COPPER NORTH MINING CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

The following management discussion and analysis of Copper North Mining Corp. ("Copper North" or the "Company") is dated April 15, 2016, and provides an analysis of the Company's results of operations for the year ended December 31, 2015.

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, 2015, and the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. 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 and the Redstone property located in the Northwest Territories. Copper North is listed on the TSX Venture Exchange under the symbol COL.

FINANCING AND FINANCIAL POSITION

As at December 31, 2015, the Company had $462,000 in cash and a positive working capital balance of $12,000. Although finding sources of financing continues to prove challenging for mineral exploration companies, Copper North was successful in completing 9 private placements in 2015, raising a total of $2.85 million in gross proceeds. The Company issued 53,050,313 common shares (including flow-through shares) and 31,106,816 warrants as part of these private placements. The issue price of the securities ranged from $0.03 to $0.06. The placements enabled Copper North to accomplish some of its goals related to the Carmacks Project, including drilling additional holes, delineating an updated mineral resource estimate, and advancing the new preliminary economic assessment.

The Company's consolidated financial statements have been prepared using 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, 2015, the Company reported a loss of $2,926,073 and an accumulated deficit of $17,872,247. 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.

PROPERTY OVERVIEW AND DEVELOPMENT

Carmacks (Yukon, Canada)

Updated Mineral Resource Estimate

Copper North's 2014 and 2015 exploration programs culminated in an updated mineral resource estimate announced on January 25, 2016 (the "Updated Mineral Resource Estimate"). The Updated Mineral Resource Estimate consists of the initial mineral resource estimate on zones 12, 13 and 2000S (the "Maiden Mineral Resource Estimate") combined with the previously defined mineral resource estimate for the Carmacks Project, as set out in the Company's preliminary economic assessment released in May 2014 (the "2014 PEA"). For more information on the Updated Mineral Resource Estimate, please refer to the January 25, 2016 news release and the National Instrument 43-101 technical report filed on March 10, 2016.

Highlights of the Updated Mineral Resource Estimate include:

Oxide and transitional mineral resources

- A 31% increase in Measured and Indicated mineral resources to 15.7 Mt grading 0.94% Cu, 0.74% acid-soluble Cu, 0.379 g/t Au and 3.971 g/t Ag; and
- A tenfold increase in Inferred oxide and transition mineral resources to 0.9 Mt grading 0.45% Cu, 0.30% acid-soluble Cu, 0.119 g/t Au and 1.900 g/t Ag.

Sulphide mineral resources:

- An 86% increase in Measured and Indicated mineral resources to 8.1 Mt grading 0.68% Cu, 0.178 g/t Au and 2.332 g/t Ag; and
- A 108% increase in Inferred mineral resources to 8.4 Mt grading 0.63% Cu, 0.150 g/t Au and 1.994 g/t Ag; an increase of 108%.

Maiden Mineral Resource Estimate (zones 2000S, 12 and 13)

The expansion of mineral resources is the result of the Maiden Mineral Resource Estimate on zones 2000S, 12 and 13. Zones 2000S, 12 and 13 are located to the south of the previously proposed open-pit that would encompass zones 1, 4 and 7. The oxide mineral resources occur from surface and have been estimated to shallow depths that would be amenable to mining with a low strip ratio. The sulphide mineral resources in zones 12, 13 and 2000S occur to depths of as little as 50 metres below surface, which is much shallower than the depth of the sulphide resource in zone 1. This opens up the possibility of mining copper sulphide resources at relatively shallow depths in an open pit.

The discovery and definition of the measured, indicated and inferred mineral resources in zones 2000S, 12 and 13 represents a significant expansion of mineral resources for the Carmacks Project. With a modest amount of additional drilling, Copper North anticipates that the inferred resources could be converted to the measured or indicated categories. Copper North has drilled-off only approximately 60% of the length of the mineralized trend and each zone is open along strike and to depth. The Company believes that additional exploration on the property may reveal additional mineralization along the trend and in sub-parallel zones.

Table 1: The Maiden Mineral Resource Estimate (zones 12, 13 and 2000S).

	Class	Tonnage (t)	Total Cu (%)	Acid-soluble Cu (%)	Au (g/t)	Ag (g/t)	Cu sulphide (%)
Zones 2000S+12+13 Oxide & Transition	Measured	2,453,040	0.47	0.35	0.128	1.883	0.13
	Indicated	1,257,343	0.56	0.36	0.140	2.259	0.20
	ME+IN	3,710,383	0.50	0.35	0.132	2.011	0.15
	Inferred	822,614	0.42	0.28	0.119	1.910	0.14
Zones 2000S+12+13 Sulphide	Measured	686,329	0.48	0.07	0.108	1.785	0.41
	Indicated	3,041,922	0.63	0.06	0.133	2.402	0.58
	ME+IN	3,728,252	0.60	0.06	0.128	2.288	0.55
	Inferred	4,375,835	0.55	0.04	0.123	2.081	0.52

Updated Mineral Resource

The Maiden mineral resource estimate on zones 12, 13 and 2000S combined with the previously defined mineral resource for the Carmacks Project comprise the Updated Mineral Resource and has resulted in a significant increase in overall tonnage for the Carmacks Project (Table 2). Oxide and sulphide measured and indicated mineral resources have increased from 16.3 Mt to 23.8 Mt, a 45% increase in tonnage. In addition, overall oxide and sulphide inferred mineral resources have increased from 4.1 Mt to 9.3 Mt, an increase in tonnage of 125%.

Table 2: The Updated Mineral Resource for the Carmacks Project, including Zones 1, 4, 7, 2000S, 12 and 13:

	Class	Tonnage (t)	Total Cu (%)	Acid-soluble Cu (%)	Au (g/t)	Ag (g/t)	Sulphide Cu (%)
Oxide and Transition Mineral Resources	Measured	6,484,040	0.86	0.69	0.414	4.235	0.17
	Indicated	9,206,343	0.97	0.77	0.357	3.796	0.20
	ME+IN	15,690,383	0.94	0.74	0.379	3.971	0.20
	Inferred	912,614	0.45	0.30	0.119	1.900	0.15
Sulphide Mineral Resources	Measured	1,381,329	0.64	0.05	0.185	2.166	0.59
	Indicated	6,686,922	0.69	0.04	0.172	2.344	0.65
	ME+IN	8,068,252	0.68	0.05	0.178	2.332	0.65
	Inferred	8,406,835	0.63	0.03	0.150	1.994	0.61

Mineral resources for zones 1, 4 and 7 were previously disclosed in the 2014 PEA and are reported at a 0.25% total copper cut-off for oxide, transition and sulphide mineralization. Mineral resources for zones 2000S, 12 and 13 are reported at a 0.15% acid-soluble copper cut-off for the oxide and transition mineralization and at a 0.25% total copper for the sulphide mineralization. Further details of mineral resource estimate for zones 1, 4 and 7 can be found in the 2014 PEA for the Carmacks Project, dated July 10, 2014.

Progress on Development

In July 2015, Copper North announced the new processing plan for the Carmacks Project. This plan consists of crushing ore to minus 19mm, followed by rod mill grinding to minus 1mm then acid leaching copper in an agitated tank leach, followed by gold and silver leaching in similar tanks, and cyanide destruction for final waste materials. The copper leachate is to be processed in a standard solvent extraction electro-winning (SXEW) plant to produce cathode copper sheets. Gold and silver will be recovered using Merrill Crowe to produce doré bars.

Test work indicates that raising the temperature of the acid leach for copper improves the overall recovery and significantly shortens the leach time. With a grind size of minus 1mm and a leach temperature of 40 degrees Celsius, recoveries of 88% were achieved within 4 to 6 hours, less than half the time for a coarser grind of 2mm at ambient temperature. Waste heat from the manufacturing of sulphuric acid will be used to heat the leach tanks.

The residue in the copper circuit is washed to remove residual acid and the slurry is pumped into the gold-silver circuit for cyanidation; also an agitated tank leach. Optimal leach time for a two stage cyanidation circuit is approximately 12 hours with recoveries of approximately 80% for gold and 62% for silver.

Leachate from the cyanide tanks is sent to a Merrill Crowe circuit to recover gold and silver as a doré bar for refining. A SART circuit may be used to remove copper cyanates from leach fluids to recover cyanide and thereby manage cyanide consumption. The SART circuit will produce a small amount of copper-rich sulphide that will add to the total copper recovery.

Batch test work, including locked cycle tests, confirms the very favourable leach dynamics and define recoveries, reagent consumption and optimal equipment requirements. Similarly, test work continues to evaluate the operational application of the SART circuit in the gold-silver recovery circuit. The final steps in the test work are to determine the preferred procedure for filtration of the waste materials in preparation for waste disposal utilizing the "dry-stacked tailings" method.

On March 21, 2016, the Company announced additional improvements in the leach circuit from the result of recent test work. The recent test work confirmed that an increase in leach temperature to 80° centigrade improved copper recovery, eliminated the need for a SART circuit, and simplified the cyanide circuit for leach recovery of gold and silver. These improvements are being integrated into the agitated leach plan for the Carmacks Project.

Project Engineering and Costing

Application of agitated tank leaching results in the elimination of the expensive large, lined leach pads that formed the basis of the 2014 PEA. Results of the recent metallurgical test work for the agitated tank leach facility enables the Beijing General Research Institute Mining and Metallurgy (BGRIMM) to resume engineering, design and cost estimation of the processing facility with a view to incorporate results into a new preliminary economic assessment (the "New PEA").

Copper North has set a new initial capital cost target of US$150M for the project, an approximate 30% reduction compared to that in the 2014 PEA. The improvement of recoveries and reduced leach times are expected to have a significant positive impact on project economics. The project economics based on the 2014 PEA are now quite out of date and do not properly represent the current leach plan and associated project economics.

<u>New Preliminary Economic Assessment</u>

Copper North is progressing toward the New PEA that will reflect the new leach and development plan. The new PEA is being advanced by JDS Energy and Mining Inc., Vancouver, B.C., incorporating an equipment list and costing for processing plant equipment provided by BGRIMM. Subject to financing, the Company expects the New PEA to be completed in early May 2016.

The new PEA will be based on the mineral resources in Zones 1, 4 and 7 that indicate an approximate 7 year mine life. The copper oxide ores will be mined by open pit and crushed, followed by grinding to 80% minus 664 microns. Leaching of the grind materials in an agitated leach tank yields high recovery of copper with optimal leach time of 4 hours. The rinsed copper leach residues are pumped to the cyanide circuit for leaching of gold and silver with leach time of approximately 12 hours. Cathode copper would be recovered by solvent extraction electro-winning (SXEW) and the gold and silver would be recovered by Merrill Crowe process. The improved leach dynamics indicate improvement of copper and gold recovery while reducing cyanide consumption and simplifying the leach circuit. Further test work is planned for the final determination of optimal leach parameters.

The new mineral resources in zones 2000s, 12 and 13, announced January 25, 2016, will not be included in the PEA. The estimated mineral resources in zones 2000S 12 and 13 will be integrated into a later development plan. The expansion of the Measured and Indicated resources in the new oxide, transition and sulphide resources provides an attractive opportunity for extension of mine life at the Carmacks Project. Additional definition drilling is warranted for zones 2000S, 12 and 13 for inclusion in subsequent development plans. Furthermore, the substantial increase in sulphide mineral resources at shallow depth warrants additional metallurgical test work to confirm the potential to process that material to produce either concentrate or cathode copper, the latter utilizing the leach and SXEW facilities.

<u>Royalty</u>

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, $1.3 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 16,060 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 June 27, 2014, Copper North entered into an acquisition agreement with Electrum Resource Corporation ("Electrum"). Pursuant to the acquisition agreement, Copper North can 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*
June 27, 2015	$50,000	-	$200,000	*Completed*
June 27, 2016	$50,000	1,000,000	$700,000	-
June 27, 2017	$100,000	1,000,000	$1,500,000	-
June 27, 2018	$100,000	1,000,000	$2,500,000	-
June 27, 2019	$100,000	1,000,000	$3,500,000	-
June 27, 2020	$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 payable pursuant to the net smelter return royalty.

Exploration Plans

A consolidation of geology, geochemistry, and geophysical data, including recent geophysical survey data, defined two large target areas with anomalies typical of porphyry copper type deposits. Copper North is planning an exploration program aimed at testing these targets in 2016.

Redstone (Northwest Territories, Canada)

The Redstone property comprises five mining leases and 14 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,	
	2015	2014	2015	2014
	$	$	$	$
Exploration and evaluation expenses	362,640	417,686	1,784,367	1,267,283
Filing and regulatory fees	2,102	2,410	42,777	40,785
General administrative expenses	11,529	23,670	82,589	56,273
Professional fees	24,547	33,589	60,084	95,850
Rent and utilities	28,463	18,072	112,089	40,572
Share-based payments	26,005	27,406	69,312	100,758
Shareholder communication and travel	96,462	32,582	420,805	99,583
Wages and benefits	99,525	126,562	458,077	294,791
OPERATING EXPENSES	**651,273**	**681,977**	**3,030,100**	**1,995,895**
Gain on debt settlement	(113,200)	-	(113,200)	-
Interest expense	-	15,282	9,173	25,771
LOSS AND COMPREHENSIVE LOSS	**538,073**	**697,259**	**2,926,073**	**2,021,666**

YEAR ENDED DECEMBER 31, 2015

The Company's exploration and evaluation expenses increased during the year ended December 31, 2015 because Copper North was able to obtain financing in order to advance the Carmacks Project and the Thor property. During the year ended December 31, 2014 exploration activity was restricted by the Company's financial resources. For more information on project development, refer to the Property Overview and Development section earlier in this report.

General administrative costs increased during the year ended December 31, 2015 as compared to the same periods in 2014 due to a general increase in corporate activity.

Professional fees decreased during the year ended December 31, 2015 as compared to the year ended December 31, 2014 because of a decrease in legal services.

On November 1, 2014, Copper North relocated its head office as it required additional office space. The Company spent all of 2015 in the new office. As a result, there was an increase in rent expense during the year ended December 31, 2015 as compared to 2014.

Share-based payments are recorded based on the amortization of the value assigned to stock option grants. There was a significant stock option grant in August 2014. As a result, share-based payments decreased during the year ended December 31, 2015 compared to the prior year.

Shareholder communication and travel increased during the year ended December 31, 2015 as the Company took part in a number of roadshows and increased marketing in an effort to promote the Company and its projects, and to raise capital.

Wages and benefits increased during the year ended December 31, 2015 as compared to the same period in 2014 because the Company's Chief Executive Officer's ("CEO") salary was increased to market standards as a significant portion of his 2014 compensation was in the form of stock options. In addition, Copper North did not pay for the CEO position in January or February 2014 as it conducted its search for a new CEO.

Interest expense for the year ended December 31, 2015 related to agreements to defer salaries for certain officers. For more information regarding deferred salaries please refer to the Related Party Transactions section later in this report.

On December 29, 2015, the Company issued 5,660,000 common shares at a deemed price of $0.05 per common share in settlement of certain payables. The fair market value of the shares issued in the settlement of debts was $0.03 per share which resulted in a gain on debt settlement of $113,200.

THREE MONTHS ENDED DECEMBER 31, 2015

During the three months ended December 31, 2015, exploration and evaluation expenditures decreased by $55,000 compared to the same period in 2014. The difference is attributable to the Company working on the updated ore processing plan for the Carmacks Project during the three months ended December 31, 2014.

A decrease in overall corporate activity during the three months ended December 31, 2015 resulted in lower general administrative fees and professional fees compared to the last three months of 2014.

Wages and benefit expenses were higher during the three months ended December 31, 2014 as the Company recorded adjustments to the CEO wages and other smaller unrelated changes.

LIQUIDITY AND CAPITAL RESOURCES

For the year ended December 31,	2015 $	2014 $
CASH PROVIDED BY (USED IN)		
Operating activities	(2,957,598)	(2,190,138)
Financing activities	2,993,033	2,673,618
Investing activities	(52,000)	(41,412)
CHANGE IN CASH AND EQUIVALENTS	**(16,565)**	**442,068**
Cash and cash equivalents – beginning	478,357	36,289
CASH AND CASH EQUIVALENTS	**461,792**	**478,357**

Copper North had $461,792 in cash and cash equivalents as at December 31, 2015 compared to $478,357 in cash and cash equivalents as at December 31, 2014. The main components of cash flows used for operating activities are discussed in the Results of Operations section, above. Cash flows received from financing activities are discussed in the Financing and Financial Position section at the beginning of this report. For more information on financing transactions, refer to note 5 of the Company's audited consolidated financial statements for the year ended December 31, 2015.

Investing activities relate to the acquisition of mineral properties, option payments on mineral properties and the purchase of reclamation securities. During the year ended December 31, 2015, the Company spent $52,000 related to its Thor property of which $50,000 was a property option payment. During the year ended December 31, 2014 the Company invested $41,412 on the acquisition of the Thor property of which $38,412 related to acquisition costs.

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. 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.

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-15**	**31-Dec-14**	**31-Dec-13**
	$	**$**	**$**
Loss and comprehensive loss	2,926,073	2,021,666	8,777,428
Exploration and evaluation expenses	1,784,367	1,267,283	522,510
Loss per share – basic and diluted	0.02	0.03	0.15
Cash and cash equivalents	461,792	478,357	36,289
Exploration and evaluation assets	19,281,737	19,231,737	19,143,325
Total assets	20,168,476	20,174,459	19,277,180

Items that resulted in significant differences in the annual figures presented above are explained in the following narrative.

Loss and comprehensive loss; exploration and evaluation expenses

The Company's loss and comprehensive loss for the year ended December 31, 2015 increased compared to the previous year because in 2015, the Company incurred higher exploration and evaluation expenses, and higher shareholder communication and travel expenses.

During the year ended December 31, 2013 the Company recorded an impairment charge in the amount of $7.35 million relating to the Redstone property.

Exploration and evaluation assets

Exploration and evaluation assets increase when the Company makes payments related to the acquisition of mineral properties. Increases during the periods presented stem from initial and on-going payments related to the option agreement to acquire 100% interest in the Thor property.

Cash and cash equivalents

Copper North raises funds, as required, in order 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. The timing and amount of expenditures and financing transactions have caused the Company's cash and cash equivalents balance to fluctuate from year to year.

SUMMARY OF QUARTERLY RESULTS

The Company's interim financial statements are reported under IFRS applicable to interim financial statements, including IAS 34 *Interim Financial Reporting*. The following table sets forth selected unaudited quarterly financial information derived from financial information for each of the eight most recent quarters.

As at and for the quarter ended	**31-Dec-15**	**30-Sep-15**	**30-Jun-15**	**31-Mar-15**
Loss and comprehensive loss	538,073	921,814	859,716	606,470
Exploration and evaluation expenses	362,640	667,316	529,566	224,845
Loss per share – basic and diluted	-	0.01	0.01	-
Cash and cash equivalents	461,792	294,644	793,417	261,351
Exploration and evaluation assets	19,281,737	19,281,737	19,281,737	19,231,737
Total assets	20,168,476	19,978,505	20,775,005	20,206,970
As at and for the quarter ended	**31-Dec-14**	**30-Sep-14**	**30-Jun-14**	**31-Mar-14**
Loss and comprehensive loss	697,259	828,992	360,911	134,504
Exploration and evaluation expenses	417,686	609,835	213,719	26,043
Loss per share – basic and diluted	0.01	0.01	-	-
Cash and cash equivalents	478,357	504,351	171,042	(11,842)
Exploration and evaluation assets	19,231,737	19,231,737	19,143,325	19,143,325
Total assets	20,174,459	19,862,047	19,404,876	19,234,213

Items that resulted in significant differences in the quarterly figures presented above are explained in the following narrative.

Loss and comprehensive loss; exploration and evaluation expenses

The Company tends to incur more exploration and evaluation expenditures from April to October because of weather conditions in the Yukon. Copper North expenses all such expenditures. As a result, loss and comprehensive loss are expected to be higher during Q2 and Q3 of each given year. This trend has been somewhat inconsistent in recent years as the Company's exploration activities have been dictated as much by available financing as weather conditions.

The loss and comprehensive loss reported for the quarters ended September 30, 2014, June 30, 2015, and September 30, 2015 were higher than usual because Copper North incurred substantial exploration expenditures at its Carmacks Project during those periods.

Exploration and evaluation assets

In accordance with IFRS, Copper North only capitalizes acquisition and property payment costs.

The Company made a payment and issued shares to acquire the Thor property during the quarter ended September 30, 2014. During the three months ended June 30, 2015, Copper North made an option payment related to the Thor property. Please refer to the Property Overview and Development section earlier in this report for more information.

Cash and cash equivalents

Cash and cash equivalents are expected to decrease in periods when there is no financing transaction as the Company incurs costs related to exploration activities and operations. The Company has been continually raising funds over the last two years in order to advance its projects and pay its operating expenses. As such, the fluctuations in the quarters presented above are a direct result of the size and timing of financing transactions and expenses.

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. The Company no longer has a line of credit.

RELATED PARTY TRANSACTIONS

Related party loan

On June 23, 2014, the Company paid $43,000 in cash and issued 6,860,000 common shares to Dale Corman, Copper North's Chairman, to settle amounts owing under the terms of a loan agreement to secure funds of $300,000. 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 current and former officers and directors have agreed to defer some, or all, of their salary. The Company has accrued these wages in the statement of loss. During the year ended December 31, 2015, the Company accrued $166,026 (2014 - $16,653) in wages to officers and $36,000 in director fees (2014 - $36,000).

During the year ended December 31, 2015, the Company repaid $54,798 due to Julien François, Chief Financial Officer, in cash. Of this amount, $3,965 was interest. Also during the year ended December 31, 2015, Copper North repaid $100,000 due to Sally Eyre, the Company's previous Chief Executive Officer by making a cash payment of $27,000 and issuing 1,460,000 common shares with a deemed value of $0.05 per common share. Effective December 31, 2015, amounts due to Ms. Eyre no longer accrue interest.

Management compensation

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 periods presented was as follows:

For the year ended December 31,	2015	2014
	$	$
Salaries and director fees	476,000	386,000
Share-based payments	53,630	98,478
DIRECTOR AND OFFICER REMUNERATION	**529,630**	**484,478**

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,	2015	2014
	$	$
Deferred salary	295,346	280,153
Interest	23,217	18,382
Director fees	126,000	90,000
DUE TO RELATED PARTIES	**444,563**	**388,535**

As at December 31, 2015, amounts due to related parties are non-interest bearing and payable on demand.

Participation in private placements

Certain directors and officers of the Company participated in private placements to assist Copper North to strengthen its balance sheet. The following directors and officers participated in private placements:

Harlan Meade, CEO, purchased the following:
- 385,000 units at $0.06 per unit on June 8, 2015.
- 335,000 units at $0.06 per unit on February 3, 2015.
- 340,000 flow-through shares at $0.06 per share on December 22, 2014.
- 340,000 flow-through shares at $0.06 per share on August 20, 2014.
- 500,000 units at 0.05 per unit on April 24, 2014.

Julien Francois, CFO, purchased 500,000 units at $0.06 per unit on June 25, 2015 and 110,000 flow-through shares at $0.06 per share on August 20, 2014.

Dale Corman, Chairman, purchased 1,700,000 units at $0.06 per unit on March 19, 2015

OUTSTANDING SHARE DATA

As at the date of this report, the Company has 183,249,182 common shares outstanding. The Company also has 10,117,500 stock options outstanding with exercises prices ranging from $0.05 to $0.32 and 48,202,457 warrants outstanding with exercises prices ranging from $0.05 to $0.28.

CONTRACTUAL OBLIGATIONS

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

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

Year	$
2016	28,000
Thereafter	-
TOTAL	**28,000**

The Company must spend $150,000 on qualifying Canadian exploration expenditures by December 15, 2017. 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

A number of new standards, amendments, and interpretations are effective for annual periods beginning on or after January 1, 2016 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 16 – Leases specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less, or the underlying asset has an insignificant value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

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.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018, 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 focusing on 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, 2015, certain conditions and events cast significant doubt upon the Company's ability to continue as a going concern. Refer to the Financing and Financial Position 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 risk from the use of financial instruments. Financial instruments consist of cash and cash equivalents, accounts receivable, 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 and the Financing and Financial Position sections 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 deposits cash and cash equivalents in Canadian chartered banks.

In addition, amounts prepaid or on deposit may not be recovered. To limit this risk, the Company takes into account the financial condition of the vendor and the services to be provided before making such deposit or prepayment.

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.