MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2019

AND SUBSEQUENT PERIOD ENDED MARCH 20, 2020

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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 November 30, 2019, constitutes management's view of the factors that affected the Company's financial and operating performance for the year ended November 30, 2019. and subsequent period ended March 20, 2020. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the year ended November 30, 2019. This MD&A is prepared in conformity with National Instrument 51-102 F1 and was approved by the Board of Directors on March 20, 2020.

All financial information is presented in Canadian dollars unless otherwise stated. All references to a year refer to the year ended on November 30, 2019. 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.

3. STRUCTURE AND BUSINESS DESCRIPTION (CONT'D)

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 November 30, 2019, the Company had a working capital surplus of $165,803 as compared to a working capital deficit of $62,336 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.

Subsequent to year end, the Company raised $1,000,000 in flow through funds and an additional $500,000 in working capital.

4. CORPORATE DEVELOPMENTS

a) FINANCINGS/PRIVATE PLACEMENTS

On December 31, 2018, the Company completed a non-brokered, private placement that realised $42,250 in flow through funds, and $89,750 in non-flow-through funds for an aggregate working capital improvement of $132,000.

On March 20, 2019, the Company completed a non-brokered, private placement that realised $55,000 in flow through funds, $10,000 in non-flow-through funds and cash equivalent shares for debt of $78,000 for an aggregate working capital improvement of $143,000.

On September 17, 2019, the Company announced the appointment of a directorship to Brent J. Peters. Mr. Peters is currently a director of Northfield Capital Corporation and Nighthawk Gold Corp.

The Company also announced the formation of an Advisory Board consisting of Robert D. Cudney, John D. Harvey and Edward Thompson. Mr. Thompson is currently a Copper Reef advisor.

Mr. Harvey graduated with a Bachelor of Science degree in Geology from the University of New Brunswick. He has served as President and Chief Executive Officer of Hemlo Gold Mines Inc. and also held the position of President of Noranda Exploration Company Limited. In 2009, he was the recipient of the Bill Dennis Award for discovery of the Ring of Fire in the James Bay Lowlands of Ontario.

Mr. Cudney is also a recipient of the Bill Dennis Award in 2016 for the discovery of the Gold Eagle Mine in Red Lake Ontario, which was subsequently sold to Goldcorp Inc. for $1.5 Billion. Mr. Cudney has extensive resource company experience serving on boards such as FNX Mining Company Inc. and as Chairman of Gold Eagle Mines Ltd. Mr. Cudney currently serves as President and CEO of Northfield Capital Corporation.

4. CORPORATE DEVELOPMENTS (CONT'D)

Edward Thompson is a dedicated supporter of mining industry causes and associations. Mr. Thompson contributed to the growth of Teck Corporation and Lacana Mining (since absorbed by Barrick Gold) and served on the boards of more than 50 junior exploration companies. He also played a leadership role in the expansion of the Prospectors and Developers Association of Canada (PDAC) into a globally respected institution and was a founding member of the Canadian Mining Hall of Fame. Mr. Thompson was inducted into the Mining Hall of Fame in 2018.

The Company also reports the resignation of Robert Granger, QC, long time Director and Chairman of Copper Reef as of September 9, 2019. Mr. Grainger served as a Director of Copper Reef since 2005. The board wishes to thank him for his years of service.

On September 18, 2019, the Company announced that it had increased its previously announced non-brokered private placement financing (the "Offering", see news releases dated June 6, 2019 and September 16, 2019) to raise up to a maximum of $700,000 through the sale of up to 35,000,000 class "A" units (the "Units") at a price of $0.02 per Unit. Each Unit shall be comprised of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share at an exercise price of $0.05 per share for a period of twelve (12) months from the date of issue of the Warrants.

On September 26, 2019, the Company announced its proposal to amend the Issuer's articles to effect a consolidation of the Issuer's issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for up to ten (10) pre-consolidation Common Shares of the Issuer, with each fractional post-consolidation Common Share resulting from the such consolidation being converted into a whole Common Share (the "Share Consolidation"), to be approved by a special (two-thirds) resolution of the shareholders (the "Special Resolution") at the annual meeting of the shareholders, scheduled for October 24, 2019 (the "Meeting"). The Share Consolidation has received the required regulatory approvals.

Notice of the Share Consolidation was provided to the Manitoba Securities Commission, as principal regulator, as well as the Ontario Securities Commission and the Canadian Depository for Securities Limited.

On October 7, 2019, the Company announced that it intended to amend the terms of all of its issued and outstanding warrants (including certain warrants yet to be issued as detailed below) on the basis hereinafter set out (the "Intended Amendments").

The Intended Amendments are summarized as follows:

- All issued and outstanding warrants, including those issued following completion of Tranche 1 of the financing announced September 18, 2019 and including the completion of Tranche 2 were to be re-priced at a post-consolidation price from $0.50 per warrant to $0.35 per warrant.
- The 359,000 (post-consolidation) warrants due to expire December 30, 2019 were extended to June 30, 2020. The Intended Amendments were carried out following the completion of the previously announced proposed consolidation of all of the issued and outstanding common shares in the capital stock of the Issuer to be considered at the Meeting and the closing of the $700,000 financing announced September 18, 2019.

All amendment to the terms of the Warrants were carried out in accordance with Canadian Securities Exchange ("CSE") policy, subject to any exemptions therefrom, which the CSE may grant to the Issuer.

4. CORPORATE DEVELOPMENTS (CONT'D)

On October 8 and 18, 2019, the Company closed (see news releases dated Sept. 18 and 26, 2019) a private placement through the issuance 3,500,000 class "A" units at a price of $0.20 per unit representing gross proceeds of $700,000.

All class A units consisted of, and separated immediately into, one common share of the Issuer and one share-purchase warrant, each entitling the holder to purchase one common share at a purchase price of $0.35 cents per warrant for a period of twelve (12) months following the date of issuance.

Directors of the Issuer participated for a total of $60,000 comprising 300,000 Units.

On October 29, 2019, the Company announced that The Special Resolution in respect of the Share Consolidation was passed by 99.83% of shareholders present or represented by proxy at the Meeting. In accordance with the discretion vested in them by the Special Resolution, the board of directors of the Issuer (the "Board") passed a resolution fixing the consolidation ratio for the Share Consolidation at one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "Consolidation Ratio").

The Board fixed November 15, 2019 (the "Record Date") as the record date for the Share Consolidation (i.e., the date on which it will be made effective). The Articles of Amendment in respect of the Issuer to carry out the Share Consolidation at the Consolidation Ratio were filed on the Record Date. Letters of Transmittal with respect to the Share Consolidation permitting shareholders of the Issuer to exchange their pre-consolidation share certificates for post-consolidation share certificates were mailed on November 11, 2019.

All other resolutions proposed to shareholders at the annual and special meeting of shareholders held on October 24, 2019, were duly passed.

The auditors for the Company, McGovern Hurley LLP were re-appointed for the ensuing year.

On November 7, 2019, the Company announced that a special resolution held at the Company's annual general meeting held October 24, 2019, approved the consolidation of all issued and outstanding shares, options and warrants on the basis of one new share, option or warrant, for ten old shares.

This resulted in the following change to the Company's capital structure as at November 30, 2019:

Pre-Consolidation			Post-Consolidation		
Shares	**Options**	**Warrants**	**Shares**	**Options**	**Warrants**
194,266,300	11,050,000	46,245,000	19,426,630	1,105,000	4,624,500

On November 19, 2019, the Company announced the re-pricing and extension of expiry date of warrants. The exercise price for all outstanding warrants was reduced from $0.50 to $0.35. The 359,000 post-consolidation warrants that were to expire December 30, 2019 were extended to June 30, 2020.

On January 30, 2020, the Company closed a private placement through the issuance of 2,083,334 flow-through units at a price of $0.48 per flow-through unit, representing proceeds of $1,000,000 and 1,666,667 class "A" units at a price of $0.30 per unit representing proceeds of $500,000 for an aggregate total raised of $1,500,000. The Company agreed to pay a finder's fee in respect of those purchasers under the Offering introduced to the Company by finders. Each finder received a cash commission equal to up to 5% of the gross proceeds received from purchasers under the Offering who were introduced to the Company by such finder (the "Finder's Fee"). The aggregate Finder's Fee payable in connection with the Offering totaled $19,250.

4. CORPORATE DEVELOPMENTS (CONT'D)

On February 7, 2020, the Company announced the grant of 875,000 stock options to certain directors, officers and consultants. The options were all granted for five years expiring February 7, 2025, with an exercise price of $0.40/option.

5. EVALUATION & EXPLORATION ASSETS – ACTIVITIES

The Company holds interests in mineral properties 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 capitalised expenditures allocated to individual major properties and summarized for minor properties is shown overleaf:

Please note, the Mink Narrows Group as well as 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.

We have included a summary of expenditures that have been expensed not capitalised to illustrate total mineral property costs for the years ended November 30, 2019 and 2018.

A summary of major claim blocks and exploration expenditures for the years ended November 30, 2019 and 2018, including both capitalised and expensed expenditures is included overleaf:

The following is a continuity schedule of the exploration expenditures allocated to individual major properties and summarized for minor properties:

	Total	Non Capitalised Expenditures	Total Capitalised Expenditures	Gold Rock Group	Alberts Lake Group	Bartley (Smelter) Group	Mink Narrows	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	$ 9,017	*$ 7,218*	1,799	1,252	–	130	182	195	40
Assay	11,276	*1,202*	10,074	–	10,074	–	–	–	–
Geological	23,813	–	23,813	8,573	15,240	–	–	–	–
Field labour costs	166,250	*46,275*	119,975	15,813	103,600	563	–	–	–
Other fields costs	32,753	*14,308*	18,445	332	17,647	466	–	–	–
Total 2018 expenditures	$ 243,109	*$ 69,003*	174,107	$ 25,969	$ 146,561	$ 1,159	$ 182	$ 195	$ 40
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**	**$1,679,928**	**$ 819,647**
Claim acquisition & holding	$ 40,768	*$ 30,107*	10,661	1,200	1,291	–	1,013	–	7,157
Assay	9,324	*3,691*	5,634	–	4,691	–	–	–	943
Geological	36,741	*6,680*	30,061	–	30,061	–	–	–	–
Field labour costs	123,055	*32,555*	90,499	563	81,125	–	1,688	3,563	3,560
Other fields costs	40,706	*14,170*	26,536	–	22,612	–	–	–	3,924
Drilling	71,778	–	71,778	–	71,778	–	–	–	–
Total, 2019 expenditures	**$ 322,372**	***$ 87,203***	**$ 235,169**	**$ 1,763**	**$ 211,558**	**$ –**	**$ 2,701**	**$ 3,563**	**$ 15,584**
Write-down of properties	**–**	**–**	**(267,572)**	**–**	**–**	**–**	**–**	**–**	**(267,572)**
Balance November 30, 2019			**$ 9,024,880**	**$1,682,080**	**$1,031,062**	**$2,452,930**	**$1,607,658**	**$1,683,491**	**$ 567,659**

5. EVALUATION AND EXPLORATION ASSETS - ACTIVITIES (CONT'D)

a) QUARTER 1 – DECEMBER 1, 2018 TO FEBRUARY 28, 2019

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's plans were to initially drill two to three targets from seven 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.

b) QUARTER 2 – MARCH 1 TO MAY 31, 2019

On April 24, 2019, the Company issued a news release reporting on its drilling programme on its Amulet, Flin Flon Main Camp property.

Three VTEM targets Z2-4, Z2-5 and Z3-1 were all intersected with a single drill hole in each anomaly. All drill holes AM-19-6 to 8 intersected disseminated to semi massive pyrite and pyrrhotite mineralization with trace to minor zinc and copper mineralization associated with chert horizons. Grades up to 1.8% zinc and 7.8 g/t silver were intersected over narrow widths of 0.13 m to 1 m within wider zones of mineralization.

c) QUARTER 3 – JUNE 1 TO AUGUST 31, 2019

On June 3, 2019, the Company announced its plans to shift part of its focus on exploration to its 100% owned Hanson Lake property next to and on strike with Foran Mining Corporation's ("Foran") McIlvenna deposit just two Kms to the north. Copper Reef's property is surrounded by Foran's Hanson Lake property over which, Copper Reef holds a Net Tonnage Royalty ("NTR") of $0.75 per tonne of ore mined from the property. Foran Mining has announced in a Press Release on May 25, 2019 a new resource on the McIlvenna Deposit of:

- Indicated resources increase by 65%, to 22.95 million tonnes
- Additional inferred resources of 11.15 million tonnes
- Contained metals (indicated): 1.5 billion lbs Zn / 590 million lbs Cu
- Contained metals (inferred): 450 million lbs Zn / 340 million lbs Cu

MANITOBA EXPLORATION

Copper Reef has completed mapping and prospecting on the Lew and Alberts Properties in the main Flin Flon Camp of Manitoba, north of where the Company carried out a drill program this past winter (see press release dated April 24, 2019). Most of the work was in the form of detailed sampling and ground investigation of untested VTEM Airborne targets and mapping. In addition a Mobile Betal Ion ("MMI") soil sampling survey has been completed over a parallel structure to the Alberts Lake Gold deposit. MMI samples were also collected over the Alberts South gold zone mapped and prospected this summer where samples ranging up to ten g/t gold were collected. MMI samples were collected over seven lines of the Alberts Lake Gold Deposit for comparison. 188 MMI samples were collected in total. As most of the flanking structure lies beneath swamp similar to Alberts Gold Deposit, the MMI will be used to target along the one km long flanking structure for drilling.

5. EVALUATION AND EXPLORATION ASSETS - ACTIVITIES (CONT'D)

d) QUARTER 4 – SEPTEMBER 1 TO NOVEMBER 30, 2019

The Company issued no news releases relating to its exploration programmes due to the concentration on the strategic alliance with Northfield Capital Corp., the $700,000 financing, share consolidation and warrant re-pricing and extension.

SUBSEQUENT EVENTS

e) DECEMBER 1, 2019 TO MARCH 20, 2020

On January 23, 2020, the Company announced the beginning of a 4,300 metre diamond drill program in the Flin Flon Camp of Manitoba and Saskatchewan. The Company will start with a 630 metre program consisting of five drill holes at its 100% owned Hanson Lake Property in Saskatchewan where Copper Reef has two horizons each at 2.5 kilometres strike length. This is expected to be followed by a $1,000,000 exploration program which will include approximately 3,670 metres in the main Flin Flon Camp of Manitoba. The drill program in Manitoba, anticipated to commence this month and be completed by the end of March, will target five separate target areas along existing mine horizons. Three of these targets are newly interpreted, located along key horizons and, according to Copper Reef records, are undrilled. The Company will outline the Manitoba targets in further detail in future press releases.

The drill program, which started January 23, 2020, will concentrate on the 2.5 kilometre long Hanson Lake Mine horizon, which realised limited production but high metal grades over a development outline of 420 metre strike length by 140 metre depth (below bedrock surface). The mine was operated by Western Nuclear Mines between 1967 and 1969, produced 147,000 tonnes containing 10% Zn, 5.8% Pb, 0.5% Cu and 137.0 g/t Ag. Although gold was noted, it appears to have not been recovered. Of interest, there is no evidence of drilling below 200 metres depth from bedrock surface. This leaves the mine horizon wide open for depth, plunge and strike exploration.

In 2008, Copper Reef flew a deep penetrating VTEM airborne survey over the property, which showed that the Hanson Lake deposit extended significantly southward (700 metres) beyond the mined area. In 1986, SMDC completed a drill hole south of the mine that intersected 21.9% Zn, 1.6% Cu, 10.1% Pb and 28oz/t Ag (960g/t Ag) and 0.89 oz/t Au (30.51 g/t Au) over 1.2 metres at a shallow depth, in bedrock. This high-grade intersection was not followed up with further drilling. Copper Reef intends to step back 20 metres and re-test this horizon at the 45 and 100-metre levels and again from a separate set up 50 metres south along strike of the first setup at similar depths. Copper Reef will then step back and drill the horizon with a fifth drill hole at the 200 metre level.

Copper Reef's 100% owned Hanson Lake Property lies on strike to the north of Foran Mining Corporation's ("Foran") large McIlvenna deposit, which presently has greater than 22 million tonnes indicated and 11 million tonnes inferred of copper-zinc-silver mineralization. The McIlvenna property remains completely open to depth. The McIlvenna Royalty, according to Foran's projected mining rate, would net Copper Reef approximately $1.6 million per year. Copper Reef also owns a 2% net smelter return royalty on Foran's Bigstone copper deposit, as well as the Balsam Cu-Zn deposit in the same Hanson Lake volcanic center of the Flin Flon Belt.

5. EVALUATION AND EXPLORATION ASSETS - ACTIVITIES (CONT'D)

FORAN NEWS RELEASE

On March 12, 2020, Foran issued a news release, which included full details on the positive pre-feasibility study recently received on its McIlvenna Bay property over which, Copper Reef owns a $0.75 per tonne net tonnage royalty on this deposit and on any other ore found on the property (the "McIlvenna Royalty").

The report findings are summarized as follows:

Pre-tax $219 million Net Present

Vvalue of 5% and 23.4% Internal Rate of Return

- After-tax $147 million NPV7.5% and 19.2% IRR
- Based on 3 year trailing average metal prices

Capital expenditures: $261 million pre-production (including $30 million contingency)

- Probable Mineral Reserve: 11.34 million tonnes @ US$100/t NSR (see Table 4)
- Contained within Indicated Resources of 22.95 million tonnes @US$60/t NSR (see Table 6)

Zinc and Copper Production

- Average Annual: 89.2 million lbs zinc, 27.9 million lbs copper
- Cash Cost (net of by product credits) – US$0.41/lb zinc OR US$0.44/lb copper

Next Steps

- Advance to feasibility
- Discussions with potential partners for development

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.

6. 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.

a) SELECTED ANNUAL INFORMATION

The following are highlights of financial data on the Company for the three most recently completed financial years:

		2019		2018		2017
(Loss) for the year (1)	$	(585,264)	$	(212,624)	$	(539,507)
(Loss) per common share, basic and diluted		(0.036)		(0.002)		(0.004)
Weighted Average number of common shares		16,206,633		14,731,292		13,623,719
Statement of Financial Position Data						
Working capital surplus/(deficit)		165,803		(62,363)		(8,651)
Total assets	$	9,336,470	$	9,283,495	$	9,395,337

(1) - Includes a gain/(loss), (both realised and unrealised) on marketable securities of ($140,041), (2018 - $47,300) .

b) 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-realised gains/(losses) with marketable securities, and option payments by third parties (cash and shares).

6. RESULTS OF OPERATIONS (CONT'D)

c) SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended November 30, 2019:

	Q4 November 30, 2019	Q3 August 31, 2019	Q2 May 31, 2019	Q1 February 28, 2019
Operating (loss)/income	**$ (139,108)**	$ (89,565)	$ (29,534)	$ (113,444)
Write-down of properties	**(267,572)**	–	–	–
Realised/unrealised gain on securities	**(100)**	(1,846)	(10,720)	(127,375)
Net income/(loss) for the period	**$ (406,780)**	$ (91,411)	$ (40,254)	$ (240,819)
Deferred Taxes	**194,000**	–	–	–
Net income/(loss), fully diluted	**$ (212,780)**	$ (91,411)	$ (40,254)	$ (240,819)
Net loss per share, fully diluted	**$ (0.023)**	$ (0.006)	$ (0.003)	$ (0.016)
Weighted average shares outstanding	**17,744,565**	15,926,630	15,816,517	15,464,630

	Q4 November 30, 2018	Q3 August 31, 2018	Q2 May 31, 2018	Q1 February 28, 2018
Operating (loss)/income	$ (65,450)	$ (49,591)	$ (82,591)	$ (86,292)
Realised/unrealised gain on securities	158,100	(36,700)	(23,800)	(50,300)
Net (loss)/income for the period	$ 92,650	$ (86,291)	$ (106,391)	$ (136,592)
Deferred taxes	24,000	–	–	–
Net (loss)/income, fully diluted	$ 116,650	$ (86,291)	$ (106,391)	$ (136,592)
Net loss per share, fully diluted	$ 0.008	$ (0.006)	$ (0.007)	$ (0.010)
Weighted average shares outstanding	15,021,130	15,021,130	14,700,245	14,188,130

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

6. RESULTS OF OPERATIONS (CONT'D)

d) RESULTS OF OPERATIONS FOR THE YEARS ENDED NOVEMBER 30, 2019 AND 2018:

	2019	2018	Increase/ (decrease	Increase/ (decrease
Expenditures				
Bank charges and interest	**$ 2,396**	$ 714	$ 1,683	236%
Filing fees	**39,422**	21,726	17,696	81%
Management fees and salaries	**75,000**	43,200	31,800	74%
Office and general	**54,508**	36,105	18,403	51%
Professional fees	**67,450**	53,622	13,828	26%
Rent and utilities	**41,216**	42,188	(972)	(2%)
Travel and promotion	**4,456**	3,366	1,090	32%
Exploration, not capitalised	**87,203**	69,003	18,200	26%
Total expenditures	**$ 371,651**	$ 269,924	$ 101,728	38%

Overall expenditures increased by $101,729 (38%).

Filing fees increased by $17,696 (81%) due to work involved with the October financing, consolidation and warrant repricing/extension.

Management fees increased by $31,800 (74%) due to an increase being paid to the President.

Office and general expenses increased by $18,403 (51%) due to increased costs relating to the capital restructuring.

Professional fees expenses increased by $13,828 (26%) due to costs involved with the October financing, consolidation and warrant re-pricing/extension.

Travel and promotional expenses increased due to activity related to the October financing, consolidation and warrant repricing/extension.

Non-capitalised exploration expenditures increased by $18,200 (26%) as funds became available.

7. OUTSTANDING SHARE DATA

a) AUTHORIZED SHARE CAPITAL – unlimited share value with no par value

All share, option and warrant information has been adjusted to reflect the consolidation.

As at March 20, 2020, the Company had the following common shares, stock options and warrants outstanding:

Common shares	23,176,631
Stock options (all vested)	1,980,000
Warrants	4,624,500
Fully diluted shares outstanding	**29,781,131**

Summary of common shares outstanding – March 20, 2020

Balance November 30, 2017	**14,188,130**	**$ 13,685,115**
April 6, 2018, private placement, non-flow through	833,000	257,000
Fair value of warrants issued	–	(57,300)
Cash finder's fee	–	(9,400)
Balance November 30, 2018	**15,021,130**	**$ 13,875,415**
December 31, 2018	443,500	132,000
Fair value of warrants issued		(29,100)
March 22, 2019	462,000	143,000
Fair value of warrants issued		(27,700)
October 8, 2019	3,500,000	700,000
Fair value of warrants issued		(218,768)
Balance November 30, 2019	**19,426,630**	**$ 14,574,847**
January 30, 2020 – flow-through	3,750,001	1,500,000
January 30, 2020 – finder's fee	–	(19,250)
Balance March 20, 2020	**23,176,631**	**$ 16,055,597**

b) STOCK OPTIONS AS AT MARCH 20, 2020

Grant Date	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Estimated Grant Date Fair Value
Balance Nov. 30, 2018	1,405,000	$ 0.50	4.2	$ 275,000
Cancelled Nov. 30, 2019	(300,000)	–	–	(60,000)
Balance Nov. 30, 2019,	**1,105,000**	**$ 0.50**	**2.7**	**$ 215,000**
Issued February 7, 2020	**875,000**	**$ 0.40**	**4.9**	**130,375**
Balance March 20, 2020	**1,980,000**	**$ 0.46**	**3.9**	**$ 345,375**

7. OUTSTANDING SHARE DATA (CONT'D)

c) WARRANTS AS AT MARCH 20, 2020

Date of issue	Issued	Expiry Date	Exercise Price	Estimated Grant Date Fair Value	Years to expiry
Apr. 6, 2018	219,000	Apr. 5, 2020	$ 0.35	$ 41,800	0.3
Dec. 31, 2018	84,500	Dec. 31, 2020	0.35	7,600	1.1
Dec. 31, 2018	359,000	Jun. 30, 2020	0.35	21,500	0.6
Mar. 22, 2019	40,000	Mar. 21 2021	0.35	2,400	1.3
Mar. 22, 2019	422,000	Mar. 21 2020	0.35	25,300	0.3
Oct. 8, 2019	1,675,000	Oct. 7, 2020	0.35	104,688	0.9
Oct. 18, 2019	1,825,000	Oct. 17, 2020	0.35	114,080	0.9
Balance Nov. 30, 2019	**4,624,500**		**$ 0.35**	**$ 317,368**	**0.8**

The Company's warrant activity to March 20, 2020, is summarized as follows:

Dates	Issued	Expiry Date	Exercise Prices	Estimated Grant Date Fair
Balance Nov. 30, 2017	**1,657,200**	**–**	**$ 0.35**	**$ 230,900**
Mar. 9, 2018	(86,000)	–	–	(19,600)
Apr. 4, 2018	(820,000)	–	–	(82,600)
May 11, 2017	(25,000)	–	–	(2,800)
Apr. 6, 2018	195,000	Apr. 5, 2019	0.35	40,300
Apr. 6, 2018	662,000	Apr. 5, 2020	0.35	17,000
Aug. 24, 2018	(40,000)	–	0.35	(9,800)
Balance Nov. 30, 2018	**1,543,200**		**$ 0.35**	**$ 173,400**
Dec. 31, 2018	84,500	Dec. 31,2020	0.35	7,600
Dec. 31, 2018	359,000	Jun. 30, 2020	0.35	21,500
Mar. 22, 2019	40,000	Mar. 21, 2021	0.35	2,400
Mar. 22, 2019	422,000	Mar. 21, 2020	0.35	25,300
Apr. 4, 2019	(130,000)	–	0.35	(24,800)
Apr. 6, 2019	(638,000)	–	0.35	(15,500)
May 26, 2019	(525,000)	–	0.35	(87,400)
May 27, 2019	(31,200)	–	0.35	(3,900)
Oct. 8, 2019	1,675,000	Oct. 7, 2020	0.35	104,688
Oct. 18, 2019	1,825,000	Oct. 17, 2020	0.35	114,080
Balance Nov. 30, 2019	**4,624,500**		**$ 0.35**	**$ 317,368**

8. CHANGES TO ACCOUNTING POLICIES

The Company has adopted certain accounting policies to be consistent with IFRS effective December 1, 2018. 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.

9. OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

As at March 20, 2020, the Company has no off-balance sheet arrangements, nor any proposed transactions.

10. RELATED PARTY BALANCES

a) RELATED PARTY BALANCES

		November 30, 2019		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	**$ 9,848**	**$ –**	$ 6,185	$ 16,806
Accounting firm of which an officer of the Company is a partner	Professional fees	**14,844**	**5,594**	8,987	41,587
Corporation controlled by a director and significant shareholder	Management fees, Director	**93,805**	**97,250**	54,805	122,013
	Exploration	**190,820**	**–**	197,978	19,359
	Office, rent and general expenses	**98,380**	**–**	85,045	40,578
Totals		**$407,697**	**$102,844**	$353,000	$240,343

During the year ended November 30, 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 .

10 RELATED PARTY BALANCES (CONT'D)

b) KEY MANAGEMENT PERSONNEL COMPENSATION

The remuneration of directors and other members of management were as follows:

	November 30, 2019	November 30, 2018
Short term employee benefits	$ 93,805	$ 54,805
Share based compensation	–	14,000
Totals	$ 93,805	$ 68,805

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.

11. COMMITMENTS AND CONTINGENCIES

a) COMMITMENTS

CONSULTING AGREEMENT

The Company entered into an exploration management services agreement dated December 31, 2010, with M'Ore Exploration Services Ltd. ("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, and has been subsequently amended to automatically renew every year unless prior notice is provided by either party no later than 90 days prior to the end of the calendar year. This agreement has been automatically extended to December 31, 2020.

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 items of equipment if and when 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.

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

b) FLOW-THROUGH EXPENDITURES

During the year ended November 30, 2019, all flow through renunciation commitments were met.

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 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 GST refunds.

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, 2019. 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 surplus at November 30, 2019 in the amount of $165,803 (2018 – ($62,336)). On January 30, 2020, the Company closed a $1,500,000 financing comprised of $1,000,000 flow through and $500,000 working capital.

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

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.

The Company's marketable securities as at November 30, 2019, consisted of 10,000 shares of Jaxon Mining Ltd., with a value of $800 .

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, 2019, in the amount of $303,185 (2018 – $13,960), in order to meet short-term business requirements. At November 30, 2019, the Company had accounts payable and accrued liabilities of $145,787, of which $102,844 were due to related parties (2018 – $288,546, of which $240,343 were due to related parties). All accounts payable and accrued liabilities within terms with the vendor.

On January 30, 2020, the Company completed a private placement financing that resulted in $1,000,000 in flow through funds and $500,000 in non-flow-through funds being added to working capital.

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

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

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

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. 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.

8. 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.

9. 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.

10. 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.

11. 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.

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

12. 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 life insurance on any of the key management employees.

d) CORONAVIRUS (COVID-19) AND HEALTH CRISES

The current outbreak of novel Coronavirus (COVID-19) and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, and the ability to explore the Company's properties. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. The outbreak is causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations and the ability of the Company to advance its projects. In particular, if any employees or consultants of the Company become infected with Coronavirus or similar pathogens and/or the Company is unable to source necessary consumables or supplies, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its exploration programs. The situation is dynamic and changing day-to-day. The Company is exploring several options to deal with any repercussions that may occur as a result of the COVID-19 outbreak.

e) 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

11. COMMITMENTS AND CONTINGENCIES – CONFLICTS OF INTEREST (CONT'D)

directors and officers of Copper Reef are required to act honestly, in good faith, and in the best interest of Copper Reef.

f) 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.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October, 2018, to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

IFRS 3 – Business Combinations ("IFRS 3") was amended in October 2018, to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive and the inputs and process must together significantly contribute to operating outputs. In addition, it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

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.

11. COMMITMENTS AND CONTINGENCIES (CONT'D)

g) 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.