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 April 25, 2016 constitutes management's view of the factors that affected the Company's financial and operating performance for the quarter ended February 29, 2016 and subsequent period ended April 25, 2016. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the period ended November 30, 2015 and 2014. This MD&A is prepared in conformity with National Instrument 51-102 F1 and has been approved by the Board of Directors on April 25, 2016.

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

FORWARD-LOOKING STATEMENTS

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

STRUCTURE AND BUSINESS DESCRIPTION

NAME AND INCORPORATION

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

THE COMPANY

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

CORPORATE DEVELOPMENTS

- **On January 8, 2016,** the Company announced a non-brokered private placement financing up to an aggregate proceeds of $400,000 (the "Maximum Offering Amount") comprised of such number of Flow Through Shares at a price of $0.05 per Flow-Through Unit and Class "A" Units at a price of $0.025 per Unit as the Company may determine.

  The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals. All securities to be issued under the Offering will be subject to a four-month statutory hold period in Canada.

  The Units shall consist of, and separate immediately upon closing, into one common share of the Issuer (a "Common Share") and two (2) Warrants at a purchase price of $0.05 cents/warrant for a period of twelve (12) months following the date of issuance. The Flow-Through Units shall consist of, and separate immediately upon closing, into one Common Share of the Issuer, each to be issued as a "flow-through share" (the "Flow-Through Shares") within the meaning of the Income Tax Act (Canada). The warrants attached to the Flow-Through Shares shall entitle the holder to purchase one Common Share for a purchase per share purchase warrant.

- **On March 1, 2016,** the Company announced the appointment of Mr. William J. Jackson Ba.Sc., to its Board of Directors. Mr. Masson, President and CEO of the Company, welcomes Mr. Jackson to the Board.

- **On March 10, 2016**, the Company closed a private placement which raised an aggregate of $100,000 from the sale of 3,140,000 flow-through and non-flow-through units. Details are as follows:
  1. 2,280,000 units at a price of $0.025 per unit, comprised of 2,280,000 common shares and 4,560,000 warrants. Each warrant entitles the holder to purchase one common share at an exercise price of $0.05 per warrant. The warrants are exercisable for twelve months and have an expiry date of March 9, 2017; and
  2. 860,000 flow-through units at a price of $0.05 per unit, comprised of 860,000 flow-through shares and 860,000 warrants. Each warrant entitles the holder to purchase one common share at an exercise price of $0.05 per warrant. The warrants are exercisable for twenty-four months and have an expiry date of March 9, 2018.

  Directors and officers of the Company subscribed for 800,000 of these units for total proceeds of $30,000.

Please refer to Exploration Assets – March 7, 2016 program for intended use of proceeds.

LIQUIDITY AND CAPITAL RESOURCES

As at February 29, 2016 the Company had working capital of $(151,968) as compared to working capital of $8,014 as at November 30, 2015. 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.

EVALUATION & EXPLORATION ASSETS

The Company holds interests in 43 mineral properties, with 41 held by way of mineral claims and two by mineral leases, all located in Saskatchewan and Manitoba. Twenty-one of the properties are consolidated into nine groups or are individual claims. Twenty claims are with a combined asset value of $233,302 as at February 29, 2016 and are included under "Other Properties as presented in the Table of Evaluation and Exploration assets as noted overleaf. The final two claims have minimal value and work is expensed on an annual basis.

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

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

Also, we have included a summary of expenditures that have been expensed not capitalized to illustrate total mineral property costs for the years ended February 29, 2016 and 2015.

A summary of major claim blocks, exploration expenditures for the years ended February 29, 2016 and 2015, including both capitalised and expensed expenditures is included overleaf:

Exploration and Evaluation Assets
For the periods ended February 29, 2016 and 2015

	Total	Non Capitalised Expenditures	Total Capitalised Expenditures	Gold Rock Group	Alberts Lake Group	Morgan Group	Burn	Otter/ Twin Lakes	Pikoo	Others
Balance, November 30, 2014			**8,805,958**	**1,523,770**	**556,640**	**341,498**	**23,076**	**249,515**	**112,167**	**5,999,292**
Claim acquisition & holding	17,325	1,701	15,624	–	143	26	–	13	15,000	442
Assay	10	10	–	–	–	–	–	–	–	–
Geological	1,644	–	1,644	44	–	–	–	–	1,600	–
Field labour costs	37,153	25,178	11,975	–	–	–	475	2,138	9,362	–
Other fields costs	4,786	4,668	118	118	–	–	–	–	–	–
Total Q1 2015 expenditures	**60,918**	**31,557**	**29,361**	**162**	**143**	**26**	**475**	**2,151**	**25,962**	**442**
Claim acquisition & holding	132,983	3,500	129,483	1,200	4,447	1,611	129	285	40,000	81,811
Assay	2,706	2,317	389	–	5	–	–	–	384	–
Geological	12,093	203	11,890	–	–	–	–	5,090	6,800	–
Field labour costs	110,021	71,739	38,282	1,211	5,550	–	–	2,926	28,119	476
Other fields costs	28,823	13,575	15,248	142	–	–	–	–	15,106	–
Total Q2-Q4 2015 expenditures	286,626	91,334	195,292	2,553	10,002	1,611	129	8,301	90,409	82,287
Balance November 30, 2015			**9,030,611**	**1,526,485**	**566,785**	**343,135**	**23,680**	**259,967**	**228,538**	**6,082,021**
Claim acquisition & holding	3,079	1,911	1,168	–	–	–	–	39	–	1,129
Assay	13,752	50	13,702	–	–	–	–	–	13,702	–
Geological	2,000	–	2,000	–	–	–	–	–	2,000	–
Field labour costs	44,748	11,736	33,013	–	15,625	–	–	–	17,388	–
Other fields costs	11,395	3,919	7,476	–	7,193	–	–	–	284	–
Total Q1 2016 expenditures	**74,974**	**17,616**	**57,358**	**–**	**22,818**	**–**	**–**	**39**	**33,373**	**1,129**
Balance February 29, 2016			**9,087,970**	**1,526,485**	**589,603**	**343,135**	**23,680**	**260,006**	**261,911**	**6,083,150**

Property Results

- **On January 4, 2016**, the Company announced results from the kimberlite indicator mineral (KIM's) sampling carried out this fall at its C2, C3 and B1 properties at their Pikoo Diamond Project in Saskatchewan. The 28 Till samples collected were sent to Charles Fipke's lab C.F. Minerals Research Ltd. of Kelowna, where they underwent various methods of separating and collecting kimberlite indicator minerals. A total of 982 kimberlite indicator minerals were visually picked and from that total, 60 kimberlite indicator minerals were verified by microprobe analysis from 20 of the 28 samples collected. Management believes these preliminary results, especially those on the C2 and northern C3 properties are significant and warrant further till sampling and ground examination.

  The C2 and C3 properties are located north of the Hanson Lake Highway 10 km east of the village of Deschambault. The B1 property lies north of Pelican Narrows, Saskatchewan. Till samples were collected to search for a suite of the unique 'indicator' minerals that are often key elements of diamondiferous kimberlite intrusions.

  The till sampling at the C3 property centred around two targets, one at the northern end of the property and one at the south, separated by 3.5 kilometers. Results from both areas are encouraging. The northern target (C3A) is an isolated circular magnetic anomaly. The southern target (C3B) consists of two circular twin like (binary) magnetic anomalies. Both targets are proximal to the north trending Tabernnor Fault structure.

  Till sampling of the northern magnetic anomaly (C3A) returned twenty (20) kimberlite indicator minerals from five till samples. Two till samples taken near the south flank of this isolated magnetic anomaly returned three (3) peridotitic clino-pyroxenes and one (1) orthopyroxene. A single till sample collected 700 metres down ice (to the south west) of this magnetic anomaly returned nine (9) kimberlite indicator minerals consisting of: one (1) chromite, four (4) olivines including a forsteritic olivine, two (2) picro-ilmenites, one (1) peridotitic clino-pyroxene, and one (1) orthopyroxene. Samples collected 200 metres west and 200 metres north east of this highly encouraging sample contained three (3) peridotitic clino-pyroxenes and four (4) picroilmenites respectively. The target lies inside the western flank of the Archean "Pelican Window" (an exposure of the Archean Sask Craton composed of various very coarse gneissic rocks surrounded by younger Proterozoic aged rocks) just east of the Tabernnor Fault structure. This is considered a high priority target for follow up.

  Four till samples from the C3B target were taken just south (down ice) of the larger magnetic anomaly. The sampling returned: one (1) chromite, two (2) peridotitic clino-pyroxenes, one (1) picro-ilmenite and one (1) orthopyroxene. No sampling was carried out south of the smaller binary magnetic anomaly in this survey. The geology of this area consists of a granite pluton on the south side of the "Pelican Window" Till sampling at the C2 property also returned encouraging kimberlite indicator mineral results. There are up to 9 separate circular magnetic anomalies that form a cluster on the C2 property that lie within the south flank of the "Pelican Window". The 2015 sampling has outlined a 1.7 km long south east trending kimberlite indicator mineral train near the southern portion of the property, immediate north of Church Lake.

  The till sampling in two areas consisted of an east-west fence of samples designed to pick up any kimberlite indicator minerals derived from the central cluster of magnetic anomalies to the north and north east.

  In the centre southern portion of the C2 property seven (7) till samples were collected. These samples lie just south of three prominent magnetic anomalies and some slightly weaker ones further north and north east. All but one of these samples contained kimberlite indicator minerals with a combined total of 15 KIMs including four (4) chromites (values of 36 to 51% C2O3), five (5) olivines, one (1) picro-ilmenite and five (5) peridotitic clino-pyroxenes. The two samples located immediately south of one of the target magnetic anomalies, had chromites with values of 48.5 to 51.75% C2O3 respectively.

Three samples along the southern boundary of the property at the south west end of the magnetic anomalies returned a combined total of six (6) KIMs including one (1) chromite, one (1) olivine, two (2) picro-ilmenite and three (3) peridotitic clino-pyroxenes.

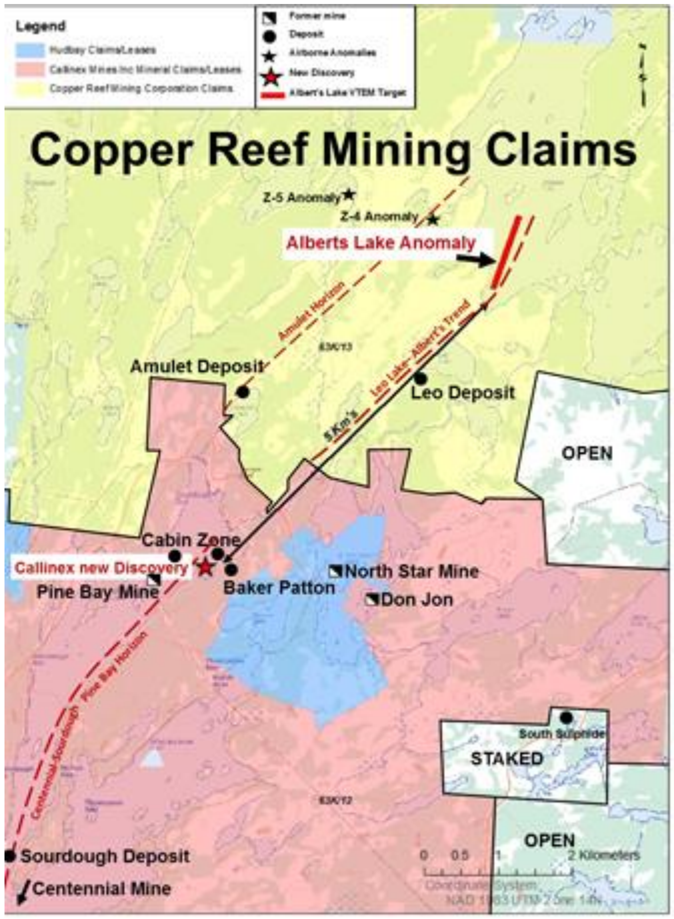
The company believes this cluster of samples with kimberlite indicators minerals on the C2 property is significant and plans further work because: a) The most encouraging samples are very proximal to the cluster of circular magnetic anomalies; b) The abundance of chromites, picro-ilmenites and olivines as well as peridotitic clino-pyroxenes; c) The length of the sample train (1.7 km) that has been established; d) The till samples taken along the south boundary indicate the source is likely north (up ice) on Copper Reef's Property; and e) The host rocks lie within the "Pelican Window" that exposes the Archean Sask Craton which proximity is considered favourable for kimberlites.

On the B1 Property that lies north-east of the Pikoo diamond discovery, 13 kimberlite indicator minerals were found in four samples following up the 2014 till sampling survey that produced indicator minerals. The indicator minerals in the new samples consisted of: a) Ten chrome diopsides; and b) Three olivines. This is more encouraging than the 2014 sampling.

Pikoo is a new diamondiferous kimberlite district located in east central Saskatchewan, associated with the Archean-aged Saskatchewan Craton. On November 6, 2013, North Arrow announced the discovery of two distinct kimberlite indicator mineral trains in the area and, in follow-up drilling, the PK 150 kimberlite, which returned 745 diamonds larger than 0.106 mm, including 23 diamonds larger than 0.85 mm from a 209.7 kg sample of drill core. To date, seven discrete kimberlite occurrences have been identified. In addition, other publicly-traded companies have recently identified distinct kimberlite indicator mineral trains in the Pikoo area.

- **On March 7, 2016**, the Company announced a successful private placement. In that news release, the Company outlined the intended use of proceeds.

  > "The Company intends to utilize the proceeds of this first tranche for drilling the Alberts Lake VTEM Airborne Target, 20 km east of Flin Flon, Manitoba as reported in Copper Reef's February 17, 2016 Press Release. The target is large, approximately 700m in strike length and lies immediately north of a large alteration zone of the type associated with Volcanogenic Massive Sulphide (VMS) copper-zinc gold deposits . To the south on this same trend are located a number of former Copper-Zinc-Gold mines and deposits including the recently discovered new zone by Callinex in the Pine Bay area. Copper Reef's large property lies within 800 metres of this new discovery."



Albert's Lake VTEM Air Borne Target

EXPLORATION ACTIVITIES FOR THE YEAR

During the period ended February 29, 2016, work was concentrated on the Otter/Twin Lakes and Pikoo properties. The Company continues to focus on other work with the goal to maintain the properties in good standing while increasing the Company's geological knowledge of the properties in question.

Quality Control

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

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

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

RESULTS OF OPERATIONS

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

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

REVENUES

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

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended February 29, 2016:

	Q1 February 29, 2016	**Q4 November 30, 2015**	**Q3 August 31, 2015**	**Q2 May 31, 2015**
Operating (loss)	(112,778)	(114,253)	(246,608)	5,134
Net income (loss) for the period	(112,778)	(29,253)	(246,608)	5,134
Net income/(loss) per share, basic non-diluted	(0.001)	(0.000)	(0.002)	(0.000)
Weighted average shares outstanding	120,761,300	120,437,124	119,481,300	116,258,707

	Q1 February 28, 2015	Q4 **November 30, 2014**	Q3 **August 31, 2014**	Q2 **May 31, 2014**
Operating (loss)	(155,355)	(113,969)	(37,087)	(125,585)
Net income (loss) for the period	(155,355)	31,975	(39,424)	(515,953)
Net income/(loss) per share, basic non-diluted	(0.001)	0.000	(0.000)	(0.004)
Weighted average shares outstanding	115,805,744	114,787,327	115,281,300	115,281,300

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

RESULTS OF OPERATIONS FOR THE QUARTERS ENDED FEBRUARY 29, 2016 AND 2015:

	2016 $	2015 $	Increase/ (decrease) $	Increase/ (decrease) %
Expenditures				
Bank charges and interest	**105**	**151**	(46)	-30.4%
Filing fees	**3,654**	**4,423**	(770)	-17.4%
Management fees and salaries	**15,000**	**7,000**	8,000	114.3%
Office and general	**15,560**	**14,271**	1,289	9.0%
Professional fees	**14,420**	**8,836**	5,584	63.2%
Rent and utilities	**9,432**	**9,477**	(45)	-0.5%
Travel and promotion	**575**	**962**	(387)	-40.2%
Generative exploration not	**17,616**	**31,557**	(13,941)	-44.2%
Total expenditures	**76,362**	**76,677**	**(315)**	**-0.41%**

Overall expenditures are basically unchanged from the same period in 2015.

Operations continued to be largely funded through an orderly selling program of a portion of the Company's investment in Foran Mining Corp.

Management fees and salaries increased significantly as a year-over-year expense, but the increase was derived from a moratorium on management salaries during fiscal 2014 and subsequently ended during fiscal 2015.

Professional fees increased due to timing of payment of audit fees.

Travel and promotion as well as generative exploration costs were reduced as a year-over-year due to ongoing cost cutting measures..

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

OUTSTANDING SHARE DATA

- **AUTHORIZED SHARE CAPITAL**

Unlimited share capital with no par value.

As at April 25, 2016, the Company had the following common shares, stock options and warrants outstanding:

Common shares	123,901,300
Stock options (all vested)	5,050,000
Warrants	7,400,000
Fully diluted shares outstanding	**136,371,300**

	Number of Shares	Share Capital
Balance as at November 30, 2014	**115,281,300**	**13,181,915**
Shares issued for Flow-Through, private placements, January 5, 2015	800,000	40,000
Fair value of warrants issued		-12,000
Shares issued under Property Purchase Agreements – Pikoo	500,000	15,000
Shares issued under Property Purchase Agreements - Can Alaska	1,000,000	40,000
Shares issued under Property Purchase Agreements - Ft. la Corme	2,000,000	80,000
Shares issued for Flow-Through, private placements, September 25, 2015	1,180,000	59,000
Fair value of warrants issued	–	-29,500
Balance as at February 29, 2016	**120,761,300**	**13,374,415**
Flow Through Shares issued for cash March 10, 2016	860,000	43,000
Fair value of warrants issued		(18,000)
Flow through share premium		(15,200)
Common shares issued for cash March 10, 2016	2,280,000	57,000
Fair value of warrants issued		(31,500)
Balance – April 25, 2016	**123,901,300**	**13,409,715**

STOCK OPTIONS AS AT APRIL 25, 2016

Grant date	Number of options	Weighted average exercise price $'s	Estimated Grant Date Fair Value $'s
Balance November 30, 2014	**8,070,000**	**0.10**	**472,637**
Expired May 25, 2015	(3,020,000)	0.10	(187,737)
Balance November 30. 2015, February 29, 2016 and April 25, 2016	**5,050,000**	**0.10**	**284,900**

WARRANTS AS AT APRIL 25, 2016

The Company's warrant activity to April 25, 2016, is summarized as follows:

	Issued	Expiry Date	Weighted Average Exercise Price $	Estimated Grant Date Fair Value $
Balance November 30, 2014	**1,000,000**		**0.10**	**16,000**
Issued December 31, 2014	800,000	Dec. 31, 2016	0.10	12,000
Issued September 25, 2015	1,180,000	Sept. 24, 2017	0.10	29,500
Balance November 30, 2015	**2,980,000**		**0.10**	**57,500**
Expired, January 23, 2016	(1,000,000)		0.10	(16,000)
Issued March 10, 2016	860,000	March 9, 2018	0.05	18,000
Issued March 10, 2016	4,560,000	March 9, 2017	0.05	31,500
Balance April 25, 2016	**7,400,000**		**0.06**	**91,000**

CHANGES TO ACCOUNTING POLICIES

The Company has adopted certain accounting policies to be consistent with IFRS effective December 1, 2014. However, these changes to its accounting policies have not resulted in any significant change to the recognition and measurement of assets, liabilities, equity, revenue and expenses within its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

As at April 25, 2016, the Company has no off-balance sheet arrangements, nor any proposed transactions.

RELATED PARTY TRANSACTIONS AND BALANCES

RELATED PARTY BALANCES

		February 29, 2016		November 30, 2015	
Related party	Purpose	Amounts charged during the periodr $	Amounts payable or accrued at Feb. 29, 2016 $	Amount Charged during the year $	Amounts payable or accrued at year-end $
Corporation controlled by an officer	Filing fees	**1,348**	**3,040**	12,147	1,625
	expenses	**–**	**–**	–	–
Accounting firm of which an officer of the Company is a partner	Professional fees	**–**	**15000**	7,500	15,000
Corporation controlled by a director and significant shareholder	Management fees, Director	**15,000**	**12,000**	63,000	3,000
	Exploration	**58,353**	**30.321**	173,844	14,980
	Office, rent and general expenses	**24,999**	**17,534**	102,417	21,077
Totals		**99,700**	**77,115**	358,909	55,685

During the year ended February 29, 2016, the Company recorded directors' fees of $nil (2014 - $nil).

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.

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

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

	February 29	
	2016	2015
	$	$
Short term employee benefits	**15,000**	7,000
Totals	**15,000**	7,000

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

COMMITMENTS AND CONTINGENCIES

- **COMMITMENTS**

Consulting Agreement

The Company entered into an exploration management services agreement dated December 31, 2010 with M'Ore and the President and significant shareholder of M'Ore, who is an officer, director and shareholder of the Company. Pursuant to the agreement, M'Ore provides consulting and management services to the Company and incurs various administrative expenses, including administrative salaries and office and vehicle rentals on behalf of the Company. The term of the agreement is for a period of two years ended December 31, 2012 and can be renewed thereafter at the end of every 12 months. On March 28, 2013, the Company extended the term of the agreement for a further two year term to December 31, 2014.

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

Contingencies

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

- **FLOW-THROUGH EXPENDITURES**

During the period ended December 31, 2015, the Company renounced Canadian exploration expenditures in the aggregate amount of $99,000 (2014 -$165,500) related to proceeds from the issuance of flow-through shares pursuant to the financings and has incurred these qualifying Canadian exploration expenditures as at February

29, 2016. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

RISKS AND UNCERTAINTIES

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

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

1. Financial risks

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

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

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

The Company is not exposed to significant interest rate risk due to the short-term maturity of these monetary assets. Fluctuations in market rates do not have a significant impact on estimated fair values at February 29, 2016. 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 maintained working capital at February 29, 2016 in the amount of $(151,998), which was increased by $100,000 with a combined flow through and non-flow through financing. The company anticipates additional such financings over the year, which further increase the Company's ability to meet short-term business requirements.

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

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

The Company's marketable securities are summarized as follows:

	February 29, 2016					November 30, 2015		
Securities issuer	**Number of shares November 30, 2015**	**Number of shares sold during the period**	**Number of shares February 29, 2016**	**Value $**	**Cumulative Unrealized (loss) $**	Number of shares held	Value $	Cumulative Unrealized (loss) $
Foran Mining Corporation	**948,700**	**695,000**	**253,700**	**20,296**	**(198,393)**	948,700	99,614	-706,782)
Jaxon Minerals Inc.	**20,000**	**0**	**20,000**	**600**	**(16,400)**	20,000	900	(16,100)
Total				**20,896**	**(214,793)**		100,514	(722,882)

2. Going Concern

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

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

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

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

The Company's expected source of cash flow for the upcoming period ended November 30, 2016 will be through equity financings.

The Company maintained cash at February 29, 2016 in the amount of $16,624 (2015 – $41,795), in order to meet short-term business requirements. At February 29, 2016, the Company had accounts payable and accrued liabilities of $206,094 (2015 - $124,467). All accounts payable and accrued liabilities are current. On March 10, 2016, the Company completed a $100,000 equity financing.

3. Exploration and Mining Risks

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

4. Development Risks

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

5. Loss of Interest in and Value of Properties

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

6. Financing Risks

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

7. Metal Prices

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

8. Uninsurable Risks

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

9. Environmental and Other Regulatory Requirements

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

10. No Assurance of Titles, Boundaries or Surface Rights

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

11. Permits and Licenses

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

12. Inability to Meet Cost Contribution Requirements

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

13. Reliance on Key Personnel

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

CONFLICTS OF INTEREST

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

Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after December 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

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

- 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.
- IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

Forward Looking Statements

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

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