit.

Total expenditures on the Van Dyke copper project in 2014 were US $3,676,285. The 2014 program consisted of a six hole (3,211.7m) verification diamond drilling (PQ core diameter) program, In-Situ Pressure Leach testing (8 samples) of the oxide copper mineralization, environmental baseline studies, hydrology studies, fluid mechanics, geochemical characterization of the lithologies surrounding the deposit, scoping level engineering studies, and a mineral resource estimate.

The resource estimate was prepared by Moose Mountain Technical Services ("**MMTS**") and the NI 43-101 technical report disclosing the resource estimate was filed on SEDAR on February 2, 2015, Ms. Sue Bird – P. Eng., as the Qualified Person. The Inferred Resource (Base Case at 0.05% total copper cut-off) consists of 261.7 million tonnes grading 0.25% and 1.44 billion pounds of total copper. The total copper is comprised of soluble and non-soluble copper. The modelling completed during the resource estimation suggests that the copper mineralization is open to the west and southwest.

In 2015, Copper Fox incurred expenditures of US $686,487 to complete a NI-43-101 Technical Report entitled "Preliminary Economic Assessment Technical Report for the Van Dyke Copper Project" dated November 18, 2015 prepared under the direction of MMTS, Mr. Jim Gray, P.Eng., et. al. as the Qualified Persons. The Preliminary Economic Assessment ("**PEA**") is an independent assessment of the historical and current results from the Van Dyke project and provided recommendations for further work.

The PEA recommended that a pre-feasibility study (estimated cost - US $16.6 million) consisting of 10,000m of diamond drilling to upgrade and expand the resource as well as a five hole ISL pilot test program to investigate among other things; soluble copper recoveries, hydraulic connectivity, hydrology and other geotechnical parameters related to the In-Situ Leaching.

The PEA suggests that Van Dyke is a technically sound ISL copper project, utilizing underground access and conventional SX-EW recovery methods with low cash costs, strong cash flow, an after-tax NPV of US $149.5 million and IRR of 27.9%. The PEA is based on $US 3.00/lb copper and includes an Inferred Resource of 183 million tonnes containing 1.33 billion pounds of copper at an average total copper grade of 0.33%. Mine life is estimated to be 11 years with annual copper production of 60 million pounds in years 1-6, declining thereafter. The soluble copper recovery used in the PEA was 68%. Acid consumption was determined to be 1.5lb acid/lb copper produced. Direct operating costs were estimated to average US $0.60 per pound over the life of mine. The PEA forecasts a Gross Revenue of US $1.37 billion over the mine life with cumulative net free cash flow of US $453.1 million (before tax) and US $342.2 million (after tax). The Initial capital cost (on a new basis, including pre-production costs and US $42.4 million in contingencies) totals US $204.4 million, are expected to be recovered within 2.9 years on an after tax basis. The project economics are most sensitive to copper recovery and copper price.

The results of the PEA are preliminary in nature as they include an Inferred Mineral Resource which is considered too speculative geologically to have the economic considerations that would enable them to be categorized as mineral reserves. There is no certainty that the PEA forecasts will be realized or that any of the resources will ever be upgraded to reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

In 2016, expenditures totaled US $134,898 to complete a Data Gap Analysis of the timing and estimated costs to obtain the main permits related to the recommended ISL pilot test program. This analysis indicated that the estimated cost of the permitting process would be approximately US $425,000 and that a considerable amount of the historical data used in the previous three ISL programs on the Van Dyke project could be usable and applicable to a future permitting process. A review of the proposed metallurgical test work found that the cost of this work would be in the order of US $265,000 and that leach times of approximately 210 days should be utilized. These combined cost reductions (approximately US $800,000) suggest that the estimated cost to complete the pre-feasibility study could be lower than that estimated in the PEA. Copper Fox is currently assessing its options for completing the pre-feasibility study on the Van Dyke project.

Sombrero Butte Project

In 2012, Copper Fox acquired the rights, provided all option payments are made when due, to 100% of the Sombrero Butte property located in the Bunker Hill Mining District, Arizona. Acquisition costs were CDN $500,000 in cash and an assumption of Bell Copper's remaining option obligation on the property of CDN $599,760 (US $600,000). In 2016, Copper Fox re-negotiated the continuing obligation on the property to a CDN $53,612 annual payment (US $40,000). As at October 31, 2016 the option obligation outstanding is CDN $268,060 (US $200,000). On completion of these annual payments, Copper Fox will hold an undivided 100% interest in the Sombrero Butte property.

Copper Fox, through its wholly owned subsidiary, holds the interest in the Sombrero Butte copper project which covers 2,913 acres in the Bunker Hill Mining District, 44 miles northeast of Tucson, Arizona.

The project is located in the Laramide Porphyry Copper Province in Arizona and contains two clusters of mineralized breccia pipes which elsewhere in the district are known to overlie buried porphyry copper deposits. At the time of the acquisition, 40 mineralized breccia pipes and 12 breccia pipes that contain the mineral dickite (indicative of a porphyry environment) have been located on the property. Dickite is an indicator mineral that occurs in multiple porphyry copper deposits throughout the Arizona copper belt, including BHP's San Manuel/Kalamazoo deposit.

In 2013, the expenditures totalled US $97,285 to complete a work program consisting of geochemical sampling (Niton XRF) and surface mapping that identified two large areas of anomalous geochemical concentrations of copper (76 to 2,450 ppm) and molybdenum (7 to 489 ppm). The anomalous areas exhibit vein controlled copper-molybdenum mineralization, coincident potassic-sericite alteration and sporadic tourmaline veining over a strike length of 4 kilometres ("**km**"). This trend is open to the southwest. Three phases of cross-cutting porphyry dikes and at least 15 new mineralized breccia pipes carrying abundant copper veinlets were located within the two target areas.

In 2014, the Company received approval (but did not complete) to conduct a Titan-24 DCIP survey over the two potential target areas identified in 2013. No field work was completed on this project. The total expenditures on this project in 2014 including carrying costs, acquisition costs and core storage fees was US $243,447.

In 2015, expenditures totaled US $317,613 to complete 12.3 kms of Titan-24 DCIP geophysical survey, locating historical drill holes, property maintenance and option payments. Sampling of drill cuttings from two historical drill holes located within the exploration target yielded copper 2,079 ppm and 1,683 ppm. These results are considered encouraging and supports the interpretation of a buried porphyry copper system.

In 2016, expenditures totalling US $80,567 to complete a review of the mineralized breccia pipes, property maintenance and option payments were incurred. The purpose of the review was to determine the relationship between the breccia pipes and the chargeability/resistivity anomaly within the exploration target. The study indicated multi-phase breccia pipe formations each with different metal assemblages and gangue minerals (i.e. tourmaline) which suggests a number of different sources. The study also showed an excellent correlation between the chargeability signature from the 2015 geophysical survey and the down dip extension of the mineralized breccia pipes. The 2016 work identified two drill targets within the project area.

Mineral Mountain Project

The Mineral Mountain project is located in the northeast Jemez structural trend that hosts the Globe-Miami, Resolution, Florence and Casa Grande copper deposits. 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, granodiorite and hornblende dacite dikes.

In 2015, expenditures totaling US $37,341 on the Mineral Mountain project were incurred completing a regional geochemical assessment (stream sediment and indicator mineral sampling) and a follow-up systematic bedrock sampling program. The geochemical assessment outlined areas that contain anomalous copper-molybdenum concentrations and indicator minerals indicative of a porphyry copper system as well as 21 copper occurrences.

In 2016, expenditures totaled US $144,704 to locate and stake 209 mineral lode claims, obtain an Arizona exploration permit, acquire and review historical exploration reports and complete a limited bedrock sampling program.

The review of the historical exploration reports suggested that both copper and precious metal exploration targets occur within the project. The historical copper target is a large zone of copper-molybdenum mineralization located within a larger chargeability anomaly hosted in a Laramide age Quartz Monzonite.

The bedrock sampling program within the historical copper target outlined an area that measures 1,100m by 900m of copper-molybdenum-gold porphyry style mineralization. The sampling program returned a significant number of samples that contained between 1% and up to 6.6% copper (due to the presence of chalcocite and covellite) and shows the mineralized area to be open in two directions.

The copper-molybdenite-gold mineralization occurs in steeply dipping classical "A" veins with potassic +/- chlorite +/- hematite envelopes and exhibits a rhenium-tellurium-bismuth geochemical association, features typical of a porphyry copper system. The vein-controlled mineralization exhibits three prominent trends being 10W to 015 NE (gold rich), 045NE to 060NE, and 070NE to 080NE.

The main copper minerals are chalcocite and chrysocolla along with rare chalcopyrite and covellite. Gangue minerals observed are goethite after pyrite (forming box work texture) and jarosite. The range of values for the samples located within the mineralized area are shown below:

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Analytical Values				
Element	**Minimum**	**Maximum**	**Average**	**Median**
Copper (%)	0.021	6.60	1.21	0.869
Molybdenum (ppm)	2	1,150	100	36
Gold (ppm)	5	2,640	160	39
Silver (ppm)	0.2	334	35	13.4

The presence of the chalcocite and covellite indicates that surface leaching of the copper mineralization has occurred and there is the possible presence of a "chalcocite blanket" at depth.

Copper Fox is currently compiling the results for the 2015 and 2016 work program to assess the significance of the copper-molybdenum exploration target and develop a work program and budget to continue exploration on this project. The Company is also considering seeking partners to continue exploration of this project.

Eaglehead Project

Copper Fox, through its wholly owned subsidiary, Northern Fox owns 65.4% of the common share outstanding of Carmax Mining Corp. ("**Carmax**"). Carmax holds a 100% working interest in the Eaglehead copper-molybdenum-gold property (13,540 Ha.) located in the Liard Mining Division, approximately 40 kilometers east of Dease Lake in northern British Columbia.

In 2012, Roscoe Postle Associates Inc. ("**RPA**") prepared a NI 43-101 Technical Report on the Eaglehead property, which included a current Mineral Resources estimate on the East and Bornite zones located within the property. The Technical Report prepared by B. Donough, P. Geo. and D. Rennie, P. Eng. as Qualified Persons, was filed through SEDAR on June 29, 2012 (see news release dated July 4, 2012). The Inferred Mineral Resource estimate totals 102.5 million tonnes at an average grade of 0.29% Cu, 0.010% Mo, and 0.08 g/t Au. The resources were estimated at a cut-off grade of 0.16% copper equivalent ("**CuEq**") and contain approximately 662 million pounds copper, 22 million pounds molybdenum, and 265,000 ounces gold. The silver content of the mineralization was not estimated.

In 2014, Copper Fox made its initial investment of $1,000,000 in Carmax to fund the 2014 program, which consisted of: i) re-logging of selected historical drill core (5,475m), ii) airborne and ground geophysical (Titan-24 DCIP) surveys, iii) recovery of available historical drill core, iv) sampling for preliminary metallurgical test work, and iv) a four-hole (2,229 m) diamond drilling program to test the interpreted correlation between the Titan 24 chargeability signature and copper mineralization.

In 2014, Carmax incurred exploration expenditures totalling $1,192,394. The results of the work program indicated that the alteration, lithologies and mineralization in the six mineralized zones previously outlined on the property suggests a 9,000m long porphyry copper environment. The review of historical drill holes found that in many instances long intervals of mineralized core were not sampled.

In 2015, Carmax incurred exploration expenditures totalling $797,542 to complete re-logging, sampling and re-sampling of six historical drill holes (1,298m),two diamond drill holes (1,184.5 m) in the Pass zone and preliminary metallurgical test work on mineralization from the Bornite and East zones.

The 2015 program focused on the Pass zone and outlined broad intervals of the copper mineralization (with and without low-grade concentrations of gold-molybdenum-silver) over an interpreted strike length of 1,000m. The copper mineralization occurs as chalcopyrite +/- bornite hosted in fractures, veinlets and as disseminations in moderate to strong potassic and phyllic altered biotite granodiorite, hornblende quartz diorite and Quartz Feldspar porphyry dikes. Trace element geochemistry suggest that some of the intrusive rocks show a strong "Adakite" affinity, a signature characteristic of large porphyry copper deposits.

The preliminary metallurgical test work yielded copper recoveries to the third cleaner concentrate that ranged from 77.1% to 92.7%. Concentrate grades ranged between 21.1% and 37.9% copper along with 11.8 g/t gold, 96 g/t silver and 0.816% molybdenum and low concentrations of arsenic, selenium, rhenium and tin. Estimated recoveries to the third cleaner concentrate ranged from 65-87% for gold, 71-80% for silver and 17-55% for molybdenum. Tests to upgrade molybdenum recovery in a separate molybdenum cleaner circuit were not completed in 2015.

In 2016, Carmax incurred exploration expenditures totaling $1,339,302 on: i) re-logging, sampling and re-sampling of 40 historical drill holes (13,562m) from the Camp-Pass-Bornite-East zones, ii) prospecting and mapping of the area around Camp zone, iii) re-analysis of approximately 15,000 pulp and core samples from historical drill core, and iv) preliminary metallurgical test work to eliminate "legacy data" issues related to previous exploration programs.

On April 12, 2016, Carmax was advised that its Eaglehead Property had been forfeited for failure to file work or pay cash in lieu of assessment work in order to maintain the claim in good standing. The circumstances giving rise to the forfeiture involved a filing made by Carmax in March 2015 to group all mineral claims to create one mineral claim. Before the amalgamation of the mineral claims there was more than adequate assessment work completed to maintain the claims in good standing.

Following April 12, 2016, intervening parties staked claims over the forfeited land. Carmax made application under Section 67 to the Mineral Tenure Act to the Chief Gold Commissioner for the Province of British Columbia to set aside the forfeiture which would, if granted, allow a further period of time for Carmax to amend the filings in order to maintain the consolidated claim in good standing.

On April 22, 2016, Carmax received the written decision of the Chief Gold Commissioner for the Province of British Columbia re-instating Carmax's mineral claim and providing Carmax an extension of time to comply with Section 29 of the Mineral Tenure Act (the "**Act**") to September 30, 2016.

On June 14, 2016 Carmax received notice that certain parties filed a Petition in the Supreme Court of British Columbia against the Chief Gold Commissioner requesting a judicial review of his decision to reinstate Carmax's mineral claim #1034634.

The judicial review was heard in the Supreme Court of British Columbia on January 24, 2017. Although Carmax is not a party to the proceedings, until the decision of the Supreme Court is delivered, Carmax's title to claim #1034634 is in doubt.

In December 2016, Carmax released the results of the preliminary test work. The work included locked cycle tests, Bond Ball Mill Work Index (BWI) tests and Bond Abrasion Index (AI) tests. Mineralogical studies ("**QEMSCAN**") on the sub-composites samples used in the preliminary test work show that chalcopyrite and bornite are the dominant copper sulphides with low pyrite concentrations ranging from 0.03-0.17%. Bond Ball Mill Work Index (BWI) and Bond Abrasion Index (AI) testing categorized the mineralization as hard and very hard with medium to abrasive indices.

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Locked cycle tests yielded a final copper-molybdenite bulk concentrate that assayed 29.6% Cu, 2.72% Mo, 28.2 g/t Au, and 175.9 g/t Ag with estimated metal recoveries of 89.9% copper, 71.1% molybdenite, 78.6% gold, and 78.1% silver. The copper-molybdenite concentrate contained very low concentrations of arsenic, selenium and tin. Tests to upgrade molybdenum recovery in a separate molybdenum cleaner circuit were not completed. SGS has recommended further test work.

Due to the expanded scope of the analytical and re-logging program and the need to eliminate "legacy data" issues in the data base, no drilling was completed on the Eaglehead project in 2016.

Compilation of the analytical data and interpretation of the results of the re-logging programs completed over the past three years is in progress with the objective to commence preparation of the geologic model for the Eaglehead project. On completion of this work, a work program and budget to continue exploration of the project will be prepared.

6. SELECTED ANNUAL RESULTS

	October 31, 2016 *Year Ended*	**October 31, 2015** *Year Ended*	**October 31, 2014** *Year Ended*
Loss before non-operating items and taxes	$ 1,667,161	$ 1,910,352	$ 2,733,444
Net loss	1,070,949	1,546,398	1,350,909
Comprehensive loss	784,363	20,215	912,959
Comprehensive Loss per Share, Basic and Diluted	0.00	0.00	0.00
Weighted Average Number of Shares Outstanding	**419,326,720**	**407,660,044**	**405,529,414**
Financial Position			
Total assets	$ 80,323,388	$ 79,601,459	$ 80,067,623
Non-current liabilities	$ 2,389,297	$ 2,984,494	$ 3,324,523

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7. SUMMARY OF QUARTERLY RESULTS

The quarterly results are as follows:

	October 31, 2016 *3 months ended*	July 31, 2016 *3 months ended*	April 30, 2016 *3 months ended*	January 31, 2016 *3 months ended*
Loss before non-operating items and taxes	$ 633,383	$ 305,814	$ 413,437	$ 314,527
Net loss before	37,171	305,814	413,437	314,527
Comprehensive loss/(gain) per share, basic and diluted	(0.00)	(0.00)	0.00	(0.00)
Comprehensive loss/(gain)	(724,814)	(201,748)	1,995,501	(284,576)

	October 31, 2015 *3 months ended*	July 31, 2015 *3 months ended*	April 30, 2015 *3 months ended*	January 31, 2015 *3 months ended*
Loss before non-operating items and taxes	$ 358,917	$ 484,385	$ 350,360	$ 716,690
Net loss	358,917	484,385	350,360	716,690
Comprehensive loss/(gain) per share, basic and diluted	(0.00)	(0.00)	0.00	(0.00)
Comprehensive loss/(gain)	(14,846)	(309,555)	854,264	(509,648)

The Company's quarterly operating expenses increased in Q4 2016 compared to Q4 2015, as a result of the investment impairment offset by the flow-through share premium liability income.

8. DISCUSSION OF OPERATIONS

All of the information described below is accounted for in accordance with IFRS, as issued by IASB. The reader is encouraged to refer to Note 2 of the Company's audited annual financial statements for the year ended October 31, 2016 for Copper Fox's "*Basis of Presentation and Significant Accounting Policies*".

For the year ended October 31, 2016 and October 31, 2015, the consolidated expenses were:

	Year Ended	
	October 31, 2016	October 31, 2015
Expenses:		
Administration	$ 1,083,049	$ 1,469,030
Depreciation, amortization and accretion	31,387	35,929
Impairment of investment	652,480	-
Professional fees	288,922	474,749
Share based compensation	-	53,006
Interest and other income	(388,676)	(122,362)
Loss Before Taxes	**$ 1,667,161**	**$ 1,910,352**

Year Ended October 31, 2016 Compared to Year Ended October 31, 2015

For the year ended October 31, 2016, the Company recorded a net loss before taxes of $1,667,161 or $0.00 per share compared to a net loss before taxes of $1,910,352 or $0.00 per share in the comparable prior year. The overall decrease in net loss before taxes of $243,191 is due to a decrease in salary and professional fees, offset by the investment impairment and the increase in the flow-through liability premium income.

9. LIQUIDITY AND CAPITAL RESOURCES

Liquidity

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.

As at October 31, 2016, the Company had $847,505 in cash (October 31, 2015 - $1,529,138). For the foreseeable future, as existing properties are explored and developed, the Company will continue to seek capital through the issuance of equity, strategic alliances or joint ventures, and debt, of which the Company currently has none.

Major expenditures are required to establish mineral reserves, to develop metallurgical processes 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.

Management reviews the carrying value of the Company's interest in each property and, where deemed necessary, exploration and evaluation mineral properties are written down to their estimated recoverable amount. Although management has made its best estimate of these factors, it is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the need for, as well as the amount of, provision for impairment in the carrying value of exploration properties and related assets.

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.

Working Capital

As at October 31, 2016, Copper Fox had working capital of $868,645 (October 31, 2015 – $1,467,508). The working capital decreased in the fiscal year ended 2016 compared to 2015 as a result of the capital outflows for Mineral Mountain, Van Dyke and Eaglehead, in addition to the daily operating costs, which were not offset by the Q1 2016 flow through financing and the Q3 2016 private placement financing. 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 Van Dyke, Sombrero Butte, Mineral Mountain and Eaglehead 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, in order 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.

Copper Fox has no long-term debt or long-term liabilities, other than its combined decommissioning provision of $209,784 and its deferred tax liability of $2,179,513. The Company has no capital lease obligations, operating or any other long term obligations, other than its office lease.

Going Concern

The recoverability of amounts shown for resource properties and related exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

During the year ended October 31, 2016, the Company incurred a net loss of $1,070,949 (October 31, 2015 - $1,546,398), the Company's cash was $847,505 (October 31, 2015 - $1,529,138) and its working capital was $868,645 (October 31, 2015 - $1,467,508). The Company is currently developing its US properties and Eaglehead. To date, none of the Company's projects have achieved profitability and they have experienced operating losses and significant negative cash flows. The Company has concluded that the working capital as held at October 31, 2016 is insufficient to fund its day to day operations and planned expenditures for at least the next twelve months. Unless additional funds are raised, the Company will have insufficient funds to realize its assets and discharge its liabilities in the normal course of business.

The conditions described above indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company plans to address this uncertainty by raising additional funds in the capital markets in fiscal year 2017. Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining the required financing for these or other purposes, including for general working capital. These financial statements do not contain any adjustments to the amounts that may be required should the Company be unable to continue as a going concern. Such adjustments could be material.

For the Years Ended October 31, 2016 and 2015 (Expressed in Canadian Dollars)

Cash Flow Highlights

	Year Ended	
	October 31, 2016	October 31, 2015
Cash used in operating activities	$ (961,215)	$ (1,937,929)
Cash provided by/(used) in investing activities	(2,044,705)	1,719,553
Cash provided by financing activities	2,338,290	103,443
Decrease in cash for the year	(667,629)	(114,933)
Translation effect of foreign currency	(14,003)	(10,450)
Cash balance, beginning of year	1,529,138	1,654,521
Cash Balance, End of Year	**$ 847,505**	**$1,519,138**

Cash Flow for the Years Ended October 31, 2016 and October 31, 2015

Operating Activities

Cash used in operating activities was $961,215 in the current year compared to $1,937,929 in the prior year. The decrease of $976,714 is due to a decrease in net loss and the impairment of investment.

Investing Activities

Cash used in investing activities in the current year was $2,044,705 compared to cash provided investing activities of $1,719,553 in the prior year. The increase of $3,764,258 in cash used in investing activities is due to the decrease in the BC METC received in 2016 and the increased expenditures incurred for the 2016 Eaglehead drill program.

Financing Activities

Cash inflow from financing activities was $2,338,290 in the current year compared to $103,443 in the prior year. The increase of $2,234,847 is due to larger equity financings in the current year compared to the prior year.

Capital Resources

As of October 31, 2016, and as of the date of this MD&A, the Company had $847,505 and $328,073 in cash.

Contractual Commitments

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

Year Ended	**2017**	**2018**	**2019**
Amount	$ 112,031	$ 116,078	$ 87,058

The Company is also committed to pay the balance outstanding of five yearly option payments totalling CDN $ 268,060 (US $200,000) under the Sombrero Butte acquisition agreement. The next payment of CDN $ 53,612 (US $40,000) is due October 15, 2017.

In the SCJV agreement, the Company is responsible for 25% of pre-production costs beyond the initial $60 million of costs to be incurred by Teck and 25% of capital costs following a production decision. Copper Fox's pro rata share of any pre-production costs in excess of $60 million will be funded by Teck by using the two remaining direct cash payments, totaling $40 million, payable to Copper Fox. These payments are based on certain project milestones being achieved and the costs incurred by the Company will offset the amounts remaining from Teck. If pre-production expenditures on the Schaft Creek project exceed $240 million, the two cash payments payable to Copper Fox would be reduced to zero and Teck would fund any additional costs incurred prior to a production decision, if required, by way of loan to Copper Fox to the extent of its pro rata share, without dilution to Copper Fox's 25% joint venture interest.

10. RELATED PARTY TRANSACTIONS

Copper Fox

During the year Copper Fox paid to Farris, Vaughan, Wills & Murphy LLP ("**Farris**") legal fees of $146,277 (October 31, 2015 – $545,969). As at October 31, 2016, included in accounts payable to Farris was $Nil (October 31, 2015 - $29,003). One of the principle partners at Farris is also a member on the Board of Directors for Copper Fox.

Carmax

For the year ended October 31, 2016, $15,000 (October 31, 2015 - $11,900) was paid in rent to a company controlled by an officer of Carmax.

11. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's financial instruments consist of cash, trade and other receivables, investments and trade and other payables, and investments in shares.

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 investment in Alexandria Minerals Corporation as well as their common share ownership in Bell Resources is a Level 1 instrument;

- *Level 2* – inputs, other than the quoted market prices in active markets, which are observable, either directly and or indirectly. The Company's direct investment in Liard, for all years carried at fair market value is a Level 2 instrument; 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.

Risk Management

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

a) 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, 2016 is $147,190 (October 31, 2015 - $233,762) which is comprised of GST and accounts receivable.

b) 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 year ended October 31, 2016 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 minimal impact on the total assets and loss of the Company.

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 October 31, 2016, 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.

c) 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.

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, 2016, the Company had $17,843 in US denominated cash balances.

12. RISKS AND UNCERTANTIES

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 drill holes 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 in 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 and Van Dyke 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 the 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 particular 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 not 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.

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.

13. PROPOSED TRANSACTIONS

We do not currently have any proposed transactions; however, the Company from time to time does review potential property acquisitions and divestitures, in addition to conducting further exploration work on its property. The Company releases appropriate public disclosure as it conducts exploration work on its existing property and if the Company makes an acquisition or divestiture.

For the Years Ended October 31, 2016 and 2015 (Expressed in Canadian Dollars)

14. DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

a) **Authorized**

An unlimited number of common shares without par value.

b) **Issued and Outstanding**

Common Shares	Number of Shares	Amount
Opening Balance, October 31, 2015:	407,660,045	**$ 74,035,461**
Additions:		
December 21 and 29, 2015 private placement	9,400,450	**1,222,059**
June 9 and 30, 2016 private placement	10,753,000	**1,290,360**
Warrants granted	-	**(497,003)**
Capitalized finders' fees	-	**(105,620)**
Capitalized legal fees	-	**(60,371)**
Balance, February 23, 2017	**427,813,495**	**$ 75,884,886**

c) **Warrants**

As of the date of the MD&A, the Company has warrants outstanding entitling the holders to acquire common shares as follows:

Share Purchase Warrants	Number of Warrants	Amount
Opening Balance, October 31, 2015:	3,358,228	**$ 196,623**
Expired	(3,358,228)	**-**
Granted	10,753,000	**497,003**
Balance, February 23, 2017	**10,753,000**	**$ 693,626**

For the Years Ended October 31, 2016 and 2015 (Expressed in Canadian Dollars)

d) Stock Options

As of the date of the MD&A, the Company has options outstanding entitling the holders to acquire common shares as follows:

Balance, October 31, 2015:	**1,575,000**
Expired	**(1,025,000)**
Balance, February 23, 2017	**550,000**

Exercise Price	Issue Date	Expiry Date	Balance Outstanding	Balance Vested
$1.04	April 24, 2012	April 24, 2017	550,000	**550,000**
Total			**550,000**	**550,000**

15. OFF-BALANCE SHEET ARRANGEMENTS

During the year ended October 31, 2016, 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.

16. CHANGES IN ACCOUNTING STANDARDS

There were no changes in the Company's accounting policies during the year ended October 31, 2016. New and revised accounting standards and interpretations issued but not yet adopted are described in Note 3, "Standards Issued but Not Yet Effective", of the audited consolidated financial statements for the year ended October 31, 2016.

17. CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company bases its estimates and assumptions on current and various other factors it believes to be reasonable under the circumstances. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Depreciation

Significant judgment is involved in the determination of useful life and residual values for the computation of depreciation and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

Impairment

The carrying value of property and equipment is reviewed each reporting period to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in earnings. The assessment of fair values, including those of the cash generating units (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets) ("**CGUs**") for purposes of testing goodwill, require the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance. Changes in any of the assumptions or estimates used in determining the fair value of goodwill or other assets could impact the impairment analysis.

Site Closure and Reclamation Provisions

The Company assesses its mineral property's rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Share-Based Payments

Management uses valuation techniques in measuring the fair value of share options granted. The fair value is determined using the Black Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options and share purchase warrants, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions could have a material impact on the Company's financial statements.

Contingencies

The assessment of contingencies involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against the Company and that may result in regulatory or government actions that may negatively impact the Company's business or operations, the Company and its legal counsel evaluate the perceived merits of the legal proceeding or un-asserted claim or action as well as the perceived merits of the nature and amount of relief sought or expected to be sought, when determining the amount, if any, to disclose as a contingent liability or when assessing the impact on the carrying value of the Company's assets. Contingent assets are not recognized in the Company's financial statements.

18. APPROVAL

The Board of Directors 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.sedar.com.