

**COPPER FOX METALS INC.**  
**MATERIAL CHANGE REPORT**  
**FORM 51-102F3**

**1. Name and Address of Company:**

Copper Fox Metals Inc. (the “**Company**”)  
Suite 650, 340 – 12th Avenue SW  
Calgary, AB T2R 1L5

**2. Date of Material Change:**

July 20, 2012

**3. News Release:**

A news release announcing the material change disclosed in this material change report is attached as Schedule “A” and was issued by the Company on July 20, 2012. The news release was distributed via Canadian Newswire.

**4. Summary of Material Change:**

The Company has completed previously announced non-brokered private placement financing by an insider, Mr. Ernesto Echavarria, for net proceeds of CDN\$4,480,000 in funds (the “**Financing**”).

**5. Full description of Material Change:**

The Company announced on July 20, 2012, the closing of a financing by Mr. Ernesto Echavarria, an insider of the Company. The Financing consisted of the issuance of 4,000,000 units at a purchase price of \$1.12 per unit, for aggregate net proceeds of \$4,480,000. Each unit consists of one common share of the Company and one common share purchase warrant of the Company. Each warrant entitles the holder thereof to acquire one common share of the Company at an exercise price of CDN \$1.25 prior to 5:00 PM July 20, 2013.

Monies raised from the Financing have been used to fund costs associated with completing the Feasibility Study on the Schaft Creek deposit and general operating expenses.

In accordance with applicable securities legislation securities issued pursuant to the Financing are subject to a hold period of four months plus one day from the date of completion of the Financing.

No fees or commissions were paid as part of these transactions.

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

Not applicable.

7. **Omitted Information:**

No significant facts otherwise required to be disclosed in this report have been omitted.

8. **Executive Officer:**

The following executive officer of the Company is knowledgeable about the material change and may be contacted respecting the change:

J. Michael Smith  
Executive Vice-President  
Suite 650, 340 – 12th Avenue SW  
Calgary, AB T2R 1L5  
Telephone: (403) 264-2820

9. **Date of Report:**

July 30, 2012

## SCHEDULE "A"

NEWS RELEASE



650, 340-12th Ave SW  
Calgary, Alberta  
Canada, T2R 1L5  
Phone: 403-264-2820  
Fax: 403-264-2920

### **COPPER FOX ANNOUNCES the Closing of a \$4,480,000 Financing By an Insider**

**Vancouver, British Columbia – July 20, 2012** – Copper Fox Metals Inc. (“**Copper Fox**” or the “**Company**”) (TSX-V: CUU) is pleased to announce the closing of a financing by an insider for net proceeds of \$4,480,000 (the “Financing”).

The Financing consisted of the issuance of 4,000,000 units at a purchase price of \$1.12 per unit, for aggregate net proceeds of \$4,480,000. Each unit consists of one common share of Copper Fox and one common share purchase warrant of Copper Fox. Each warrant entitles the holder thereof to acquire one common share of Copper Fox at an exercise price of CDN \$1.25 prior to 5:00 PM July 20, 2013.

Monies raised from the Financing will be used to fund costs associated with completing the feasibility study on the Schaft Creek deposit and general operating expenses.

In accordance with applicable securities legislation, securities issued pursuant to the Financing are subject to a hold period of four months plus one day from the date of completing the Financing.

No fees or commissions were paid as part of this transaction.

#### **About Copper Fox**

Copper Fox is a Canadian-based resource development company listed on the TSX Venture Exchange (TSX-V:CUU) with a corporate office in Calgary and an operations office in Vancouver and is involved in the exploration and development of the Schaft Creek copper-gold-molybdenum-silver deposit located in northwest British Columbia, Canada.

The Company is working on completing a Feasibility Study on the Schaft Creek mineral deposit, one of the largest undeveloped copper, gold, molybdenum and silver deposits in North America. The Feasibility Study is being led by Tetra Tech Wardrop on a minimum 120,000 tpd open pit mine and is expected to be completed mid-late summer, 2012.

Copper Fox holds title and a 100% working interest in the Schaft Creek project consisting of 52,843.34 hectares (130,579 acres). Included in this total are the “Schedule A” mineral tenures originally conveyed to Copper Fox pursuant to the option agreement dated January 1, 2002 between Teck Resources Limited (“Teck”) and Copper Fox (the “Teck Option Agreement”), which consist of 8,334.34 hectares (20,594 acres). The “Schedule A” mineral tenures are subject to a 3.5% Net Profits Interest held by Royal Gold, Inc., a 30% carried Net Proceeds Interest held by Liard Copper Mines Limited (“Liard”) and, together with the additional mineral tenures obtained by Copper Fox within the “Area of Interest” provided for in the Teck Option Agreement, an earn back option held by Teck. On completion of the Feasibility Study, Copper Fox will earn Teck’s 78% interest in Liard. Teck’s earn back option to acquire either, 20%, 40% or 75%, of Copper Fox’s interest in the Schaft Creek property is triggered upon delivery of a positive

Feasibility Study to Teck. Should Teck elect to exercise its option for 75%, Teck is required to fund subsequent property expenditures up to a total of 400% of those incurred by Copper Fox (\$76.6 million to April 30, 2012) and arrange for project financing, including the Copper Fox portion. For full details of the Teck earn back option please refer to the Company's website [www.copperfoxmetals.com](http://www.copperfoxmetals.com).

The remainder of Copper Fox's registered interests in mineral tenures in British Columbia total 44,509 hectares (109,984 acres). These interests have been acquired by Copper Fox through mineral tenure acquisitions and mineral tenure purchase agreements subsequent to Copper Fox entering into the Teck Option Agreement. Certain portions of these registered mineral tenures are subject to inclusion within the Schaft Creek project pursuant to the terms of the "Area of Interest" provisions of the Teck Option Agreement.

**\*United States investors are advised that current Mineral Resources are not current Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and in keeping with "best practice principles".**

**For additional information contact:** Investor line 1-866-913-1910 or J. Michael Smith, EVP, at 1-604-689-5080

On behalf of the Board of Directors

Elmer B. Stewart  
President and Chief Executive Officer

***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

### **Cautionary Note Regarding Forward-Looking Information**

This news release contains "forward-looking information" within the meaning of the Canadian securities laws. Forward-looking information is generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "budgets", "could", "estimates", "expects", "forecasts", "projects" and similar expressions, and the negative of such expressions. Forward-looking information in this news release includes statements about the timing and completion of a the Feasibility Study; potential existence and size of mineralization within the Schaft Creek project; estimated timing and amounts of future expenditures and "earn-back" options; geological interpretations and potential mineral recovery processes. Information concerning measured mineral resources indicated mineral resources and inferred mineral resources also may be deemed to be forward-looking information in that it reflects a prediction of the mineralization that would be encountered if a mineral deposit were developed and mined.

In connection with the forward-looking information contained in this news release, Copper Fox has made numerous assumptions, regarding, among other things: the potential mineralization in the Schaft Creek deposit; the geological, metallurgical, engineering, financial and economic advice that Copper Fox has received is reliable, and is based upon practices and methodologies which are consistent with industry standards; the continued financing of the Feasibility Study and Copper Fox' operations; the anticipated analytical results of the current drilling and metallurgical testing programs. While Copper Fox considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause Copper Fox's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: the actual mineralization in the Schaft Creek deposit may not be as favourable as suggested; another deposit may never be discovered on Copper Fox's property, or contain anticipated mineralization, or mineralization of any significance at all; a detailed mine plan may not be completed in a timely manner, or at all; the Feasibility Study may not be completed within the contemplated time frame, or at all; the Environmental Assessment Application may not be obtained in a timely manner, or at all; the possibility that the metallurgical test work on the core samples does not recover significant percentages of copper mineralization; the possibility that future drilling on the Schaft Creek project may not occur on a timely basis, or at all; fluctuations in copper, the completed

drill holes for which analytical results are not available may not return significant concentrations of either copper, gold, molybdenum or silver; commodity prices and currency exchange rates; conditions in the financial markets and overall economy may continue to deteriorate; Copper Fox may never complete the option to purchase the continuous group of five mineral tenures located south and west of the Schaft Creek project; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of the metallurgical testwork, the uncertainty of the estimates of capital and operating costs, recovery rates, and estimated economic return; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals.

A more complete discussion of the risks and uncertainties facing Copper Fox is disclosed in Copper Fox's continuous disclosure filings with Canadian securities regulatory authorities at [www.sedar.com](http://www.sedar.com). All forward-looking information herein is qualified in its entirety by this cautionary statement, and Copper Fox disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.