

FORM 7

MONTHLY PROGRESS REPORT

Name of CSE Issuer: **COPPER REEF MINING CORPORATION**
(the "Issuer").

Trading Symbol: **CZC**

Number of Outstanding Listed Securities: **154,746,300**

Date: **January 2, 2019**

Report on Business

1. General Overview:

Copper Reef is a Canadian junior mineral exploration company with a specific focus on mineral properties in Northwest Manitoba and Northeast Saskatchewan, Canada. All of the Company's properties are currently at the exploration stage. The Company has assembled a portfolio of base metal and precious metal prospects, including strategic locations in the both Manitoba and Saskatchewan.

2. Management Activities: Report writing; working on potential property deals

On December 31, 2018, the Company announced it has closed the first tranche of \$132,000 of a non-brokered private placement financing up to a Maximum Offering Amount of \$500,000. This first tranche is comprised of 845,000 Flow Through Units at a price of \$0.05 per Flow-Through Unit representing proceeds of \$42,250 and 3,590,000 Class "A" Units at a price of \$0.025 per Unit, representing proceeds of \$89,750 for an aggregate total raised of \$132,000. The Issuer will endeavor to raise an additional \$368,000. The Company has issued 4,435,000 shares with a hold period to May 1, 2019.

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

Directors, management and technical advisors participated in this private placement for a total of \$62,250 comprising 745,000 flow through shares and 1,000,000 Class "A" units.

The issuer intends to use the proceeds from the private placement primarily to finance exploration on base metal targets on the Pine Bay Mine stratigraphy in the main Flin Flon camp and for corporate purposes: The first tranche will be used for line-cutting and geophysical surveys over defined VTEM airborne Em targets in an area of intense volcanogenic hydrothermal alteration. Follow up drilling will commence in the new year once the targets are defined in detail.

Work on Alberts Property 2018

This past year work has been focused on the Alberts Lake Grid over the Alberts Lake deposit. The grid has now been extended to cover a total of 1.4 km covering the Alberts lake Gold Zone and adjacent areas to the north and south where a number of high grade gold silver veins were prospected, sampled and mapped. (See Press Releases 2018-10-3, 2018-09-24, 2018-08-28, 2018-07-20 and 2018-07-09) In addition, ground magnetic and electro-magnetic surveys were carried out over the portion cut last winter. A full geophysical interpretation and report was completed by Ross Groom on these geophysical surveys. New targets were outlined to extend the Alberts Lake Gold deposit. This summer the grid was extended to the north and south by 600 meters and 200 meters respectively, following up newly discovered high grade gold veins and mineralized structures. Magnetic and VLF surveys will also be carried out over the grid extension this month so there is complete coverage of the mineralization known to date. The remaining portion of last year's financing will cover these surveys and the subsequent Geophysical, Prospecting and Geological Reports.

Also carried out this year was a geophysical evaluation of seven airborne VTEM anomalies in the area between Alberts Lake and Callinex's Pine Bay Copper Zinc Mine with three other VTEM anomalies Z3-a & b, Z8 and Z9, requiring further evaluation. A very detailed 110 page report with maps and sections by Ross Groom has outlined these anomalies with new drill targets has been posted on our website (copperreefmining.com). One of the Targets evaluated and recommended for drilling (Z4) occurs on the western portion of the new north grid extension.

Use of Proceeds

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

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

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

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

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

Priority VTEM Base Metal Copper Zinc Gold Silver Targets

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

Both these anomalies have been previously drilled, based on HLEM Surveys following up an old airborne survey. Both drill holes intersected copper-zinc mineralization in the relatively weak near surface conductors. Ross Groom believes the main mass lies at depth and there may be additional targets. Near surface conductivity is in the order of 25 to 65 siemens, whereas at depth the anomalies exceed 200 siemens in conductivity and are larger. The Plan is to reestablish the old Granges Grid this fall over the Z2-4 and Z2-5 airborne VTEM targets and carry out a large loop ground Transient Electromagnetic Survey to better define the targets for drilling. The Company shall target the large Z4 (North West) anomalies in the same manner; this grid is already established. The Z4 anomalies also exceed 200 siemens in conductivity and are stronger with depth. Three holes are being planned for each target. Z2-5 Ross Groom rates as Priority 1 followed by Z2-4 (priority 2) and Z4-1 (priority 3) out of the 10 VTEM targets.

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

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

New exploration started or completed, properties acquired.

4. **Exploration changes and terminations:** N/A
5. **New Contracts and/or Joint Ventures entered into:** N/A
6. **Contract Expirations/terminations:** N/A
7. **Acquisitions or dispositions:** N/A
8. **This section does not apply to Copper Reef Mining Corporation:** N/A
9. **This section does not apply to Copper Reef Mining Corporation:** N/A
10. **New hires, and layoffs:** No new hires or Layoffs
11. **Labour disputes in progress and resolution of same:** None

12. **Litigation:** No legal proceedings have been filed against the Issuer

13. **Indebtedness incurred or repaid** N/A

14. **Provide details of any securities issued and options or warrants granted.** N/A

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	3,590,000	At \$0.025	Exploration and general working capital
Warrants	3,590,000	At \$0.05, expiry on Dec. 31, 2019	
Common Shares (Flow Through)	845,000	At \$0.05	Exploration
Warrants	845,000	AT \$0.05, expiry on Dec. 31, 2020	
⁽¹⁾ State aggregate proceeds and intended allocation of proceeds			\$132,000

15. **Loans to Related Persons:** Nil

16. **Committee Changes, Directorship changes:** N/A

17 **Market Matters:**

Market conditions for both diamonds, gold and base metals appear to be improving.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **January 2, 2019**

Stephen L. Masson
Name of Director or Senior
Officer
"signed"
Chief Executive Officer

Issuer Details Name of Issuer Copper Reef Mining Corp.	For Month End December 31, 2018	Date of Report YY/MM/D 2019-01-02
Issuer Address Box 306, 12 Mitchell Rd.		
City/Province/Postal Code Flin Flon, Manitoba R8A 1N1	Issuer Fax No. 204-687-4762	Issuer Telephone No. 204-687-3500
Contact Name Stephen L. Masson	Contact Position CEO	Contact Telephone No. As above