COPPER NORTH MINING CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014

The following management discussion and analysis of Copper North Mining Corp. ("Copper North" or the "Company") is dated April 16, 2015, and provides an analysis of the Company's results of operations for the year ended December 31, 2014.

This discussion is intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as certain forward looking statements relating to its potential future performance. The information should be read in conjunction with the Copper North audited consolidated financial statements for the year ended December 31, 2014, and the notes thereto. Copper North's accounting policies are described in note 3 of the aforementioned audited consolidated financial statements. All of the financial information presented herein is expressed in Canadian dollars, unless otherwise indicated.

The operations of the Company are speculative due to the high-risk nature of the mining industry. Copper North faces risks that are generally applicable to its industry and others that are specific to its operations. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. Such risk factors could materially affect the value of the Company's assets, and future operating results of the Company and could cause actual results to differ materially from those described in the forward looking statements contained in this management discussion and analysis. Reference is made to the discussion of forward-looking statements at the end of this document.

DESCRIPTION OF THE BUSINESS

Copper North is a Canadian-based publicly-traded mineral exploration company with a primary focus of advancing its Carmacks Project located in the Yukon Territory, Canada. The Company also holds the Thor property in British Columbia, Canada, and the Redstone property located in the Northwest Territories, Canada. Copper North is listed on the TSX Venture Exchange ("TSXV") under the symbol COL.

FINANCING AND FINANCIAL POSITION

Finding sources of financing continues to prove challenging for mineral exploration companies. Over the past few months, Copper North has undertaken efforts to raise capital, reduce overhead costs, and limit cash obligations. As at December 31, 2014, the Company had $478,000 in cash and a negative working capital balance of $242,000.

The following paragraphs outline the Company's financing efforts over the past few months:

On March 19, 2015, Copper North completed a non-brokered private placement of 5.3 million units at a price of $0.06 for gross proceeds of $318,000. Each unit consists of one common share of the Company and one half of one non-transferable warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.09 until March 19, 2017.

On February 10, 2015, the Company received gross proceeds of $210,000 from the exercise of 3.5 million warrants.

On February 3, 2015, Copper North completed a non-brokered private placement, which included certain insiders of the Company, of 4,750,000 units at a price of $0.06 for gross proceeds of $285,000. Each unit consists of one common share of the Company and ½ of a non-transferable warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.09 until February 3, 2017.

On December 22, 2014, Copper North completed a non-brokered private placement, which included certain insiders of the Company, of 9,639,666 flow-through shares at a price of $0.06 per common share for gross proceeds of $578,380.

On November 25, 2014, Copper North completed a warrant exercise incentive program whereby 7 million warrants were exercised for gross proceeds of $490,000. In order to encourage early exercise of the warrants issued as part of the non-brokered private placement completed on April 24, 2014, the Company amended the terms of the original warrants such that each holder who exercised an original warrant on or before the close of business on November 24, 2014 received, in addition to the common share the holder would have received under the original terms of the original warrants, an additional ½ of a non-transferable warrant. Each whole additional warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.06 until November 25, 2016.

On November 5, 2014, Copper North completed a non-brokered private placement of 2,082,834 flow-through shares at a price of $0.06 per common share and 3,892,000 units at a price of $0.06 per unit for aggregate proceeds of $358,490. Each unit consists of one common share of the Company and ½ of a non-transferable warrant. Each whole warrant entitles the holder to purchase one additional share at a price of $0.09 until November 5, 2016.

On August 20, 2014 Copper North completed a non-brokered private placement, which included certain insiders of the Company, of 6,700,000 flow-through shares at a price of $0.06 per common share and 5,672,000 units at a price of $0.06 per unit for total gross proceeds of $742,362. Each unit consists of one common share of the Company and ½ of a non-transferable warrant. Each whole warrant entitles the holder to purchase one additional share at a price of $0.08 until August 20, 2015 and $0.09 from August 21, 2015 to expiry. The Warrants expire on August 20, 2016.

On June 23, 2014, the Company paid $43,000 in cash and issued 6,860,000 common shares to Mr. Corman, Copper North's Chairman, to settle amounts owing under the terms of the Loan. The value of the common shares was recorded at $0.05 per share, the shares' fair value on the settlement date. Costs to settle the Loan totaled $4,090.

On April 24, 2014, the Company closed a private placement closed a non-brokered private placement, which included certain insiders of the Company, of 13,180,000 units of the Company at a price of $0.05 per unit for gross proceeds of $659,000. Each unit consists of one common share of the Company and one non-transferable warrant. Each warrant entitles the holder to purchase one additional Share at a price of $0.07 until April 24, 2016.

CORPORATE ACTIVITY

The Company appointed Dr. Harlan Meade as President, Chief Executive Officer, and Director on March 1, 2014. Dr. Meade brings more than 30 years of exploration and development experience in Northern Canada, including the advanced exploration and development of the high grade polymetallic Wolverine mine and the giant zinc-lead Selwyn Project, both in the Yukon; and a gold-silver mine in northwest BC.

PROPERTY OVERVIEW AND DEVELOPMENT

Carmacks (Yukon, Canada)

Preliminary Economic Assessment

On May 30, 2014, Copper North announced the results of a preliminary economic assessment on its Carmacks Project and subsequently filed the technical report titled "Carmacks Project – Preliminary Economic Assessment of Copper, Gold, and Silver Recovery" dated July 10, 2014 on SEDAR on July 14, 2014 (the "PEA"). The PEA was prepared by Alistair Kent, P.Eng. Merit Consultants International Inc.; Dr. Giles Arsenau, P.Geo., mineral resource estimation; Dr. Morris Beattie, P.Eng., metallurgical consultant; Michael Hester, FAusIMM, mining consultant and John Hull, P.Eng., geotechnical consultant, each a Qualified Person for the purposes of Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The following summary is qualified in its entirety by reference to the full text of the PEA, which is available under the Company's profile on SEDAR.

The PEA evaluates the recovery of gold and silver alongside the recovery of copper at the Company's Carmacks Project. By adding gold and silver extraction, the PEA supersedes the technical report prepared by M3 Engineering and Technology Corporation ("M3") titled "Carmacks Copper Project, NI 43-101 Technical Report Feasibility Study" dated October 31, 2012 (the "Feasibility Study"). The Feasibility Study was limited to the evaluation of heap leaching of oxide copper to produce cathode copper, and did not include gold and silver recovery.

The PEA combines the previous study of copper heap leaching with the results of the Phase I conceptual study of gold and silver recovery. The first phase of work was undertaken by Alistair Kent, P.Eng. of Merit Consultants International Inc. and Dr. Morris Beattie, P.Eng.; both are Independent Qualified Persons. Their work to assess the potential viability of additional gold and silver recovery, as presented in the PEA, has been combined with the results of the previous studies on geology, mineral resources, potential mining plan, and potential copper heap leaching design.

The PEA will be followed by a second phase of re-engineering and optimization of the mine and processing plan. Upon completion of Phase II study, considering improvement opportunities, the Company plans to prepare a new pre-feasibility or feasibility study.

The results of the preliminary leach test work and modelling of gold and silver recovery are positive and a broader study is warranted. The previous potential open pit mine plan remains unchanged from that proposed in the Feasibility Study and is the basis of the PEA. Capital and operating costs in the PEA were arrived at by adding the capital and operating costs for copper recovery included in the Feasibility Study to the estimated capital and operating costs for the recovery of gold and silver. The addition of capital and operating costs for gold and silver recovery, to those from the Feasibility Study, are conceptual and substantial additional work is required to provide the certainty of a feasibility study.

The inclusion of gold and silver recovery into the previous mine and processing plan, provides an opportunity to reconsider leach alternatives for operational efficiency. The proposed Phase II plan includes a review of various copper, gold and silver leach alternatives.

Project Economics

The PEA Base Case pricing for copper is US$3.20 per pound, the same as that used in the Feasibility Study. This price, used for continuity purposes, approximated the median of current medium to long term analyst copper price forecasts at the time of the Feasibility Study. The gold price used in the PEA is US$1,330 per ounce. The silver price used in the PEA is US$21.50 per ounce. An exchange rate of C$1.00 equals US$0.90 has been applied to the US dollar denominated commodity prices used in the PEA.

The estimated impacts of the addition of gold and silver recovery, are summarized as follows:

- Net Revenues increase approximately 28% from US$677 million to US$870 million;
- Net Cash from Operations increases by 42% from US$333 million to US$471 million;
- Life of Mine Operating Cost increases 15% from US$344 million to US$398 million;
- Life of Mine Cash Operating Cost, after gold and silver credits, decreases from US$1.59/lb to US$1.07/lb for copper;
- Pre-tax NPV (discounted at 8%) is US$66 million and After-tax NPV (discounted at 8%) is US$32 million;
- Pre-tax Internal Rate of Return ("IRR") is 15% and After-tax IRR is 12%;
- Copper recovery remains unchanged at 85%. Gold recovery is 78% and silver recovery 75%;
- Capital costs increase from US$178 million, to US$225 million (including a contingency of US$21M) for the PEA;
- Potential Life of Mine Annual production is 30 million pounds copper, 17,300 ounces gold, and 165,000 ounces silver; and
- Mine life approximately 8 years.

Development Plan

The PEA development plan includes the Measured and Indicated mineral resources, conceptual mine plan and crushing of the mineralization as stated in the Feasibility Study. The previous copper-only leach plan has the crushed material being placed permanently on one large lined pad with staged inter-liners, and standard dispensing of weak sulphuric acid over the leach materials and recovery of pregnant fluid for processing in the Solvent Extraction Electowinning ("SXEW") facility to produce cathode copper. The PEA assumes that several smaller on-off pads will be constructed for leaching of the copper, after which the leach materials are washed to remove residual acid and dissolved copper. The washed materials will then be moved to the gold and silver permanent leach pad and prepared for cyanidation with the addition of lime and agglomeration to improve cyanide leaching. A weak cyanide solution is applied using drip emitters on the leach materials and the pregnant solution would be collected and piped to a sulphidation-acidification-recycle-thickening/adsortion-desorption-recovery ("SART/ADR") plant for the further removal of any copper in the solution before recovering gold and silver.

The PEA entails the addition of on-off pads for copper leaching and additional handling equipment and fluid piping, and the addition of a SART/ADR plant. Conceptual design of the additions provides the basis for estimating the increase in the operating and capital requirements.

Mineral Resource and Mining

The following table summarizes the mineral resource for zones 1, 4 and 7. The Measured and Indicated mineral resource estimate totals 11,980,000 tonnes grading 1.07% total copper of which 0.86% is soluble copper. The mineral resource also contains substantial gold and silver. The resources in the oxide classification form the basis for the potentially mineable mineralization by open pit methods.

Estimated Mineral Resources at a 0.25% Total Copper Cut-Off

Zone	Class	Tonnage t (000)	TCu (%)	CuX (%)	CuS (%)	Au (g/t)	Ag (g/t)
Oxide	Measured (ME)	4,031	1.10	0.90	0.20	0.588	5.666
	Indicated (IN)	7,949	1.04	0.83	0.20	0.391	4.039
	ME+IN	11,980	1.07	0.86	0.21	0.456	4.578
	Inferred	90	0.73	0.53	0.20	0.128	1.809
Sulphide	Measured (ME)	695	0.80	0.02	0.77	0.261	2.542
	Indicated (IN)	3,645	0.74	0.03	0.71	0.205	2.296
	ME+IN	4,340	0.75	0.03	0.73	0.221	2.369
	Inferred	4,031	0.71	0.01	0.70	0.179	1.900

Measured and Indicated mineral resources within the proposed open pit total an estimated 11,551,000 tonnes grading 0.805% soluble copper, 0.435 g/t gold and 4.34 g/t silver. The PEA is preliminary in nature, and includes only Measured and Indicated mineral resources. The Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them to be categorized as mineral reserves; furthermore, there is no certainty that the mineral resources will be economic and become a mining reserve, and the Company is not relying upon the mineral reserves in the Feasibility Study.

In-Pit Mineral Resource Category	K tonnes	Tot Cu (%)	Sol Cu (%)	Nonsol Cu (%)	Gold (g/t)	Silver (g/t)
Measured Mineral Resource	4,127	1.039	0.851	0.188	0.559	5.39
Indicated Mineral Resource	7,424	0.943	0.780	0.163	0.365	3.76
Measured & Indicated Resource	11,551	0.977	0.805	0.172	0.435	4.34
1) Total material in potential Open Pit of 69,957,000 tonnes and Waste to Mineral Resource ratio of 5.1:1. 2) Resources are fully diluted and based on a cut-off grade of 0.18% soluble copper						

The conceptual mining plan entails mining an estimated 1,750,000 tonnes per annum using open pit method. The mineralization will be transported to the crushing circuit and after 3-stage crushing the mineralization will be loaded by conveyors to the leach pads for copper extraction. Life of Mine waste to potentially mineable material ratio is estimated at 5.1:1 with a maximum mining rate of 37,500 tonnes per day.

Metallurgy and Process Plan

Extensive test work on the oxide copper mineralization, consisting largely of malachite, azurite and tenorite, has demonstrated rapid leaching of the copper with the addition of weak sulphuric acid. Processing of the copper mineralization is planned for leaching on three lined pads utilizing the same parameters as previously established for the copper leach.

The copper leach metallurgical work undertaken in 2009 by PRA Metallurgical Division, of Inspectorate, also included an evaluation of gold and silver recovery by cyaniding of the copper leach residues by means of column testing. On the basis of these column tests results, overall copper recovery is predicted at 85%, gold recovery at 78% and silver recovery at 75%.

The review by Dr. Morris Beattie also indicated the recovery of additional copper remaining after the acid leach, and removal of this dissolved copper in a SART circuit in the gold and silver recovery ADR plant.

Project Opportunities

The PEA indicated that the recovery of gold and silver should be positive to project economics. The PEA evaluation also indicated an opportunity to reduce capital and operating cost utilizing vat leach technology. The evaluation of vat leaching of copper, compared to the heap leach method, is in progress. Benchmarking with other projects indicates that there may also be an opportunity to reduce capital by taking a different approach to engineering and procurement. This opportunity is also under review.

The commencement of Phase II work to undertake the detailed engineering required for a feasibility level report is expected to take approximately nine months to complete and is contingent on raising additional capital.

Progress on Development

Work on the pre-feasibility study began in October 2014. The Company's efforts are focused on evaluating alternative processing plans and opportunities for capital cost reduction for the mine facilities.

Vat Leach Alternative

The addition of a gold and silver leach, alongside the copper leach, warranted a review of the optimal leach plan to maximize both copper and precious metal recovery. A mini-study comparing vat leaching of copper to heap leaching of copper utilizing an on/off leach pad indicated that the capital costs are similar; however, there may be significant operational benefits from using vat leaching.

The vat leach process of submerging the crushed ore in weak sulphuric acid, removes much of the operating complexity of leach pads and simplifies environmental management of an on/off leach pad, especially under winter weather conditions. Secondly, it provides for preparation of optimal conditions for cyanide leaching of the spent copper leach material for high recovery of gold and silver. The rapid leach time expected in vat leaching (3 to 5 weeks) provides for an early start for cyanidation for recovery of gold and silver.

A bulk sample was prepared to undertake the vat leach test work and prepare the leached materials for the cyanidation test work. This is the key additional information necessary to finalize the new processing and development plan and commence the preparation of a new feasibility study and environmental assessment report for re-entry to the permitting process.

Metallurgical test work commenced in October with the initial test work directed at simulation of a vat leach; this test work suggests leach times are shorter than previously thought. With this encouragement, the test work is being expanded to evaluate copper leaching on finer crush sizes. Favourable test results on the leaching of finer materials resulted in the selection of agitated tank leach for the recovery of copper and leaching for gold and silver.

Benchmarking and Capital Expenditure Reduction Opportunities

Comparison of capital costs for similar projects have indicated that there are opportunities for the reduction of capital expenditures; particularly, for equipment used in the processing area. Copper North has met with three well accredited engineering institutes in China to discuss the provision of detailed engineering and procurement of certain equipment for the processing or Carmacks ores.

Proposals for engineering and preliminary cost estimates for the SXEW and sulphuric acid plant have been received and indicate that there is potential for 20 to 40% reduction in some components of the development plan at the Carmacks Project. Copper North has requested the engineering groups to provide the Company with a detailed proposal for feasibility study level engineering and procurement from China for a range of equipment including the SXEW plant, acid plant, gold-silver recovery unit, electrical components and other mechanical equipment used in materials transfer. This work will be done in cooperation with other engineering groups that will be reviewing and making adjustments from the PEA to adapt to the new development plan that is in progress.

Management is pleased with its progress in identifying and pursuing opportunities for both reducing development costs for the project and improving operations. The metallurgical test work is expected to take approximate three to four months to complete. This work is key to finalizing the development plan and undertaking detailed engineering for a new feasibility study. Expansion of the management team is required to meet the growing engineering and project management needs. Planning for this step is in progress.

Joint Canada-China Feasibility Study

On October 14, 2014, the Company announced that it has engaged JDS Energy and Mining Inc. ("JDS") and Beijing General Research Institute of Mining and Metallurgy ("BGRIMM") to undertake a new feasibility study for the Carmacks Project in Central Yukon.

JDS will be responsible for the completion of a NI 43-101 feasibility study for the development of the Project with responsibility for infrastructure, geotechnical, mining and earthworks alongside Copper North's other Independent Qualified Persons ("IQP"), and oversee the engineering and procurement by BGRIMM for inclusion in the new feasibility study. In conjunction with Copper North's management team and the other IQP's, BGRIMM will be responsible for all process design and equipment selection for the Project, including the procurement of equipment from China. The decision to undertake this joint approach to re-engineering the Project follows considerable investigation and benchmarking of the Project to other similar projects.

Copper North's discussions with both JDS and BGRIMM indicate that there is opportunity to significantly reduce capital and operating costs for the Project, following the recent evaluation of alternative development plans for the Project. Key aspects of the Project's re-engineering include recovery of copper using vat leaching and the addition of gold and silver recovery.

Metallurgical test work is progressing to confirm the optimal leach design and operating parameters for the leaching of copper followed by leaching of gold and silver. This work should establish the base for the new feasibility study which is targeted for completion by the end of 2015.

The potential reduction of capital and operating costs is focused on the simplifying of operations, reduction of operating risks and reduction of environmental impacts and management requirements.

Recent Exploration

In August 2014, Copper North announced the resumption of exploration, and early success, on the Carmacks Project. The exploration is focused on extending the known mineral resources in an effort to expand the current measured and indicated mineral resources, as a first step in increasing potential mine life.

Previous exploration on the Carmacks property defined 16 mineral zones. A review of these zones and other geochemical and geophysical anomalies identified two prime targets for the initial focus of resource expansion. Trenching commenced August 11, 2014 in the Zone 2 target area and has expanded the area of known copper oxide resources. Oxide copper mineralization is readily visible as the copper carbonate minerals malachite and azurite are distinctively green and blue in colour.

The Zone 2 area is located approximately 2,500 metres to the north of the north end of Zone 1: the proposed open pit area. The northerly trending mineralization of Zone 1 appears to be offset on a cross fault. If the sense of movement on the cross-fault is right lateral, the Zone 2 area may represent the continuation of the Zone 1 structural trend. If this interpretation is correct, it opens up a 2,500 metre long target.

Both Zone 1 and 2 were discovered by prospecting in 1971. Little work was done on Zone 2 following geochemical and geophysical surveys, and trenching. Evaluation of a trench on the Zone 2 discovery outcrop indicates a steep dipping mineralized structure trending southeast. Historic sampling of the discovery trench returned 1.0% copper over 45.7 metres within the sheared granite that hosts almost all mineralization at Carmacks.

Three lines of induced polarization geophysics were completed south of the Zone 2 discovery area in 2007. The geophysics defined multiple sub-parallel zones of increased chargeability and low resistivity, characteristic of the sulphide and oxide mineralization in other zones. The Zone 2 showing and three geophysical lines define a southeast trending target.

The historic Zone 2 trench was refreshed with the excavator and the oxide copper zone was resampled. The shear fabric and distribution of oxide copper minerals indicates a steep dipping mineralized zone, trending southeast; sampling yielded 15 metres grading 0.9% copper oxide mineralization. Trenching to the southeast was successful in tracking the mineralized zone for approximately 500 metres. Sampling of mineralization was hampered by permafrost capping that limited the downslope extent. Sampling of the oxide copper mineralization in the new trenches varied from 3m grading 0.43% copper to 12 metres grading 1.05% copper.

To test the mineralization to depth, ten drill holes were undertaken and defined the mineralized structure over a distance of 450 metres. The drill holes intersected the mineral zone at depths between 9.6 metres and 81.0 metres. All holes intercepted the mineral zone and yielded an average of 10.5 metres grading a weighted average of 0.36% copper, 0.069 g/t gold and 4.37 g/t silver.

The trenching and drill hole intercepts in Zone 2 confirm the continuity of the mineralization to the south. Additional exploration is warranted to determine if the Zone 2 mineralization is an extension of Zone 1. Of interest, part of the target area is covered by near flat lying Cretaceous volcanic rocks, which may well provide an erosional cover that may preserve the oxidized mineralization. The preservation of oxide mineralization to depth is key to developing substantial oxide copper resources.

The South Gap target zone consists of an approximate 300 metre gap between the main proposed mining area and the 2000S zone. The 2000S zone has been defined by 6 drill holes with both oxide and sulphide mineralization. Drill hole WC92-01 intersected 10.67m grading 0.67% copper at a depth of 30 to 41 metres. To follow up on this intercept, drill hole CN14-11 was collared 22 metres to the north northwest of WC92-01, and intersected 18.74 metres grading 0.58% copper, 0.189 g/t gold and 2.46 g/t silver at a depth 21 to 40 metres. Three other drill holes failed to intercept the mineralized zone. Additional drilling is warranted in defining the continuation of the mineralization to the northwest and location of the cross faults that are displacing the mineralization in the GAP zone. Any expansion of the 2000S zone has the potential to define a mineral resource amenable to open pit mining, and could coalesce with the main proposed pit area.

Royalty

Any production from the Carmacks Project is subject to either a 15% net profits interest or a 3% net smelter return royalty, at Copper North's election. If Copper North elects to pay the net smelter return royalty, it has the right to purchase the royalty for $2.5 million, less any advance royalty payments made to that date. As at the date of this report, $1.2 million has been paid in advance royalty payments. The Company is required to make an advance royalty payment of $100,000 for any year in which the average daily copper price reported by the London Metal Exchange is US$1.10 per pound or greater.

Thor (British Columbia, Canada)

The Thor Property consists of 15,800 hectares of mineral claims. It is road accessible and is located approximately 20 kilometres south of the Kemess South mine-mill complex in North Central British Columbia. The property hosts several attractive large geophysical targets associated with intrusive complexes similar to those hosting the porphyry copper-gold deposits of the Kemess District.

On July 8, 2014, Copper North entered into an acquisition agreement with Electrum Resource Corporation ("Electrum"). Pursuant to the acquisition agreement, Copper North earn 100% interest in the Thor Property by making the following payments and incurring the following exploration expenditures. If the Company fails to make a scheduled payment of cash or common shares, it will retain no interest in the Thor property.

Payment Date	Cash Payment	Common Shares	Exploration Expenditures ($ cumulative)	Status
July 8, 2014	$25,000	1,000,000	-	*Completed*
July 8, 2015	$50,000	-	$200,000	*Expenditures incurred*
July 8, 2016	$50,000	1,000,000	$700,000	-
July 8, 2017	$100,000	1,000,000	$1,500,000	-
July 8, 2017	$100,000	1,000,000	$2,500,000	-
July 8, 2018	$100,000	1,000,000	$3,500,000	-
July 8, 2019	$100,000	-	$5,000,000	-
TOTAL	**$525,000**	**5,000,000**	**$5,000,000**	

In addition, Electrum will receive a 2% net smelter return royalty to a maximum of $5 million. The Company agrees to pay an advanced royalty payment of $1 million at each of the seventh, eighth, ninth, tenth and eleventh anniversaries of the acquisition agreement if commercial production is not attained in respect of the Thor Property before those dates. Advance royalty payments are deductible from the maximum amount of payable pursuant to the net smelter return royalty.

Recent Exploration

Scott Geophysics Ltd. completed 39 kilometers of Induced Polarization and ground magnetic surveys. The geophysical survey is an extension of previous geophysical work that defined numerous anomalies within the till covered Moose Valley area that may represent porphyry copper targets. The current work extended the IP coverage further to the south of the previous survey work to evaluate targets for the 2015 exploration program.

A consolidation of historical geology, geochemistry, and geophysical data, including recent geophysical survey data, has defined two large target areas with anomalies typical of porphyry copper type deposits. A comprehensive program comprised of drilling and other field work is planned for summer 2015.

Redstone (Northwest Territories, Canada)

The Redstone property comprises five mining leases and 18 mineral claims in the Nahanni Mining District southwest of Norman Wells in the Northwest Territories.

Royalty

Should production be achieved on the five mining leases that comprise the Coates Lake area, the five mining leases are subject to a net smelter return royalty of between 3 and 4% depending on the monthly average of the final daily spot price of copper reported on the New York Commodities Exchange relating to each production month, as follows:

- 3% if the price is less than, or equal to US$0.75 per pound;
- 3.5% if the price is greater than US$0.75 per pound, but less than, or equal to US$1.00 per pound; or
- 4% if the price is greater than US$1.00 per pound.

All financial information presented below is expressed in Canadian dollars, unless otherwise indicated.

RESULTS OF OPERATIONS

	Three Months Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
	$	$	$	$
Exploration and evaluation expenses	417,686	137,019	1,267,283	522,510
Filing and regulatory fees	2,410	2,780	40,785	40,276
General administrative costs	23,670	9,846	56,273	45,536
Professional fees	33,589	23,164	95,850	64,798
Rent and utilities	18,072	7,500	40,572	69,040
Share-based payments	27,406	6,055	100,758	37,699
Shareholder communication and travel	32,582	6,913	99,583	74,820
Wages and benefits	126,562	83,171	294,791	497,667
OPERATING EXPENSES	**681,977**	**276,448**	**1,995,895**	**1,352,346**
Impairment	-	7,346,398	-	7,346,398
Interest expense	15,282	9,150	25,771	78,684
LOSS AND COMPREHENSIVE LOSS	**697,259**	**7,631,996**	**2,021,666**	**8,777,428**

The Company's exploration and evaluation expenses increased in 2014 because Copper North was able to obtain financing in order to advance the Carmacks Project and the Thor property. 2013 exploration activity was restricted by the Company's limited financial resources. For more information on project development, refer to the Property Overview and Development section earlier in this report.

Professional fees increased during the year ended December 31, 2014 as compared to the same period in 2013 due to a general increase in corporate activity.

Share-based payments increased during the year ended December 31, 2014 compared to the year ended December 31, 2013 as the Company granted 3,650,000 stock options in 2014. The Company did not grant any stock options in 2013.

Shareholder communication and travel increased during the year ended December 31, 2014 as the Company increased its marketing efforts to promote its updated PEA and development plans for the Carmacks Project.

Wages and benefits decreased substantially during the year ended December 31, 2014 because the Company had a lower the number of employees in 2014 compared to 2013 and it did not have to pay for the Chief Executive Officer ("CEO") position during most of January and February while it searched for a full-time CEO. In addition, the new CEO received a significant portion of his 2014 compensation in the form of stock options.

Interest expense decreased during the year ended December 31, 2014 because the Company recorded significant charges relating to interest and the bonus shares associated with the loan received from the Company's Chairman, Dale Corman, in 2013. Only minor interest amounts on the loan were recorded during the year ended December 31, 2014. The loan was repaid in June 2014. Interest expense also includes interest payable to certain officers who entered into agreements to defer salaries during 2013. For more information regarding deferred salaries please refer to the Related Party Transactions section later in this report.

LIQUIDITY AND CAPITAL RESOURCES

Copper North had $478,357 in cash and cash equivalents as at December 31, 2014 compared to $36,289 in cash and cash equivalents as at December 31, 2013. Refer to the Financing and Financial Position at the beginning of this report for more information on the Company's financial position and recent financings.

The nature of the Company's operations requires significant expenditures for the acquisition, exploration, and development of mineral properties. The Company will continue to require additional funding to maintain its ongoing exploration programs, permitting efforts, advance royalty and property maintenance payments, and operations.

To date, the Company has not received any revenue from mining operations and is considered to be in the exploration stage. Its principal source of funds is the issuance of common shares. It uses the capital raised from the issuance of its common shares to explore and develop its mineral properties with the goal of increasing the price of the Company's common shares. Copper North's common shares are publicly traded. As such, the price of its common shares is susceptible to factors beyond management's control including, but not limited to, fluctuations in commodity prices and foreign exchange rates and changes in the general market outlook. Should Copper North require funds during a time when the price of its common shares is depressed, the Company may be required to accept significant dilution to maintain enough liquidity to continue operations or may be unable to raise sufficient capital to meet its obligations.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans or equity financings or through other arrangements. The Company has been successful in securing financing in the past, but there can be no assurance that it will be able to do so in the future.

The Company's consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes the realization of assets and settlement of liabilities in the normal course of business as they come due, however certain conditions and events cast significant doubt on the validity of this assumption. For the year ended December 31, 2014, the Company reported a loss of $2,021,666 and as at that date had a working capital deficit of $241,756 and an accumulated deficit of $14,946,174.

The aforementioned financial statements do not reflect the adjustments to the carrying values of the assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumptions deemed to be inappropriate. These adjustments could be material.

SELECTED ANNUAL INFORMATION

The following information has been extracted from the Company's audited annual consolidated financial statements.

As at and for the year ended	31-Dec-14 $	31-Dec-13 $	31-Dec-12 $
Loss and comprehensive loss	2,021,666	8,777,428	3,411,471
Loss per share – basic and diluted	0.03	0.15	0.07
Exploration and evaluation assets	19,231,737	19,143,325	26,489,723
Cash and cash equivalents	478,357	36,289	521,775
Total assets	20,174,459	19,277,180	27,204,418

Loss and comprehensive loss

The Company's loss and comprehensive loss for the year ended December 31, 2013 increased substantially from 2012 because the Company recorded an impairment charge in the amount of $7.35 million relating to the Redstone property during the year ended December 31, 2013.

Exploration and evaluation assets

During the year ended December 31, 2014 the Company entered into an option agreement to acquire 100% interest in the Thor property.

The impairment charge of $7.35 million relating to the Redstone property recorded by the Company during the year ended December 31, 2013 significantly reduced the carrying value of its exploration and evaluation assets compared to the year ended December 31, 2012.

Cash and cash equivalents

Copper North spends cash to explore and develop its mineral properties and to conduct corporate activities. As a result, cash and cash equivalents are typically expected to decrease in periods where there is no financing transaction.

During the year ended December 31, 2014, the Company completed a number of financing transactions. Refer to the Financing and Financial Position section at the beginning of this report for more information on the Company's recent financings.

SUMMARY OF QUARTERLY RESULTS

As at and for the quarter ended	30-Dec-14	30-Sep-14	30-Jun-14	31-Mar-14
Loss and comprehensive loss	697,259	828,992	360,911	134,504
Loss per share – basic and diluted	0.01	0.01	-	-
Exploration and evaluation assets	19,231,737	19,231,737	19,143,325	19,143,325
Cash and cash equivalents	478,357	504,351	171,042	(11,842)
Total assets	20,174,459	19,862,047	19,404,876	19,234,213

As at and for the quarter ended	31-Dec-13	30-Sep-13	30-Jun-13	31-Mar-13
	$	$	$	$
Loss and comprehensive loss	7,631,996	255,271	524,711	365,450
Loss per share – basic and diluted	0.13	-	0.01	0.01
Exploration and evaluation assets	19,143,325	26,489,723	26,489,723	26,489,723
Cash and cash equivalents	36,289	6,709	29,922	61,570
Total assets	19,277,180	26,584,095	26,623,361	26,648,414

Loss and comprehensive loss

The loss for the three months ended December 31, 2014 is slightly elevated as the Company incurred significant exploration costs at the Carmacks Project and the Thor property.

During the quarter ended September 30, 2014, the Company incurred significant exploration expenditures at its Carmacks Project. Copper North also granted stock options to employees and directors. Both these items attributed to the loss figure.

The loss figure for the three months ended December 31, 2013 can largely be attributed to the $7.35 million impairment charge recorded against the Redstone property.

The loss for the three months ended June 30, 2013 is slightly elevated because of higher exploration and evaluation expenditures during the period and it includes a $60,000 charge relating to the loan received from Dale Corman, Copper North's Chairman.

Exploration and evaluation assets

The Company acquired the Thor property during the quarter ended September 30, 2014. Acquisition costs are capitalized.

The impairment charge of $7.35 million relating to the Redstone property recorded by the Company during the three months ended December 31, 2013 significantly reduced the carrying value of its exploration and evaluation assets.

Cash and cash equivalents

Cash and cash equivalents are expected to decrease in periods when there is no financing transaction as the Company pays costs incurred related to exploration activities and operations.

During the year ended December 31, 2014, the Company completed a number of financing transactions.

The Company was in a bank indebtedness position as at March 31, 2014 as it was forced to rely on a line of credit to fund on-going operations while waiting to complete the private placement that closed on April 24, 2014.

RELATED PARTY TRANSACTIONS

Related party loan

On May 7, 2013, the Company entered into a loan agreement (the "Loan") with Dale Corman, Copper North's Chairman, to secure funds of $300,000. The Loan accrued interest at a rate of 8% per year. In consideration of the risk taken by Mr. Corman, the Company also agreed to issue shares equal to 20% of the principal amount of the Loan.

On June 23, 2014, the Company paid $43,000 in cash and issued 6,860,000 common shares to Mr. Corman to settle amounts owing under the terms of the Loan. The value of the common shares was recorded at $0.05 per share, the shares' fair value on the settlement date. Costs to settle the Loan totaled $4,090.

Deferred salary

Certain officers entered into agreements with the Company to defer payment of salaries from April 1, 2013 to September 30, 2013. The deferred salaries accrue interest at 8% per annum. The Company has also agreed to pay a one-time bonus equal to 20% of the deferred salaries owing on September 30, 2013. The Company may pay the deferred salaries, accrued interest, and bonus in cash or common shares of Copper North. The Company has not made any payments towards the salary deferral agreements.

Certain officers deferred their salaries from October 1, 2013 to February 28, 2014 for no additional compensation. The Company has accrued the wages but has only made partial payments towards these amounts.

All amounts are payable on demand.

Director and officer remuneration

The Company's related parties include its directors and officers, who are the key management of the Company. The remuneration of directors and officers during the years presented was as follows:

For the year ended December 31,	2014	2013
	$	$
Salaries and director fees	386,000	547,750
Share-based payments	98,478	38,693
DIRECTOR AND OFFICER REMUNERATION	**484,478**	**586,443**

Share-based payments represent the fair value of stock options previously granted to directors and officers that was recognized during the years presented above.

Due to related parties

As at December 31,	2014	2013
	$	$
Loan principal	-	300,000
Value of bonus shares relating to the Loan	-	60,000
Wages subject to salary deferral agreements	155,000	155,000
Value of bonus shares - salary deferral agreements	31,000	31,000
Wages not subject to salary deferral agreements	94,153	124,166
Interest	18,382	18,684
Director fees	90,000	54,000
DUE TO RELATED PARTIES	**388,535**	**742,850**

Other

From October 1, 2011 to March 31, 2013, administration, accounting and other office services were provided by Ravenwolf Resource Group Ltd. ("Ravenwolf"), a private company owned equally by Copper North, Western Copper and Gold Corp. ("Western") and NorthIsle Copper and Gold Inc. ("NorthIsle"). Ravenwolf provided the services to its owners on a cost-recovery basis.

From January 1, 2013 to March 31, 2013 Ravenwolf charged Copper North $219,077 for its services. Effective April 1, 2013, Copper North transferred its ownership in Ravenwolf to Western. From that date onward, Ravenwolf is no longer considered a related party of the Company.

OUTSTANDING SHARE DATA

As at the date of this report, the Company has 130,047,198 common shares outstanding. The Company also has 6,435,834 stock options outstanding with exercises prices ranging from $0.06 to $0.32 and 149,513,974 warrants outstanding with exercises prices ranging from $0.05 to $0.28.

CONTRACTUAL OBLIGATIONS

The Company has an agreement to lease its head office space until May 31, 2017. The Company has the option to terminate the lease without penalty after November 1, 2015 by providing the sub-lessor 90 days' notice.

The future minimum lease payments by calendar year are approximately as follows:

Year	**$**
2015	103,000
2016	-
2017	-
Thereafter	-
TOTAL	**103,000**

The Company must spend $578,380 on qualifying Canadian exploration expenditures by December 31, 2015. Otherwise, it will be required to pay the investors who purchased flow-through shares the difference between the amount of tax benefit that they would have realized had the Company incurred all expenditures and the amount that the investors actually realized.

The Company has no off-balance sheet arrangements, no capital lease agreements and no long term obligations other than those described above and throughout this document, or in the description of exploration and evaluation assets contained in the notes to the consolidated financial statements.

Neither the Company nor any of its subsidiaries has any externally imposed capital requirements.

SIGNIFICANT ACCOUNTING ESTIMATES

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Significant areas that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, environmental obligations, the valuation of share-based payments, and the allocation of financing proceeds. Actual results could differ from those estimates. Differences may be material.

Exploration and evaluation assets

The recoverability of the carrying value of exploration and evaluation assets is dependent upon a number of factors including the existence of economically recoverable reserves and the Company's ability to secure and maintain title and beneficial interest in the properties, to obtain the necessary financing to continue the exploration and future development of the properties, or to realize the carrying amount through a sale or partial disposal. Realization values may be substantially different from carrying values as shown.

The fair values used to assess recoverability of the Company's exploration and evaluation asset carrying values are developed using management's projections for long-term average commodity prices for copper, gold and silver; recoverable reserves; operating costs; capital expenditures; reclamation costs; applicable foreign currency exchange rates; and potential sale proceeds. Management makes estimates relating to current and future market conditions. There are inherent uncertainties related to these factors and management's judgment when using them to assess the recoverability of exploration and evaluation assets.

The Company believes that the estimates applied in the assessment of recoverability are reasonable; however such estimates are subject to significant uncertainties and judgments. Although management has made its best estimate of these factors based on current conditions, it is possible that the underlying assumptions can change significantly and impairment charges may be required in future periods. Such charges could be material.

Environmental site reclamation

Minimum standards for site reclamation have been established by various governmental agencies that affect certain operations of the Company. The determination of reclamation costs requires assumptions with respect to future expected costs and legislation in effect at that time. Changes in these assumptions could have a material effect on the amount required to be recognized as an environmental reclamation provision.

Recent accounting pronouncements

The Company has adopted the following standard effective for January 1, 2014. The adoption of this standard has not had a significant impact on the Company's financial statements.

IFRIC 21 - *Levies* sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized.

A number of new standards, amendments, and interpretations are effective for annual periods beginning on or after January 1, 2015 and have not been applied in preparing these consolidated financial statements. The Company is in the process of determining the impact that these changes will have on its financial statements.

IFRS 9 - *Financial instruments* addresses the classification, measurement and recognition of financial assets and financial liabilities. The IASB has previously issued versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication of IFRS 9 is the completed version of the Standard, replacing earlier versions of IFRS 9 and superseding the guidance relating to the classification and measurement of financial instruments in IAS 39 - *Financial Instruments: Recognition and Measurement*.

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

The completed version of IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

In May 2014, the IASB and the Financial Accounting Standards Board ("FASB") completed their joint project to clarify the principles for recognizing revenue and to develop a common revenue standard for IFRS and United States Generally Accepted Accounting Principles ("US GAAP"). As a result of the joint project, the IASB issued IFRS 15 - *Revenue from Contracts with Customers* to replace IAS 18 - *Revenue* and IAS 11 - *Construction Contracts*, and the related interpretations on revenue recognition.

The new revenue standard introduces a single, principles based, five-step model for the recognition of revenue when control of a good or service is transferred to the customer. The five steps are: identify the contract(s) with the customer, identify the performance obligations in the contract, determine transaction price, allocate the transaction price and recognize revenue when the performance obligation is satisfied. IFRS 15 also requires enhanced disclosures about revenue to help investors better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers and improves the comparability of revenue from contracts with customers.

IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted.

CONTROLS AND PROCEDURES

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings) for non-venture issuers, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

TSXV listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSXV issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CAPITAL MANAGEMENT

Copper North is a mineral exploration and development company with a primary focus of advancing the Carmacks Project, the Thor property and the Redstone property. Its principal source of funds is the issuance of common shares. The Company considers capital to be equity attributable to common shareholders, comprised of share capital, contributed surplus, and deficit. It is the Company's objective to safeguard its ability to continue as a going concern so that it can continue to explore and develop its projects. As at December 31, 2014, certain conditions and events cast significant doubt upon the Company's ability to continue as a going concern. Refer to the Liquidity And Capital Resources section earlier in this report for more information.

Copper North manages its capital structure based on the funds available for its operations and makes adjustments for changes in economic conditions, capital markets and the risk characteristics of the underlying assets. To maintain its objectives, the Company may attempt to issue new shares, seek debt financing, acquire or dispose of assets or change the timing of its planned exploration and development projects. There is no assurance that these initiatives will be successful.

Copper North monitors its cash position on a regular basis to determine whether sufficient funds are available to meet its short-term and long-term corporate objectives.

There has been no change in the Company's capital management practices during the period. Copper North does not pay dividends. Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

FINANCIAL INSTRUMENT RISK

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to liquidity and credit risks from the use of financial instruments. Financial instruments consist of cash and cash equivalents, other assets, reclamation bond, amounts due to related parties, and accounts payable and accrued liabilities.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. Certain conditions cast significant doubt on the Company's ability to meet its financial obligations. Refer to the Liquidity and Capital Resources section of this report for more information regarding the Company's liquidity risk.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents. These financial instruments are at risk to the extent that the institutions issuing or holding them cannot redeem amounts when they are due or requested. To limit its credit risk, the Company uses a restrictive investment policy. It deposits cash and cash equivalents in Canadian chartered banks.

FORWARD-LOOKING STATEMENTS

This Management Discussion and Analysis contains certain forward-looking statements concerning anticipated developments in Copper North's operations in future periods. Statements that are not historical fact are forward looking information as that term is defined in National Instrument 51-102 ("NI 51-102") of the Canadian Securities Administrators. Certain forward looking information should also be considered future-oriented financial information ("FOFI") as that term is defined in NI 51-102. The purpose of disclosing FOFI is to provide a general overview of management's expectations regarding the anticipated results of operations and capital expenditures. Forward-looking statements and information (referred to herein together as "forward-looking statements") are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The material factors or assumptions used to develop forward-looking statements include prevailing and projected market prices and foreign exchange rates, exploitation and exploration estimates and results, continued availability of capital and financing, and general economic, market or business conditions and as more specifically disclosed throughout this document. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Copper North and its subsidiaries may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

Copper North's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and Copper North does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from Copper North's expectations include, but are not limited to, uncertainties involved in fluctuations in copper and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies and First Nations in the exploration and development of properties and the issuance of required permits; 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; and uncertainty as to timely availability of permits and other governmental approvals.