COPPER REEF
MINING CORPORATION

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED FEBRUARY 28, 2019

AND SUBSEQUENT PERIOD ENDED APRIL 17, 2019

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1. 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 February 28, 2019 constitutes management's view of the factors that affected the Company's financial and operating performance for the period ended February 28, 2019 and subsequent period ended April 17, 2019. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the period ended February 28, 2019. This MD&A is prepared in conformity with National Instrument 51-102 F1 and was approved by the Board of Directors on April 17, 2019.

All financial information is presented in Canadian dollars unless otherwise stated. All references to a year refer to the year ended on November 30, 2018. Additional information related to the Company is available for review on SEDAR at www.sedar.com.

2. 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.

3. STRUCTURE AND BUSINESS DESCRIPTION

a) 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 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.

b) 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.

c) LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2019 the Company had a working capital deficit of $193,031 as compared to a working capital deficit of $62,334 as at November 30, 2018. 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.

4. CORPORATE DEVELOPMENTS

a) FINANCINGS/PRIVATE PLACEMENTS

On March 22, 2019, the Company completed a non-brokered, private placement that realized $27,500 in flow through funds, $7,500 in non-flow-through funds and cash equivalent shares for debt of $78,000 for an aggregate working capital improvement of $113,000.

5. 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 February 28, 2019 and 2018.

A summary of major claim blocks and exploration expenditures for the periods endedFebruary 28, 2019 and 2018, including both capitalised and expensed expenditures is included overleaf:

	Total	Non Capitalised Expenditures	Total Capitalised Expenditures	Gold Rock Group	Alberts Lake Group	Mink Group	Smelter Group	Hanson Lake	Other Properties
Balance, November 30, 2017			**8,916,122**	**1,684,445**	**675,792**	**2,451,771**	**1,604,775**	**1,679,733**	**819,604**
Claim acquisition & holding	5,119	4,937	547			130	182	195	40
Assay	40	40	0						
Geological	16,465	0	16,465	9,090	7,375				
Field labour costs	47,407	12,294	34,550	11,500	23,050				
Other fields costs	9,529	3,705	6,022	140	5,581	301			
Total Q1 2018 expenditures	78,560	20,976	57,584	20,730	36,006	431	182	195	40
Balance, February 28, 2018			**8,973,706**	**1,705,175**	**711,798**	**2,452,202**	**1,604,957**	**1,679,928**	**819,644**
			0						
Claim acquisition & holding	3,898	2,281	1,252	1,252	0				
Assay	11,236	1,162	10,074	0	10,074	0	0	0	0
Geological	7,348	0	7,348	-517	7,865	0	0	0	0
Field labour costs	118,843	33,981	85,426	4,313	80,550	563	0	0	0
Other fields costs	23,224	10,603	12,423	192	12,066	165	0	0	0
Drilling									
Balance of 2018 expenditures	243,109	69,003	116,523	5,240	110,555	728	0	0	0
MEAP Rebates			-32,946	-30,097	-2,849				
Balance, November 30, 2018			**9,057,283**	**1,680,317**	**819,504**	**2,452,930**	**1,604,957**	**1,679,928**	**819,644**
Claim acquisition & holding		2,096	766	468	0	298			0
Assay		272	0		0	0			0
Geological		3,168	11,097		11,097	0			0
Field labour costs		28,777	8,900		8,900	0			0
Other fields costs		11,061	1,113		1,113	0			0
Drilling			0						
Total Q1 2019	0	45,374	21,876	468	21,110	298	0	0	0
Balance, February 28, 2018			9,079,159	1,680,785	840,614	2,453,228	1,604,957	1,679,928	819,644

6. EXPLORATION ACTIVITIES FOR THE PERIOD

QUARTER 1

On February 28, 2019, the Company announced the beginning of their base metal drilling north of Sourdough Bay in the main Flin Flon Camp of Northern Manitoba. The Company plans to drill initially 2 to 3 targets of 7 Airborne VTEM targets that occur just north of the former Pine Bay, Baker Patton and North Star Mines. The three being drilled occur as a cluster of four, possibly representing mineralization connected at depth (Ross Groom -VTEM Modelling Report's 2018 and 2019) over a combined strike length of 300 m. Individually targets vary from 80 to 150 m in strike length.

The target area lies along a felsic volcanic fragmental contact with mafic lapilli tuff-tuff breccias. The underlying felsic rocks are extremely altered with little or no calcium and sodium typical of extreme VMS alteration. The felsic volcanic rocks along this horizon as mapped to the north are "F3" rhyolite; considered productive rhyolites to host volcanogenic massive sulphide (VMS) mineralization. The target horizon was only observed in outcrop 2 km north of the main cluster where it is represented by a 10-12 m wide zone of gossanous pyritic cherty exhalite type sediments.

The most northern target of this cluster and the one which will be drilled first is the VTEM Anomaly Z2-4. It is considered an "A" class VTEM target intersected on two flight lines (an E-W line and a NNE flight line). The target was originally covered with Horizontal Loop EM (HLEM) ground geophysics in 1980 by Granges following up an Areodat Airborne Anomaly. The HLEM had 300 ft. spacing's between coils basically seeing as deep as half that spacing (150 ft. or 46 m). The HLEM survey produced a distinct well defined anomaly. A drill hole (DDH AM-1) into the anomaly return zinc and silver mineralization with minor copper; but all mainly stringer mineralization with no significant massive sulphide intercepts. The later airborne survey by VTEM indicated little mineralization in the top 100m but with a significant conductor at depth. Copper Reef will retest this anomaly which appears to consist of two plates: a shallow weaker conductor and a much stronger deeper conductor with a single hole AM-19-6. The weaker anomaly will be intersected 40 m below the previous drill intercept while the deep conductor is planned to be intercepted between 130 and 160 m down hole or 120 m vertically drilled at -62 degrees with a 270 azimuth. The conductors appear to be dipping steeply at -85 to the east.

VTEM Airborne Anomaly Z2-5 occurs 100 m south of Z2-4 and appears to be on strike. This is also a moderate anomaly near surface but with a deep conductor at depth. The VTEM Airborne conductor occurs in the middle of two E-W and two NNE flight lines, so its location is fairly well defined. This anomaly was also surveyed with HLEM at 300 foot spacing by Granges and produced a fairly good anomaly despite being beneath a swamp. Granges's attempt to drill (DDH AM-2) this conductor failed as the drill hole overshot the conductor due to depth of the cover (70 feet) causing them to miss the target. Z2-5 appears to be only represented by a single conductive plate which is weak near surface (down to 70 m) but quite strongly conductive at depth below 120 m vertically. Copper Reef's planned drill hole AM-19-7 is aimed to intersect this anomaly at 150 m vertically. There is some indication of conductors east of this plate but because they are deep; they are at the vertical limit of the VTEM survey data to properly access. The planned hole, however is set back far enough to cover most of the favourable stratigraphy. Diamond Drill Hole AM-19-7 will be drilled at -65 with an azimuth of 270 degrees. This conductor target also dips steeply (-85 degrees) to the east.

VTEM Airborne Anomaly Target Z3-1 occurs 200 m south of Target Z2-5. This is a moderate conductor but deep (>105 m) and not well represented by Granges's HLEM ground survey which barely saw the anomaly due to the depth and their short cable. Granges's attempt to drill (DDH AM-4) the target either stopped short or went above the conductor as little mineralization was encountered in the drill hole. Copper Reef's planned drill hole

AM-19-8 is planned to intersect the conductor at 175 m at a vertical depth of 125 m. The drill hole will be drilled a -45 degrees and at an azimuth of 300 degrees. Ross Groom likes this target the best because of its good conductance with depth and that it flanks a strong magnetic feature located between VTEM Airborne anomalies Z3-1 and Z3-2 both deep targets.

The Property is easily accessible via the North Star Mine Road off of old highway 10 south of Flin Flon. An existing main drill road (2 km) leads to the target areas where old subsidiary drill roads provide access to drill set ups. Work permits are in place. Ploughing of snow along these access roads and drill site preparation has begun. Ross Industries Ltd will be providing access to the sites and ensuring these activities are carried out safely and in accord with environmental laws and conditions of the work permit. Copper Reef is the only company carrying out exploration drilling in the main Mining Camp of Flin Flon of Manitoba where the Company has a large property package and many remaining high quality VMS and gold targets and deposits.

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.

7. 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).

a) SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended February 28, 2019:

	Q1 February 28, 2019	Q4 November 30, 2018	Q3 August 31, 2018	Q2 May 31, 2018
Operating (loss)/income	**(113,444)**	65,450	49,591	82,591
Realised/Unrealised gain on Securities & Other (*)	**(127,375)**	158,100	(36,700)	(23,800)
Net income/(loss) for the period	**(240,819)**	92,650	(86,291)	(106,391)
Net Income/(loss), fully diluted	**(240,819)**	116,650	(86,291)	(106,391)
Net loss per share, fully diluted	**(0.002)**	(0.001)	(0.001)	(0.001)
Weighted average shares outstanding	**154,646,300**	150,211,300	150,211,300	147,002,454

	Q1 February 28, 2018	Q4 November 30, 2017	Q3 August 31, 2017	Q2 May 31, 2017
Operating (loss)/income	86,292	17,483	(345,382)	(163,596)
Realised/Unrealised gain on Securities & Other (*)	(50,300)	(158,100)	71,400	11,000
Net (loss)/income for the period	(136,592)	(93,317)	(273,982)	(152,596)
Net (loss)/income, fully diluted	(136,592)	(93,317)	(273,982)	(152,596)
Net loss per share, fully diluted	(0.001)	(0.001)	(0.002)	(0.001)
Weighted average shares outstanding	141,881,300	141,881,300	141,881,300	133,526,952

(*) – Other includes where appropriate – Write-offs from abandoned properties and receipt of option payments

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

b) RESULTS OF OPERATIONS FOR THE 3 MONTHS ENDED FEBRUARY 28, 2019 AND 2018:

	2018 $	2017 $	Increase/ (decrease) $	Increase/ (decrease) %
Expenditures				
Bank charges and interest	**166**	102	64	63%
Filing fees	**5,802**	4,345	1,457	34%
Management fees and salaries	**15,000**	5,000	10,000	200%
Office and general	**13,746**	13,088	658	5%
Professional fees	**20,438**	15,317	5,121	33%
Rent and utilities	**11,236**	11,447	(211)	-2%
Travel and promotion	**1,682**	2,017	(335)	-17%
Generative exploration not capitalised	**45,374**	20,977	24,397	116%
	113,444	72,293	41,151	57%

Overall expenditures increased by $41,151 (57%) compared to fiscal 2018 primarily due to management fees professional fees ands Generative exploration.

Management fees increased $10,000 due to timing of charges. The Company has an agreement whereby M'Ore Exploration is entitled to charge $5,000 per month. M'Ore did not charge the full amount in Q1 fiscal 2018.

Professional fees increased by $5,121 (33%) primarily due to an increase in audit fees of $4,610, the first such increase in over five years.

Generative exploration increased by $24,397 (116%) as the company had the available funds to work on the ground.

8. OUTSTANDING SHARE DATA

a) AUTHORIZED SHARE CAPITAL

Unlimited share capital with no par value.

As at **APRIL 17, 2019**, the Company had the following common shares, stock options and warrants outstanding:

Common shares	154,646,300
Stock options (all vested)	14,050,000
Warrants	15,432,000
Fully diluted shares outstanding	**184,128,300**

Summary of common shares outstanding – APRIL 17, 2019

Balance November 30, 2018	**150,211,300**	**$13,875,415**
December 31, 2018 - Non Flow-Through	3,590,000	89,750
Fair value of warrants issued		(7,600)
December 31, 2018 - Flow-Through	845,000	42,250
Fair value of warrants issued		(21,500)
February 28,2019	**154,646,300**	**13,978,315**
March 22- 2019 – Non Flow-Through	400,000	7,500
Fair value of warrants issued		(2,400)
March 22- 2019 – Flow-Through	1,100,000	27,500
Fair value of warrants issued		(6,600)
March 22- 2019 – Non Flow-Through	3,120,000	78,000
Fair value of warrants issued		(18,700)
Balance APRIL 17, 2019	**159,266,300**	**14,063,615**

b) STOCK OPTIONS AS AT April 17, 2019

Grant Date	Number of Options	Weighted Average Exercise Price $	Estimated Grant Date Fair Value $
Balance, November 30, 2016	**–**		**–**
Issued August 2, 2017	13,050,000	0.05	261,000
Balance November 30, 2017	**13,050,000**	**0.05**	**261,000**
Issued January 17, 2018	**1,000,000**	**0.05**	**14,000**
Balance November 30, 2018 and April 17, 2019	**14,050,000**	**0.05**	**275,000**

c) WARRANTS AS AT APRIL 17, 2019

The Company's warrant activity to April 17, 2019, is summarized as follows:

Balance November 30, 2017	**16,572,000**		**0.05**	**230,900**
Expired March 9, 2018	(860,000)	n-a	n-a	(19,600)
Expired April 4, 2018	(8,200,000)	n-a	n-a	(82,600)
Expired May 11, 2017	(250,000)	n-a	n-a	)(2,800
Issued April 6, 2018	1,950,000	April 5, 2019	0.05	40,300
Issued April 6, 2018	6,380,000	April 5, 2020	0.05	15,500
Issued April 6, 2018	240,000	April 5, 2020	0.05	1,500
Expired August 24, 2018	(400,000)		0.05	(9,800)
Balance November 30, 2018	**15,432,000**			**173,400**
Issued December 31, 2018, Flow Through	845,000	Dec. 31, 2020	0.05	7,600
Issued December 31, 2018 Non Flow Through	3,590,000	Dec. 31, 2019	0.05	21,500
Balance February 28, 2019	**19,867,000**		**0.05**	**202,500**
Issued March 22, 2019 - non-flow through	400,000	Mar. 21 2021	0.05	2,400
Issued March 22, 2019 - flow through	1,100,000	Mar. 21 2020	0.05	6,600
Issued March 22, 2019 - shares for debt	3,120,000	Mar. 21 2020	0.05	18,700
Expired April 4, 2019 - Flow through	(900,000)	n-a	n-a	(20,700)
Expired April 4, 2019 - Broker Warrants	(400,000)	n-a	n-a	(4,100)
Expired April 5, 2019 - non-flow through	(1,950,000)	n-a	n-a	(40,300)
Balance April 17, 2019	**21,237,000**		**0.05**	**165,100**

9. 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.

10. OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

As at March 22, 2019, the Company has no off-balance sheet arrangements, nor any proposed transactions.

11. RELATED PARTY BALANCES

RELATED PARTY BALANCES

		November 30, 2018		November 30, 2018	
Related party	**Purpose**	**Amounts charged during the year $**	**Amounts payable or accrued at year-end $**	Amount Charged during the year $	Amounts payable/ accrued at year end $
Corporation controlled by an officer	Filing fees	**1,460**	**16,340**	6,185	16,807
Accounting firm of which an officer of the Company is a partner	Professional fees	**714**	**37,700**	8,987	41,587
Corporation controlled by a director and significant shareholder	Management fees, Director	**15,000**	**133,551**	54,805	122,013
	Exploration	**53,511**	**25,675**	197,978	19,359
	Office, rent and general expenses	**26,317**	**45,248**	85,045	40,578
Totals		**97,002**	**258,514**	353,000	240,343

During the period ended February 28, 2019, the Company recorded director's fees of $nil (2018 - $nil).

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

The remuneration of directors and other members of management for the three months ended February 28, 2019 and 2018, were as follows:

	2019	2018
Short term employee benefits	**15,000**	11,107
Share-based compensation	**–**	14,000
Totals	**15,000**	25,107

In accordance with 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.

All of the above transactions are in the normal course of business and are measured at the exchange amounts established and agreed to by the related parties.

12. COMMITMENTS AND CONTINGENCIES

a) 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 was for a period of two years ended December 31, 2012. This agreement has been extended to December 31, 2019 and has an automatic renewal each year unless either party submits 90 day's notice of termination..

The Agreement puts a cap on management fees and salaries incurred by M'Ore of $200,000 per annum. Additional charges to the Company consists of a lease with M'Ore whereby the Company pays $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.

b) FLOW-THROUGH EXPENDITURES

During the calendar year ended December 31, 2018 the Company renounced Canadian exploration expenditures in the aggregate amount of $97,500 (2017 – $132,500) related to proceeds from the issuance of flow-through shares pursuant to the financings described in Note 9(b)(i). The Company had incurred $95,819 of these qualifying Canadian exploration expenditures as at November 30, 2018. The remaining $1,681 in expenses were incurred during December, 2018. 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.

c) 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 November 30, 2018. 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 a working capital deficit at November 30, 2018 in the amount of $62,334 (2017 – surplus of $8,651). The company anticipates financings over the year, which further increases the Company's ability to meet short-term business requirements.

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

- The ability of the issuer to sustain itself financially; and
- The ability to monetize the securities of the issuer.

As at February 28, 2019 the Company held shares in the following public companies.

Jaxon Minerals Inc.	JAX
Rockcliff Metals Corp.	RCLF (1)
Callinex Mines Inc.	CNX

Activity in marketable securities is summarized as follows:

	February 28, 2019					November 30, 2018		
Securities issuer	**Number of shares November 30, 2018**	**Acquired/ (Sold) during period**	**Number of shares February 28, 2019**	**Value $**	**Unrealized gain/(loss) $**	Number of shares held	Value $	Unrealized gain/(loss) $
JAX	**20,000**	**–**	**20,000**	**1,700**	**300**	20,000	1,400	(3,700)
RCLF (1)	**533,333**	**(66,666)**	**466,667**	**56,000**	**(128,000)**	1,600,000	192,000	72,000
CNX	**100,000**	**–**	**100,000**	**9,500**	**500**	100,000	9,000	(21,000)
Total	**–**	**–**	**–**	**67,200**	**(127,200)**	–	202,400	47,300

(1) The shares of Rockcliff Metals Corp. were consolidated 3:1

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 is 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, 2019 will be through equity financings.

The Company maintained cash at November 30, 2018 in the amount of $37,719 (2018 – $43,811), in order to meet short-term business requirements. At February 28, 2019, the Company had accounts payable and accrued liabilities of $314,725, of which $258,514 were due to related parties (2018 – $351,540, of which $201,584 were due to related parties). All accounts payable and accrued liabilities are current.

Subsequent to February 28, 2019, the Company completed a private placement that raised an aggregate of $113,000 in flow through funds, non-flow through funds and shares for debt.

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.

d) 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.

e) FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after December 1, 2018 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.

- 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.

f) 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.