MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED NOVEMBER 30, 2018

AND SUBSEQUENT PERIOD ENDED MARCH 22, 2019

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1. INTRODUCTION

The following discussion and analysis of the operating results, financial position and future prospects of Copper Reef Mining Corporation ("Copper Reef" or the "Company"), dated February 28, 2019 constitutes management's view of the factors that affected the Company's financial and operating performance for the year ended November 30, 2018 and subsequent period ended March 22, 2019. This discussion should be read in conjunction with the audited financial statements and related notes of the Company for the year ended November 30, 2018. This MD&A is prepared in conformity with National Instrument 51-102 F1 and was approved by the Board of Directors on March 22, 2019.

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

2. FORWARD-LOOKING STATEMENTS

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

3. STRUCTURE AND BUSINESS DESCRIPTION

a) NAME AND INCORPORATION

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

b) THE COMPANY

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

c) LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2018 the Company had a working capital deficit of $62,334 as compared to a working capital deficit of $8,651 as at November 30, 2017. 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.

On December 31, 2018, the Company completed a non-brokered, private placement that realized $97,250 in flow through funds and $99,750 in non-flow-through funds for an aggregate of $197,000.

4. CORPORATE DEVELOPMENTS

a) JANUARY 18, 2018

On January 18, 2018, the Company announced the issuance of 1,000,000 options to a director. The options expire January 17, 2023 and are exercisable at $0.05 per option.

b) SEPTEMBER 17,2018.

The Company filed Notice of Meeting for its annual and special meeting of its shareholders to be held Friday, October 12, 2018 at 2:00 p.m. (C.S.T.) at 12 Mitchell Road, Flin Flon, Manitoba.

c) FINANCINGS/PRIVATE PLACEMENTS

On April 6, 2018, the Company announced that it had closed the first tranche of $257,000 of a the non-brokered private placement previously announced on January 18, 2018.

This first tranche was comprised of 1,950,000 flow-through Units at a price of $0.05 per flow-through Unit representing proceeds of $97,500 and 6,380,000 Class "A" Units at a price of $0.025 per Unit, representing proceeds of $159,500 for an aggregate total raised of $257,000. The Company has issued 8,330,000 shares with a hold period to August 5, 2018.

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 Class A Units consisted of, and separated immediately into, one common share of the Issuer (a "Common Share") and one (1) Share Purchase Warrant, each entitling the holder to purchase one Common Share at a purchase price of $0.05 cents per Warrant for a period of twelve (12) months following the date of issuance. The flow-through Units consist of, and separated immediately upon closing into, one Common Share, to be issued as a "flow-through share" within the meaning of the Income Tax Act (Canada), and one Warrant. Each Warrant attached to the Flow-Through Units shall entitle the holder to purchase one Common Share for a purchase price of $0.05 per Common Share for a period of twenty four (24) months following the date of issuance.

A finder's fee consisting of a cash payment of $9,400 and the issuance of 240,000 finder's warrants with a deemed fair value of $1,500, was paid, to an arm's length group for securing proceeds total procees of $117,500 through subscriptions for 1,200,000 Flow Through Units and 2,300,000 Class A Units. Each of the finder's warrants entitles the holder to purchase one Common Share at an exercise price of $0.05 for twenty four (24) months following the date of issuance of the Class A Units pursuant to this tranche of the private placement.

October 3, 2018, the Company announced receipt of the $26,268 in grants

Copper Reef received $26,268 from a Manitoba Mineral Exploration Assistance Program (MEAP) in late September 2018. Funds included $23,419 for expenditures on Copper Reef's North Star Property for and $2,849 for its Gold Rock Property with all expenditures having been competed in 2017. Earlier in the year Copper Reef also received adjustments of the MEAP grant for 2016 of $6,678 for it's Gold Rock property. Total MEAP grants received to date for the Gold Rock property are $107,763.

On November 9, 2018, the Company announced its plans to raise $500,000 through a non-brokered private placement financing up to a Maximum Offering Amount of $500,000. The first tranche of this raise will be comprised of 6,000,000 flow-through Units at a price of $0.05 per flow-through Unit representing proceeds of $300,000 and 8,000,000 Class "A" Units at a price of $0.025 per Unit, representing proceeds of $200,000 for an aggregate total raised of $500,000. 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 Class "A" Units shall consist of, and separate immediately upon closing into, one common share of the Issuer (a "Common Share") and one (1) Warrant, each entitling the holder to purchase one Common Share at a purchase price of $0.05 cents per 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, to be issued as a "flow-through share" (the "Flow-Through Shares") within the meaning of the Income Tax Act (Canada), and one Warrant. Each Warrant attached to the Flow-Through Units shall entitle the holder to purchase one Common Share for a purchase price of $0.05 per Common Share for a period of twenty four (24) months following the date of issuance.

Subsequent to December 31, 2018, the Company completed a private placement of 1,945,000 flow-through units at a price of $0.05 per flow-through unit representing proceeds of $97,250 and 3,990,000 Class "A" units at a price of $0.025 per unit representing proceeds of $99,750 for an aggregate total raised of $197,000.

In addition, a total of 3,120,000 Class "A" units were issued to members of management to settle debt in the amount of $78,000.

5. EVALUATION & EXPLORATION ASSETS

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

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

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

Also, we have included a summary of expenditures that have been expensed not capitalized to illustrate total mineral property costs for the years ended November 30, 2018 and 2017.

A summary of major claim blocks and exploration expenditures for the years ended November 30, 2018 and 2017, including both capitalised and expensed expenditures is included overleaf:

	Total	Non Capitalised Expenditures	Total Capitalised Expenditures	Gold Rock Group	Alberts Lake Group	Mink Group	Smelter Group	Hanson Lake	Other Properties
Balance, November 30, 2016			**8,857,834**	**1,570,579**	**654,446**	**2,451,771**	**1,604,775**	**1,679,733**	**896,530**
Claim acquisition & holding	12,622	6,354	6,265	1,200	1,991	–	–	–	3,074
Assay	9,290	2,996	6,294	6,294	–	–	–	–	–
Geological	2,900	–	2,900	2,900	–	–	–	–	–
Field labour costs	138,262	42,275	95,988	80,813	15,175	–	–	–	–
Other fields costs	41,495	15,220	26,275	22,095	4,180	–	–	–	–
Drilling	78,232	–	78,232	78,232	–	–	–	–	–
Total 2017 expenditures	282,800	66,845	215,954	191,534	21,346	–	–	–	3,074
Subtotal - November 30, 2017			9,073,788	1,762,113	675,792	2,451,771	1,604,775	1,679,733	899,604
MEAP Rebates			(77,666)	(77,666)	–	–	–	–	–
Disposition/write downs			(80,000)	–	–	–	–	–	(80,000)
Balance, November 30, 2017			**8,916,122**	**1,684,445**	**675,792**	**2,451,771**	**1,604,775**	**1,679,733**	**819,604**
Claim acquisition & holding	9,017	7,218	1,799	1,252	–	130	182	195	40
Assay	11,276	1,202	10,074	–	10,074	–	–	–	–
Geological	23,813	–	23,813	8,573	15,240	–	–	–	–
Field labour costs	166,250	46,275	119,975	15,813	103,600	563	–	–	–
Other fields costs	32,753	14,308	18,445	332	17,647	466	–	–	–
Total 2018 expenditures	243,109	69,003	174,107	25,969	146,561	1,159	182	195	40
MEAP Rebates			(32,946)	(30,097)	(2,849)	–	–	–	–
Disposition/write downs			–		–	–	–	–	–
Balance, November 30, 2018			**9,057,283**	**1,680,317**	**819,504**	**2,452,930**	**1,604,957**	**1,679,928**	**819,644**

6. EXPLORATION ACTIVITIES FOR THE PERIOD

a) QUARTER 1

On December 7, 2017, the Company advised of a development of the Foran Mining Corp's, Hanson Lake property over which the Company holds a $0.75 per tonne-mined royalty, on any ores mined.

January 17, 2018 – The Company announced results issued by Callinex from work done on the Pine Bay and Big Island properties, optioned from the Company in March, 2018

January 18, 2018 – the Company also reported results from its work on its Alberts Lake Property.

b) QUARTER 2

During the quarter ended May 31, 2018 work was focussed primarily on the Company's Gold Rock and Alberts groups of properties

On April 12, 2018, the Company announced a review of a number of its copper deposits for the presence of cobalt.

On April 18, 2018, the Company received notice from Callinex of termination of the Option.

On May 17, 2018, the Company announced the results of this winter's geophysics programme at the Albert Lake Gold Zone as reported in the Company's January 18, 2018 press release. Quarter 3 to July 13, 2018

c) QUARTER 3

On July 9 2018, the company announced early results from this summer prospecting at the Alberts Gold Property.

Samples were taken 300m north of the north-north- east trending Alberts Gold Deposit and are some of the highest grades reported. Three grab samples from the vein assayed 11.35, 18.79 and 19.48 g/t gold and 75.5, 81.1, and 73.7 g/t silver respectively over a 25 m strike length along the vein.

The samples contain galena (lead sulphide, which is unusual for this area) from a 0.4 m– 1.5 m wide quartz vein associated with pyrite and locally chalcopyrite. ICP analytical data indicated elevated bismuth, copper and up to 0.29% lead.

Another parallel zone composed of strongly pyritised quartz-ankerite-chlorite-tourmaline veined shear zone, 1.5 to 2 m wide, was found 20m to the west of the above structure. This western shear, which is very similar to the Albert main gold deposit to the south in character, but narrower, also contains some galena and trace pyrite. Samples from this parallel veined shear are out for assay. Still further west additional trenches and new showings containing rusty quartz veined pyritised gabbro have been mapped and sampled. Prospecting and mapping are in its early stages but these results are encouraging.

The Alberts Gold Zone grid is presently being further extended north by 300m to cover the projected Alberts Gold Zone structures north of these new results but also to cover a VTEM electromagnetic anomaly described in the previous news release of May17, 2018. The grid was also extended in this area an additional 350m west to cover the anomaly strike length and prepare for a ground Transient Electromagnetic Survey.

The Company continues to focus on other work with the goal to maintain all properties in good standing while increasing the Company's geological knowledge of the properties in question.

On July 20, 2018, the Company reported on the completion of its Analyses of Airborne Electromagnetic (EM) Anomalies southeast of Alberts Lake and immediately north of Callinex's Pine Bay mine and Hudbay's former North Star and Don Jon mines, 20 km east of Flin Flon, Manitoba.

The analyses have given surprising results of large untested volcanogenic massive sulphide targets. 4 VTEM airborne targets were analysed in detail and three others were briefly looked at and noted for further work. This is in the area just north of the three former mines and a number of deposits covering an area roughly 4km by 4km where Copper Reef has an extensive land package. Two of the main targets were never explored or drilled, although old trenches with copper mineralization suggest they had been examined by old timers. The two other main targets were drilled but only shallowly and did not test the large and very conductive targets that occur at depth. The full analyses of these targets can be found on Copper Reef's website copperreefmining.com titled Analyses of Airborne EM Anomalies, July 18, 2018 by Ross Groom, Petros Eikon Incorporated.

Presently we are looking at four of these anomalies this summer.

- Z4 is a large deep anomaly (250 m) with a conductivity of 200 siemens over which we have just completed a grid at 50 m grid line separation where the Company will conduct a VLF and Magnetic survey to be followed by a deep penetrating large loop TEM survey. This anomaly lies 200 m north west of the Alberts Lake Gold deposit with sections of gold mineralized shear up to 52 m wide. It is flanked by three old trenches some with chalcopyrite. Soil geochemical gold anomalies found by Granges Inc in the 1980's occur in the overburden above Z4. One --two drill holes are being considered to test this target if the geology confirms VMS style alteration.
- Z2-4 and Z2-5 are two VTEM anomalies between the Alberts Lake Gold deposit and the Pine Bay copper zinc Mine occurring 2 km directly on strike with this deposit at the contact between felsic and mafic volcanic rocks. One of these targets may have been tested at its upper portion (less than 50 m) where the conductivity was only 15 siemens. What Dr. Groom has found through his modeling is that a larger conductor lies at depth (120 m) with a conductivity of 200 siemens. This is quite exciting as there are indications that Z4-4 and Z4-5 may be connected at depth possibly forming an even larger target. The summer program consist of ground truthing this target and cutting a small grid over the target for deep penetrating ground TEM survey. Z4-4 and Z4-5 is rated by D. Groom as the top two priority targets for drilling.
- Z3 VTEM anomaly, which lies immediately south of the Z2 anomalies on the Pine Bay Mine Trend, possibly represents another zone along this horizon. This summer the area with be prospected.
- Z5 is a VTEM anomaly north west of the Z4 anomaly and on no apparent mine trend but has a number of old trenches with sulphides reported. A cursory look at these old trenches will be carried out as the geophysical target is fairly conductive at 100 siemens but is 165 m to the top of the conductor. This target which lies under a lake is proximal to felsic volcanic rocks and breccias.

The other 3 VTEM targets with the exception of maybe Z8, which lies north and on strike with Z2, will likely only

ADDITIONAL ALBERTS LAKE GOLD ASSAY

Results from sampling and mapping of a vein north of the Alberts Lake Gold deposit have again returned more high grade gold values. 7 out of the 9 samples collected returned grades ranging from 3.36 to 29.18 g/t gold and 2.9 to 71.2 g/t silver. A chip sample across the vein assayed 7.34 g/t gold and 11.9 g/t silver. These samples were taken in a trench 20-27 meters south of the high grade samples in the same vein reported in the July 9, 2018 press release. Again as reported in the July 9th release higher grades are mainly associated with lead, bismuth, copper and tellurium. Bismuth is generally in the same grade range as silver and copper can be up to 0.3%.

ADDITIONAL ALBERTS LAKE GOLD ASSAY (CONT'D)

Copper Reef has not received values for western vein structure reported in the July 9 release. Mapping and sampling will continue south of this last batch of results until the Alberts Lake gold zone is reached. Once the lines extended to north are chained mapping and prospecting will focus on extending the above structures for another 300 meters further north. Extension of the Alberts Gold Zone grid by 300m to the north has now been completed. The extension is to cover the projected Alberts Gold Zone structures north of these new results reported in this and the May 9th press release. This extension will also cover a VTEM electromagnetic anomaly (Z4) described herein and in the previous news release of May17, 2018. The grid was also extended in this area an additional 350m west to cover the strike length of Z4 VTEM anomaly and prepare for a ground Transient Electromagnetic Survey.

On August 28, 2018 the Company announced Continued High Grade Gold North of the Alberts Deposit.

The samples were taken between 300 and 400 m north of the north-north-east trending Alberts Gold Deposit. Assays of 12 out of 16 samples over a 100 m stretch of the structure reported grades ranging from 3.36 g/t gold to 54.73 g/t gold with 9 samples assaying above 8 g/t gold including 5 above 14 g/t gold. These were taken over a length of 100 m, north of the high grade samples taken along the same structure as reported in the July 9, 2018 press release. There are approximately another 55 samples ready to be shipped from locations further north and further west from the samples reported in this press release.

The northern and western portion of the new grid has been mapped covering both the projected northern extensions of the Alberts Lake Gold deposit and Z4 VTEM Geophysical Electromagnetic Conductor to the northwest.

Two new outcrops of quartz-veined ankeritic sericite schist similar to the Alberts Lake deposit have been found. The eastern outcrop is the most northern extension of the Alberts Lake Shear Zone extending the zone an additional 650 meters and does not appear to have been previously sampled or drilled. The other outcrop appears to be a western splay of Alberts Lake Shear zone approximately 100 meters north of the most northerly hole into the deposit.

Mapping and prospecting in the area of the Z4 anomaly has located numerous sulphide gossans flanking the Z4 VTEM Geophysical conductor in an area of quartz feldspar porphyries, ash and lapilli felsic volcanic tuffs and derived sediments. Two of the sulphide gossans have lapilli replaced by chalcopyrite (copper mineral). Numerous samples displaying extensive chlorite alteration will be sent shortly for whole rock analysis to test for volcanogenic massive sulphide (VMS) alteration. If VMS style alteration is chemically verified it will add credibility to the Z4 anomaly as a VMS target.

Detailed mapping will continue over the Alberts Lake deposit area and its potential southern extension. Geophysical surveys, including magnetic and VLF will cover the northern grid in

September, with a large loop Transient Electromagnetic Survey (TEM) planned over the Z4 target area after freeze up.

Concurrently, the Company advised of an update from Foran Mining on Foran's flagship McIlvenna Bay zinc-copper deposit in Saskatchewan. Four drills and over 30 employees and contractors are now on site to complete the planned 11,000-metre program over which Copper Reef holds a 0.75/tonne royalty as well as other royalty interests on Foran properties in Saskatchewan.

d) QUARTER 4

On September 24, 2018, the Company reported very high grade, gold and silver assays from samples taken 300 and 400 m north of the north-north-east trending Alberts Gold Deposit. Silver assays for the high-grade gold samples from the same vein reported in the August 28, 2018, press release, returned 21 samples with grades ranging from 8.0 g/t silver to 429.7 g/t silver with 10 of those samples assaying above 33 g/t silver and 2 of those samples above 102 g/t silver. An additional sample taken south of a small pond between the Alberts Lake Gold Shear Zone and the high grade gold and silver zone 300 to 400 metres north of the north-northeast-trending Alberts gold deposit returned an assay of 16.51 g/t gold and 36.7 g/t silver. Another sample taken from a separate quartz vein on the very last line of the newly cut grid on the southwestern shore of Alberts Lake returned an assay of 17.04 g/t gold and 44.1 g/t silver.

The northern and western portion of the new grid has been mapped covering both the projected northern extensions of the Albert's Lake Gold deposit and Z4 VTEM Geophysical Electromagnetic Conductor to the northwest.

Detailed mapping and prospecting of the main Albert's Lake gold shear zone is underway. Several trenches with mineralized quartz veins flanking the Albert's Lake gold shear zone have been sampled and 15 samples have been sent in for analysis.

Detailed mapping will continue over the Alberts Lake deposit area and its potential southern extension. Geophysical surveys, including magnetic and VLF will cover the northern grid in September, with a large loop Transient Electromagnetic Survey (TEM) planned over the Z4 target area after freeze up.

In other news Foran Mining Corp. reported Sept 11 that it has intersected in drill hole MB-18-209, 9.4% zinc over 6.1 metres on the company's flagship McIlvenna Bay zinc-copper deposit in Saskatchewan. Copper Reef holds a 75-cent-per-tonne royalty on this deposit and a 2-per-cent net-smelter-return royalty on other properties and deposits held by Foran in Saskatchewan.

On October 3, 2018 Copper Reef Reports High Grade Gold-Silver Tellurides East of Alberts Lake

The Company announced several trenches with mineralized quartz veins flanking the Albert's Lake gold shear zone to the east have returned high grade gold values. The samples were taken immediately east of the Alberts Gold Deposit within quartz veins cutting felsic volcanic rocks. Most of the north-north-east trending Alberts Gold Deposit lies within the contact zone of gabbro and felsic porphyries.

Gold values from eight samples of the vein ranged from 5.66 g/t gold to 48.11 g/t gold with 7 assaying over 13.5 g/t gold and 4 of them over 21 g/t gold. Silver values of the eight samples ranged from 6.7 to 62.4 g/t Ag including 3 above 53 g/t Ag. Elevated values in lead, tellurium, bismuth and copper were associated with the high gold-silver assays. Bismuth ranged from 1.5 to 16.1 g/t. Minerals associated within the veins were pyrite and minor galena (lead) with visible tellurides observed in the higher grade samples above 20 g/t gold. These samples were taken from old trenches along a 70 m strike length.

New Veins

Three new veins, on three separate structures, were discovered south of the Alberts Lake Deposit, south of the area of the southern-most drill holes. Two of the veins contained associated galena, commonly associated with higher gold and silver values and one vein located on the eastern baseline on the most southerly line at 4 south, contained both galena and tellurides. Samples from these three veins are out for analysis. Given the new vein discoveries, the grid at 25 m spacing's will be extended south an additional 200 meters with detailed mapping and prospecting to follow.

McIlvenna Deposit

Highlights from recent drilling from Foran's large zinc-copper-silver-gold deposit in Saskatchewan, returned values of 11.3 %Zn over 8.19 meters (News Release 2018-09-27) and 9.4% Zn over 6.1meters (News Release 2018-09-11). Copper Reef retains a $0.75/tonne royalty on the ore produced from this property and a 2% NSR on Foran's other properties in Saskatchewan. More results are expected.

On November 9, 2018 commensurate with the Company's release on the planned financing, the company also announced it intends to use the proceeds from the financing on the Alberts Property to establish a grid over the Z2-4 and Z2-5 base metal target area which covers a very large anomalous region of over 40,000 square meters, along with a Transient large loop electromagnetic survey (TEM) to cover these two targets and intervening areas. A similar TEM survey will cover the Z4 base metal target anomaly. The cost of three drill holes into the 3 most promising targets is also included in this financing. A portion of the funds will be used to evaluate the Z3, Z8 and Z9 VTEM target areas and the remainder for corporate purposes.

The Z2-4 and Z2-5 targets are less than 100 meters apart and are the closest (2.2 km) from the Pine Bay Mine where they are projected to be along the same horizon. The Z2-3 a & b anomalies which are not presently evaluated, are less than 2 km from the Pine Bay Mine. Of the 10 airborne VTEM anomalies Z3 a & b, Z2-4 &5, Z2-8 and possibly Z4-1 & 2 anomalies (all 7) appear to lie along the Pine Bay horizon.

On the south west edge of the south grid extension, a new gossan zone consisting of a 10-15 meter wide horizon of sulphidic cherty sediments was recently discovered. The outcropping cherty exhalite is located 100m north of the Z8 VTEM anomaly, which in turn lies 500m north of Z2-4. This sulphidic siliceous horizon, the author believes, is the northern extension of the Pine Bay Mine horizon occurring at the contact between felsic and mafic volcanic rocks.

Of the VTEM targets 3 (Z2-5, Z2-4 and Z4) have been prioritized to be drilled.

Maps of these targets can be viewed on a 6 page summary under the "Current Projects" tab called "Present Focus" or in more detail in the Evaluation Report by Ross Groom on the Company's website (copperreefmining.com).

Priority VTEM Base Metal Copper Zinc Gold Silver Targets

"Depth of Resolution: The 2 Petros picks, Z2-4 and Z2-5, deep very conducting anomalies have been determined. However, the depth of these conductors is at the maximum resolution of the VTEM system. As such, we cannot determine if these conductors are more extensive at depth nor whether there are additional deeper conductors. But, certainly, the occurrence of two relatively closely spaced good conductors would indicate a strong possibility of more conductive material at depth. If there are other deep conductors within this area which do not have a shallow part, they will be obscured by the responses of the already identified deep conductors." Ross Groom. These targets lie on strike with the Pine Bay Mine Horizon to the North.

Both these anomalies have been previously drilled, based on HLEM Surveys following up an old airborne survey. Both drill holes intersected copper-zinc mineralization in the relatively weak near surface conductors. Ross Groom believes the main mass lies at depth and there may be additional targets. Near surface conductivity is in the order of 25 to 65 siemens, whereas at depth the anomalies exceed 200 siemens in conductivity and are larger. The Plan is to reestablish the old Granges Grid this fall over the Z2-4 and Z2-5 airborne VTEM targets and carry out a large loop ground Transient Electromagnetic Survey to better define the targets for drilling. The Company shall target the large Z4 (North West) anomalies in the same manner; this grid is already established. The Z4 anomalies also exceed 200 siemens in conductivity and are stronger

with depth. Three holes are being planned for each target. Z2-5 Ross Groom rates as Priority 1 followed by Z2-4 (priority 2) and Z4-1 (priority 3) out of the 10 VTEM targets.

Due to snow cover Copper Reef was not able to finish the last 8 lines of the south grid extension of the Alberts Gold Deposit with prospecting and mapping which now has been postponed till spring unless there is a drastic change in the weather. The magnetic and VLF-EM geophysical surveys will however be completed this month as planned over both north and south extensions.

In other news Foran Mining Corp. reported November 1 that it has intersected in drill hole MB-18-217, 12.5% zinc equivalent over 8.3 metres on the company's flagship McIlvenna Bay zinc-copper deposit in Saskatchewan. Copper Reef holds a 75-cent-per-tonne royalty on this deposit and a 2-per-cent net-smelter-return royalty on other properties and deposits held by Foran in Saskatchewan.

Stephen Masson P.Geo. M.Sc., the qualified person, personally took the samples and supervised custody and shipment of the samples to TSL Laboratories in Saskatoon.

On February 28, 2019, the Company announced the beginning of their Base Metal Drilling north of Sourdough Bay in the main Flin Flon Camp of Northern Manitoba.

The Company plans to drill initially 2 to 3 targets of 7 Airborne VTEM targets that occur just north of theformer Pine Bay, Baker Patton and North Star Mines. The three being drilled occur as a cluster of four, possibly representing mineralization connected at depth (Ross Groom -VTEM Modelling Report's 2018 and 2019) over a combined strike length of 300 m. Individually targets vary from 80 to 150 m in strike length.

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

The most northern target of this cluster and the one which will be drilled first is the VTEM Anomaly Z2- 4. It is considered an "A" class VTEM target intersected on two flight lines (an E-W line and a NNE flight line). The target was originally covered with Horizontal Loop EM (HLEM) ground geophysics in 1980 by Granges following up an Areodat Airborne Anomaly. The HLEM had 300 ft. spacing's between coils basically seeing as deep as half that spacing (150 ft. or 46 m). The HLEM survey produced a distinct well defined anomaly. A drill hole (DDH AM-1) into the anomaly return zinc and silver mineralization with minor copper; but all mainly stringer mineralization with no significant massive sulphide intercepts.

The later airborne survey by VTEM indicated little mineralization in the top 100m but with a significant conductor at depth. Copper Reef will retest this anomaly which appears to consist of two plates: a shallow weaker conductor and a much stronger deeper conductor with a single hole AM-19-6. The weaker anomaly will be intersected 40 m below the previous drill intercept while the deep conductor is planned to be intercepted between 130 and 160 m down hole or 120 m vertically drilled at -62 degrees with a 270 azimuth. The conductors appear to be dipping steeply at -85 to the east.

VTEM Airborne Anomaly Z2-5 occurs 100 m south of Z2-4 and appears to be on strike. This is also a moderate anomaly near surface but with a deep conductor at depth. The VTEM Airborne conductor occurs in the middle of two E-W and two NNE flight lines, so its location is fairly well defined. This anomaly was also surveyed with HLEM at 300 foot spacing by Granges and produced a fairly good anomaly despite being beneath a swamp. Granges's attempt to drill (DDH AM-2) this conductor failed as the drill hole overshot the conductor due to depth of the cover (70 feet) causing them to miss the target.

Z2-5 appears to be only represented by a single conductive plate which is weak near surface (down to 70 m) but quite strongly conductive at depth below 120 m vertically. Copper Reef's planned drill hole AM19- 7 is aimed to intersect this anomaly at 150 m vertically. There is some indication of conductors east of this plate but because they are deep; they are at the vertical limit of the VTEM survey data to properly access. The planned hole, however is set back far enough to cover most of the favourable stratigraphy.

Diamond Drill Hole AM-19-7 will be drilled at -65 with an azimuth of 270 degrees. This conductor target also dips steeply (-85 degrees) to the east.

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

Copper Reef's planned drill hole AM-19-8 is planned to intersect the conductor at 175 m at a vertical depth of 125 m. The drill hole will be drilled a -45 degrees and at an azimuth of 300 degrees.

Ross Groom likes this target the best because of its good conductance with depth and that it flanks a strong magnetic feature located between VTEM Airborne anomalies Z3-1 and Z3-2 both deep targets.

The Property is easily accessible via the North Star Mine Road off of old highway 10 south of Flin Flon. An existing main drill road (2 km) leads to the target areas where old subsidiary drill roads provide access to drill set ups. Work permits are in place. Ploughing of snow along these access roads and drill site preparation has begun. Ross Industries Ltd will be providing access to the sites and ensuring these activities are carried out safely and in accord with environmental laws and conditions of the work permit.

Quality Control

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

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

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

7. RESULTS OF OPERATIONS

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

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

a) SELECTED ANNUAL INFORMATION

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

	2018	2017	2016
	$	$	$
(Loss) for the year (1)	**(212,624)**	(539,507)	(376,293)
(Loss) per common share, basic and diluted	**(0.002)**	(0.004)	(0.002)
Weighted Average number of common shares	**147,312,916**	136,237,190	124,210,095
Statement of Financial Position Data			
Working capital surplus	**(62,333)**	(8,651)	12,100
Total assets	**9,283,495**	9,395,337	9,218,015

(1) - Includes an realized/unrealized gain/(loss) on marketable securities of $47,300, (2017 - ($64,100)) and (2016 – ($33,795))

b) REVENUES

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

c) SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the preceding eight quarters ended November 30, 2018:

	Q4 November 30, 2018	Q3 August 31, 2018	Q2 May 31, 2018	Q1 February 28, 2018
Operating (loss)/income	65,450	49,591	82,591	86,292
Unrealised gain on Securities & Other (*)	158,100	(36,700)	(23,800)	(50,300)
Net income/(loss) for the period	92,650	(86,291)	(106,391)	(136,592)
Net Income/(loss), fully diluted	116,650	(86,291)	(106,391)	(136,592)
Net loss per share, fully diluted	(0.001)	(0.001)	(0.001)	(0.001)
Weighted average shares outstanding	150,211,300	150,211,300	147,002,454	141,881,300

	Q4 November 30, 2017	Q3 August 31, 2017	Q2 May 31, 2017	Q1 February 28, 2017
Operating (loss)/income	17,483	(345,382)	(163,596)	(69,913)
Unrealised (loss)/gain on Securities & Other (*)	(158,100)	71,400	11,000	(37,700)
Net (loss)/income for the period	(93,317)	(273,982)	(152,596)	(107,613)
Net (loss)/income, fully diluted	(93,317)	(273,982)	(152,596)	(107,613)
Net loss per share, fully diluted	(0.001)	(0.002)	(0.001)	(0.001)
Weighted average shares outstanding	141,881,300	141,881,300	133,526,952	127,531,300

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

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

d) RESULTS OF OPERATIONS FOR THE YEARS ENDED NOVEMBER 30, 2018 AND 2017:

	2018 $	2017 $	Increase/ (decrease) $	Increase/ (decrease) %
Expenditures				
Bank charges and interest	**714**	693	21	3%
Filing fees	**21,726**	27,197	(5,471)	(20%)
Management fees and salaries	**43,200**	43,200	–	–
Office and general	**36,105**	55,279	(4,616)	(32%)
Professional fees	**53,622**	59,591	(5,969)	(10%)
Rent and utilities	**42,188**	43,973	(1,785)	(4%)
Travel and promotion	**3,366**	1,921	1,445	75%
Generative exploration not capitalised	**69,003**	67,105	1,898	3%
Total expenditures	**269,924**	298,960	(29,035)	(12%)

Overall expenditures decreased by $29,035 (12%) compared to Fiscal 2017.

Filing fees reduced by $5,471 (20%) due to decreased activity.

Office and general decreased by $4,616 (32%) due to cost saving measures

Travel and promotion increased by $2,837 (148%) due to the decision to attend the PDAC (Prospectors and Developers Annual Convention).

8. OUTSTANDING SHARE DATA

a) AUTHORIZED SHARE CAPITAL

Unlimited share capital with no par value.

As at March 22, 2019, the Company had the following common shares, stock options and warrants outstanding:

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

Summary of common shares outstanding – March 22, 2019

Balance November 30, 2017	**141,881,300**	**$ 13,685,115**
April 6, 2018, private placement, non-flow through	6,380,000	159,500
Fair value of warrants issued	–	-40,300
April 6, 2018, private placement, flow through	1,950,000	97,500
Fair value of warrants issued	–	-15,500
Cash finder's fee	–	-9,400
Broker warrants	–	-1,500
Balance November 30, 2018	**150,211,300**	**$ 13,875,415**
Subsequent to December 31, 2018 – Non Flow-Through	3,990,000	97,250
Subsequent to December 31, 2018 – Flow-Through	1,945,000	99,750
Subsequent to December 31, 2018 – Shares for debt	3,120,000	78,000
Balance March 22, 2019	**159,266,300**	**$ 14,150,415**

b) STOCK OPTIONS AS AT FEBRUARY 28, 2019

Grant Date	**Number of Options**	**Weighted Average Exercise Price $**	**Estimated Grant Date Fair Value $**
Balance, November 30, 2016	0	0	0
Balance, November 30, 2016	**–**		**–**
Issued August 2, 2017	13,050,000	0.05	261,000
Balance November 30, 2017	**13,050,000**	**0.05**	**261,000**
Issued January 17, 2018	**1,000,000**	**0.05**	**14,000**
Balance November 30, 2018 and March 22, 2019	**14,050,000**	**0.05**	**275,000**

c) WARRANTS AS AT MARCH 22, 2019

The Company's warrant activity to February 28, 2019, is summarized as follows:

	Issued	Expiry Date	Exercise Price $'s	Estimated Grant Date Fair Value $
Balance Nov. 30, 2016	**13,210,000**			**129,700**
Expired March 9, 2017	(4,560,000)	–	–	(27,700)
Expired May 11, 2017	(3,560,000)	–	–	(21,200)
Issued April 5, 2017 flow-through	900,000	4-Apr-19	0.05	20,700
Issued April 5, 2017	8,200,000	4-Apr-18	0.05	82,600
Issued April 5, 2017 broker warrants	400,000	4-Apr-19	0.05	4,100
Issued May 26, 2017	1,750,000	25-May-19	0.05	43,700
Issued May 26, 2017	3,500,000	26-May-19	0.05	43,700
Issued May 27, 2017 broker warrants	312,000	26-May-19	0.05	3,900
Expired August 17, 2017	(2,400,000)	–	–	(19,100)
Expired Sept. 24, 2017	(1,180,000)	–	–	(29,500)
Balance November 30, 2017	**16,572,000**		**0.05**	**230,900**
Expired March 9, 2018	(860,000)			(19,600)
Expired April 4, 2018	(8,200,000)			(82,600)
Expired May 11, 2017	(250,000)			(2,800)
Issued April 6, 2018	1,950,000	5-Apr-19	0.05	40,300
Issued April 6, 2018	6,380,000	5-Apr-20	0.05	15,500
Issued April 6, 2018	240,000	5-Apr-20	0.05	1,500
Expired August 24, 2018	(400,000)		0.05	(9,800)
Balance November 30, 2018 and March 22, 2019	**15,432,000**			**173,400**

9. CHANGES TO ACCOUNTING POLICIES

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

10. OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

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

11. RELATED PARTY BALANCES

12. KEY MANAGEMENT PERSONNEL COMPENSATION

		November 30, 2018		November 30, 2017	
Related party	**Purpose**	**Amounts charged during the year $**	**Amounts payable or accrued at year-end $**	Amount Charged during the year $	Amounts payable/ accrued at year end $
Corporation controlled by an officer	Filing fees	**6,185**	**16,807**	12,618	13,519
Accounting firm of which an officer of the Company is a partner	Professional fees	**8,987**	**41,587**	9,653	18,650
Corporation controlled by a director and significant shareholder	Management fees, Director	**54,805**	**122,013**	75,731	75,722
	Exploration	**197,978**	**19,359**	169,301	32,583
	Office, rent and general expenses	**85,045**	**40,578**	98,077	23,354
Totals		**353,000**	**240,343**	365,379	158,828

During the year ended November 30, 2018, the Company recorded director's fees of $nil (2017 - $nil).

The accounts payable and accrued liabilities to related parties are unsecured and non-interest bearing with no fixed terms of repayment (Note 7).

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

	November 30	
	2018	2017
	$	$
Short term employee benefits	**54,805**	75,731
Share-based compensation	**14,000**	190,000
Totals	**68,805**	265,731

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

During the year ended November 30, 2018, the Company recorded director's fees of $nil (2017 - $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.

13. COMMITMENTS AND CONTINGENCIES

a) COMMITMENTS

Consulting Agreement

The Company entered into an exploration management services agreement dated December 31, 2010 with M'Ore and the President and significant shareholder of M'Ore, who is an officer, director and shareholder of the Company. Pursuant to the agreement, M'Ore provides consulting and management services to the Company and incurs various administrative expenses, including administrative salaries and office and vehicle rentals on behalf of the Company. The term of the agreement was for a period of two years ended December 31, 2012 and could be renewed thereafter at the end of every 12 months. The agreement has been extended to December 31, 2019.

The Agreement puts a cap on management fees and salaries incurred by M'Ore of $200,000 per annum. Additional charges to the Company consists of a lease with M'Ore whereby the Company pays $30,000, plus operating expenses, per annum for rental of office and storage space. The lease also specifies rates to be charged for the use of various equipment if utilized by the Company.

Contingencies

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

b) FLOW-THROUGH EXPENDITURES

During the year ended November 30, 2018, and subsequent period ended December 31, 2018 the Company renounced Canadian exploration expenditures in the aggregate amount of $97,500 (2017 – $132,500) related to proceeds from the issuance of flow-through shares pursuant to the financings described in Note 9(b)(i). The Company had incurred $95,819 of these qualifying Canadian exploration expenditures as at November 30, 2018. The remaining $1,681 in expenses were incurred during December, 2018. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

c) RISKS AND UNCERTAINTIES

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

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

1. Financial risks

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

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

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

The Company is not exposed to significant interest rate risk due to the short-term maturity of these monetary assets. Fluctuations in market rates do not have a significant impact on estimated fair values at November 30, 2018. Future cash flows from interest on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by investing in highly liquid investments with maturities of three months or less.

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

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

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. The Company's expected source of cash flow in the upcoming year will be through equity financings. The Company had a working capital deficit at November 30, 2018 in the amount of $62,334 (2017 – surplus of $8,651). The company anticipates financings over the year, which further increases the Company's ability to meet short-term business requirements.

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

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

The Company's marketable securities as at November 30, 2018 consisted of:

	November 30, 2018					November 30, 2017		
Securities issuer	**Number of shares November 30, 2017**	**Acquired/ (Sold) during Year**	**Number of shares November 30, 2018**	**Value $**	**Unrealized (loss) $**	Number of shares held	Value $	Unrealized (loss) $
JAX	**20,000**	**–**	**20,000**	**1,400**	**(3,700)**	20,000	5,100	3,900
RCU	**1,600,000**		**1,600,000**	**192,000**	**72,000**	1,600,000	120,000	(70,000)
CNX	**100,000**		**100,000**	**9,000**	**(21,000)**	100,000	30,000	2,000
Total	**–**	**–**	**–**	**202,400**	**47,300**	–	155,100	(64,100)

2. Going Concern

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

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

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

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

The Company's expected source of cash flow for the upcoming year ended November 30, 2019 will be through equity financings.

The Company maintained cash at November 30, 2018 in the amount of $13,960 (2017 – $118,832), in order to meet short-term business requirements. At November 30, 2018, the Company had accounts payable and accrued liabilities of $288,546, of which $240,343 were due to related parties (2017 – $287,665, of which $158,828 were due to related parties). All accounts payable and accrued liabilities are current.

Subsequent to December 31, 2018, the Company completed a private placement that raised $197,000.

3. Exploration and Mining Risks

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

4. Development Risks

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

5. Loss of Interest in and Value of Properties

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

6. Financing Risks

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

7. Metal Prices

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

8. Uninsurable Risks

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

9. Environmental and Other Regulatory Requirements

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

10. No Assurance of Titles, Boundaries or Surface Rights

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

11. Permits and Licenses

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

12. Inability to Meet Cost Contribution Requirements

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

13. Reliance on Key Personnel

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

d) CONFLICTS OF INTEREST

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

e) FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after December 1, 2018 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

- IFRS 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.

f) FORWARD LOOKING STATEMENTS

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

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