COPPER FOX METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED JULY 31, 2016

September 19, 2016

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**") unaudited interim condensed consolidated financial statements for the three and nine months ended July 31, 2016 and the related notes as well as the audited consolidated financial statements for the year ended October 31, 2015 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 July 31, 2016. The consolidated financial statements include 100% of the assets and liabilities related to Carmax and include a non-ownership 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 September 19, 2016 and was reviewed, approved and authorized for issue by the Company's audit committee (the "**Audit Committee**") 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 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 and its 100% owned Van Dyke, Sombrero Butte and Mineral Mountain Copper Projects.

For corporate and tax planning purposes, 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 and its wholly-owned subsidiaries, hold mineral tenures located in Pinal County, Arizona (the "**Sombrero Butte Copper Project**" and the **"Mineral Mountain Copper Project"**) and in Gila County, Arizona (the "**Van Dyke Copper Project"**), all of which are located in the Laramide age porphyry copper belt in Arizona. To date the Company has not earned revenues from any of these activities and is these projects are still considered to be in the exploration and development stage.

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

Directors	**Officers and Position**
Elmer B. Stewart (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 July 31, 2016. There have been no changes in the Company's disclosure controls and procedures during the nine months ended July 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 July 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. NINE MONTHS ENDED JULY 31, 2016 HIGHLIGHTS AND SIGNIFICANT EVENTS

- On November 25, 2015, Copper Fox announced the results of the Preliminary Economic Assessment ("**PEA**") for the Van Dyke In-Situ Leach ("**ISL**") project located in Miami Arizona. The PEA is the first National Instrument 43-101 Technical Report prepared on the Van Dyke copper project. The PEA suggests that Van Dyke is a technically sound in-situ leach copper project, utilizing underground access and conventional solvent extraction and electrowinning ("**SX-EW**") recovery methods with 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%.

- On December 11, 2015, Copper Fox announced that Teck entered into a share purchase agreement to purchase 140,100 common shares of Liard Copper Mines Ltd. ("**Liard**") representing 7.41% of the issued and outstanding shares of Liard. Pursuant to this transaction, the SCJV own approximately 85.5% of the issued and outstanding shares of Liard.

- On December 21, 2015, Copper Fox closed the first tranche of its non-brokered private placement (the **"Offering"**), raising gross proceeds of $499,999.92 from the issuance and sale of 2,941,176 flow-through common shares at a price of $0.17 per flow-through common share. The flow-through common shares will be 100% eligible for Canadian exploration expenses (**"CEE"**) as defined by the Income Tax Act (Canada).

- On December 29, 2015, Copper Fox completed the second and final tranche of its previously announced non-brokered private placement, raising gross proceeds in the second tranche of $999,999.84 in flow-through funds from the issuance and sale of 5,882,352 flow-through common shares at a price of $0.17 per flow-through share and $74,999.86 from the issuance and sale of 576,922 common shares at a price of $0.13 per common share. Taken together with the first tranche of the Offering, the Company raised aggregate gross proceeds in the Offering of $1,499,999.76 (the "**Flow-Through Funds**") from the issuance and sale of 8,823,528 flow-through common shares at a price of $0.17 per flow-through share and $74,999.86 (the "**Non-Flow-Through Funds**") 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 $78,749.98 for the Offering to Secutor Capital Management Corp., representing 5% of the gross proceeds raised in the Offering.

- On January 12, 2016, the Company, through its wholly owned subsidiary Northern Fox, closed a previously announced non-brokered private placement in Carmax, pursuant to which Copper Fox has 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. After the completion of this private placement, Copper Fox now beneficially owns and controls, through Northern Fox, 66,566,528 common shares of Carmax, representing approximately 65.4% of the issued and outstanding common shares of Carmax on an undiluted basis, or 68.2% on a fully diluted basis presuming the exercise of the existing warrants and all other outstanding warrants and options of Carmax.

- On January 25, 2016, Copper Fox announced the Mineral Mountain copper project in Arizona. This project covers approximately 4,200 acres and 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 an economical, early stage entry to copper exploration in the

Laramide porphyry copper province in Arizona; one of the most prolific copper districts in the world.

- Teck, as the Operator of the SCJV, has delivered a draft of the proposed 2016 budget and program for the Schaft Creek project. The draft of the proposed 2016 program is currently being reviewed by Copper Fox. Details of the 2016 program and estimated costs will be announced when the program has been finalized and approved by the Management Committee of the SCJV.

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

- In March 17, 2016, Copper Fox received 1,000,000 warrants from the Bell Copper Corporation ("**Bell**") as consideration for a one year extension on the $150,000 loan to Bell. The interest earned on the loan of $18,000 was added to the principal amount of the loan. The current principal amount of the loan outstanding is $168,000. 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.

- On June 9, 2016, Copper Fox closed the first tranche of the private placement, raising gross proceeds of $150,000 from the issuance and sale of 1,250,000 Units at a price of $0.12 per Unit. Each Unit consists of one common share in the capital of the Company and one whole common share purchase warrant. Each Warrant will entitle the holder to purchase one Common Share for an exercise price of $0.15 during the first 12 month period after June 9, 2016 and $0.17 during the second 12 month period. In the event that the 20-day volume weighted average price of the common shares listed on the TSX:V 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.

- On June 30, 2016 Copper Fox closed the second and final tranche of its previously announced non-brokered private placement to raise up to $1,000,000 in gross proceeds. The Offering raised aggregate gross proceeds $1,290,360, as the second tranche was oversubscribed by $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 agreed to pay a finder's fee payable in cash to Altus Securities Inc. and PI Financial Corp. at closing equal to 5% of the gross proceeds raised in the Offering from subscriptions made by persons introduced to the Company by the Finders. Accordingly, the Company paid an aggregate finder's fee of $8,820 to the Finders upon the closing of the Offering.

5. PROPERTY SUMMARY

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 85.5% 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.

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. et. al. as Qualified Persons. 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.

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 $16 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 aspect 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 also 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 a 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.

To the end of the 2015 field season, approximately 40,000m of historical core has been re-logged since Teck assumed operatorship of the SCJV. The results of which were used to constrain the geological model and provide additional information for geotechnical and geometallurgical purposes.

The mapping, geochemical and geophysical surveys located several new exploration targets both north and south of the Schaft Creek deposit.

The 2016 program for the SCJV is estimated to cost $0.7 million and consists of: i) updating the resource model for the Schaft Creek deposit with emphasis on the precious metal content, ii) collection of environmental baseline data, and iii) continued consultation with the Tahltan First Nation.

The resource remodeling is expected to be completed in the fourth Quarter 2016. The results of the work completed since mid-2013 has provided a much better understanding of the Schaft Creek deposit. The incorporation of these results is expected to better constrain the limits of the mineralization in the Schaft Creek deposit.

Other activities for 2016 include environmental monitoring including the collection of field data, humidity cell tests, other environmental base line data and ongoing consultation with the Tahltan First Nation on social and cultural matters.

During the last Quarter, the SCJV voluntarily withdrew from the Environmental Assessment ("**EA**") process and the queue for the Northern Transmission Line ("**NTL**") for the Schaft Creek project. The SCJV is of the opinion that there are no technical or procedural disadvantages to leaving these processes and that either re-entering the EA process or getting back in the NTL queue would not be a problem at a later date.

Van Dyke Project

The Van Dyke oxide copper project is located in the Globe-Miami Mining District in Arizona. In November 2015, Copper Fox announced the results of 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 Moose Mountain Technical Services, Mr. Jim Gray, P.Eng., et al as Qualified Persons. The results of the PEA were announced in a news release dated November 25, 2015.

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. By way of background, between 1968 and 1980 Occidental Minerals Corporation completed a significant amount of exploration and two successful (permitted) ISL tests within a portion of the Van Dyke copper deposit. Kocide Chemicals produced copper from the Van Dyke deposit using the ISL recovery method between 1988 and 1990.

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 pound 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 is estimated at 68% and acid consumption of 1.5 lb acid/lb copper produced. Direct operating costs were estimated to average $US0.60 per pound over the life of mine. The PEA forecasts a Gross Revenue of $1.37 billion over the mine life with cumulative net free cash flow of $453.1 million (before tax) and $342.2 million (after tax). The Initial capital cost (on a new basis, including pre-production costs and $US42.4 million in contingencies) totals $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.

The PEA recommended that a pre-feasibility study that was estimated costs of $US 16.6 million be completed. The main components of the pre-feasibility study include approximately 10,000m of additional diamond drilling to upgrade the current resource category and test the west and south extensions of the deposit (to 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 In-Situ Leaching.

During the Quarter, Copper Fox completed a Data Gap Analysis of the timing and estimated costs of the permitting process to obtain the main permits related to the proposed ISL pilot test program. This study found that the estimated cost of the permitting process would be $US 425,000 and that a considerable amount of the historical data used in the previous three ISL programs by Occidental and Kocide on the Van Dyke project could be usable and applicable to a future permitting process. Copper Fox also completed a review of the proposed metallurgical test work and found that the cost of this work would be $US 265,000 and that leach times in the order of 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

The Sombrero Butte project is located in the Laramide porphyry copper belt in Arizona. Since 2013, Copper Fox has identified and developed an exploration target that consists of a large chargeability/resistivity anomaly, a zone of alteration and veining with copper-molybdenite mineralization and mineralized breccia pipes. In 2015, two diamond drill holes collars were located within the exploration target. These drill holes are believed to have been completed in the late 1960's. Sampling of the drill cutting from around these drill hole collars yielded 2,079 ppm copper and 1,683 ppm. Although these holes intersected copper mineralization; the depth to the mineralization, thickness and average grade of the mineralization cannot be estimated. The presence of copper in the drill cutting is considered encouraging and supports the interpretation of a buried porphyry copper system.

During the Quarter, Copper Fox initiated a review of the mineralized breccia pipes located at the north end of the property to determine the relationship between the breccia pipes and the chargeability/resistivity anomaly within the exploration target. Hydrothermal breccia pipes are associated with the Copper Creek copper deposit located approximately 2 miles north of the Sombrero Butte project and other porphyry copper deposits in Arizona. The study is ongoing but preliminary results indicate that these mineralized breccia pipes are not from a single source due to different metal assemblages including molybdenum-gold-silver and gangue minerals (i.e. tourmaline). This review is expected to be completed in the next quarter. Copper Fox is currently seeking partners to continue exploration of this project.

Mineral Mountain Project

This project occurs in the Jemez structural trend that hosts the Miami-Globe, Resolution, Florence and Casa Grande copper deposits. The property is located between the Florence copper deposit and the Resolution copper deposit.

The project is underlain by Precambrian age Pinal Schist, diabase and granite intruded by Laramide age quartz monzonite, granodiorite and hornblende dacite dikes. In 2015, Copper Fox located three separate, stacked copper-molybdenum-gold-silver-tungsten bedrock geochemical anomalies along with twenty one copper occurrences that coincide with zones of sericite alteration within the property. The copper mineralogy, quartz veining, alteration and the vein assemblages in outcrop support the interpretation of a buried porphyry copper system.

During the Quarter, the review of a number of historical exploration reports was completed. The work completed in these report when combined; covered a significant portion of the property and identified both copper and precious metal targets within the project. The copper target is a 3,000ft by 2,000ft zone of copper-molybdenum mineralization located within a 6,000ft by 2,500ft chargeability anomaly hosted in a Laramide age Quartz Monzonite. The presence of abundant chalcocite within the zone of copper mineralization indicates that surface leaching of the copper mineralization has occurred and the possible presence of a "chalcocite blanket" at depth. The precious metal targets include four sub-parallel silicified fissure vein systems with strike lengths from 10,000 to 15,000 ft. These precious metal targets were previously exploited on a limited basis for higher grade zones of gold-silver-base metal mineralization. Copper Fox is currently evaluating the significance of these exploration targets and is considering seeking partners to continue exploration of this project.

Carmax Mining Corp.

Copper Fox through its wholly owned subsidiary, Northern Fox owns 65.4% of the common share of Carmax Mining Corp. ("**Carmax**"). Carmax holds a 100% working interest in the Eaglehead copper-molybdenum-gold-silver property located 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 on 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 the Technical Report

Copper Fox made its initial investment in Carmax in early 2014. These funds were used by Carmax to advance the 2014 program that consisted of: i) re-logging of selected historical drill core from each of the previously located zones of mineralization, 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.

The 2014 exploration activities indicated that the alteration, lithologies and mineralization in the six mineralized zones previously outlined on the property suggests a 9,000 m long porphyry copper environment. A number of historical drill holes were also reviewed and found that long intervals of mineralized core were not sampled.

In 2015, Carmax focused on the Pass Zone and completed i) re-logging, sampling and re-sampling of 10 historical drill holes ii) a two hole (1,184.5 m) diamond drilling program, and iii) preliminary metallurgical test work on mineralization from the Bornite and East zone.

The 2015 drilling and re-sampling program outlined broad intervals of 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 at Eaglehead shows a strong "Adakite" affinity, a signature characteristic of large porphyry copper deposit.

The preliminary metallurgical test work indicated that copper recoveries to the third cleaner concentrate ranged from 77.1% to 92.7% with corresponding concentrate grades of between 21.1% and 37.9% copper. The third cleaner concentrate was also estimated to contain 11.8 g/t gold, 96 g/t silver and 0.816% molybdenum with low concentrations of arsenic, selenium, rhenium and tin. Metal 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.

On May 31, 2016, Carmax announced an update of activities and the commencement of the 2016 field program for the Eaglehead project. The 2016 program is nearing completion and consisted of: i) re-logging, sampling and re-sampling of 40 historical drill holes 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. The primary objectives of the 2016 work program are to eliminate "legacy data" issued related to the previous exploration programs; develop a geologic model for the Eaglehead project and to determine the silver concentration of the mineralization. The analytical procedures and detection limits being utilized at Eaglehead should allow the incorporation of silver into the next resource estimate, if and when an updated resource estimate is completed.

During the next Quarter, receipt of the balance of the 2016 analytical data and interpretation of the results of the re-logging programs completed over the past three years is expected to be completed. This information will allow Carmax to commence preparation of the geologic model for the Eaglehead project and complete to the extent possible; constraining of the 2014 Titan-24 chargeability/resistivity anomaly.

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

6. SUMMARY OF QUARTERLY RESULTS

The quarterly results are as follows:

	July 31, 2016 *3 months ended*	**April 30, 2016** *3 months ended*	**January 31, 2016** *3 months ended*	**October 31, 2015** *3 months ended*
Loss before non-operating items and taxes	$ 305,814	$ 413,437	$ 314,527	$ 358,917
Loss before income taxes	305,814	413,437	314,527	358,917
Loss/(gain) per common share, basic and diluted	(0.00)	0.00	(0.00)	(0.00)
Comprehensive loss/(gain)	(201,748)	1,995,501	(284,576)	(14,846)

	July 31, 2015 *3 months ended*	**April 30, 2015** *3 months ended*	**January 31, 2015** *3 months ended*	**October 31, 2014** *3 months ended*
Loss before non-operating items and taxes	$ 484,385	$ 350,360	$ 716,690	$ 698,711
Loss (income) before income taxes	484,385	350,360	716,690	698,711
Loss/(gain) per common share, basic and diluted	(0.00)	0.00	(0.00)	(0.00)
Comprehensive loss/(gain)	(309,555)	854,264	(509,648)	(1,041,915)

The Company's quarterly operating expenses decreased in Q3 2016 compared to Q2 2016, as a result of a decrease in professional fees and salary.

7. 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, 2015 for Copper Fox's "*Basis of Presentation and Significant Accounting Policies*".

For the three and nine months ended July 31, 2016 and July 31, 2015, consolidated expenses were:

	Three Months Ended		**Nine Months Ended**	
	July 31, 2016	July 31, 2015	**July 31, 2016**	July 31, 2015
Expenses (1):				
Administration	$ 239,255	$ 456,827	$ 866,566	$ 1,167,553
Depreciation, amortization and accretion	8,150	9,361	23,490	26,755
Professional fees	59,936	21,798	166,295	352,026
Share based compensation	-	3,282	-	37,782
Interest income	(1,527)	(6,883)	(22,333)	(116,690)
Net Loss	**$ 305,814**	**$ 484,385**	**$ 1,034,018**	**$ 1,467,426**

(1) Includes 100% of Carmax Expenses.

Three Months Ended July 31, 2016 Compared to Three Months Ended July 31, 2015

For the three months ended July 31, 2016, the Company recorded a net loss of $305,814 or $0.00 per share compared to a net loss of $484,385 or $0.00 per share in the comparable prior period. The overall decrease in net loss of $178,571 is due primarily to the decrease in administration fees and salary.

Nine Months Ended July 31, 2016 Compared to Nine Months Ended July 31, 2015

For the nine months ended July 31, 2016, the Company recorded a net loss of $1,034,018 or $0.00 per share compared to a net loss of $1,467,426 or $0.00 per share in the comparable prior period. The overall decrease in net loss of $433,408 is due primarily to the decrease in professional fees and salary.

8. 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 July 31, 2016, the Company had $2,109,122 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 July 31, 2016, Copper Fox had working capital of $2,092,189 (October 31, 2015 – $1,467,508). The working capital increased in July 31, 2016 compared to October 31, 2015 as a result of the Q1 2016 flow through financing and the Q3 2016 private placement financing, offset by operational and exploration costs incurred during the current period. 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 $201,051 and its deferred tax liability of $2,775,725. The Company has no capital lease obligations, operating or any other long term obligations, other than its office lease.

Cash Flow Highlights

	Nine Months Ended	
	July 31, 2016	July 31, 2015
Cash Used In Operating Activities	(1,111,055)	(2,106,598)
Cash Used In Investing Activities	(1,003,276)	(1,919,458)
Cash From Financing Activities	2,691,232	3,911,123
Increase/(decrease) in cash for the period	576,901	(114,933)
Translation effect of foreign currency	3,083	(10,450)
Cash balance, beginning of year	1,529,138	1,644,521
Cash Balance, End of Period	**$ 2,109,122**	**$1,519,138**

Cash Flow for the Nine Months Ended July 31, 2016 and July 31, 2015

Operating activities

Cash used in operating activities of $1,111,055, declined by $995,543 this period compared to cash used in operating activities of $2,106,598 in the prior period due primarily to the decreased professional fees and salaries.

Investing activities

Cash used in investing activities in the current period was $1,003,276, compared to $1,919,458 in the prior period. The decrease of $916,182 was due to decreased exploration costs at the Van Dyke and Eaglehead projects in the current period compared to the prior comparable period.

Suite 650, 340-12th Avenue SW, Calgary, AB, Canada T2R 1L5 ▪ Phone: 403-264-2820 ▪ Fax: 403-264-2920

Financing activities

Cash inflow from financing activities was $2,691,132 in the current period compared to $3,911,123 in the prior comparable period. The decrease of $1,219,991 in cash from financing activities was due the BCMETC refund of $3,571,178 in the comparable period, compared to the Q1 and Q3 2016 financings of the current period.

Capital Resources

As of July 31, 2016 and the date of this MD&A, the Company had $2,109,122 and $861,006, respectively, in cash.

Contractual Commitments

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

Year Ended	2016	2017	2018	2019
Amount	$ 27,670	$ 112,031	$ 116,078	$ 87,058

The Company is also committed to pay the balance outstanding of six yearly option payments totalling US $240,000 (CDN $312,984) under the Sombrero Butte acquisition agreement. The next payment of US $40,000 (CDN $52,164) is due on October 15, 2016.

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.

9. RELATED PARTY TRANSACTIONS

Copper Fox

As at July 31, 2016, $Nil (October 31, 2015 – $Nil) for management services and technical services were included in accounts payable.

For the nine months ended July 31, 2016 the Company capitalized $62,784 (October 31, 2015 - $71,222) for technical services provided by a director.

Carmax

At July 31, 2016, included in accounts payable and accrued liabilities is $Nil (October 31, 2015 – ($3,806)) owing to companies controlled by directors and $Nil (October 31, 2015 - $4,830) owing to companies controlled by officers for services rendered to the Company. In addition, for the nine month period ended July 31, 2016 $11,500 (October 31, 2015 - $11,900) was paid in rent to a company controlled by an officer of Carmax and $4,263 (October 31, 2015 – $73,403) was paid and capitalized to Eaglehead for services rendered by a company controlled by a former director.

Promissory Note

On October 28, 2015 Copper Fox entered into a promissory note loan (the **"Loan"**) with Carmax, whereas Copper Fox agreed to lend Carmax up to $400,000, in minimum increments of $50,000, for working capital purposes, as needed. Carmax shall pay interest on the principle, from the disbursement date to the due date, November 30, 2016, at a rate of 1%, compounded monthly.

At any time during the term of the Loan, Copper Fox, at its sole discretion, can convert a portion or all of the loan outstanding, including unpaid interest, into free trading shares of Carmax at a price equal to the greater of $0.05 or the 10-day average trading price, calculated over the period after notice is given, subject to the prior approval of the exchange.

As at July 31, 2016, Copper Fox had loaned Carmax $100,000. This loan outstanding is eliminated upon consolidation of Copper Fox and Carmax.

10. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Board, through the Audit Committee, is responsible for identifying the principal risks facing the Company and ensuring that risk management systems are implemented. The Company manages its exposure to financial risks, including credit risk, liquidity risk, interest rate risk, foreign exchange rate risk and commodity price risk in accordance with its risk management framework. The Board reviews the Company's policies periodically.

The following table sets forth the Company's financial assets and liabilities that are measured at fair value on a recurring basis by level within the fair value hierarchy. As at July 31, 2016, those financial assets and liabilities are classified in their entirety based on the level of input that is significant to the fair value measurement.

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

		As At July 31, 2016		As At October 31, 2015	
	Input Level	**Carrying Amount**	**Estimated Fair value**	Carrying Amount	Estimated Fair Value
Financial Assets:					
Cash	**1**	**$ 2,109,122**	**$ 2,109,122**	$ 1,529,138	$ 1,529,138
Investments	**1**	**$ 805,305**	**$ 805,305**	$ 761,805	$ 761,805
		$ 2,914,427	**$ 2,914,427**	$ 2,290,943	$ 2,290,943

		As At July 31, 2016		As At October 31, 2015	
	Input Level	**Carrying Amount**	**Estimated Fair value**	Carrying Amount	Estimated Fair Value
Financial Liabilities:					
A/P and Acc. Liabilities	**1**	**$ 356,686**	**$ 356,686**	$ 433,792	$ 433,792
		$ 356,686	**$ 356,686**	$ 433,792	$ 433,792

Fair Value

The estimated fair values, established by IFRS 7, of cash, short and long term investments and accounts payable and accrued liabilities approximate their respective carrying values due to the immediate or short period to maturity. The available for sale investments are carried at fair values based on the published or electronic market price quotation.

The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

- *Level 1* – observable inputs such as quoted prices in active markets. The Company's investment through its ownership of Carmax 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; and

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

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 July 31, 2016 is $151,231 (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 nine months ended July 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.

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 July 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 July 31, 2016, the Company had $23,328 in US denominated cash balances.

11. 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.

12. 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.

13. 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	Amount
Opening Balance, October 31, 2015:	407,660,044	**$ 74,035,461**
Additions:		
Common shares	20,153,450	**2,699,370**
Expired warrants	-	**196,623**
Granted warrants	-	**(1,098,020)**
Balance, September 19, 2016	**427,813,494**	**$ 75,883,433**

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 warrants	(3,358,228)	(196,623)
Granted warrants	10,753,000	**1,098,020**
Balance, September 19, 2016	**10,753,000**	**$ 1,098,020**

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, September 19, 2016	**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**

14. OFF-BALANCE SHEET ARRANGEMENTS

During the nine months ended July 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.

15. CHANGES IN ACCOUNTING STANDARDS

There were no changes in the Company's accounting policies during the nine months ended July 31, 2016. New and revised accounting standards and interpretations issued but not yet adopted are described in Note 2, "*Basis of Presentation and Significant Accounting Policies*", of the audited consolidated financial statements for the year ended October 31, 2015.

16. 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.

17. APPROVAL

The Audit Committee of Copper Fox Metals Inc. is delegated the authority by the Board to review, finalize and approve interim financial statements and the interim MD&A (but not annual-year end reporting), without further reference to, or further approval required by, the Board (pursuant to Section 5.5(3) of NI 51-102). The Audit Committee of Copper Fox Metals Inc. has reviewed and approved the disclosure 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.