

INTRODUCTION

The following discussion and analysis of the operating results, financial position and future prospects of Copper Reef Mining Corporation ("Copper Reef" or the "Company"), dated October 17, 2017 constitutes management's view of the factors that affected the Company's financial and operating performance for the period ended August 31, 2017 and subsequent period ended October 17, 2017. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the year ended November 30, 2016. This MD&A is prepared in conformity with National Instrument 51-102 F1 and was approved by the Board of Directors on October 17, 2017.

All financial information is presented in Canadian dollars unless otherwise stated. All references to a year refer to the year ended on November 30 of that year. Additional information related to the Company is available for review on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

STRUCTURE AND BUSINESS DESCRIPTION

NAME AND INCORPORATION

The Company was incorporated under the laws of the Province of Manitoba by Letters Patent of Incorporation dated March 27, 1973 as "Copper Reef Mines (1973) Limited", as amended by Articles of Amendment dated January 18, 2005, and Articles of Amendment dated September 8, 2006, changing the corporate name to "Copper Reef Mining Corporation". The head office of the Company is located at their offices at 12 Mitchell Road, Flin Flon, Manitoba R8A 1N1. Other than shares of non-related companies pursuant to certain property agreements, the Company does not have an interest in any corporations, bodies corporate, limited partnerships, partnerships, joint ventures, associations, trusts or unincorporated organizations.

THE COMPANY

The Company is a Canadian junior mineral exploration company engaged in the acquisition, exploration and development of mineral concessions with a specific focus on mineral properties in Northwest Manitoba and Northeast Saskatchewan, Canada. All of the Company's properties are currently at the exploration stage. The Company has no long-term debt and has assembled a portfolio of base metal and precious metal prospects, including strategic locations in the provinces of Manitoba and Saskatchewan.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2017 the Company had working capital of \$51,977 (November 30, 2016 of \$12,100). The Company's ability to remain liquid over the long term depends on its ability to obtain additional financing. There can be no assurance that the Corporation will be able to obtain sufficient capital in the case of operating cash deficits. As noted below, on May 26, 2017, the Company successfully raised \$425,000 in equity financings with \$132,500 dedicated to flow through and \$292,500 available for general corporate working capital.

CORPORATE DEVELOPMENTS

FEBRUARY 13, 2017,

The Company announced a private placement of up to \$400,000 comprised of the following:

- a) Non-flow-through units will be sold at a price of \$0.05 per unit, with each unit comprised of 1 common share and 1 warrant per unit. Each warrant will entitle the holder to purchase one common share at an exercise price of \$0.05 per warrant. The warrants will be exercisable for twelve months;
- b) Flow-through units will be sold at a price of \$0.05 per unit, with each unit comprised of 1 flow-through share and 1 warrant. Each warrant entitles the holder to purchase one common share at an exercise price of \$0.05 per warrant. The warrants are exercisable for twelve months

AUGUST 31, 2017,

The Company has extended the term of the agreement with M'ore for a further term to December 31, 2017.

ON MARCH 9, 2017,

The announced the appointment of Mr. Warren Bates, a Professional Geologist (P.Geo)

Mr. Bates is well experienced in running Junior Exploration Companies and is currently Vice President of Exploration for Pelangio Exploration Inc (PX. TSX-V). He has extensive knowledge of the Flin Flon and Lynn Lake Belts of Manitoba and Saskatchewan and knows most of the Company's properties intimately having been a previous employee and manager of Granges Inc. in the 80's and 90's.

Warren has extensive experience internationally having worked in most of great gold belts of Africa and South America as well as the US with producing mines and high level prospects. Aside from this his gold experience he has experience with base metals both in central Canada as well as Ontario and Quebec's great mining camps. My experience with Warren is that he is a great technical presenter with tinges of humour thrown in to hold focus. Copper Reef is privileged to have a person of Warren's integrity who is frank and to the point telling it as it is, separating what is promising and what is not.

APRIL 5, 2017

- On April 5, 2017, the company closed the first tranche of an aggregate financing of 14,350,000 units in two tranches comprised of a total of 2,650,000 flow-through units at \$0.05/unit for aggregate proceeds of \$132,500 and 11,700,000 class A, non flow through units at \$0.025 for aggregate proceeds of \$292,500.
- On April 5, 2017, the first tranche, which was comprised of 900,000 flow through units and 8,200,000 Class A units closed.
- Directors and officers purchased 200,000 Flow Through units for proceeds of \$10,000.

MAY 26, 2017

- On May 26, 2017, the second tranche, which was comprised of 1,750,000 flow through units and 3,500,000 Class A units closed.
- Directors and officers purchased 250,000 Flow Through units for proceeds of \$12,500.
- Cash costs of \$22,400 were incurred in the two tranches.
- All Flow-Through Units were sold for \$0.05 per unit and each unit split immediately into one flow-through common share and one class A share purchase warrant.
- All Non-Flow-Through units were sold for \$0.025 per unit and each unit split immediately into common share and one class A share purchase warrant.
- All warrants are exercisable at an exercise price of \$0.05 per warrant. The warrants are exercisable for 24 months from the date of issue.

WARRANT EXPIRIES

- On March 9, 2017, 4,560,000 warrants with an exercise price of \$0.05/warrant expired.
- On May 11, 2017 3,560,000 warrants with an exercise price of \$0.05 per warrant expired.
- On August 17, 2017, 2,400,000 warrants with an exercise price of \$0.05/warrant expired.

AUGUST 1, 2017

On August 1, 2017, the Company announced the granting of 13,050,000 incentive stock options to directors, officers, consultants and employees of the Company's at a price of \$0.05 for a 5 year term.

9,500,000 of these options were granted to directors and officers

EVALUATION & EXPLORATION ASSETS

The Company holds interests in mineral properties all located in Saskatchewan and Manitoba. These are summarized in the Table of Evaluation and Exploration assets as noted overleaf. Claims with minimal exploration work, essentially held due to strategic location have all work expensed on an annual basis.

A continuity schedule of the capitalized expenditures allocated to individual major properties and summarized for minor properties is shown overleaf:

Please note, the Mink Narrows Group and the Smelter and Hanson Lake properties have been allocated to "Other Properties" as work for the past two years has consisted of title sustaining work necessary to maintain the current status of the claims.

Also, we have included a summary of expenditures that have been expensed not capitalized to illustrate total mineral property costs for the periods ended August 31, 2017 and 2016.

A summary of major claim blocks, exploration expenditures for the years ended August 31, 2017 and 2016, including both capitalised and expensed expenditures is included overleaf:

Exploration and Evaluation Assets
For the 9-month periods ended August 31, 2017 and 2016

	Total	Non Capitalised Expenditures	Total Capitalised Expenditures	Gold Rock Group	Alberts Lake Group	Morgan Group	Otter/ TwinLakes	Pikoo	Others
Balance, November 30, 2015			9,030,611	1,526,487	566,787	343,137	259,967	228,537	6,105,703
Claim acquisition & holding	11,897	3,565	6,881	468	5,775	103	78		457
Assay	18,394	1,072	17,322	40	3,580	–	–	13,702	–
Geological	3,270	250	3,020	–	120	–	–	2,900	–
Field labour costs	124,095	30,045	93,100	21,888	49,063	–	–	22,149	–
Other fields costs	35,152	11,370	23,780	3,956	19,540	–	–	284	–
Drilling	66,640	–	66,640	–	66,640	–	–	–	–
Total exploration for period	259,448	46,302	210,744	26,352	144,718	103	78	39,036	457
MEAP Rebates			-57,059	–	-57,059				–
Balance, August 31, 2016			9,184,296	1,552,839	654,446	343,240	260,045	267,572	6,106,160
Balance, November 30, 2016			8,857,834	1,570,579	654,446	0	260,059	267,572	6,105,185
Claim acquisition & holding		440	5,734	468	1,991	0	169	0	3,106
Assay		1,344	4,561	4,561	0	0	0	0	0
Geological			1,624	1,624	0				
Field labour costs		210	60,125	54,875	5,250	0	0	0	0
Other fields costs		9,000	19,579	19,425	154	0	0	0	
Drilling			78,232	78,232	0	0	0	0	0
Total exploration for period		10,994	169,854	159,185	7,395	0	169	0	3,099
Write downs of properties			-80,000						-80,000
Balance, August 31, 2017		10,994	8,947,688	1,729,764	661,841	0	260,228	267,572	6,028,284

Property Results

On February 10, 2017, the Company issued an announcement to clarify the resources outlined in the press releases of August 18 and October 8, 2016 referring to the grade and tonnage of mineralized material from the North Star deposit located within the North Star pit and at the Chisel pit in Snow Lake. This disclosure did not comply with the requirements of National Instrument 43-101 and should not be relied upon.

On March 17, 2017 the Company announced that it has mobilized a drill to its North Star-Gold Rock property in Snow Lake area of Manitoba. The Company will drill seven holes in its New Discovery vein by the end of March as part of its first phase of a larger drill program in the Gold Rock Vein area. Drilling of the New Discovery area is better facilitated in winter due to access. The planned Phase II will concentrate on the Gold Rock Vein system to the west which has year round access.

The New Discovery vein is on a separate parallel structure approximate 300m east of the North Star-Gold Rock structure and is virtually unexplored along a strike length of 4 km. The Discovery vein itself has been traced for 80m in outcrop before striking under muskeg to the north and south. A mapping and prospecting program in the area of the new vein returned gold values up to 93.44 grams per tonne gold from grab samples collected this past fall (press release dated Oct. 4, 2016). At the south of end of the vein, an old pit 3 by 4 meters was found, circa 1920's, where a 2m wide mineralized vein is fully exposed. There is no record of this vein or pit.

To date since 2003, 269 drill holes in six separate drill programs have been drilled on the North Star and Gold Rock vein systems. A National Instrument 43-101 report was carried out on North Star in 2005 by Roscoe-Postle and Associates but it is dated having used a gold price of \$400 (U.S.) per ounce with a seven (7) g/t cut-off. To the north, the Gold Rock vein systems have seen 136 holes in three drill programs from 2008 to 2010, much of it as closely spaced zone drilling.

No resources have been calculated under NI 43-101 for any of this Gold Rock drilling although through with the help of ORIX Geoscience of Toronto, the Company has started to work towards NI-43-101 for Gold rock as well as a new 43-101 for North Star by organizing a complete data base.

The drill program is fully permitted and Copper Reef has been awarded a Manitoba government mineral exploration assistance grant (MEAP) for \$109,347 upon completion of exploration work totaling \$218,694 on the North Star-Gold Rock project.

On March 20, 2017, the Company announced the Optioning of the Company's Big East Island claims with Callinex Mines Inc. CNX.TSX.V over the Companies East Big Island Property. The Option is dated March 3, 2017. Terms of the Option are as follows:

Date	Status	Cash Payments	Callinex shares issued
March 3, 2017	Cash and shares rec'd	50,000	100,000
March 3, 2018		50,000	100,000
March 3, 2019		50,000	100,000
March 3, 2020		50,000	150,000
March 3, 2021		65,000	300,000
Total		265,000	750,000

Assuming all payments and work obligations are completed, Callinex would hold 100% The shares are subject to a standard 4 month hold. The Agreement is subject to TSX.V approval.

It was agreed between the parties, in order to protect the integrity of Copper Reef's royalty throughout the entire property, every claim of the property would have enough assessment credits to hold each claim for at least 10 years. It was also agreed that during the option period no assessment credit could be transferred to claims outside the property unless Copper Reef was also granted a 1% NSR on those claims as well. There is a 1 km area of interest around the property excluding those claims presently held or under some agreement by either party.

The property, located 10 km east of the town of Flin Flon, Manitoba, contains two key mineralized horizons. The western portion of the property is predominantly underlain by a primitive volcanic arc sequence similar to that which hosts the Flin Flon, Triple 7 and Callinan Volcanogenic Massive Sulphide ("VMS") deposits. Recent work completed by the Geological Survey of Canada (Open File 6064) also highlights the fact that the volcanic rocks in the immediate Bear Lake area have been strongly altered over a widespread area. These large volumes of accompanying hydrothermal fluid suggest that there may be significant tonnages of VMS yet to be discovered in the area, especially given the fact that the historically mined White Lake and Cuprus deposits and other VMS occurrences are relatively small. The western horizon located 5 km southeast of the former Trout Lake Mine contains the high-grade Tara zinc-copper-gold-silver VMS deposit. Grades of up to 22.44% Zn, 0.58% Cu, 93.6 g/t Ag and 5.8 g/t Au over 12.4 metres have been reported. The second horizon on the east side of the property is the northern extension of the Cuprus-White Lake mine horizon which has seen very little drilling in this area. Both horizons run the length of the property.

Copper Reef is very pleased that Callinex will be exploring this ground. They have the financial ability to do a thorough job; a great geophysical team that can employ modern techniques and enhanced technology and an experienced geological team with a history of finding mines.

On April 19, 2017, the Company announced that it had completed its winter drill program on its North Star-Gold Rock property in Snow Lake area of Manitoba.

The Company drilled seven holes in its New Discovery vein and attempted an eighth hole but spring conditions caused the company to abandon the hole for now.

The program including mobilization in and ran from March 16 to March 31.

This was the first phase of a larger drill program in the Gold Rock Vein area. Drilling of the New Discovery area is better facilitated in winter due to access. The planned Phase II will concentrate on the Gold Rock Vein system to the west which has year round access.

The New Discovery vein is on a separate, parallel structure approximately 300m east of the North Star-Gold Rock structure and is virtually unexplored along a strike length of 4 km. The Discovery vein itself has been traced for 80m in outcrop before striking under muskeg to the north and south.

A mapping and prospecting program in the area of the new vein returned gold values up to 93.44 grams per tonne gold from grab samples collected this past fall (press release dated October 4, 2016). At the south of end of the vein, an old pit 3 by 4 meters was found, circa 1920's, where a 2m wide mineralized vein is fully exposed.

There is no record of this vein or pit. This winter's 7 holes were completed in the New Discovery vein with intercepts of quartz veining ranging from 2.03 m (6.66 ft.) to 3.68 m (12.07 ft.), (70-85% true width) in the four southern-most holes. All southern holes contained locally galena which is associated with higher gold grades from surface sampling.

Visible gold was only noted in two of the southern holes. The northern three holes encountered only stringer mineralization suggesting a narrowing of the structure in this area. Only one of the northern holes contained a

single fleck of visible gold over a narrow stringer zone of 4 cm. An attempt was made to drill a eighth hole beneath the most southern and widest exposure of the vein at surface (2 meters), but had to be abandoned for now, due to spring thaw and deteriorating road conditions. This summer, dryer conditions may permit drilling this hole and others in the New Discovery area.

The drill holes are currently being logged with intersections to be diamond sawed length wise in half with one half sent to TSL Laboratories in Saskatoon. More details on the drilling will be released once the logging is completed and on return of the assay values from the veined sections of the core, which are expected by May.

The drill program is fully permitted and Copper Reef has been awarded a Manitoba government mineral exploration assistance grant (MEAP) for \$109,347 upon completion of exploration work totaling \$218,694 on the North Star-Gold Rock project. This work commitment will have been met once the assays are in and the drill report completed.

On June 2, 2017, the Company announced results of the above drilling programme.

The drilling carried on the Company's 100% owned North Star- Gold Rock Property was designed to follow up sampling at surface carried out this past summer which returned high grade values similar to the Gold Rock Veins 300 m to the west and 200 m south on a separate structure. Five samples collected during the summer prospecting and mapping program assayed between 63 g/t (1.83 oz/ton) and 93.44 g/t (2.73 oz/ton) with other samples in the 0.25 to 4.5 g/t gold range. The gold is generally coarse and not evenly distributed throughout the vein resulting in a pronounced nugget effect giving hit and miss assaying values of low to very high values.

In the middle and northern portion of the New Discovery Vein, drilling encountered significant veining and gold mineralization. Drill results from this area are:

Drill Hole	g/t gold	Interval (m)	To (m)	From (m)	Drill Angle
GR-140	3.58	1.15	24.4	25.55	-45
GR-141	4.08	0.69	51.65	52.34	-78
Gr-142	10.00	2.61	20.81	23.42	-45
includes	25.83	1.0	21.31	22.31	
Gr-143	2.59	0.85	44.5	45.15	-78

Two previous holes returned values from this same area of:

Drill Hole	g/t gold	Interval (m)	To (m)	From (m)	Drill Angle
GR-114	14.41	3.3	23.27	27.6	-45
GR-115	15.65	1.5	65.0	66.5	-45

Drilling at the north end of the exposed New Vein, where samples at surface had returned assays over 80 g/t gold failed to intersect significant veining at depth, returning values less than 1 g/t gold over narrow widths of less than 0.5 meters, suggesting the system pinches out in this immediate area.

At the south extremity of the exposed vein at surface, an old trench was found approximately 2 m by 3 m and 2.5 m deep, that exposes a near vertical 1.7 m wide vein dipping to the south. There is no historic record of this vein or trench. An attempt was made to drill beneath this trench in this winter's drill program, but a break down with the drill and ensuing spring thaw resulted in only the casing being put down before the remaining drill program had to be abruptly cancelled.

This untested wide portion of the New Discovery Vein contains the strongest alteration and is wide open to the south. The Company plans to test this target area with the next drill program. All core samples from the drill

program where sent to TSL Laboratories in Saskatoon where they were subjected to Screen Metallic Assaying for gold, a standard procedure when dealing with coarse gold bearing veins. The procedure is: one half of the core was sampled and pulverized entirely and screened using a plus 150 mesh screen. (Coarse gold does not crush well not allowing an even distribution of gold throughout the sample after crushing); assaying the plus 150 mesh size separately will capture any larger flecks of gold. The 150 mesh size is then assayed with four 2 assay ton charges. The assays of the plus 150 mesh containing most of the coarse gold are combined with the assays of the finer material on a weighted average basis to arrive at an accurate value for the gold in the sample. This method captures all the coarse gold in the sample which commonly is not distributed evenly in the rock and can result in non-representative results using normal assaying of the crushed sample.

Commercially prepared standards representing 3 ranges of gold grades are inserted at intervals of 1 in 10 samples. A blank rock is inserted every 20 samples.

Stephen Masson M.Sc., P.Geo. is the qualified person and was involved in the: overseeing of the drill program; collection of the samples and the preparation for shipment to the TSL lab in Saskatoon.

Gold Rock Vein

The Gold Rock high grade veins have to date a known 200-250 meter strike length, which are open to both the north and south and at depth. Over 125 drill holes have been drilled to date in the Gold Rock veins and a new 43-101 resource estimate must be calculated. Selected drill holes from Gold Rock include GR-08-06 which returned assays of 24.14 g/t gold over 3.9 meters (12.8 ft.); GR-08-31 returned 81 g/t gold over 1.6 m (5.3 ft.); GR-08-41 returned 27.85 g/t gold over 2.4 m (7.9 ft.); GR-08-50 returned 104.39 g/t gold over 3.4 m (11.2 ft.); GR-08-59 returned 30.61 g/t gold over 2.4 m (7.9 ft.), GR-09-91 returned 15.95 g/t gold over 2.9 m (9.5 ft.). The New Discovery Vein lies on a different structure 300 m to the east.

Stephen Masson P.Geo. is the qualified person under National Instrument 43-101 for reporting these preliminary facts on the drilling and has examined all intersections both in the field and at Copper Reef's core logging facility.

On August 10, 2017, the Company announced its summer work programme on its 100% owned Gold Rock and North Star Claims in the Snow Lake-Reed Lake area of the Flin Flon Greenstone Belt of Manitoba has begun. Prospecting detailed sampling and mapping has commenced upon receipt of exploration permits. Approximately 1 square km of grid (cut in 2003) from Line 60 N to Line 70 N at 50 m intervals is being refurbished. The grid is being re-established with NTS co-ordinates to provide an accurate plan map to position drill holes for this coming winter's drill program. The next drill program will require additional raising of funds or more likely an option agreement with a third party which the Company is currently considering. This past winter's drill program returned values up to 14.41 g/t gold over 3.3 m.

The summer- fall program will focus on following up possible extensions of the new discovery vein in the area stretching over 2 km to the south that has seen limited exploration or prospecting. The Discovery of this new structure opens up an area of potential new mineralization on the property which the Company is now exploring intently. No previous drilling is reported from the area south of the New Discovery, although favourable host rocks are abundant. The structure is parallel to the north trending North Star-Gold Rock Structure but 400 m to the west. Surface sampling carried out last summer returned high grade values similar to the Gold Rock Veins 400 m to the west and 200 m south on a separate structure. Five samples collected during last summer's prospecting and mapping program assayed between 63 g/t (1.83 oz/ton) and 93.44 g/t (2.73 oz/ton). The gold is generally coarse and not evenly distributed throughout the vein resulting in a pronounced nugget effect giving hit and miss assaying values of low to very high values.

Gold Rock

Additional prospecting and very detailed mapping will be carried out on the Gold Rock structure to extend the known strike of the veins and better plan future drilling. Gold Rock high grade veins have to date a known 200-250 meter strike length, which are open to both the north and south and at depth. Over 125 drill holes have been drilled to date in the Gold Rock veins and a new 43-101 resource estimate must be calculated. Selected drill holes from Gold Rock include GR-08-06 which returned assays of 24.14 g/t gold over 3.9 meters (12.8 ft.); GR-08-31 returned 81 g/t gold over 1.6 m (5.3 ft.); GR-08-41 returned 27.85 g/t gold over 2.4 m (7.9 ft.); GR-08-50 returned 104.39 g/t gold over 3.4 m (11.2 ft.); GR-08-59 returned 30.61 g/t gold over 2.4 m (7.9 ft.), GR-09-91 returned 15.95 g/t gold over 2.9 m (9.5 ft.). The New Discovery Vein lies on a different structure 400 m to the east.

The prospecting, sampling and detailed mapping are a preliminary phase to increase the body of information on the project that will include all six drill programs done to date to build a 43-101 compliant comprehensive resource estimate for both the North Star and Gold rock structures as well as outline further potential drilling for these deposits which will include the New Discovery Vein.

On August 15, 2017, the Company announced the staking of a high grade zinc property in the Sherridon area of Manitoba. The Copper Reef 100% owned Kississing Property has no underlying royalties.

In, Callinan Flin Flon Mines Limited optioned the ground and carried out a magnetic survey and 2795 ft. of drilling. In addition, two shafts, six trenches, and numerous test pits were completed, outlining a 1500 feet long zone of mineralization. Massive sphalerite with galena and chalcopyrite outcrop at surface in the trenches.

Trenches yielded assays of 2.7% Cu, 0.20oz/ton Au over 6.7 feet 19.0% Zn, 0.8% Cu, 3.5oz/ton Au over 2.5 feet 4.7% Zn, 0.9% Cu over 12.5 feet 7.4% Zn, 1.3% Cu over 8.2 feet

Best drill intercepts were 20% Zn, 4.5% Pb, 1.5% Cu, and 5.50z/ton Ag over 10 feet 4.5% Cu over 6.5 feet

Caution: Grades reported are from the assessment files (Manitoba Assess File 90671) and are not NI 43-101 compliant and cannot be relied upon without verification. Further, the true widths of the sulphide intercepts from the drill holes are unknown. Massive sphalerite, chalcopyrite, and galena was observed by the writer in outcrop exposed in the trenches.

The property has subsequently been explored by various parties most notably Cominco, Granges Inc and Aur Resources in the late 70's, 80's and 90's respectively. At present, there is no current NI 43-101 calculated resource on the property. The property is located in the Sherridon Area, which produced over 8,000,000 tonnes of 2% copper and 2% zinc with gold and silver credits.

On August 29, 2017, Callinex Mines Inc., Optionor of the Company's Big Island Property made an announcement on an intended work programme, based on previous results.

Callinex announced that they will drill Copper Reef's Tara Deposit on its East Big Island property which Callinex has under option and for which Copper Reef has a royalty of 1% NSR. This is an exciting development as the Tara Deposit is one of the highest- grade zinc rich discoveries in the Flin Flon Mining Camp. Callinex reports the drilling of this deposit this summer will be part of a 6000 m program in the region which will also include follow-up on their 2016 discoveries on their Pine Bay Project. According to their press release, Callinex plans to aggressively advance these projects.

Under the Callinex agreement Copper Reef, in addition to the \$50,000 cash paid and 100,000 Callinex shares issued, will receive a further \$215,000 and 650,000 shares of Callinex should the option be exercised and Copper Reef shall retain a 1% NSR.

Callinex states in their press release that in a first pass campaign; confirmation drilling to obtain core samples along with subsequent lithogeochemical and geophysical testing to assist future exploration programs will be undertaken. Copper Reef greatly supports this effort to take a project forward that has seen little activity over the

last 25 years despite its compelling exploration upside in a proven mining camp which have hosted many mines including 4 world class deposits.

Westfield Minerals 1987 and 1988 discovered high grade zinc and gold rich mineralization over considerable widths which as reported in a Callinex news release dated March 20, 2017 include:

- DDH 87-03 intersected 12.4m of 22.4% Zn, 5.8 g/t Au, 93.6 g/t Ag and 0.6% Cu at a starting depth of 22.0m;
- DDH 87-11 intersected 7.4m of 20.3% Zn, 7.2 g/t Au, 110.1 g/t Ag and 1.2% Cu at a starting depth of 24.9m; and
- DDH 88-41 intersected 19.6m of including 14.6% Zn, 3.1 g/t Au, 58.6 g/t Ag and 1.7% Cu at a starting at a depth of 72.1m.

Copper Reef Royalty's and Investments

The potential royalty on the East Big Island property adds to Copper Reefs portfolio of royalties on other properties in the Flin Flon Belt including: a 1% NSR on Callinex's Pine Bay Property which they are presently exploring; various royalties on Foran Mining's properties in Saskatchewan including the large McIlvenna deposit which they are currently drilling and the Bigstone deposit which Foran reports they are planning to drill this summer; Copper Reef also has NSR's on Rockcliff Copper's Morgan, Cook Lake and Woosey properties in Snow Lake, Manitoba where exploration work is planned. Copper Reef through its sales and options retains shares of those companies working the properties with a plan to share in the upside of a discovery or significant development.

EXPLORATION ACTIVITIES FOR THE PERIOD

During the period ended August 31, 2017, work continued to be concentrated on the Gold Rock Group and the Alberts Lake Group. The Company continues to focus on other work with the goal to maintain the properties in good standing while increasing the Company's geological knowledge of the properties in question.

During the period ended August 31, 2017, the Company abandoned the Ft. LaCorme property for a non-cash loss of \$80,000, which consisted solely of the value of the shares issued to the vendor of the property.

Quality Control

The Company employs QA/QC protocol on all aspects of its analytical procedures. Core samples are sawn and one half of the HQ core is restored to the core boxes for future reference and the other half sent out for analysis. Samples of veining or mineralization are taken in approximately 50 cm intervals or less. Sample preparation and analytical work is conducted at TSL Labs in Saskatoon, Saskatchewan utilizing fire assaying with a two assay ton charge, with an AA finish. In addition, pulps of the samples are analysed using a multi-acid digest/ ICP-AES and AAS techniques for trace elements.

Commercially prepared standards representing 3 ranges of gold grades are inserted at intervals of 1 in 10 samples. A blank standard is inserted every 20 samples. Stephen Masson M.Sc., P.Geo. President of Copper Reef is the Qualified Person for the Company. He has reviewed the drill core and confirms the assay results.

Stephen L. Masson, P.Geo, also a director of the Company, is the Qualified Person, as defined by National Instrument 43-101 ("NI 43-101"). He has reviewed and approved the technical information relating to the evaluation and exploration assets disclosed in the Company's MD&A.

RESULTS OF OPERATIONS

Operational results reflect overhead costs incurred for mineral property acquisitions and associated exploration expenses as well as other regulatory expenses incurred by the Company.

General and administrative costs can be expected to fluctuate relationally with acquisitions, exploration and operations.

REVENUES

The Company is currently engaged in mineral property acquisition and exploration and does not have revenues from its operations. Net revenues shown in the Statements of Loss and Comprehensive Loss relate to un-realized Gains/(losses) with marketable securities, and option payments by third parties (cash and shares).

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended August 31, 2017:

	Q3	Q2	Q1	Q4
	August 31	May 31	February 28	November 30
	2017	2017	2017	2016
Operating (loss)	-273,982	-152,596	-107,613	-109,549
Net income (loss) for the period	-273,982	-152,596	-107,613	-109,549
Net income/(loss) per share, basic non-diluted	-0.001	-0.001	-0.001	-0.001
Weighted average shares outstanding	141,881,300	133,526,952	127,531,300	126,159,871

	Q3	Q2	Q1	Q4
	August 31	May 31	February 29	November 30
	2016,	2016	2016	2015
Operating (loss)	-82,992	-70,975	-112,777	-114,253
Net income (loss) for the period	-82,992	-70,975	-112,777	-29,253
Net income/(loss) per share, basic non-diluted	-0.001	-0.001	-0.001	0
Weighted average shares outstanding	126,157,387	124,103,691	120,761,300	120,437,124

*This financial data has been prepared in accordance with International Financial Reporting Standards and all figures are stated in Canadian dollars.

**Management Discussion and Analysis
for the period ended August 31, 2017
and subsequent period ended October 17, 2017**

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2017 AND 2016:

	3 Months Ended August 31				9 Months Ended August 31			
	2017	2016	Incr./ (decr)	Increase/ (decrease) %	2017	2016	Incr./ (decr)	Increase/ (decrease) %
	\$	\$	\$		\$	\$	\$	%
Expenditures								
Bank charges and interest	120	161	(41)	-25.41%	470	440	30	6.8%
Filing fees	9,559	9,987	(428)	-4.29%	22,343	20,979	1,364	6.5%
Management fees and salaries	15,000	5,000	10,000	200.00%	45,000	35,000	10,000	28.6%
Office and general	14,123	15,185	(1,062)	-6.99%	38,756	44,233	(5,477)	-12.4%
Professional fees	16,500	26,774	(10,274)	-38.37%	47,073	55,516	(8,443)	-15.2%
Rent and utilities	8,096	9,750	(1,654)	-16.96%	27,541	28,606	(1,065)	-3.7%
Travel and promotion	480	355	125	35.25%	2,920	3,513	(593)	-16.9%
Generative exploration	20,395	15,427	4,968	32.20%	53,463	46,303	7,160	15.5%
Total expenditures	84,274	82,639	1,635	1.98%	237,567	234,590	2,977	1.27%

For the three and nine months ended August 31, 2017, overall cash expenditures increased by 1.27% and 1.65% respectively from 2016.

Management fees increased year over year as the Company has had the liquidity to pay these fees.

Professional fees decreased by \$10,274, quarter-over-quarter. During Q3, fiscal 2016, the Company was working on a fairly complicated deal that resulted in extraordinary legal fees. The deal collapsed and was cancelled in September 2016.

Generative exploration increased in both the quarter and year to date as the company had more funds available for such work.

Management continues to hold the Company on what is essentially a care and maintenance programme that takes into account the need to maintain titles of Company's portfolio of mineral properties in good standing.

OUTSTANDING SHARE DATA

- AUTHORIZED SHARE CAPITAL**

Unlimited share capital with no par value.

As at October 17, 2017, the Company had the following common shares, stock options and warrants outstanding:

Common shares	141,881,300
Stock options	–
Warrants	19,752,000
Fully diluted shares outstanding	161,633,300

	Number of Shares	Share Capital
Balance, November 30, 2016	127,531,300	13,481,215
Adjust warrant value net of issue costs	–	(76,926)
April 5 private placement - flow through	900,000	45,000
Warrants issued	–	(20,700)
April 5 private placement - non-flow through	8,200,000	205,000
Warrants issued	–	(82,600)
May 23 private placement - flow through	1,750,000	87,500
Warrants issued	–	(43,700)
May 26 private placement - non-flow through	3,500,000	87,500
Warrants issued	–	(43,700)
May 26 Broker Warrants issued	–	(3,900)
Cash financing costs	–	(22,400)
Balance August 31 & October 17, 2017	141,881,300	13,612,289

STOCK OPTIONS AS AT OCTOBER 17, 2017

Grant Date	Number of Options	Weighted Average Exercise Price \$	Estimated Grant Date Fair Value \$
Balance, November 30, 2015	5,050,000	0.10	284,900
Expired – December 31, 2015	(1,000,000)	0.10	(30,000)
Expired – April 27, 2016	(200,000)	0.10	(17,000)
Expired – June 15, 2016	(1,575,000)	0.10	(128,700)
Expired – June 20, 2016	(2,275,000)	0.10	(109,200)
Balance, November 30, 2016	–		–
Issued August 2, 2017	13,050,000	0.05	261,000
Balance August 31, 2017	13,050,000	0.05	261,000

WARRANTS AS AT OCTOBER 17, 2017

The Company's warrant activity to October 17, 2017, is summarized as follows:

	Issued	Expiry Date	Exercise Price \$'s	Remaining Contractual Life (years)	Estimated Grant Date Fair Value \$
Balance November 30, 2016	13,210,000		0.05	0.5	129,700
Expired March 9, 2017	(4,560,000)				(27,700)
Expired May 11, 2017	(3,560,000)				(21,200)
Issued April 5, 2017	900,000	Apr 5, 2019	0.05	1.8	20,700
Issued April 5, 2017	8,200,000	Apr 5, 2019	0.05	1.8	82,600
Issued May 26, 2017	1,750,000	May 26, 2019	0.05	2.0	43,700
Issued May 26, 2017	3,500,000	May 26, 2019	0.05	2.0	43,700
Issued May 26, 2017	312,000	May 26, 2019	0.05	2.0	3,900
Expired August 17, 2017	(2,400,000)				(19,100)
Expired September 24, 2017	(1,180,000)				(29,500)
Balance October 17, 2017	17,352,000		0.05	1.8	245,900

CHANGES TO ACCOUNTING POLICIES

The Company has adopted certain accounting policies to be consistent with IFRS effective December 1, 2016. However, these changes to its accounting policies have not resulted in any significant change to the recognition and measurement of assets, liabilities, equity, revenue and expenses within its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

As at October 17, 2017, the Company has no off-balance sheet arrangements, nor any proposed transactions.

RELATED PARTY TRANSACTIONS AND BALANCES

RELATED PARTY BALANCES

Related party	Purpose	August 31, 2017		November 30, 2016	
		Amounts charged during the period \$	Amounts payable or accrued at period-end \$	Amount Charged during the year \$	Amounts payable or accrued at year-end \$
Corporation controlled by an officer	Filing fees	11,820	12,681	12,747	10,425
Accounting firm of which an officer of the Company is a partner	Professional fees	0	7,500	29,992	46,050
Corporation controlled by a director and significant shareholder	Management fees, Director	63,778	76,123	76,459	26,123
	Exploration	117,546	12,752	157,785	78,786
	Office, rent and general expenses	73,173	4,721	116,841	69,611
Totals		254,498	113,777	393,824	230,995

During the period ended August 31, 2017, the Company recorded director's fees of \$nil (2016 - \$nil).

The accounts payable and accrued liabilities to related parties are unsecured and non-interest bearing with no fixed terms of repayment (Note 8).

Key Management personnel compensation – The remuneration of directors and other members of management were as follows:

	August 31	
	2017 \$	2016 \$
Short term employee benefits	45,000	45,000
Totals	45,000	45,000

In accordance to IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the compensation committee having regard to the performance of individuals and market trends.

COMMITMENTS AND CONTINGENCIES

- **COMMITMENTS**

Consulting Agreement

The Company entered into an exploration management services agreement dated December 31, 2010 with M'Ore and the President and significant shareholder of M'Ore, who is an officer, director and shareholder of the Company. Pursuant to the agreement, M'Ore provides consulting and management services to the Company and incurs various administrative expenses, including administrative salaries and office and vehicle rentals on behalf of the Company. The term of the agreement is for a period of two years ended December 31, 2012 and can be renewed thereafter at the end of every 12 months. On August 31, 2017, the company has extended the term of agreement for a further term to December 31, 2017.

Once the agreement is renewed it is anticipated that the basic terms would be unchanged. This would result in management fees and salaries incurred by M'Ore being capped at \$200,000 per annum. Additional charges to the Company in prior years consisted of a lease with M'Ore whereby the Company would pay \$30,000, plus operating expenses, per annum for rental of office and storage space. The lease also specifies rates to be charged for the use of various equipment if utilized by the Company.

Contingencies

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

- **FLOW-THROUGH EXPENDITURES**

During the period ended August 31, 2017, the Company renounced Canadian exploration expenditures in the aggregate amount of \$nil (2016 -\$99,000) related to proceeds from the issuance of flow-through shares pursuant to the financings and has incurred these qualifying Canadian exploration expenditures as at August 31, 2017. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring and developing gold and base metal properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subjected to variations in commodity prices, market sentiment, exchange rates for currency, inflations and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

1. Financial risks

The Company's financial instruments consist of cash, marketable securities, amounts receivable, and accounts payable and accrued liabilities. The carrying values of cash, amounts receivable, and accounts payable and accrued liabilities approximate their estimated fair values due to the relatively short period to maturity of those financial instruments.

The Company is exposed to credit risk with respect to its cash and amounts receivable. Cash has been placed on deposit with a single Canadian, financial institutions. Credit risk arises from the non-performance of counterparties of contractual financial obligations. The Company manages credit risk, in respect of cash by purchasing term deposits held at a major Canadian financial institution.

Amounts receivable consist of amounts due from the Company's brokerage house, Financier Banque National. Management believes that the credit risk concentration with respect to these financial instruments is minimal.

The Company is not exposed to significant interest rate risk due to the short-term maturity of these monetary assets. Fluctuations in market rates do not have a significant impact on estimated fair values at August 31, 2017. Future cash flows from interest on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by investing in highly liquid investments with maturities of three months or less.

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates.

Other price risk is the risk that the estimated fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to significant other price risk.

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company's expected source of cash flow in the upcoming year will be through equity financings. The Company had working capital as at August 31, 2017 of \$51,977 (2016 – \$(207,356)).

Risk to the Company from its marketable securities is derived from two factors:

The Company's marketable securities as at August 31, 2017 consist of the following:

- 20,000 shares of Jaxon Minerals Inc. (2016 - 20,000 shares) with a quoted market value at August 31, 2017 of \$7,400 (2016 – \$1,500);
- 600,000 shares of Rockcliff Copper Corporation with a quoted market value at August 31, 2017 of \$54,000 (2016 –\$Nil);
- 1,000,000 shares by way of the Agreement Receivable with a quoted market value at August 31, 2017 of \$90,000 (2016 –\$Nil);
- 100,000 shares of Callinex Mines Inc. with a quoted market value as at August 31, 2017 of \$34,500 (2016 - \$Nil)

2. Going Concern

The Company's capability to continue as a going concern is dependent upon its ability to obtain additional debt or equity financing to meet its obligations as they come due. If the Company were unable to continue as a going concern, then significant adjustments would be required to the carrying value of assets and liabilities, and to the statements of financial position classifications currently used.

Copper Reef has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to other companies in the same business, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenues.

The Company plans to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

Management has maintained a strict cost control program to effectively control expenditures. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

The Company's expected source of cash flow for the upcoming year ended November 30, 2017 will be through equity financings.

The Company maintained cash at August 31, 2017 in the amount of \$130,709 (2016 – \$48,102), in order to meet short-term business requirements. At August 31, 2017, the Company had accounts payable and accrued liabilities of \$269,836, \$143,777 of which were due to related parties (2016 – \$262,519 – due to related \$139,087). All accounts payable and accrued liabilities are current.

3. Exploration and Mining Risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Company's properties have no known body of commercial ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are other risks involved in the operation of mines and the conduct of exploration programs. The Company has relied on and may continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold, copper and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The Company has no producing mines at this time. All of the properties in which the Company may earn an interest are at the exploration stage only. Most exploration projects do not result in the discovery of commercially mineable deposits of ore.

4. Development Risks

The marketability of any minerals which may be acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection.

5. Loss of Interest in and Value of Properties

The Company's ability to maintain its interests in its mineral properties and to fund ongoing exploration costs will be entirely dependent on its ability to raise additional funds by equity financings. If the Company is unable to raise such funds it may suffer dilution or loss of its interest in its mineral properties. The amounts attributed to the Company's interests in mineral properties in its financial statements represent acquisition and exploration costs, and should not be taken to reflect realizable value.

6. Financing Risks

The Company has no history of earnings and no source of operating cash flow and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its equity shares. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its property, there is no assurance that any such funds will be available. If available, future equity financings may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

7. Metal Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of ore are discovered, a profitable market may exist for the sale of minerals produced by the Company. Factors beyond the control of the Company may affect the marketability of any substances discovered. Mineral prices, in particular gold prices, have fluctuated widely in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Company. These other factors include government regulations relating to price, royalties, allowable production and importing and exporting of minerals.

8. Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

9. Environmental and Other Regulatory Requirements

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain

government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

10. No Assurance of Titles, Boundaries or Surface Rights

The Company has investigated rights of ownership of all of the mineral properties in which it has an interest and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties may be subject to prior claims or agreement transfers, and rights of ownership may be affected by undetected defects. While to the best of the Company's knowledge, title to all properties in which it has the right to acquire an interest is in good standing, this should not be construed as a guarantee of title. Other parties may dispute title to the mining properties in which the Company has the right to acquire an interest. The properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects or the statutes referred to above.

11. Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

12. Inability to Meet Cost Contribution Requirements

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may as a result, be subject to loss of its rights to acquire interests in the properties subject to such agreements.

13. Reliance on Key Personnel

The nature of the business of the Company, the ability of the Company to continue its exploration and development activities and to thereby develop a competitive edge in the marketplace depends, in a large part, on the ability of the Company to attract and maintain qualified key management personnel. Competition for such personnel is intense, and there can be no assurance that the Company will be able to attract and retain such personnel. The development of the Company now and in the future, will depend on the efforts of key management figures, the loss of whom could have a material adverse effect on the Company. The Company does not currently maintain key-man life insurance on any of the key management employees.

CONFLICTS OF INTEREST

Copper Reef's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which Copper Reef may participate, the directors and officers of Copper Reef may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, Copper Reef will follow the provisions of the *Business Corporations Act (BC)* ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of Copper Reef's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of Manitoba, the directors and officers of Copper Reef are required to act honestly, in good faith, and in the best interest of Copper Reef.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after December 1, 2016 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

1. IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

2. IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.
3. IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption is permitted.

Forward Looking Statements

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve 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 the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will

prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.