Research Note

Copper Fox Metals – Provides Progress Update on Van Dyke's Updated PEA

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Rating	Target Price
BUY	**C$1.30**
Unchanged	*Unchanged*

September 2, 2026

Disseminated on Behalf of Copper Fox Metals Inc.

All figures in USD unless otherwise stated

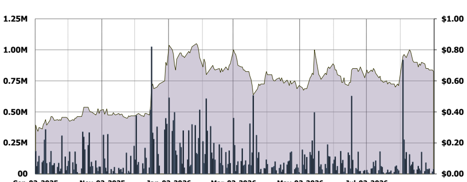
Copper Fox Metals Inc.	**CUU:TSXV**
Rating	BUY
Target Price	C$1.30
Return to Target	97%

Market Data	
Share Price	C$0.66
Average Daily TSXV Volume (K)	55.5
FD ITM Shares (M)	590.5
Market Cap ($M)	C$389.8
PF Cash & Cash Equivalents ($M)	C$3.2
Debt ($M)	C$0.1
Enterprise Value ($M)	C$386.6

Resource & Economic Study Data	
Schaft Creek NPV (25%) (8%, $4.30/lb, $M)	$875.2
Van Dyke NPV (7.5%, $4.30/lb, $M)	$967.0
Measured & Indicated Resource (CuEq)	4.4Blbs
Inferred Resource (CuEq)	3.0Blbs
Global Resource (CuEq)	7.3Blbs

Valuation	
NPVPS	$3.12
P/NPV	0.2x
EV/Lb (M&I, $/lb)	$0.06/lb

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Copper Fox Metals Inc. is a North American copper exploration and development company with a portfolio of advanced-stage and early-stage porphyry copper projects in Canada and the United States. The Company's principal assets include the Van Dyke project in Arizona and the Schaft Creek Joint Venture with Teck Resources in British Columbia. Copper Fox also holds 100% interests in the Eaglehead, Sombrero Butte, and Mineral Mountain projects, all located in established, Tier 1 copper mining jurisdictions.

What you need to know:

- CUU provided a progress update on the updated PEA for its 100%-owned Van Dyke in-situ copper recovery project in Arizona, with several key study components now substantially defined.
- The refined plan uses a two-phase underground development approach totalling ~4,900m, with mechanical roadheader excavation replacing drill-and-blast to improve safety and preserve ground stability.
- The leach schedule prioritizes higher-grade panels early to accelerate capital payback, with lower-grade panels developed later on.
- A Phase I groundwater flow model has been constructed and calibrated, and CUU has begun discussions to purchase its office/core storage facility.

This morning, Copper Fox Metals Inc. (CUU:TSXV, CPFXF:OTC) announced the completion of several key initiatives and progress updates on the updated PEA on its 100% owned Van Dyke in-situ copper recovery (ISCR) project. Some of the completed items include a project plan for underground development, a leaching schedule, establishing surface infrastructure locations, and a groundwater flow model. A variety of trade-off studies have also been completed for each phase of the project and will be used to optimize the economic models in the PEA. Much of the studies and analysis reported today highlight the deep level of detail and confidence this updated PEA will have which will contribute to the accelerated advancement of the project along the development curve. **We are maintaining our BUY rating and C$1.30/share target price on CUU.**

Highlights of the key initiatives (more detail on page 2 below):

- Defined mine plan using a two-phased underground development approach (~4,900m of underground development).
- Roadheader excavation anticipated to improve safety and ground stability.
- Underground development and infrastructure plan defined.
- Preliminary surface site infrastructure layout completed.
- Proposed leaching plan and schedule; two-phased approach allowing early access to higher-grade portions of the deposit.
- Groundwater flow model completed, additional modelling in progress.
- Progressing on the acquisition of permanent offices, core storage, and sampling facility.

High-Margin, Low-Impact U.S. Project. We remind readers that the Van Dyke project is CUU's 100% owned ISCR project in Arizona with 0.5Blbs of soluble copper in M&I resources and 0.7Blbs of soluble copper in the Inferred resource. The 2020 PEA showed the project having an after-tax $NPV_{7.5\%}$ of $645M using $3.15/lb Cu and a 42% IRR. To better understand the significant potential of this project at higher copper prices, a $0.25/lb increase in the copper price adds ~$90M to the NPV and $190M in FCF. Based on this, at the current spot price of $6.60/lb, the NPV would grow to just under $2B.

Our Take

Today's results mark another step forward in the development of the Van Dyke ISCR project as it advances toward its updated PEA. The completed initiatives announced today are all key front-end activities which contribute to the finalization of operating and cost components for the PEA. That said, the detail of these reports and entering purchase discussions for offices and ancillary facilities signal to us that many of these initiatives are beyond the PEA stage and should contribute to a quicker development through the PFS and FS stages. We remind readers of how extremely profitable the ISCR style of copper extraction is, with the 2020 PEA showing C1 cash costs and AISC of $0.86/lb Cu and $1.14/lb Cu, respectively.

Catalysts

- Schaft Creek 2026 Program & Advancement to PFS Stage – 2026
- Van Dyke Updated PEA – Ongoing
- Mineral Mountain, Eaglehead, and Sombrero Butte Updates – Ongoing

The Van Dyke Deposit

As a reminder, Van Dyke is an ISCR project targeting soluble copper hosted in fractures, breccia, quartz veins and cleavage planes, primarily within the Pinal Schist and, to a lesser extent, in porphyritic dykes and intrusive breccias related to the Schultz granite. The deposit is capped by a Leach Cap and a thick layer of Gila Conglomerate, as seen below.

The updated PEA focuses on the two zones of economic interest, the Oxide and Transitional zones. In order of depth, the deposit grades from the Leach Cap (clay, limonite, hematite, jarosite) into the Oxide zone (malachite, chrysocolla, azurite, cuprite and tenorite), then a weakly developed Transitional zone (mainly chalcocite), before passing at depth into local zones of hypogene chalcopyrite-pyrite-molybdenite mineralization (the Sulphide zone).

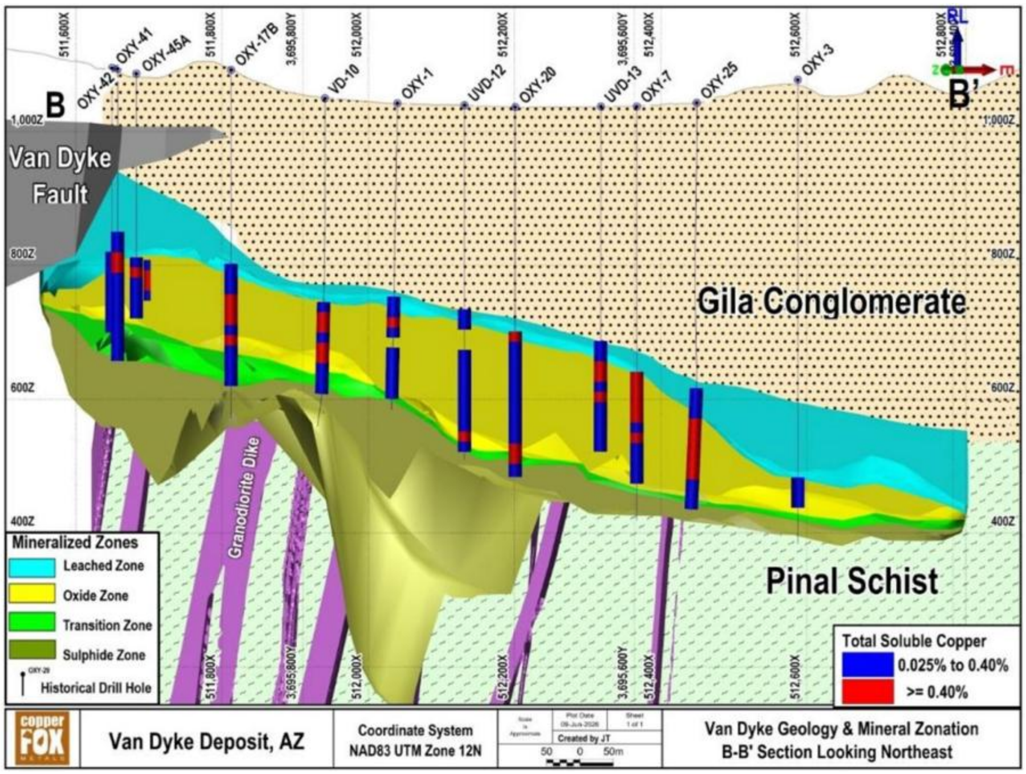


Figure 1: Van Dyke Geology & Mineral Zonation Section Looking NW (Source: Company Documents)

Underground Development

The updated plan contemplates ~4,900m of underground development in the Gila Conglomerate, delivered across two phases. Phase I (years 1 to 6) begins with a 1,712m decline driven to ~50m above the Gila/Leach Cap contact, followed by the drifts and galleries required to house an egress/ventilation raise and the Phase I wellfield, which leaches the deposit located below the workings. Because Phase I covers a higher-grade portion of the deposit, it is expected to lift copper production in the early years and accelerate capital cost recovery. Phase II (years 7 to 17) extends development to reach a lower-grade portion, with the drifts and galleries completed prior to installation of that wellfield. Excavation uses a roadheader rather than drill-and-blast, which is expected to eliminate the associated noxious gases and preserve the geotechnical integrity of the Gila Conglomerate, supported by two layers of shotcrete and Swellex rock bolts.

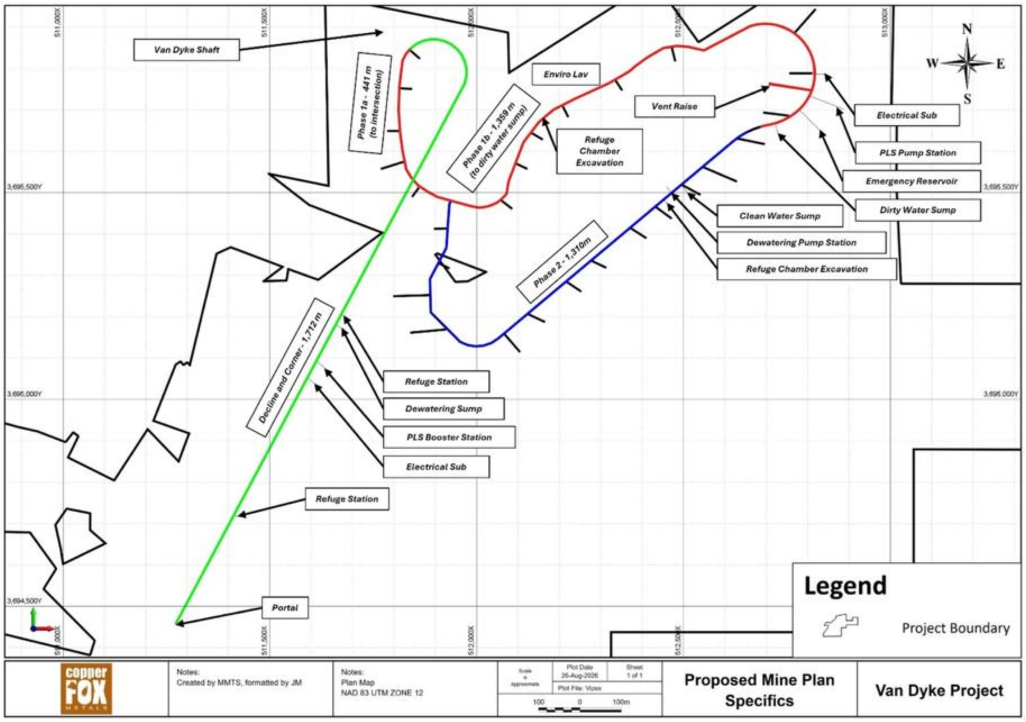


Figure 2: Van Dyke Proposed Mine Plan (Source: Company Documents)

Infrastructure

The surface infrastructure location has been established. Early works include a "drop-down" power sub-station tapping a nearby high-voltage line, together with a mine dry, workshop, and office to support establishing the portal and excavating the decline, drifts, and galleries. Water handling is subject to permit conditions and includes tankage for retention and neutralization/treatment of discharge water; water requirements during excavation are estimated at ~10,000gal/day. The SX-EW and Phase I water treatment facilities are scheduled later in the development timeline, with a Phase II water treatment expansion planned three to four years after leaching begins.

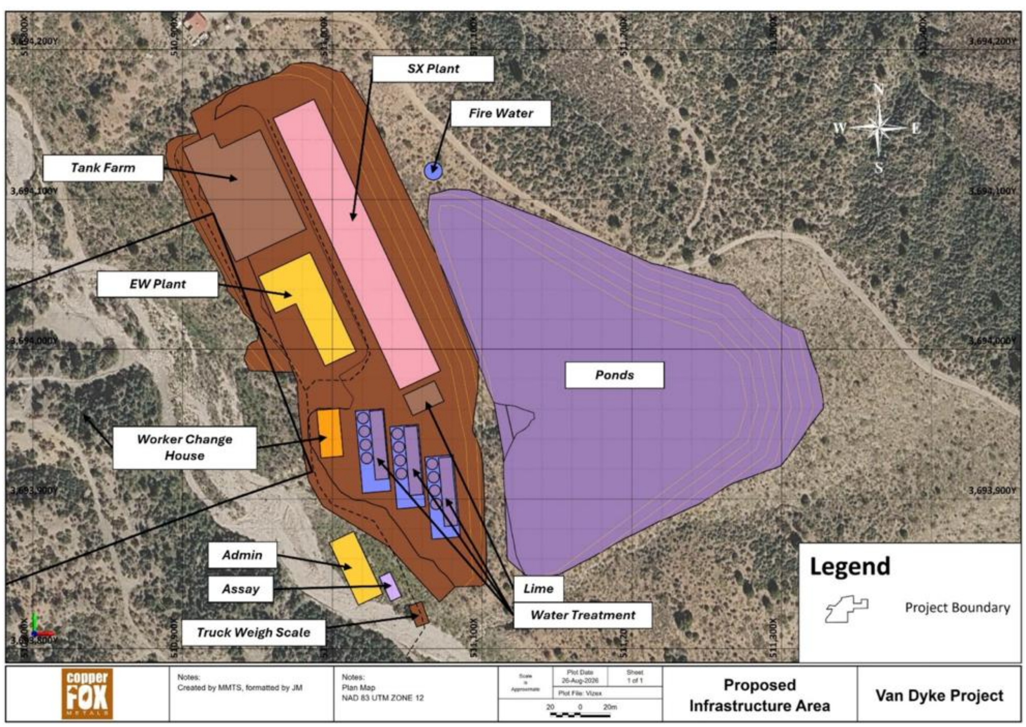


Figure 3: Van Dyke Proposed Infrastructure Area (Source: Company Documents)

Leach Plan
The proposed leach schedule adopts the same two-phase approach, allowing early access to the higher-grade portions of the deposit. Leaching is planned to commence in Panel P1-1 and continue through P1-6, followed by Panel P2-4 (higher-grade mineralization) and progressing outward to P2-1, with Panels P2-5 through P2-7 (a lower-grade portion) scheduled toward the end of mine life. Leaching of each panel is expected to take approximately five years, followed by one year of rinsing, subject to the copper content of the rinse solution and permitting requirements.

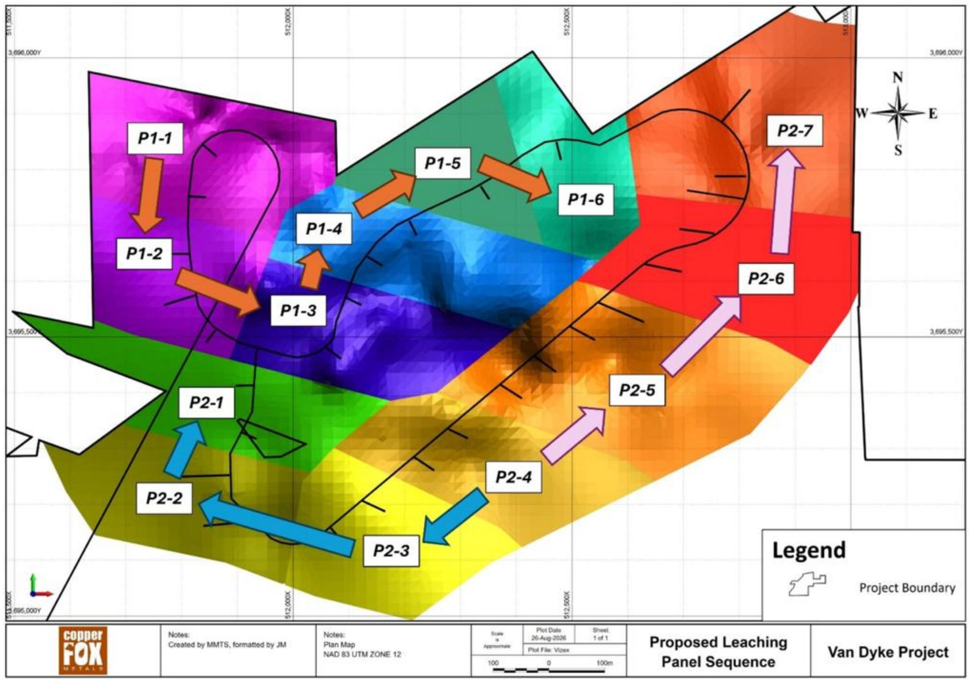


Figure 4: Van Dyke Proposed Leaching Panel Sequence (Source: Company Documents)

Groundwater Flow Model
The Phase I numerical groundwater flow model has been constructed and successfully calibrated, with calibration using both steady-state and transient methods to simulate the dynamic groundwater regimes in the project area. The Company notes the model significantly expands its understanding of the hydrogeologic characteristics and regional controls, and is expected to help identify gaps in the water-monitoring grid and evaluate the hydrologic interaction between the Pinal Schist, the Van Dyke resource, and the Gila Conglomerate. Additional modelling is in progress.

Purchase of Facility
In addition to today's update, CUU has entered into discussions to purchase its current office and core storage facility in Miami, Arizona for $290K. The facility comprises an office, a core preparation facility, and an outbuilding on ~0.86 acres of land.

Why We Like CUU

- Schaft Creek is one of North America's largest undeveloped porphyry copper systems, with a 21-year mine life and an after-tax $NPV_{8\%}$ of $3.5B at $4.30/lb copper. Copper Fox owns 25% of the project with no cash or capital obligations until production, as Teck funds all development and recoups costs from 90% of future free cash flow.
- Van Dyke is a 100%-owned ISCR project in Arizona with 0.5Blbs of soluble copper in M&I resources and 0.7Blbs of soluble copper in Inferred resource and an after-tax $NPV_{7.5\%}$ of $967M using $4.30/lb copper.
- CUU has built a 7.3Blbs CuEq base through low-cost exploration. Eaglehead in B.C. hosts 1.8Blbs CuEq in an open-ended porphyry system, while Mineral Mountain and Sombrero Butte in Arizona offer early-stage upside in proven copper belts, enhancing long-term upside.

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