

MANAGEMENT INFORMATION CIRCULAR

This Information Circular is being mailed by the management of Copper Reef Mining Corporation. (“Copper Reef” or the “Corporation”) to everyone who was a shareholder of record of Copper Reef on September 20, 2012, which is the date that has been fixed by the directors of Copper Reef as the record date to determine the shareholders who are entitled to receive notice of the meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual and special meeting of the shareholders of Copper Reef that is to be held on Thursday, October 25, 2012 at 4:00 p.m. (CST) at 12 Mitchell Road, Flin Flon, Manitoba. The solicitation of proxies will be primarily by mail. Certain employees or directors of Copper Reef may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Copper Reef.

Under our By-laws, at least two shareholders who between them hold or represent at least 5% of the shares entitled to vote at the meeting must be present in person or represented by proxy at the meeting before any action may validly be taken. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

PART 1 – VOTING

HOW A VOTE IS PASSED

All of the matters that will come to a vote at the meeting as described in the attached Notice of Meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

WHO CAN VOTE?

If you are a registered shareholder of Copper Reef on September 20, 2012, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder, but do not wish to or cannot attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy”). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING BY PROXY

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return a completed form of proxy by 4:00 p.m. (CST) on Tuesday, October 23, 2012, to our transfer agent, Equity Financial Trust Company, Proxy Department, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 (facsimile: 416-595-9593).

What is a proxy?

A form of proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a proxyholder

You can choose any person to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person’s name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are Stephen L. Masson, President and Chief Executive Officer and David Kennedy, a Director of Copper Reef.

Instructing your proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the appointment of McGovern, Hurley, Cunningham LLP, as the auditor of Copper Reef and to authorize the directors to fix the auditor's remuneration;**
- ✓ **FOR fixing the number of directors at seven (7)**

For more information about these matters, see Part 3 – The Business of the Meeting. **The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting.** At the time of printing this Information Circular, the management of Copper Reef is not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the registered office of Copper Reef at Taylor McCaffrey LLP, Suite 900-400 St. Mary Avenue, Winnipeg, MB R3C 4K5, Telephone 204-988-0440, Facsimile 204-953-7205 ; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. (CST time) on the last business day before the day of the meeting, or any adjournment thereof, or delivered to the person presiding at the meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the meeting in person.

NON-REGISTERED SHAREHOLDERS

If your shares are not registered in your own name, they will be held in the name of a “nominee,” usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares.

Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders' meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, Copper Reef's transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the meeting in person. Please register with our transfer agent, Equity Financial Trust Company., upon arrival at the meeting.

The Notice of Meeting and this Information Circular, are being sent to both registered and non-registered owners of our common shares. If you are a non-registered owner and we have sent these

materials to you directly, your name and address and information about your holdings of common shares of Copper Reef have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Copper Reef (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions form.

Distribution to NOBOs

This section is included as the Company uses a mail house instead of Broadridge to forward management proxy material to non-objecting holders (brokerage accounts).

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, "Communication with Beneficial Owners of Securities of a Reporting Issuer" ("NI-54-101"), the Corporation will have caused its agent to distribute copies of the Notice and this management information circular (collectively, the "meeting materials") as well as a proxy directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner ("Non-Objecting Beneficial Owner" or "NOBO").

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for proxy enclosed with mailings to NOBOs.

The meeting materials distributed by the Corporation's agent to NOBOs include a proxy. Please carefully review the instructions on the proxy for completion and deposit.

Distribution to OBOs

In addition, the Corporation will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Shareholders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner ("Objecting Beneficial Owner" or "OBO"). Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

1. be given a form of proxy which has already been signed by the intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with Equity Financial Trust Company in the manner set out above in this management information circular, with respect to the Common Shares beneficially owned by such OBO; OR
2. more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a "Voting Instruction Form") which the Intermediary must follow. Typically, the Voting Instruction Form will consist of a one page pre-printed form. The purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or voting instruction form is to be delivered.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Copper Reef has authorized voting share capital of an unlimited number of common shares without nominal or par value. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on September 20, 2012, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the meeting.

At the close of business on September 20, 2012, 106,821,300 common shares in the capital of Copper Reef were outstanding. CDS & Co. holds 79,540,730 or 74.46% (holders unknown). Directors own 17,354,181 common shares (directly and indirectly) or 16.24% of the issued and outstanding capital. Stephen L. Masson owns (directly and indirect) 13.14% of the common shares of the Company

PART 3 - THE BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

The audited consolidated financial statements of Copper Reef for the financial years ended November 30, 2011 and November 30, 2010 will be placed before you at the meeting. The annual financial statements and Management's Discussion and Analysis have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

ELECTION OF DIRECTORS

Under our Articles, the number of directors shall be a minimum of three and a maximum of fifteen. Directors of Copper Reef are elected for a term of one year. The term of office of each of the seven current directors, each a nominee proposed for re-election as a director at the meeting, will expire at the meeting, and each of them, if re-elected, will serve until the close of the next annual meeting, unless he resigns or otherwise vacates office before that time.

Nominees for Election

The following are the nominees proposed for election as directors of Copper Reef, together with the number of common shares beneficially owned, directly or indirectly, or over which control or direction is exercised, and the number of stock options held by each nominee as of the record date for the meeting to which this Circular relates. All of the nominees are currently directors and have agreed to stand for re-election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Name and place of residence	Principal occupation	Director since	Number of common shares ⁽¹⁾	Number of options
Robert N. Granger ⁽²⁾ Q.C., Chairman and Director Ontario	Chairman of The Grange of Prince Edward Inc. an Estate Winery, Chairman of Harricana River Mining Corporation	December 12, 2005	1,025,000 200,000 ⁽⁵⁾	500,000
Stephen L. Masson , President & C.E.O. Manitoba	Professional Geoscientist, President of M'Ore Exploration Services Ltd.	September 5, 2008	1,069,316 ⁽⁴⁾ 6,190,500 ⁽⁴⁾ 6,177,865 ⁽⁴⁾ 603,000 ⁽⁴⁾	1,000,000
Gregory Campbell ⁽³⁾ Director Ontario	Geologist, M.Sc. Independent	April 28, 2011	8,000	250,000
David S. Kennedy ⁽²⁾⁽³⁾ Director Manitoba	Private Businessman, previously a Geologist	August 29, 2006	230,000	450,000
Edward G. Thompson Director	Consulting Geologist, President of E.G. Thompson Mining Consultants Inc. Toronto	August 29, 2006	646,000	450,000
William J. Phillips ⁽²⁾ Director Ontario	President, Woodlore International Inc.	August 22, 2007	1,104,500	350,000

Name and place of residence	Principal occupation	Director since	Number of common shares ⁽¹⁾	Number of options
Harry Barr, Director British Columbia	Businessman President, CEO, Chairman and Director of Pacific North West Capital Corp. Director of El Nino Ventures Inc. Chairman & Acting CEO (2009-present); Director (1999–2007); Agoracom Investor Relations Corp, Director, Nex Gen Metals Inc., President, CFO and Director..	June 2, 2011	100,000	500,000

- (1) The information as to shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of management of Copper Reef, has been furnished by the respective individual or has been extracted from insider reports filed by the individual and publicly available through the Internet at the web site for the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.
- (2) Member of Audit Committee of the Board of Directors (see Part 6 – Audit Committee) and Member of the Compensation Committee of the Board of Directors (see Part 4 – Executive Compensation – Compensation Discussion and Analysis and Part 7 – Corporate Governance – Committees of the Board of Directors).
- (3) Member of Corporate Governance, Compensation and Nominating Committees
- (4) Stephen L. Masson’s direct and indirect holdings are: 1,069,316 held personally, 603,000 in an RRSP account, 6,177,865 held by M’Ore Exploration Services Ltd. and 6,190,500 held by 4058667 Manitoba Ltd.
- (5) Robert N. Granger’s direct and indirect holdings are 1,025,000 held personally and 200,000 held in Robert N. Granger Management Services Inc.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the seven nominees as directors of Copper Reef for the ensuing year.

APPOINTMENT OF THE AUDITOR

During the financial year ended November 30, 2011, McGovern, Hurley, Cunningham LLP, served as auditor of Copper Reef See Part 6 – Audit Committee – External Auditor Service Fees.

Copper Reef’s management recommends that shareholders vote in favour of the appointment of McGovern, Hurley, Cunningham, LLP, Chartered Accountants, as Copper Reef’s auditor for the ensuing year and that shareholders grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of McGovern, Hurley, Cunningham LLP, as our auditor until the close of our next annual meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to determine the auditor’s remuneration.**

STOCK OPTION PLAN

CNSX (the “Exchange”) policy does not require approval for rolling stock option plans, which set the number of shares issuable under the plan at 10% of the issued and outstanding shares from time to time.

Although approval is not required, as a courtesy to shareholders we are providing details of the stock option plan as follows: the aggregate number of common shares reserved for issuance under the Stock Option Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Copper Reef from time to time may will not exceed in aggregate 10% of Copper Reef’s common shares issued and outstanding at the time of grant. The term of any options granted under the Stock Option Plan will be fixed by the Board of Directors and may not exceed five years. The exercise price of options granted under the Stock Option Plan will be determined by the Board of Directors,

Any options granted pursuant to the Stock Option Plan will terminate within 90 days of the option holder ceasing to act as an “Eligible Person” as such term is defined in the Stock Option Plan (other than a consultant providing investor relations services to Copper Reef, in which case the options terminate within 30 days of the option holder ceasing to act in such capacity), unless such cessation is on account of death or disability. If such cessation is on account of disability or death, the options terminate on the first

anniversary of such cessation. The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of Copper Reef's shares. The Stock Option Plan is administered by the Board of Directors of Copper Reef, on recommendations received from the Compensation Committee (see Part 4 – Executive Compensation – Compensation Discussion and Analysis and Part 7 – Corporate Governance – Committees of the Board of Directors).

As of the date of this Circular, options to acquire 4,795,000 common shares of Copper Reef were outstanding. 5,887,130 common shares are available to be granted under the Stock Option Plan. See Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

The full text of the Stock Option Plan is available for review by shareholders at the office of Copper Reef's legal counsel Taylor McCaffrey LLP, Suite 900-400 St. Mary Avenue, Winnipeg, MB R3C 4K5, during normal business hours at any time up to and including the day prior to the meeting, as well as at the meeting or any adjournment thereof.

PART 4 – EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about Copper Reef's executive compensation objectives and processes and to discuss compensation decisions relating to its named executive officers ("Named Executive Officers") listed in the Summary Compensation Table that follows. During its fiscal year ended November 30, 2011, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of Copper Reef:

- Robert N. Granger, Chairman (since December 12, 2005); and
- Stephen L. Masson, President and Chief Executive Officer (since August 8, 2008)
- Dave Kendall, Chief Financial Officer (since May 14, 2010)

Copper Reef is a junior resource company with interests in exploration and development properties in Manitoba and Saskatchewan. Copper Reef has no earnings or revenues from operations to date and often operates with limited financial resources to ensure that funds are available to complete scheduled programs. As a result, the Board of Directors has to consider not only the financial situation of Copper Reef at the time of the determination of executive compensation, but also the estimated financial situation of Copper Reef in the mid- and long-term. An important element of executive compensation is that of stock options, which do not require cash disbursement by Copper Reef. Additional information about Copper Reef and its operations is available in its audited consolidated financial statements and Management's Discussion & Analysis for the year ended November 30, 2011, which have been electronically filed with regulators and are available for viewing at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Compensation Objectives and Principles

The primary goal of Copper Reef's executive compensation process is to attract and retain the key executives necessary for Copper Reef's long term success, to encourage executives to further the development of Copper Reef and its operations, and to motivate top quality and experienced executives. The key elements of executive compensation awarded by Copper Reef are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. The directors are of the view that all elements should be considered, rather than any single element.

Compensation Process

The Compensation Committee of Copper Reef's Board of Directors, through discussion without any formal objectives or criteria, is responsible for reviewing and approving the Chief Executive Officer's compensation, evaluating the Chief Executive Officer's performance, and determining, or making recommendations to the Board with respect to, the Chief Executive Officer's compensation level. The Committee is also charged with making recommendations to the Board with respect to the compensation of other executive officers and of the directors to ensure such arrangements reflect the responsibilities and risks associated with each position, as well as with respect to incentive compensation plans and equity-based plans, if any, and for reviewing executive compensation disclosure before Copper Reef publicly discloses this information. All employment, consulting or other compensation arrangements between Copper Reef and its directors or executive officers (or between any subsidiary of Copper Reef and any director or executive officer) are considered and approved by the independent directors of the Board.

When determining the compensation of its officers, the Board considers: i) recruiting and retaining executives critical to the success of Copper Reef and the enhancement of shareholder value; ii) providing

fair and competitive compensation; iii) balancing the interests of management and Copper Reef's shareholders; iv) rewarding performance, both on an individual basis and with respect to operations in general; and v) available financial resources.

Copper Reef's management and officers have each agreed to suspend payment of director fees, all for an indefinite period (see "Termination and Change of Control Benefits" and "Director Compensation" below).

Option Based Awards

Options to purchase common shares of Copper Reef are intended to align the interests of Copper Reef's directors and its executive officers with those of its shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation Copper Reef would otherwise have to pay. Copper Reef's Stock Option Plan is administered by the Board of Directors on recommendations, from time to time, of the Compensation Committee. In establishing the number of the incentive stock options to be granted to the Named Executive Officers, reference is made to the number of stock options granted to officers of other publicly traded companies that, similar to Copper Reef, are involved in the mining industry, as well as those of other publicly traded Canadian companies of a comparable size to that of Copper Reef in respect of assets. The Board of Directors also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation. See "Incentive Plan Awards - Outstanding Option-Based Awards" below, as well as Part 3 – The Business of the Meeting – Annual Approval of Stock Option Plan and Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

Benefits and Perquisites

Copper Reef does not, as of the date of this Circular, offer any benefits or perquisites to its Named Executive Officers that are not generally available to all employees.

SUMMARY COMPENSATION TABLE

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, each Named Executive Officer during the fiscal year ended November 30, 2010. Amounts reported in the table below are in Canadian dollars,)

Name and principal position	Fiscal Year ended Nov 30	Salary	Share-based awards	Option-based awards ⁽⁶⁾	Non-equity incentive plan compensation (US\$)		Pension value	All other compensation	Total Compensation
					Annual incentive plans	Long-term incentive plans			
Stephen L. Masson, President & CEO ⁽¹⁾	2011	\$144,000 ⁽¹⁾	Nil	\$23,600	Nil	Nil	Nil	Nil	167,600
	2010	\$144,000 ^{(1)S}	Nil	\$50,400	Nil	Nil	Nil	Nil	\$194,400
	2009	126,000 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	\$144,000
Robert N. Granger Chairman ⁽²⁾	2011	\$42,000(2)\$	Nil	\$11,800	Ni	Ni	Ni	Ni	\$53,800
	2010	42,000(2)	Nil	\$25,200	Nil	Nil	Nil	Nil	\$67,200
	2009	\$151,355 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	\$151,355
Dave Kendall CFO	2011	\$20,000		\$21,000	Nil	Nil	Nil	Nil	\$41,000
	2010	\$8,125	Nil	\$12,600	Nil	Nil	Nil	Nil	\$20,275
William Jackson (former CFO)	2010	\$30,000	Nil	\$12,600	Nil	Nil	Ni	Ni	\$42,600
	2009	\$30,000	Nil	Nil	Ni	Nil	Nil	Nil	\$30,000

⁽¹⁾ Paid to M' Ore Exploration Services Ltd. owned by Stephen L. Masson –2011 - \$144,000, 2010 - \$144,000.

⁽²⁾ Paid to Robert N. Granger's management company.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table sets out option-based awards granted to the Named Executive Officers during the most recently completed financial year and in prior years, and that were outstanding as at November 30, 2011. No share-based awards, with other than option-like features, have been granted to the Named Executive Officers.

Named Executive Officer	Option-based Awards			Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (C\$)	Option expiry date	Value of unexercised in-the-money options ⁽¹⁾ (C\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (C\$)
Stephen L. Masson	800,000	\$0.10	May 24, 2010	0	Nil	Nil
	200,000	\$0.10	June 16, 2011	0	Nil	Nil
Robert N. Granger	400,000	\$0.10	May 24, 2011	0	Nil	Nil
	100,000	\$0.10	June 16, 2011	0	Nil	Nil
Dave Kendall	200,000	\$0.10	May 24, 2015	0	Nil	Nil
	150,000	\$0.10	June 16, 2011	0	Nil	Nil

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the CNSX Exchange on November 30, 2011. The closing price of the shares on November 30, 2011 was C\$0.10

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested (and therefore exercisable) or earned by the Named Executive Officers of Copper Reef during the financial year ended November 30, 2011.

Named Executive Officer	Option-based awards – Value vested ⁽¹⁾ during the year ended Nov. 30/11	Share-based awards – Value vested during the year ended Nov. 30/11	Non-equity incentive plan compensation – Value earned during the year ended Nov. 30/11
Stephen L. Masson	200,000	N/A	N/A
Robert N. Granger	100,000	N/A	N/A
Dave Kendall	150,000	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date - that is, the difference between the market price of the underlying common shares and the option exercise price on the vesting date.

PENSION PLAN BENEFITS

Copper Reef does not offer any pension plan benefits to its Named Executive Officers.

MANAGEMENT CONTRACT

Stephen L. Masson, President and Chief Executive Officer of Copper Reef, entered into an exploration services contract with Copper Reef dated December 6, 2006 while he served as the Vice-President of Exploration for the Company.

On December 2, 2008, Stephen Masson and Copper entered into an Exploration Management Services contract whereby Mr. Masson serves as President and Chief Executive Officer of Copper Reef in consideration of an annual salary of C\$144,000, which will be reviewed annually by the Board of Directors, after the initial agreement expires on December 1, 2010. The Exploration Management Services contract was renewed on December 31, 2010 and shall be automatically renewed for successive two-year periods unless one month's written notice of non-renewal is given by either party. In the event either party wishes to terminate the agreement, one month's notice is required. In the event Copper Reef wishes to terminate the contract, at its option it may make payment to Mr. Masson of one month's salary in lieu of notice. In the event that the Company goes through a change of control, Mr. Masson would be entitled to a 6 month payment of \$72,000.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Stephen L. Masson, President and C.E.O. entered into an exploration services contract dated December 6, 2006 with Copper Reef and his company, M'Ore Exploration Services Ltd. in which Mr. Masson served as Senior VP of Exploration for Copper Reef.

On December 2, 2008, after being appointed President and C.E.O., an agreement was entered into by Copper Reef and Mr. Masson whereby Mr. Masson as President and Chief Executive Officer of Copper Reef, receives an annual salary of C\$144,000. The contract will be reviewed by the Board of Directors after the two year term, and then will be renewed annually. The agreement expired on December 1, 2010 and was renewed for successive two-year term unless one months' written notice of non-renewal is given by either party. In the event either party wishes to terminate the agreement, one months' notice is required.

In the event of a change of control of Copper Reef (as such term is defined in the contract), the contract can be terminated by the Corporation by giving Mr. Masson six months' notice in writing or, at Copper Reef's option, the equivalent pay in lieu of notice, which, as of the date of this Circular, would be C\$72,000.

DIRECTOR COMPENSATION

Directors who are also officers and receive a salary from Copper Reef do not receive any additional remuneration from Copper Reef for serving as a director. During the fiscal year ended November 30, 2011, all of the directors are entitled to reimbursement of any out-of-pocket expenses incurred in performing duties as a director and are entitled to participate in Copper Reef's Stock Option Plan (see "Outstanding Option-Based Awards" below).

The following table provides a summary of the compensation of Copper Reef's non-executive directors during the fiscal year ended November 30, 2011.

The following disclosure excludes compensation of Stephen L. Masson in his capacity as President and Chief Executive Officer of Copper Reef. Mr. Masson's compensation is disclosed above at Part 4 – Executive Compensation – Summary Compensation Table.

Name	Director Fees earned	Share-based awards	Option-based awards ⁽³⁾	Non-equity incentive plan compensation	Pension value	All other compensation	Total
David Kennedy	Nil	Nil	\$17,700.	Nil	Nil	Nil	\$17,700
Edward Thompson	Nil	Nil	\$17,700	Nil	Nil	Nil	\$17,700
William Phillips	Nil	Nil	\$5,900	Nil	Nil	Nil	\$5,900

Outstanding Option-Based Awards

The following table sets out option-based awards granted to the non-executive directors of Copper Reef that were outstanding as at November 30, 2011. No share-based awards, with other than option-like features, have been granted to the directors.

Name	Option-based Awards				Share-based Awards	
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (C\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (C\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (C\$)
Dave Kennedy	300,000	\$0.10	24-May-15	NA	Nil	Nil
	150,000	\$0.10	15-June-16	NA	Nil	Nil
William Phillips	300,000	\$0.10	24-May-15	NA	Nil	Nil
	50,000	\$0.10	15-June-16	NA	Nil	Nil
Edward Thompson	350,000	\$0.10	24-May-15	NA	Nil	Nil
	150,000	\$0.10	15-June-16	NA	Nil	Nil

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested (and therefore exercisable) or earned by the non-executive directors of Copper Reef during the financial year ended November 30, 2011.

Name	Option-based awards – Value vested ⁽¹⁾ during the year ended Nov 30/11	Share-based awards – Value vested during the year ended Nov 30/11	Non-equity incentive plan compensation – Value earned during the year ended Nov 30/11
N/A	Nil	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date - that is, the difference between the market price of the underlying common shares and the option exercise price on the vesting date.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of November 30, 2011, Copper Reef’s most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	Options: 4,795,000 Warrants: 7,940,626	\$0.10 \$0.29	5,887,130 options
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	12,735,626		5,887,130

⁽¹⁾ For a summary of the main features of Copper Reef’s Stock Option Plan, see Part 3 – The Business of the Meeting – Annual Approval of Stock Option Plan.

PART 6 – AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The charter for the Audit Committee of the Board of Directors of Copper Reef is attached to this Circular as Appendix A.

AUDIT COMMITTEE MEMBERS

As of the date of this Information Circular, Dave Kennedy, Bill Phillips and Robert N. Granger are members of Copper Reef’s Audit Committee. All are considered “independent” as that term is defined in applicable securities legislation, and all three of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Copper Reef’s financial statements.

In determining whether a director is independent, the Board considers, for example, whether the director has any interests or relationships – other than those arising from his shareholdings in Copper Reef – which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management, or to exercise independent judgement in the best interests of Copper Reef.

RELEVANT EDUCATION AND EXPERIENCE

All of the Audit Committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor. In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee

in the realm of reporting companies from their respective years of experience as directors of public companies other than Copper Reef.

David Kennedy

Mr. Kennedy graduated with a BSc in Geology from the University of Saskatchewan in 1969 and a MSc in Geology from the University of Saskatchewan in 1971. Mr. Kennedy has 25 years of experience in exploration and production in Canada, The United States, Alaska, Mexico and Central America. Currently he is a semi-retired business owner in Flin Flon, Manitoba

William Phillips

Mr. Phillips is a businessman and manufacturer and has been the President, CEO and owner of Woodlore International Inc., a manufacturer of customized furniture since January, 1993.

Robert N. Granger

Robert Norman Granger Q.C., practiced law in Toronto for over thirty years mainly in the corporate and securities law areas. In the past Mr. Granger has been an officer and director of a number of resource companies including Fancamp Explorations Ltd, Anvil Range Mining Corporation and United Keno Hill Mines Ltd., Prospectors Alliance Corporation.

EXTERNAL AUDITOR SERVICE FEES

Aggregate audit and tax related fees billed by Copper Reef’s external auditors, McGovern Hurley Cunningham, LLP, Chartered Accountants, in each of the last two completed financial years were as follows:

	<u>Fiscal year ended November 30, 2011</u>	<u>Fiscal year ended November 30, 2010</u>
Audit fees.....	31,500	\$35,000
Tax fees ⁽¹⁾		0
Other fees		0

(1) Professional services rendered for preparation of corporate tax returns for Copper Reef and its subsidiaries.

RELIANCE ON EXEMPTION

Even though Copper Reef is not a “Venture Issuer” pursuant to relevant securities legislation, Copper Reef is relying on the exemption in Section 6.1 of National Instrument 52-110 - *Audit Committees* (“NI 52-110”) from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

RELIANCE ON CERTAIN OTHER EXEMPTIONS

At no time since the commencement of Copper Reef’s most recently completed financial year ended November 30, 2011 has Copper Reef relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

PRE-APPROVED POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

Copper Reef’s Audit Committee Charter provides that the Audit Committee shall review and pre-approve any engagements for non-audit services to be provided to Copper Reef, by Copper Reef’s external auditor, prior to engaging the external auditor to perform such non-audit services, in light of the estimated fees and impact on the external auditor’s independence. Copper Reef has not adopted any specific policies and procedures for the engagement of non-audit services.

PART 7 – CORPORATE GOVERNANCE

Follows is a summary of Copper Reef’s approach to corporate governance.

Board of Directors

The Board of Directors of Copper Reef facilitates its exercise of independent supervision over management by ensuring that the Board is comprised of a majority of directors who are independent of management. The Board, at present, is composed of seven directors, five of whom, Messrs. Edward

Thompson, William Phillips, David Kennedy, Harry Barr and Gregory Campbell are considered to be independent. In determining whether a director is independent, the Board considers, for example, whether the director has a relationship, which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. On this basis, Stephen Masson, by reason of his office as President and Chief Executive Officer, is not considered to be an independent director.

The Board is mandated to set the strategic direction for Copper Reef and to oversee its implementation by management. To assist it in fulfilling this responsibility, the Board will have responsibility for several areas, including:

- reviewing and approving Copper Reef's strategic and operating plans;
- reviewing and approving material proposed expenditures;
- reviewing and approving significant operational and financial matters; and
- providing direction to management on operational and financial matters.

While decisions regarding the ongoing day-to-day management are made by Copper Reef's management, the Board meets regularly to review the business operation and financial statements of Copper Reef and also to discharge, in part, its responsibility through the Audit Committee and the Compensation Committee as established by the Board. The frequency of the meetings of the Board, as well as the nature of agenda items, will depend on the state of Copper Reef's affairs and the types of opportunities that arise or risks that it faces. Copper Reef's directors endeavour to hold a minimum of four meetings of the Board in each fiscal year. When business requires that a Board meeting cannot be called within a reasonable time, Board decisions are made by written resolution signed by all directors.

The Board is expected to participate fully in assessing and approving strategic plans and prospective decisions proposed by management. In order to ensure that the principal business risks borne by Copper Reef are appropriate, the directors are to receive and are expected to comment on periodic oral or written reports from management as to management's assessment and management of such risks. The Board regularly monitors the financial performance of Copper Reef, including reviewing detailed financial information and budgets contained in management reports. The Board of Directors, directly and through its Audit Committee, assesses the integrity of Copper Reef's internal control and management information systems.

The Board is responsible for reviewing the performance of senior management, with the independent directors of the Board, who serve on the Compensation Committee, being responsible for recommendation of executive compensation to the Board for subsequent approval. The Board is also responsible for addressing matters of succession planning. See also Part 4 – Executive Compensation – Compensation Discussion and Analysis.

Directorships

Certain of the current directors and nominees for election as directors of Copper Reef are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name	Reporting Issuer (or equivalent in a foreign jurisdiction)
Robert N. Granger	World Wide Minerals Ltd. and Fancamp Exploration Ltd.
Stephen L. Masson	N/A
David Kennedy	N/A
Edward Thompson	Golden Queen Mining Co. Ltd., Sparton Resources Inc., Tri Origin Exploration Ltd., Western Troy Capital Resources Inc., and Stratabound Minerals Corp..
William Phillips	N/A
Gregory Campbell	N/A
Harry Barr	Agoracom Investor Relations Corp., Nex Gen Metals Inc., El Nino Ventures Inc. and Pacific North West Capital Corp.

Orientation and Continuing Education

While Copper Reef has not established a formal orientation and education program for new Board members, it is committed to providing such information so as to ensure that the new directors are familiarized with Copper Reef's business and the procedures of the Board. Information may include Copper Reef's corporate and organizational structure, recent filings and financial information, governance documents and important policies and procedures. The Board endeavours to ensure that every director possesses the capabilities, expertise, availability and knowledge required to fill the position adequately. From time to time, Copper Reef will arrange on-site tours of its operations.

The Board endeavours to ensure that all new directors receive a comprehensive orientation. All new directors should fully understand the role of the Board and its Committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that Copper Reef expects from its directors). All new directors should also understand the nature and operation of the business.

The Board provides continuing education opportunities when appropriate for all directors and other officers, so that individuals may maintain or enhance their skills and abilities as directors, and officers, as well as to ensure their knowledge and understanding of Copper Reef's business remains current.

Ethical Business Conduct

The Board monitors the ethical conduct of Copper Reef and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by Copper Reef's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of Copper Reef.

Nomination of Directors

The Board of Directors considers its size each year when it considers the number of directors to recommend to its shareholders for election at annual meetings, taking into account the number required to carry out the Board's duties effectively, to maintain a majority of independent directors, and to maintain diversity of view and experience. The Board has not yet appointed a nominating committee and these functions are currently performed by the Board as a whole.

Compensation

See Part 4 – Executive Compensation – Compensation Discussion and Analysis and “Committees of the Board of Directors” below.

Committees of the Board of Directors

The Board of Directors of Copper Reef has appointed an Audit Committee and a Corporate Governance, Compensation, and Nominating Committee. The Audit Committee is comprised of Chairman, Dave Kennedy, William Phillips and Gregory Campbell. The Corporate Governance, Compensation and Nominating Committee is comprised of Chairman, Dave Kennedy, Edward Thompson and Robert Granger. The Audit Committee is ultimately responsible for the policies and practices relating to the integrity of the financial and regulatory reporting of Copper Reef, as well as internal controls to achieve the objectives of safeguarding Copper Reef's assets; reliability of information; and compliance with policies and laws. For further information regarding the mandate of the Audit Committee, its specific authority, duties and responsibilities, see Part 6 – Audit Committee.

The primary function of the Compensation Committee is to assist the Board in establishing, administering and evaluating the compensation principles, criteria, policies and plans for Copper Reef's executive officers, to interface with senior management regarding the compensation of employees and to provide recommendations regarding compensation to the Board for approval. The Charter for the Compensation Committee of the Board of Directors of Copper Reef is attached to this Circular as Appendix B. See also Part 4 – Executive Compensation – Compensation Discussion & Analysis.

Assessments

The Board of Directors does not, at present, have a formal process in place for assessing the effectiveness of the Board of Directors as a whole, its committees or individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

PART 8 – OTHER INFORMATION

DIRECTOR AND OFFICER INSURANCE

Copper Reef has not purchased insurance for the benefit of its directors and officers against liability incurred by them as such.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During Copper Reef's most recently completed financial year ended November 30, 2011, and as at the date of this Information Circular, no director, executive officer or employee, or former director, executive officer or employee of Copper Reef or its subsidiaries, nor any nominee for election as a director of Copper Reef, nor any associate of any such person, has been or is indebted to Copper Reef, nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Copper Reef or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No proposed nominee for election as a director, and no director or officer of Copper Reef who has served in such capacity since the beginning of Copper Reef most recently completed financial year, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Copper Reef's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any material interest in any transaction with Copper Reef since the beginning of the last completed financial year, or in any proposed transaction, that has materially affected Copper Reef or its subsidiaries, or is likely to do so.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

Other than the election of directors and the right to be granted options pursuant to Copper Reef's Stock Option Plan, none of the directors or executive officers of Copper Reef, no proposed nominee for election as a director of Copper Reef, none of the persons who have been directors or executive officers of Copper Reef since the commencement of its last completed financial year, none of the other insiders of Copper Reef, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting.

MANAGEMENT CONTRACTS

The management functions of Copper Reef and its subsidiaries are performed by our directors and executive officers and we have no management agreements or arrangements under which such

management functions are performed by persons other than the directors and executive officers of Copper Reef and its subsidiaries. See Part 4 – Executive Compensation.

CEASE TRADE ORDERS AND BANKRUPTCY

As at the date of this Information Circular, no proposed nominee for election as a director of Copper Reef is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any Corporation (including Copper Reef and any personal holding company of the proposed director) that, while that person was acting in that capacity:
 - (a) was subject to:
 - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a corporation, whether or not the person is named in the order), or
 - (ii) an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “Order”); or
 - (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
2. a director or executive officer of any corporation (including Copper Reef and any personal holding company of the proposed director) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

PERSONAL BANKRUPTCY

No proposed nominee for election as a director of Copper Reef has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

PENALTIES AND SANCTIONS

As at the date of this Information Circular, no proposed director of Copper Reef nor any of his personal holding companies has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

OTHER MATTERS

Management of Copper Reef is not aware of any other matters to come before the meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

MATTERS TO BE RAISED AT NEXT ANNUAL MEETING

Any shareholder who wishes to submit to Copper Reef notice of any matter that the shareholder proposes to raise at Copper Reef’s next annual shareholder meeting to be held in 2012, and have the proposal included in Copper Reef’s proxy materials for that meeting, must send notice of the proposal as required

to Copper Reef no later than September 20, 2012. Any such proposal should be sent to Copper Reef in care of its registered office at Taylor McCaffrey LLP, 900-400 St. Mary Avenue, Winnipeg, MB R3C 4K5

Copper Reef is not obligated to include any shareholder proposal in its proxy materials for the 2012 annual shareholder meeting if the proposal is received after the September 20, 2012 deadline.

ADDITIONAL INFORMATION

You may obtain additional financial information about Copper Reef in our audited consolidated financial statements and Management's Discussion and Analysis for the year ended November 30, 2011, which have been filed with regulators and are available for viewing together with Copper Reef's other public disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Additional copies may be obtained without charge upon request to us at 12 Mitchell Road, Flin Flon, Manitoba R8A 1N1 telephone (204) 687-3500- ; facsimile (204) 687-4762.

DIRECTORS' APPROVAL

The Board of Directors of Copper Reef Mining Corporation have approved the contents of this Information Circular and its distribution to each shareholder entitled to receive notice of the meeting to which this Circular relates.

Flin Flon, Manitoba
September 20, 2012

COPPER REEF MINING CORPORATION.

By: "*Stephen L. Masson*"

Stephen L. Masson
President and Chief Executive Officer

APPENDIX A

COPPER REEF MINING CORPORATION **AUDIT COMMITTEE CHARTER**

(Implemented pursuant to Multilateral Instrument 52-110- *Audit Committees*)

Role and Objective

The Audit Committee (the "Committee") is a committee of the board of directors (the "Board") of Copper Reef Mining Corporation (the "Corporation") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
2. To provide better communication between directors and external auditors appointed by the Corporation;
3. To enhance the external auditors' independence; and
4. To increase the credibility and objectivity of financial reports.

Membership of the Committee

1. The Committee shall be comprised of at least three (3) directors of the Corporation.
2. The Board shall have the power to appoint the Committee Chairman.
3. All of the members of the Committee shall be "financially literate." The Board has adopted the definition for "financial literacy" used in Multinational Instrument 52-110 - Audit Committees ("MI 51-110").
4. All of the members of the Committee shall be independent directors of the Corporation.

Meetings

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
2. A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least four (4) times per year. At the request of the external auditor, the President, the Chief Executive Officer or the Chief Financial Officer of the Company or any member of the Committee, the Chairman will convene a meeting of the Committee. In advance of every meeting of the Committee, the Chairman, with the assistance of the Chief Financial Officer, will ensure that the agenda and meeting materials are distributed in a timely manner.
4. Minutes of all meetings of the Committee shall be taken. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board. The Chairman will appoint a Secretary of the meeting, who need not be a member of the committee and who will maintain the minutes of the meeting.

5. The Committee shall meet with the external auditors at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditors and the Committee consider appropriate.

Mandate and Responsibilities of the Committee

1. The Committee shall be accountable to the Board. The responsibilities of a member of the Committee shall be in addition to such member's duties as a member of the Board
2. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting.
3. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control system:
 - (i) identifying, monitoring and mitigating business risks; and
4. It is a responsibility of the Committee to review the annual financial statements of the Corporation prior to their submission to the Board for approval. The process should include but not be limited to:
 - (i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
 - (ii) reviewing significant accruals or other estimates such as the ceiling test calculation;
 - (iii) reviewing accounting treatment of unusual or non-recurring transactions;
 - (iv) ascertaining compliance with covenants under loan agreements;
 - (v) reviewing disclosure requirements for commitments and contingencies;
 - (vi) reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - (vii) reviewing unresolved differences between management and the external auditors;
 - (viii) ensure all transactions between the Corporation and parties to which the Corporation is not dealing at arm's length, including without limitation, any directors, officers, employees or any related party of a director, officer or employee, of the Corporation are properly disclosed;
 - (ix) obtaining explanations of significant variances within comparative reporting periods.
5. The Committee is to review (and make a recommendation to the Board with respect to their approval) the financial statements including notes, prospectuses, management discussion and analysis, annual information form, and all public disclosure containing audited or unaudited financial information before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and shall periodically assess the accuracy of those procedures.
6. With respect to the appointment of external auditors by the Board, the Committee shall:
 - (i) recommend to the Board the appointment of the external auditors;
 - (ii) recommend to the Board the terms of engagement of the external auditors, including the compensation of the external auditors and a confirmation that the external auditors shall report directly to the Committee; and
 - (iii) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
7. The Committee shall review with external auditors (and the internal auditor if applicable) their assessment of the internal controls of the Corporation as part of the regular audit process, their written reports containing recommendations for improvement (i.e. management letter and audit committee letter), and management's response and follow-up to any identified weaknesses. The

Committee shall also review annually with the external auditors their plan for their audit and upon completion of the audit, their reports on the financial statements of the Corporation and its subsidiaries, if any.

8. Take reasonable steps to confirm the independence of the outside auditor, which shall include:
 - (i) ensuring receipt from the outside auditor a formal written statement delineating all relationships between the outside auditor and the Corporation, consistent with generally accepting auditing practices,
 - (ii) considering and discussing with the outside auditor any disclosed relationships or services, including non audit services, that may impact the objectivity and independence of the outside auditor, and
 - (iii) pre-approving all non-audit services to be provided to the Corporation or its subsidiaries, if any, by the external auditors (including review of quarterly financial statements). The Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that the member report to the Committee at the next scheduled meeting and that such pre-approval and the member comply with such other procedures as may be established by the Committee from time to time.
9. The Committee shall review risk management policies and procedures of the Corporation (i.e. hedging, litigation and insurance).
10. The Committee shall assess the requirement for the appointment of an internal auditor for the Corporation.
11. The Committee shall establish a procedure for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
12. The Committee shall review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation.
13. The Committee shall have the authority to investigate any financial activity of the Corporation. All employees of the Corporation are to cooperate as requested by the Committee.
14. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling their responsibilities at the expense of the Corporation without any further approval of the Board.

CHARTER REVIEW

The Committee will annually review and reassess the adequacy of this policy and submit any recommended changes to the Board for approval.

**APPENDIX B
COMPENSATION COMMITTEE CHARTER**

**COPPER REEF MINING CORPORATION
(the “Corporation”)**

Constitution

There shall be a Committee of the Board of Directors (the “Board”) of Copper Reef Mining Corporation.(the “Corporation”)to be known as the Compensation Committee (the “Committee”), whose membership, authority and responsibilities shall be as set out in this charter. The primary function of the Committee is to assist the Board in establishing, administering and evaluating the compensation principles, criteria, policies and plans for the Company’s executive officers (including the Chief Executive Officer); to interface with senior management regarding the compensation of employees; and to provide recommendations to the Board which are determined from time to time to be the subject of Board approval.

Composition and Procedure

The Committee shall consist of no fewer than two members. Each member of the Committee shall meet the independence requirements imposed by applicable law and the exchanges on which the Company’s securities are listed. The members and Chairman of the Committee shall be appointed and removed by the Board.

The Committee shall meet at least twice each year. Additional meetings may occur as the Committee or its Chairman deems advisable. The Compensation Committee is governed by the rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the incorporating documents or bylaws of the Company, or (c) the laws of Canada.

The Committee shall keep adequate minutes of all its proceedings, and will report its actions to the next meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent.

Committee Authority and Responsibilities

1. CEO Compensation.

Based upon an annual evaluation of the Chief Executive Officer’s performance, the Compensation Committee will determine and approve the Chief Executive Officer’s compensation. In making its determination, the Compensation Committee will consider the Company’s performance and relative shareholder return, the compensation of chief executive officers at comparable companies, the awards given to the Chief Executive Officer in past years, and such other factors as the Compensation Committee deems relevant. The Chief Executive Officer shall not be present during voting or deliberations about the Chief Executive Officer’s compensation.

2. Compensation of Other Executives.

The Compensation Committee will review and make recommendations to the Board with respect to compensation of all elected corporate officers at appropriate time periods. The Compensation Committee will take account of each individual’s performance, the Company’s overall performance and comparable compensation paid to similarly-situated officers in comparable companies.

3. Executive Agreements.

The Compensation Committee will review, and if appropriate, approve employment agreements, severance arrangements, retirement arrangements, change in control agreements and provisions, and any special or supplemental benefits for each executive officer of the Company.

4. Incentive Compensation Plans.

The Committee will administer the Company’s Stock Option Plan approved on May 31, 2004 (except with respect to grants to non-employee directors), the Employees’ Stock Bonus Plan and the Executive Management Performance Bonus Plan and such other stock option or equity participation plans as may be

adopted by the shareholders or the Board of Directors from time to time within the authority delegated by the Board.

5. Annual Report.

The Compensation Committee will prepare an annual report on executive compensation for inclusion in the Company's proxy statement.

6. Additional Assignments.

The Committee will perform such other duties and responsibilities as may be assigned by the Board from time to time.