COPPER MOUNTAIN
MINING CORPORATION

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended

June 30, 2015

(Unaudited)

Suite 1700 – 700 Pender Street

Vancouver, British Columbia V6C 1G8

Ph# 604-682-2992 Fax# 604-682-2993

FORM 51-102F1
COPPER MOUNTAIN MINING CORPORATION
(The "Company")

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A") OF FINANCIAL CONDITION & THE RESULTS OF OPERATIONS FOR THE PERIOD ENDED JUNE 30, 2015

August 10, 2015

Introduction

Management's discussion and analysis ("MD&A") focuses on significant factors that affected Copper Mountain Mining Corporation's performance and factors that may affect its future performance. In order to better understand the MD&A, it should be read in conjunction with the consolidated financial statements for the period ended June 30, 2015. The Company reports its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The Company's significant accounting policies are set out in Note 3 of audited consolidated financial statements for the year ended December 31, 2014. The Company's financial statements and the MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company's development and financial situation.

Forward-Looking Statements

The MD&A contains certain statements that may be deemed "forward-looking statements." All statements in this MD&A, other than statements of historical fact, that address exploration drilling, exploitation activities, and events or developments that the Company expects to occur, are forward-looking statements. Estimates regarding the anticipated timing, amount and cost of mining at the Copper Mountain mine are based on assumptions underlying mineral reserve and mineral resource estimates and the probability of realizing such estimates are set out in the Updated Feasibility Study on the Copper Mountain Mine. Capital and operating cost estimates are based on extensive research by the Company, recent estimates of construction and mining costs and other factors that are set out herein and in the Updated Feasibility Study. Production estimates are based on mine plans and production schedules, which have been developed by the Company's personnel and independent consultants. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "targets" and similar expressions , or that events or conditions "will", "would", "may" , "could", or "should" occur. Information inferred from the interpretation of drilling results and information concerning mineral resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, but are not limited to: general business, economic, competitive, political and social uncertainties; the limited operating history of the Company; actual results of reclamation activities; conclusions of economic evaluations; fluctuations in the value of the Canadian dollar relative to the United States dollar; changes in project parameters as plans continue to be refined; failure of equipment or process to operate as anticipated; changes in labor costs and other costs and availability of equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavorable operating conditions and losses, detrimental events that interfere with transportation of concentrate or the smelters ability to accept concentrate, including declaration of Force Majeure events, insurrection or war; delays in obtaining governmental approvals or revocation of governmental approvals; title risks and Aboriginal land claims; delays or unavailability in financing or in the completion of development or construction activities; failure to comply with restrictions and covenants in senior loan agreements, actual results of current exploration activities; volatility in Company's publicly traded securities; and the factors discussed in the section entitled "Risk Factors" in the Company's annual information form and in the Company's continuous disclosure filings available under its profile on SEDAR at www.sedar.com. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources. This discussion Uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves."**

Highlights

(CDN$ except for cash cost results)	Three months ended June 30, 2015 $	Three months ended June 30, 2014 $	Six months ended June 30, 2015 $	Six months ended June 30, 2014 $
Revenues	56,810,348	68,033,648	128,267,014	129,215,920
Gross profit	1,153,758	10,392,636	7,903,750	11,488,712
Operating (loss) income	(1,381,761)	7,735,877	3,092,658	5,797,731
Adjusted earnings (loss) [1]	3,476,530	(1,793,510)	7,788,881	4,930,619
Adjusted earnings (loss) per share[2]	.03	(0.02)	.07	0.04
EBITDA[3]	14,821,489	25,322,416	(2,854,707)	20,081,687
Adjusted EBITDA	15,426,044	10,221,054	33,865,433	27,324,246
Cash Flow from operations	14,983,996	(449,683)	13,358,191	11,994,521
Cash and cash equivalents			22,348,724	20,213,980
Working capital			15,763,368	27,995,507
Equity			251,816,029	299,365,314
Site cash costs per pound of copper produced (net of precious metal credits) (US$)	1.36	1.63	1.30	1.64
Total cash costs per pound of copper sold (net of precious metal credits) (US$)	1.81	2.27	1.79	2.18
Realized Copper Price (US$)	2.74	3.08	2.68	3.14

Quarter Results & Highlights (100%)

- Total production for the quarter at the Copper Mountain mine was 19.5 million pounds of copper, 7,800 ounces of gold, and 71,100 ounces of silver, bringing total copper production to 37.9 million pounds of copper, 15,600 ounces of gold, and 151,400 ounces of silver for the six months ended June 30, 2015.
- Revenue for the period was $56.8 million, from the sale of 18.4 million pounds of copper, 6,300 ounces of gold, and 66,700 ounces of silver, net of pricing adjustments for the quarter or $128 million, from the sale of 39.9 million pounds of copper, 13,900 ounces of gold, and 159,400 ounces of silver for the six months ended June 30, 2015.
- Adjusted earnings of $3.5 million for the quarter or $7.8 million for the six months ended June 30, 2015
- Cash flow from operations of $15 million for the quarter or $13.4 million for the six months ended June 30, 2015.
- Cash on hand at the end of the quarter was $22.4 million, an increase of $7 million over the first quarter ending cash position.
- Site cash costs for the quarter was US$1.36 per pound of copper produced net of precious metal credits for the quarter or $1.30 for the six months ended June 30, 2015.
- Total cash costs for the quarter was US$1.81 per pound of copper sold net of precious metal credits and after all off-site charges for the quarter or $1.79 for the six months ended June 30, 2015.
- Realized prices on metal sales for the 2015 second quarter was $2.74 per pound of copper, $1,196 per ounce of gold and $16.41 per ounce of silver.

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[1] Adjusted earnings (loss) is a non-GAAP financial measure which removes unrealized gains/losses on interest rate swaps, pricing adjustments on concentrate metal sales and foreign currency gains/losses.
[2] Calculated by dividing the total adjusted earnings by the weighted average number of shares outstanding under the basic method.
[3] Earnings before interest, taxes, depreciation and amortization. Refer to the Non-GAAP Performance measures section of this MD&A.

Overview

Copper Mountain Mining Corporation is a mid-tier copper-gold producing company that was incorporated under the provisions of the British Columbia *Company Act* on April 20, 2006. The Company owns 75% of the Copper Mountain mine through a subsidiary and Mitsubishi Materials Corporation ("MMC") owns the remaining 25%.

Following the successful exploration programs of 2007 and 2008 the Company completed an updated Feasibility Study and committed to the development of the new mine. On April 1, 2010 the BC Government issued the approval that allowed for construction of the $438 million development.

The development plan was based on mining the three existing open pits into one larger super pit and constructing a new 35,000 tonnes per day (tpd) concentrator designed to produce approximately 100 million pounds of copper per year in a copper concentrate with gold and silver credits. Over the initial mine life the mine is planned to produce 1.48 billion pounds of copper, 4,490,400 ounces of silver and 452,000 ounces of gold.

Mechanical completion of the concentrator and associated facilities was achieved on budget and on schedule at the end of May 2011. Commissioning was finished by the end of June 2011. Production of copper concentrate commenced during the third quarter of 2011.

In 2013 management confirmed that the ore was tougher than anticipated which limited mill throughput and a secondary crusher was necessary. Construction of the $40 million permanent secondary crushing facility was initiated at the end of 2013 and completed in mid-2014. By early 2015 the mill was operating at rates in excess of the 35,000 tpd design capacity and now the mine is focusing in on reducing costs and optimizing production.

The Company trades on the Toronto Stock Exchange under the trading symbol "CUM".

Copper Mountain Mine

The Copper Mountain mine is situated 20 km south of Princeton, British Columbia and 300 km east of the port of Vancouver. Based on current reserves, the mine has a life of 16 years from January 1, 2015. The property consists of 135 Crown granted mineral claims, 156 located mineral claims, 14 mining leases, and 12 fee simple properties covering an area of 6,702.1 hectares or 67 square kilometers.

The mine is a conventional open pit, truck and shovel operation. Mining is divided into multiple development phases with sequential pushbacks in each of the three main pits. This development sequence is designed to maximize the discounted cash flow based on the ore value which is reflected in the planned pit phases. In order to maximize the profit in the initial years the Company is processing ore greater than 0.21% Cu, while ore that is less than 0.21% Cu but greater than 0.1% Cu is being mined and stockpiled (low grade stockpile) for processing in later years.

The Company's mining equipment fleet consists of two Komatsu PC 8000 hydraulic shovels, a Hitachi EX 5500 hydraulic shovel, fifteen Komatsu 240 ton capacity haul trucks, seven Euclid 260 ton haul trucks, a Komatsu WA 1200 loader, four Komatsu D375 dozers, and three Caterpillar 16G graders plus other support equipment typical of an operation of this size.

During the quarter the Company continued with mining ore mainly from the Pit #2 area where a majority of ore will be mined from for the balance of 2015. At the same time the Company continued with the Phase 3 pushback on the west side of Pit #3. Subsequent to the end of the quarter the Company received approval from the BC Government to incorporate the Virginia and Oriole deposits into the mine plan. Mining from the Virginia area will commence in the near term, while the Oriole deposit will be incorporated into the mine plan once the Virginia pit is completed. Both of these deposits will provide small volumes of higher grade ore that will be blended into the mill feed. Copper head grade for the year will average about 0.33% Copper or approximately 0.41% Copper equivalent. During the quarter a total of 14.2 million tonnes of material was mined, including 5.7 million tonnes of ore and 8.5 million tonnes of waste for a strip ratio of 1.48. The mining rate at the end of the period was in the range of 167,000 tonnes per day moved.

The mill produces copper concentrate at about 25% copper and includes one SAG mill, two ball mills, a rougher floatation circuit, regrind mill, a cleaner floatation circuit, a concentrate thickener, and a pressure filter.

Mill throughput from the concentrator continued to improve each month and averaged 35,600 tpd during Q2, which was an increase of 7% over Q1 2015 throughput. This was a milestone for the operation as it was the first time that the concentrator has exceeded it's design capacity of 35,000 tpd for an entire quarter. This improvement continued into July as throughput averaged 39,100 tpd during the month, thus providing management with the confidence that the budget rate of 37,500 tpd is very achievable on a consistent basis. The increase in throughput is directly attributable to the installation of the permanent secondary crusher and mine site management's ability to optimize the crushing and grinding circuit. The new $40 million secondary crusher is operating at its designed rate and crushing ore to minus two inches which allows the SAG mill to operate above it's designed capacity of 35,000 tpd.

During the quarter the mill processed a total of 3.2 million tonnes of ore at an average grade of 0.33% copper to produce 19.5 million pounds of copper, 7,800 ounces of gold, and 71,100 ounces of silver. Sag Mill availability was 90.7% during the second quarter as a result of some planned maintenance during the period. Copper recovery averaged 82.4% which was in line with the Company's plan. Throughout the quarter management remained focused on cost reduction and capital discipline.

Copper concentrate from the mine is trucked to the port of Vancouver where it is placed in a 20,000 tonne capacity storage shed for loading onto ocean going vessels for transportation to Japan.

During the second quarter, the Company completed a total of three shipments containing approximately 18.4 million pounds of copper, 6,300 ounces of gold, and 66,700 ounces of silver which generated $56.8 million in revenue net of treatment and refining charges and pricing adjustments.

At the end of June 2015 the mine site had operated for over 700 days without a lost time incident and was awarded the BC government Edward Prior Award for its excellent safety record for a mid-size mining operation. The Company currently has 430 operating employees engaged at the mine site.

The following table sets out the major operating parameters for the mine for the three and six months ended June 30, 2015.

Mine Production Information	**Three months ended June 30,**		**Six months ended June 30,**	
Copper Mountain Mine (100% Basis)	**2015**	**2014**	**2015**	**2014**
Mine:				
Total tonnes mined (000's[4])	14,196	16,086	28,899	29,658
Ore tonnes mined (000's)	5,719	4,616	11,353	8,718
Waste tonnes (000's)	8,477	11,470	17,547	20,940
Stripping ratio	1.48	2.48	1.55	2.40
Mill:				
Tonnes milled (000's)	3,242	2,771	6,233	5,406
Feed Grade (Cu%)	0.33	0.39	0.34	0.39
Recovery (%)	82.38	83.90	81.50	83.73
Operating time (%)	90.78	90.07	92.00	90.35
Tonnes milled (TPD[5])	35,600	30,477	34,400	29,910
Production:				
Copper production (000's lbs)	19,500	19,900	37,900	39,000
Gold production (oz)	7,800	5,000	15,600	10,500
Silver production (oz)	71,100	113,300	151,400	218,600
Site cash costs per pound of copper produced (net of precious metal credits) (US$)	$1.36	$1.63	$1.30	$1.64
Total cash costs per pound of copper sold (net of precious metal credits) (US$)	$1.81	$2.27	$1.79	$2.18

Exploration – Mine Site

As part of efforts to minimize capital expenditures during the period of lower copper prices, exploration activities at the mine site during the quarter were limited to a continuation of geotechnical mapping and compilation of geological data. In addition three dimensional computer assisted modelling of the dykes and other geological zones was carried out. Planning and optimization of drill hole placement and orientation for deep drilling in the Pit 3 area was undertaken and integration of the recently completed magnetic survey inversion with deep penetration induced polarization data for the purposes of defining blind exploration targets was continued.

During the quarter the Company issued an updated 43-101 report for the mine, including a ten year production forecast. Over the next ten years it is anticipated that the mine grade will average 0.43%Cu equivalent grade. Production rates will be set each year as part of the annual budgeting process.

Upgrading of inferred resources to reserve status with additional drilling has been very successful and is the major goal of the long-term exploration plan. Discovery of new mineralized areas continues as a focus of the on-going exploration program; however, exploration activities will be sensitive to copper price.

[4] Excludes ore re-handle from stockpile
[5] Tonnes per day

Exploration – Fenton Project

Data from the late fall 2014 drilling program has been received and analyzed. Almost all the drill core was extensively altered and mineralized. Mineralization consists of widespread, finely disseminated sulphide minerals and more localized veinlet sulphide mineralization; both of which are significant but currently sub-economic. The massive sulphide veinlets carry high-grade base and precious metals but are not sufficiently concentrated, in the area drilled, to result in potentially economic mineralization. Similarly, the disseminated sulphide mineralization yields long intersections that range from 15 to 40% of the grades that might be required for a bulk mineable deposit. Pervasive and intense argillic alteration throughout the area drilled together with the nature of the sulphide mineralization indicates a large and highly metaliferous hydrothermal system where further exploration is warranted. Expansion of the geophysical surveying is planned prior to commencing additional drilling.

Results of Operations

(CDN$)	Three months ended June 30, 2015 $	2014 $	Six months ended June 30, 2015 $	2014 $
Revenues	56,810,348	68,033,648	128,267,014	129,215,920
Cost of sales[7]	(55,656,590)	(57,641,012)	(120,363,264)	(117,727,208)
Gross profit	**1,153,758**	**10,392,636**	**7,903,750**	**11,488,712**
Other income and expenses				
General and administration	(2,277,062)	(1,286,649)	(4,227,894)	(2,914,311)
Share based compensation	(258,457)	(1,370,110)	(583,198)	(2,776,670)
Operating (loss) income	**(1,381,761)**	**7,735,877**	**3,092,658**	**5,797,731**
Pricing adjustments on concentrate and metal sales	6,165,574	(5,781,614)	8,046,014	4,083,319
Finance income	85,915	134,276	199,137	156,987
Finance expense	(2,516,248)	(2,612,281)	(5,027,174)	(4,670,992)
Income tax expense	(102,386)	(265,711)	(467,212)	(390,056)
Deferred income tax recovery (expense)	1,225,436	(1,004,057)	1,945,458	(46,370)
Adjusted earnings (loss)[8]	**3,476,530**	**(1,793,510)**	**7,788,881**	**4,930,619**
Pricing adjustments on concentrate and metal sales	(6,165,574)	5,781,614	(8,046,014)	(4,083,319)
Unrealized gain (loss) on interest rate swap	366,359	(1,573,046)	(1,624,829)	(2,504,940)
Unrealized gain (loss) on foreign exchange	5,194,660	10,892,794	(27,049,297)	(654,300)
Net income (loss) and comprehensive income (loss) for the period	**2,871,975**	**13,307,852**	**(28,931,259)**	**(2,311,940)**
Net income (loss) and comprehensive income (loss) attributable to:				
Shareholders of the company	1,642,018	9,458,355	(22,326,017)	(2,695,985)
Non-controlling interest	1,229,957	3,849,497	(6,605,242)	384,045
	2,871,975	**13,307,852**	**(28,931,259)**	**(2,311,940)**
Earnings (loss) per share	**0.01**	**0.08**	**(0.19)**	**(0.02)**
Adjusted earnings (loss) per share	**0.03**	**(0.02)**	**0.07**	**0.04**

[7] Cost of sales consists of direct mining and milling costs (which include mine site employee compensation and benefits, mine site general and administrative costs, non-capitalized stripping costs, maintenance and repair costs, operating supplies and external services), depreciation and offsite transportation and concentrate treatment costs.
[8] Adjusted earnings (loss) is a non-GAAP financial measure which excludes unrealized gains/losses on derivative instruments, changes in fair value of financial instruments, foreign currency gains/losses, pricing adjustments related to metal sales and non-recurring transactions.

For the Three Months Ended June 30, 2015

The Copper Mountain mine produced 35,400 DMT of copper concentrate containing approximately 19.5 million pounds of copper during the three months ended June 30, 2015 compared to 19.9 million pounds of copper in the prior year. The mine shipped a total 33,100 DMT of copper concentrate containing approximately 18.4 million pounds of copper, 6,300 ounces of gold, and 66,700 ounces of silver during the three months ended June 30, 2015; compared to a total of 18.0 million pounds of copper, 6,300 ounces of gold and 94,900 ounces of silver during the three months ended June 30, 2014. Cost reduction and capital discipline remained the focus at the mine site during the quarter. Site cash costs were US$1.36 per pound of copper produced, net of precious metal credits, and total cash costs were US$1.81 per pound sold, net of precious metal credits, for the three months ended June 30, 2015; compared to site cash costs of US$1.63 per pound of copper produced and total cash costs of US$2.27 per pound of copper sold, net of precious metal credits for the three months ended June 30, 2014. Site cash costs were reduced on a per pound of copper basis as a result of cost reduction measures taken at the site and due to the change in US$ to CAD$ exchange rate.

During the period the Company recognized revenues of $56.8 million, including a $6.2 million negative pricing adjustment and net of $6.0 million in treatment charges based on an average provisional copper price of approximately US$2.74 per pound; compared to revenues of $68.0 million net of pricing adjustments and an average copper price of US$3.08 per pound for the period ended June 30, 2014. The decrease in revenue is the result of lower copper prices, despite the slight increase in sales volumes as compared to the same period last year. Mining operations for the three month period ended June 30, 2015 resulted in gross income of $1.2 million as compared to a gross income of $10.4 million for the period ended June 30, 2014. The Company reported net income attributable to the shareholders of the Company of $1.6 million or $0.01 per share for the three months ended June 30, 2015, compared to a net income of $9.4 million or $0.08 per share for the three months ended June 30, 2014. The Company also reported a non-cash unrealized foreign exchange gain of $5.2 million that is primarily attributable to the Company's project debt that is denominated in U.S. dollars and negative pricing adjustments of $6.2 million on metal sales. This compares to an unrealized foreign exchange gain of $10.9 million for the three month period ended June 30, 2014 and positive pricing adjustments on metal sales of $5.8 million.

Cost of sales represent direct mining and milling costs (which include operating, non-capitalized waste stripping costs, maintenance and repair costs, mine site general and administrative costs, operating supplies and external services), employee compensation and benefits, depreciation, transportation and treatment costs. The cost of sales for the three month period ended June 30, 2015, was $55.7 million compared to $57.6 million for the three month period ended June 30, 2014.

General and administration expenses for the three months ended June 30, 2015, were $2.3 million compared to $1.3 million for the three months ended June 30, 2014. Non-cash share based compensation reflected an expense of $0.3 million for the three months ended June 30, 2015, compared to an expense of $1.4 million for the three month period ended June 30, 2014. The decrease in non-cash share based compensation is a result of the timing, vesting and share price of stock options and deferred share units issued in prior period.

Other items recorded include finance income of $0.1 million, finance expense of $2.5 million and a current and deferred income and resource tax recovery of $1.1 million for the three months ended June 30, 2015, compared to finance income of $0.1 million, finance expense of $2.6 million, and resource tax expense of $1.3 million for the three months ended June 30, 2014. Finance expense primarily consists of interest on loans and the amortization of loan related financing fees.

For the Six Months Ended June 30, 2015

The Copper Mountain mine produced 70,803 DMT of copper concentrate containing approximately 37.9 million pounds of copper during the six months ended June 30, 2015 compared to 39.0 million pounds in the prior year. The mine shipped and sold a total 74,300 DMT of copper concentrate containing approximately of 39.9 million pounds of copper, 13,900 ounces of gold, and 159,400 ounces of silver during the six months ended June 30, 2015 compared to 37.8 million pounds of copper, 12,800 ounces of gold and 193,600 ounces of silver during the six months ended June 30, 2014. Site cash costs were US$1.30 per pound of copper produced and total cash costs were US$1.79 per pound sold for the six months ended June 30, 2015 compared to site cash costs of $1.64 per pound of copper produced and total cash costs of $2.18 per pound sold for the six months ended June 30, 2014. The reduction in site costs is a direct result of the cost reductions focus at the mine site during the first half of this year. In addition, the decrease in the Canadian dollar further reduces costs on a US dollar per pound basis. During the period the Company recognized revenues of $128.3 million, net of pricing adjustments and based on an average provisional copper price of US$2.68 per pound compared to revenues of $129.2 million and a provisional copper price of US$3.14 per pound for the six months ended June 30, 2014. Gross profit for the six month period ended June 30, 2015 was $7.9 million as compared to $11.5 million for the period ended June 30, 2014. The decrease in gross profit was primarily a function of the reduced copper price as compared to the prior year period. The Company reported a loss attributable to the shareholders of the Company of $22.3 million or $0.19 per share for the six months ended June 30, 2015, compared to a net loss of $2.3 million or $0.02 per share for the six months ended June 30, 2014. The income for the six months period ended June 30, 2015, recorded an unrealized foreign exchange loss of $27.0 million which was primarily related to the Company's project debt that is denominated in U.S. dollars. This compares to an unrealized foreign exchange loss of $0.7 million which was primarily related to the Company's project debt that is denominated in U.S. dollars for the six month period ended June 30, 2014.

Cost of sales represent direct mining and milling costs (which include operating, non-capitalized waste stripping costs, maintenance and repair costs, mine site general and administrative costs, operating supplies and external services), employee compensation and benefits, depreciation, transportation and treatment costs. The cost of sales for the six month period ended June 30, 2015, was $120.4 million compared to $117.7 million for the six month period ended June 30, 2014.

General and administration expenses for the six months ended June 30, 2015, were $4.2 million compared to $2.9 million for the six months ended June 30, 2014. Non-cash share based compensation reflected an expense of $0.6 million for the six months ended June 30, 2015, compared to an expense $2.8 million for the six month period ended June 30, 2014. The decrease in non-cash share based compensation was a result of the vesting of stock options issued in prior periods.

Other items recorded under other income and expenses include finance income of $0.2 million, finance expense of $5.0 million and current and deferred tax recovery of $1.5 million. Finance expense primarily consists of interest on loans and the amortization of financing fees.

Summary of Quarterly Results

The following table contains selected quarterly financial information derived from the Company's financial statements and should be read in conjunction with the consolidated quarterly financial statements reported under IFRS.

Quarter	Revenue[6] $	Net Income (Loss) $	Profit (Loss) Attributable to Shareholders $	Cash flow from operations $	Income (Loss) per Share Basic $	Income (Loss) per Share Diluted $
June 30, 2015	56,810,348	1,748,925	1,642,018	14,983,996	0.01	0.01
March 31, 2015	71,456,666	(31,803,234)	(23,968,035)	(1,625,805)	(0.20)	(0.20)
December 31, 2014	53,913,648	(16,245,042)	(12,703,961)	17,409,412	(0.11)	(0.11)
September 30, 2014	82,546,359	(290,243)	(2,820,267)	17,792,717	(0.02)	(0.02)
June 30, 2014	68,033,648	13,307,852	9,458,355	(449,683)	0.08	0.08
March 31, 2014	61,182,272	(15,619,792)	(12,154,340)	12,444,204	(0.10)	(0.10)
December 31, 2013	64,714,231	(4,145,430)	(2,803,695)	12,834,364	(0.03)	(0.03)
September 30, 2013	67,615,718	15,086,632	11,228,008	15,450,111	0.11	0.11

Cash flow from operations and Net Income (Loss) and Profit (Loss) attributable to the shareholders varies from period to period primarily as a result of operational performance discussed in the overview section above, and non-cash items such as; changes in foreign exchange rates, share based compensation charges, and valuation of the interest rate swap related to a portion of the Company's long-term debt denominated in U.S. dollars.

Management of the Company believe that as a result of the Company having U.S. denominated debt, selling Copper, Gold and Silver in U.S. dollars and reporting the financial statements in Canadian dollars, the unrealized foreign exchange loss or gain each quarter is misleading to the reader of the financial statements if just looking at net income only. As a result, management believe that readers of the financial statements should look to adjusted EBITDA, Adjusted Earnings and Adjusted Earnings per share as a better way to evaluate the Company's performance during the period. The following table contains selected quarterly non-GAAP financial information derived from the Company's financial statements and should be read in conjunction with the consolidated quarterly financial statements reported under IFRS.

Quarter	Revenue[6] $	Adjusted EBITDA $	Cash Flow from Operations before working capital changes $	Adjusted Earnings $	Adjusted Earnings (Loss) per Share Basic $
June 30, 2015	56,810,348	15,426,044	6,900,785	3,476,530	0.03
March 31, 2015	71,456,666	18,439,389	17,876,006	4,312,351	0.04
December 31, 2014	53,913,648	17,046,910	10,897,033	5,635,758	0.05
September 30, 2014	82,546,359	34,406,602	25,961,400	18,178,961	0.15
June 30, 2014	68,033,648	10,221,054	17,447,551	(1,793,510)	(0.02)
March 31, 2014	61,182,272	17,103,192	8,608,661	6,724,129	0.07
December 31, 2013	64,714,231	15,464,214	15,739,174	4,724,691	0.05
September 30, 2013	67,615,718	14,810,566	23,928,879	447,137	0.00

[6] Net of treatment and refining charges and price adjustments

Liquidity

As at June 30, 2015, the Company had working capital of $15.8 million compared with working capital of $18.0 million at December 31, 2014. The Company has no future material commitments for capital expenditures as of June 30, 2015, however, included in accounts payable and accrued liabilities is $3.0 million related to the construction of the new permanent secondary crusher and are scheduled for payment over the remainder of the year as originally agreed to by the vendor.

The Company holds its excess cash in interest bearing accounts or in cashable Guaranteed Investment Certificates at major Canadian or United States banks.

As at June 30, 2015 the Company had a total of $8.2 million on deposit with the Government of British Columbia in support of reclamation liabilities at the Copper Mountain Mine. The Company receives interest from these funds on deposit.

As at June 30, 2015, the Company had the following consolidated contractual obligations:

	Contractual Obligation (CDN$)			
Annual repayments due from June 30,	Long term debt	Lease obligations	Decommissioning & restoration provision	Accounts payable
Jul 1, 2015 to Jun 30, 2016	8,794,689	9,533,223	-	15,213,043
Jul 1, 2016 to Jun 30, 2017	31,001,909	7,897,918	-	-
Jul 1, 2017 to Jun 30, 2018	39,957,239	4,201,593	-	-
Jul 1, 2018 to Jun 30, 2019	40,968,929	2,210,729	-	-
Jul 1, 2019 to Jun 30, 2020	49,874,299	230,091	-	-
Jul 1, 2020 and later	181,054,692	-	7,823,289	-
Total	**351,651,755**	**24,073,554**	**7,823,289**	**15,213,043**

Cash to meet the Company's future cash commitments will come from existing cash on hand and from cash flow from operations. In light of the lower copper price being realized so far in 2015, the Company has reviewed its 2015 plans and has taken steps to reduce costs in a prudent and cost efficient manner to maximize cash flow from operations. The Company manages liquidity by continuously monitoring and forecasting cash flows.

Other than disclosed above the Company had no material commitments for capital expenditures as of June 30, 2015.

Capital Resources

As at June 30, 2015, the Company had $22.3 million in cash and cash equivalents on hand.

Off-Balance Sheet Arrangements

None

Transactions with Related Parties

All transactions with related parties have occurred in the normal course of the Company's operations and have been measured at their fair value as determined by management.

- During the period ended June 30, 2015 the Company sold copper concentrates to MMC with revenues totalling $128,267,014 including pricing adjustments (2014 – $129,215,920).

- During the six month period ended June 30, 2015 the Company accrued interest on the subordinated loan with MMC totalling $231,680 (2014 - $231,680) and accrued a loan guarantee fee to MMC of $188,334 (2014 – $327,017).

- Key management includes the company's directors and officers. Compensation awarded to key management includes:

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Salaries and short-term employee benefits	1,075,239	387,505	1,463,977	739,352
Share-based payments	281,684	(41,751)	487,843	1,176,588
	1,356,922	**345,754**	**1,951,820**	**1,915,940**

Proposed Transactions

None

Critical Accounting Estimates

The Company's significant accounting policies are presented in note 3 of the audited consolidated financial statements for the period ended December 31, 2014. The preparation of consolidated financial statements in accordance with International Financial Reporting Standard "IFRS" requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the consolidated financial statements. These estimates include:

- mineral resources and reserves,
- current and deferred income and resource taxes
- the assumptions used in determining the decommissioning and restoration provision

Actual amounts could differ from the estimates used and, accordingly, affect the results of operations.

Change in Accounting Policies, Including Initial Adoption

No changes to accounting policies have been made for the period ended June 30, 2014. The same accounting policies and methods of application have been applied as the Company's most recent annual audited consolidated financial statements.

New Accounting Standards Adopted

None

Financial Instruments and Other Instruments

Please refer to note 3(d) of the audited financial statements for the period ended December 31, 2014.

Non-GAAP Performance Measures

This document includes certain non-GAAP performance measures that do not have a standardized meaning prescribed by IFRS. These measures may differ from those used by, and may not be comparable to such measures as reported by, other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. These measures have been derived from the Company's financial statements and applied on a consistent basis. The following tables below provide a reconciliation of these non-GAAP measures to the most directly comparable IFRS measure.

Cash costs per pound

Cash costs of sales include all costs absorbed into concentrate inventory, as well as precious metal credits, treatment & refining costs and transportation costs, less non-cash items such as depreciation. Total cash cost per pound sold is calculated by dividing the aggregate of the applicable costs by copper pounds sold. Site cash costs of production include all costs absorbed into inventory less non-cash items such as depreciation and non-site charges such as trucking charges capitalized to concentrate inventory. Site cash costs per pound produced are calculated by dividing the aggregate of the applicable costs by copper pounds produced. These measures are calculated on a consistent basis for the periods presented.

Total Cash Cost of Sales Per Pound of Copper Sold	**Three months ended June 30,**		**Six months ended June 30,**	
	2015	**2014**	**2015**	**2014**
Cost of Sales	**55,656,590**	**57,641,012**	**120,363,264**	**117,727,208**
Add: Treatment & refining charges	5,993,470	5,284,465	13,336,271	11,145,665
Less: non-cash items:				
Depreciation	(10,642,231)	(8,266,791)	(22,726,761)	(17,443,196)
Cash costs of sales	**51,007,829**	**54,658,686**	**110,972,774**	**111,429,677**
Average foreign exchange rate (CDN$ to US$)	0.8134	0.9173	0.8096	0.9117
Cash costs of sales (US$)	**41,490,019**	**50,136,384**	**89,841,948**	**101,595,257**
Less: Precious metal credits (US$):	(8,233,704)	(9,264,618)	(18,458,406)	(19,212,145)
Net cash costs of sales (US$)	**33,256,315**	**40,871,767**	**71,383,542**	**82,383,112**
Total pounds of contained copper sold	**18,400,000**	**18,000,000**	**39,900,000**	**37,800,000**
Total ounces of gold sold	6,300	6,300	13,900	12,800
Total ounces of silver sold	66,700	94,900	159,400	193,600
Cash Cost per pound of copper sold net of precious metal credits (US$)	**$1.81**	**$2.27**	**$1.79**	**$2.18**

Site Cash Cost Per Pound of Copper Produced	**Three months ended June 30,**		**Six months ended June 30,**	
	2015	**2014**	**2015**	**2014**
Cash Cost of Sales	51,007,829	54,658,686	110,972,774	111,429,677
Net change in concentrate inventory	2,518,452	2,393,443	(4,085,994)	1,793,696
	53,526,281	**57,052,129**	**106,886,780**	**113,223,373**
Less: Off-site related costs				
Treatment & refining charges	(5,993,470)	(5,284,465)	(13,336,269)	(11,145,665)
Transportation costs	(3,487,541)	(4,862,064)	(7,913,004)	(8,228,308)
Trucking charges	(1,304,504)	(1,403,214)	(2,667,530)	(2,869,745)
Total Site Cash Costs of Production	**42,740,766**	**45,502,386**	**82,969,976**	**90,979,655**
Average foreign exchange rate (CDN$ to US$)	0.8134	0.9173	0.8096	0.9117
Total Site Cash Costs of Production (US$)	**34,765,549**	**41,737,650**	**67,171,289**	**82,950,086**
Less precious metal credits (US$)	(8,233,704)	(9,264,618)	(18,458,406)	(19,212,145)
	26,531,845	**32,473,032**	**48,712,883**	**63,737,942**
Total pounds of copper produced	**19,500,000**	**19,900,000**	**37,900,000**	**39,000,000**
Total ounces of gold produced	7,800	5,000	15,600	10,500
Total ounces of silver produced	71,100	113,300	151,400	218,600
Site cash costs per pound net precious metal credits (US$)	**$1.36**	**$1.63**	**$1.30**	**$1.64**

Cash Margin

Cash margin represents the average realized copper price per pound sold less total cash cost per pound sold.

	Three months ended June 30,		**Six months ended June 30,**	
	2015	**2014**	**2015**	**2014**
Average realized copper price for the period (US$ per pound)	$2.74	$3.08	$2.68	$3.14
Less:				
Total cash cost of sales net of precious metal credits(US$ per pound sold)	$1.81	$2.27	$1.79	$2.18
Cash margin (US$ per pound)	**$0.93**	**$0.81**	**$0.89**	**$0.96**

Adjusted Earnings (Loss)

Adjusted earnings (loss) removes the effects of the following transactions from operating income as reported under IFRS:

- Unrealized gains/losses on derivative instruments;
- Changes in fair value of financial instruments;
- Foreign currency translation gains/losses and
- Non-recurring transactions

Management believes that these transactions do not reflect the underlying operational performance of the Company's mining operations and are also not indicative of future operating results.

EBITDA and Adjusted EBITDA

EBITDA represents earnings before interest, income taxes and depreciation. Adjusted EBITDA includes further adjustments for non-recurring items and items not indicative to the future operating performance of the Company. The Company believes EBITDA and adjusted EBITDA are appropriate supplemental measure of debt service capacity and performance of its operations.

Adjusted EBITDA is calculated by removing the following income statement items:

- Unrealized loss/gain on interest rate swaps;
- Foreign exchange loss/gain;
- Pricing adjustments on concentrate and metal sales

EBITDA and Adjusted EBITDA	**Three months ended June 30, 2015**	**2014**	**Six months ended June 30, 2015**	**2014**
Net income (loss)	2,871,975	13,307,852	(28,931,259)	(2,311,940)
Add (Deduct):				
Finance income	(85,915)	(134,276)	(199,137)	(156,987)
Finance expense	2,516,248	2,612,281	5,027,174	4,670,992
Depreciation	10,642,231	8,266,791	22,726,761	17,443,196
Current resource tax expense	102,386	1,004,057	467,212	46,370
Deferred income tax expense	(1,225,436)	265,711	(1,945,458)	390,056
EBITDA	**14,821,489**	**25,322,416**	**(2,854,707)**	**20,081,687**
Add (Deduct):				
Pricing adjustments on concentrate and metal sales	6,165,574	(5,781,614)	8,046,014	4,083,319
Unrealized loss (gain) on interest rate swaps	(366,359)	1,573,046	1,624,829	2,504,940
Unrealized foreign exchange (gain) loss	(5,194,660)	(10,892,794)	27,049,297	654,300
Adjusted EBITDA	**15,426,044**	**10,221,054**	**33,865,433**	**27,324,246**

Other MD&A Requirements

(a) Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

The following details the share capital structure as at August 10, 2015 the date of this MD&A:

	Expiry Date	Exercise Price	Number	Number
Common shares				118,795,427
Share purchase options	Aug. 12 , 2015	2.55	245,000	
	Feb. 10 to Dec 12, 2016	4.98 to 7.12	525,000	
	April 5, 2017	4.52	850,000	
	February 20, 2019	1.92	3,300,000	
	April 24, 2020	1.25	75,000	
			4,995,000	
Fully diluted shares outstanding				**123,790,427**

Internal Controls Over Financial Reporting and Disclosure Controls and Procedures

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure controls and procedures. Our internal control system over financial reporting is designed to provide reasonable assurance to management and the Board of Directors regarding the preparation and fair presentation of published financial statements. Internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Our internal control system over disclosure controls and procedures is designed to provide reasonable assurance that material information relating to the Company is made known to management and disclosed to others and information required to be disclosed by the Company in our annual filings, interim filings or other reports filed or submitted by us under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined effective can provide only reasonable assurance with respect to financial reporting and disclosure. Other than changes related to our conversion to IFRS, there have been no changes in our internal control over financial reporting and disclosure controls and procedures during the period ended June 30, 2015 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting and disclosure.

The Company's management, at the direction of our chief executive officer and chief financial officer, have evaluated the effectiveness of the design and operation of the internal controls over financial reporting and disclosure controls and procedures as of the end of the period covered by this report, and have concluded that they were effective at a reasonable assurance level.

Risks and Uncertainties

The Company's success depends on a number of factors, most of which are beyond the control of the Company. Typical risk factors include copper, gold and silver price fluctuations, foreign currency fluctuations, and operating uncertainties encountered in the mining business. Future government, legal or regulatory changes could affect any aspect of the Company's business, including, among other things, environmental issues, land claims, permitting and taxation costs all of which could adversely affect the ability of the Company to develop the Copper Mountain mine. These risks and uncertainties are managed by experienced managers, advisors and consultants, by maintaining adequate liquidity, and by cost control initiatives.

Copper Mountain Mining Corporation

Condensed Consolidated Interim Financial Statements
For the Six Months Ended June 30, 2015
(Unaudited)

Copper Mountain Mining Corporation

Condensed Consolidated Interim Statement of Financial Position
Canadian dollars
(Unaudited)

	June 30, 2015 $	December 31, 2014 $
Assets		
Current assets		
Cash and cash equivalents	22,348,724	21,600,228
Accounts receivable and prepaid expenses (note 3)	9,243,996	6,886,175
Inventory (note 4)	43,593,152	44,420,673
	75,185,872	72,907,076
Reclamation bonds (note 8a)	8,231,500	8,231,500
Deferred tax asset	3,406,943	2,939,731
Property, plant and equipment (note 5)	541,611,314	559,118,221
Low grade stockpile (note 4)	62,272,472	49,466,460
	690,708,101	**692,662,988**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	38,847,408	36,497,094
Current portion of long-term debt (note 7)	19,769,683	17,403,103
Current tax liability	805,413	976,201
	59,422,504	54,876,398
Decommissioning and restoration provision (note 8b)	7,823,289	7,797,154
Interest rate swap liability (note 7)	7,402,598	7,180,836
Long-term debt (note 7)	355,955,626	332,902,291
Deferred tax liability	8,288,055	9,766,301
	438,892,072	412,522,980
Equity		
Attributable to shareholders of the Company:		
Share capital (note 9)	188,306,341	188,306,341
Contributed surplus	12,425,324	11,818,044
Retained earnings	(25,254,201)	(2,928,184)
	175,477,464	197,196,201
Non-controlling interest	76,338,565	82,943,807
Total equity	251,816,029	280,140,008
	690,708,101	**692,662,988**

Approved on behalf of the Board of Directors

(signed) Jim O'Rourke Director

(signed) Bruce Aunger Director

Copper Mountain Mining Corporation

Condensed Consolidated Interim Statement of Income and Comprehensive Income
For the Three and Six Months Ended June 30,
Canadian dollars
(Unaudited)

	Three months ended June 30, 2015 $	Three months ended June 30, 2014 $	Six months ended June 30, 2015 $	Six months ended June 30, 2014 $
Revenue (note 11)	56,810,348	68,033,648	128,267,014	129,215,920
Cost of sales (note 12)	(55,656,590)	(57,641,012)	(120,363,264)	(117,727,208)
Gross profit	1,153,758	10,392,636	7,903,750	11,488,712
Other income and expenses				
General and administration (note 12)	(2,277,062)	(1,286,649)	(4,227,894)	(2,914,311)
Share based compensation (note 10)	(258,457)	(1,370,110)	(583,198)	(2,776,670)
Operating income (loss)	(1,381,761)	7,735,877	3,092,658	5,797,731
Finance income	85,915	134,276	199,137	156,987
Finance expense (note 13)	(2,516,248)	(2,612,281)	(5,027,174)	(4,670,992)
Unrealized gain (loss) on interest rate swap	366,359	(1,573,046)	(1,624,829)	(2,504,940)
Foreign exchange gain (loss)	5,194,660	10,892,794	(27,049,297)	(654,300)
Gain (loss) before tax	**1,748,925**	**14,577,620**	**(30,409,505)**	**(1,875,514)**
Current resource tax expense	(102,386)	(265,711)	(467,212)	(390,056)
Deferred income and resource tax recovery (expense)	1,225,436	(1,004,057)	1,945,458	(46,370)
Net income (loss) and comprehensive income (loss)	**2,871,975**	**13,307,852**	**(28,931,259)**	**(2,311,940)**
Net income (loss) and comprehensive income (loss) attributable to:				
Shareholders of the Company	1,642,018	9,458,355	(22,326,017)	(2,695,985)
Non-controlling interest	1,229,957	3,849,497	(6,605,242)	384,045
	2,871,975	**13,307,852**	**(28,931,259)**	**(2,311,940)**
Earnings (loss) per share:				
Basic	0.01	0.08	(0.19)	(0.02)
Diluted	0.01	0.08	(0.19)	(0.02)
Weighted average shares outstanding, basic	118,795,427	117,181,060	118,795,427	117,181,060
Shares outstanding at end of the period	118,795,427	118,795,427	118,795,427	118,795,427

Copper Mountain Mining Corporation

Condensed Consolidated Interim Statement of Cash Flows
For the Three and Six Months Ended June 30,
Canadian dollars
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2015 $	2014 $	2015 $	2014 $
Cash flows from operating activities				
Net income (loss) for the year	2,871,975	13,307,852	(28,931,259)	(2,311,940)
Adjustments for:				
Depreciation	10,642,231	8,266,791	22,726,761	17,443,196
Unrealized foreign exchange (gain) loss	(7,796,331)	(10,686,586)	25,691,546	925,984
Unrealized (gain) loss on interest rate swap	(366,359)	1,573,046	1,624,829	2,504,940
Deferred income and resource tax (expense) recovery	(1,225,436)	1,004,057	(1,945,458)	46,370
Finance expense	2,516,248	2,612,281	5,027,174	4,670,992
Share based compensation	258,457	1,370,110	583,198	2,776,670
	6,900,785	17,447,551	24,776,791	26,056,212
Net changes in working capital items (note 15)	8,083,211	(17,897,234)	(11,418,600)	(14,061,691)
Net cash from operating activities	14,983,996	(449,683)	13,358,191	11,994,521
Cash flows from investing activities				
Deferred stripping activities	-	(3,995,153)	-	(6,576,062)
Development of property, plant and equipment	(494,106)	(16,844,470)	(1,001,403)	(23,690,588)
Net cash used in investing activities	(494,106)	(20,839,623)	(1,001,403)	(30,266,650)
Cash flows from financing activities				
Issue of common shares	-	1,485,600	-	1,485,600
Share issue costs	-	-	-	(82,644)
Funding from non-controlling interest	-	10,000,025	717,751	10,648,741
Loan principal	(996,624)	(5,276,016)	(3,023,184)	(7,037,936)
Interest paid	(4,282,606)	(3,835,815)	(5,691,204)	(5,065,798)
Finance lease payments	(2,001,403)	(1,750,606)	(4,475,464)	(3,498,988)
Net cash (used in) from financing activities	(7,280,633)	623,188	(12,472,101)	(3,551,025)
Effect of foreign exchange rate changes on cash and cash equivalents	347,340	(271,419)	863,809	(244,003)
Increase (decrease) in cash	7,556,597	(20,937,536)	748,496	(22,067,156)
Cash and cash equivalents - Beginning of period	14,792,127	41,151,517	21,600,228	42,281,137
Cash and cash equivalents - End of period	22,348,724	20,213,980	22,348,724	20,213,980

Supplementary cash flow disclosures (note 15)

Copper Mountain Mining Corporation

Condensed Consolidated Interim Statements of Changes in Equity
Canadian dollars
(Unaudited)

Attributable to equity owners of the company

	Number of Share	Amount $	Contributed surplus $	Retained earnings (deficit) $	Total $	Non-controlling interest $	Total equity $
Balance January 1, 2014	116,319,427	186,291,105	9,662,977	15,292,029	211,246,111	77,254,519	288,500,630
Share issue costs	-	(82,644)	-	-	(82,644)	-	(82,644)
Options exercised	2,476,000	2,089,744	(604,144)	-	1,485,600		1,485,600
Share based compensation	-	-	1,773,643	-	1,773,643	-	1,773,643
Contributions made by Non-controlling interest	-	-	-	-	-	10,000,025	10,000,025
Loss for the period	-	-	-	(2,695,985)	(2,695,985)	384,045	(2,311,940)
Balance June 30, 2014	**118,795,427**	**188,298,205**	**10,832,476**	**12,596,044**	**211,726,725**	**87,638,589**	**299,365,314**
Share issue costs	-	8,136	-	-	8,136	-	8,136
Share based compensation	-	-	985,568	-	985,568	-	985,568
Loss for the year	-	-	-	(15,524,228)	(15,524,228)	(4,694,782)	(20,219,010)
Balance December 31, 2014	**118,795,427**	**188,306,341**	**11,818,044**	**(2,928,184)**	**197,196,201**	**82,943,807**	**280,140,008**
Share based compensation	-	-	607,280	-	607,280	-	607,280
Loss for the year	-	-	-	(22,326,017)	(22,326,017)	(6,605,242)	(28,931,259)
Balance June 30, 2015	**118,795,427**	**188,306,341**	**12,425,324**	**(25,254,201)**	**175,477,464**	**76,338,565**	**251,816,029**

1 General Information

Copper Mountain Mining Corporation ("the Company") was incorporated under the provisions of the British Columbia Business Corporations Act on April 20, 2006 and is a Canadian development and operating mining company. The Company maintains its head office at Suite 1700 – 700 West Pender Street, Vancouver, British Columbia. The Company through a subsidiary owns 75% of the Copper Mountain mine while Mitsubishi Materials Corporation ("MMC") owns the other 25% interest in the Copper Mountain mine.

2 Basis of presentation

a. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and follow the same accounting policies and methods of application as the Company's most recent annual audited consolidated financial statements which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). These condensed consolidated financial statements were approved for issue on August 5, 2015 by the Board of Directors.

b. Foreign currency translation

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency. Transactions in currencies other than the functional currency are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at each reporting date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. Foreign currency translation differences are recognized in profit or loss.

c. Use of judgement

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year.

3 Accounts receivable and prepaid expenses

	June 30, 2015 $	December 31, 2014 $
Amounts due from concentrate sales	11,451,813	11,730,513
Pricing adjustments	(4,935,132)	(8,720,053)
Other receivables	1,322,933	2,174,619
Prepaid expenses	1,404,382	1,701,096
	9,243,996	**6,886,175**

4 Inventory

	June 30, 2015 $	December 31, 2014 $
Supplies	16,270,832	16,579,321
Ore stockpile	20,626,390	16,909,991
Crushed ore stockpile	855,773	31,703
Copper Concentrate	5,840,157	10,899,658
	43,593,152	**44,420,673**
Low grade stockpile[1]	**62,272,472**	**49,466,460**

Inventory expensed during the six months ended June 30, 2015 totaled $112,450,260 (2014 – $109,498,902).

[1] Stockpile of inventory that is not expected to be processed until towards the end of the mine life

5 Property, plant and equipment

Cost	**Plant and equipment $**	**Exploration and evaluation asset $**	**Mineral properties and mine development costs $**	**Total $**
As at January 1, 2014	464,121,326	6,091,252	142,024,598	612,237,176
Additions	55,102,330	675,792	15,389,029	71,167,151
Restoration provision	-	-	1,456,947	1,456,947
As at December 31, 2014	**519,223,656**	**6,767,044**	**158,870,574**	**684,861,274**
Additions	7,769,275	94,797	-	7,864,072
Restoration provision	-	-	25,821	25,821
As at June 30, 2015	**526,992,931**	**6,861,841**	**158,896,395**	**692,751,167**

Accumulated depreciation	**Plant and equipment**	**Exploration and evaluation asset $**	**Mineral properties and mine development costs $**	**Total $**
As at January 1, 2014	(63,700,859)	-	(16,646,103)	(80,346,962)
Depreciation charge	(31,926,687)	-	(13,469,404)	(45,396,091)
As at December 31, 2014	**(95,627,546)**	-	**(30,115,507)**	**(125,743,053)**
Depreciation charge	(17,103,259)	-	(8,293,541)	(25,396,800)
As at June 30, 2015	**(112,730,805)**	-	**(38,409,048)**	**(151,139,853)**

Net book value				
As at December 31, 2014	423,596,110	6,767,044	128,755,067	559,118,221
As at June 30, 2015	**414,262,126**	**6,861,841**	**120,487,347**	**541,611,314**

6 Accounts payable and accrued liabilities

	June 30, 2015 $	December 31, 2014 $
Trade accounts payable	15,213,043	11,377,122
Accrued liabilities	15,379,112	18,423,950
Amount due to related party (note 14)	6,543,717	5,169,259
Current portion of interest rate swap liability (note 7(b))	1,645,022	1,436,167
Deferred Share Units liability	66,514	90,596
	38,847,408	**36,497,094**

7 Long-term debt

	June 30, 2015 $	December 31, 2014 $
Subordinated loan (a)	11,550,896	11,267,826
Senior credit facility (b)	156,935,644	146,409,415
Term loan (c)	183,165,215	171,712,300
Total long term debt	351,651,755	329,389,541
Leases (d)	24,073,554	20,915,853
	375,725,309	350,305,394
Less: current portion	(19,769,683)	(17,403,103)
	355,955,626	**332,902,291**

a) Subordinated loan

In April 2010, the Company entered into a loan agreement with a subsidiary of MMC for $9,600,000. The loan bears interest at a fixed rate of 4.8%. The loan principal and accumulated interest matures on June 30, 2023 and is pre-payable at any time without penalty. The loan and accumulated interest is subordinate to the senior credit facility.

The outstanding amount of $11,550,896 is net of issue and transaction costs of $468,304 which are amortized over the life of the loan.

b) Senior credit facility

The Company has a senior credit facility (“the SCF”) with a consortium of Japanese banks.

The maximum amount available under the SCF was US$162,000,000 and this was fully drawn during the 2011 year. The SCF carries a variable interest rate of LIBOR plus 2% and matures on June 15, 2023. The SCF is repayable in twenty four semi-annual instalments which commenced December 15, 2011, with 40% of the principal balance due in the final two years before maturity. The instalments are payable on a fixed schedule, subject to mandatory prepayment based on the cash flows relating to the project. As at June 30, 2015 cumulative principle payments made totalled US$32,400,000.

Under the terms of the SCF, the Company was required to maintain certain balances up to a combined total of US $12 million in the debt service reserve account ("DSRA") and the capex reserve account ("CXRA") by June 30, 2012. Since this date, the Company and MMC have jointly guaranteed to June 30, 2016 the amounts owing to the DSRA and the CXRA. As a result no funds were required to be placed on deposit in either of the accounts as at June 30, 2015.

As at June 30, 2015 the SCF has a principal amount outstanding of $161,870,400 (US$129,600,000). The outstanding amount of $156,935,644 is net of issue costs of $4,934,756 which are amortized over the life of the loan.

The SCF is collateralized by all the assets of the Copper Mountain mine and is insured by Nippon Export and Investment Insurance. In addition, the Company and MMC have guaranteed the SCF until project completion is achieved.

Minimum principal repayments of the amounts outstanding under the SCF are as follows:

Annual repayments from June 30,	**US$**
2015	1,620,000
2016	16,200,000
2017	13,770,000
2018 – 2023	98,010,000
	129,600,000

Under the terms of the SCF, the Company was required to complete an interest rate swap on 70% of the principal amount of the facility. The Company has swapped a LIBOR variable rate interest payment stream for a 3.565% fixed rate interest payment stream on US$90,720,000 of the principal. The interest rate swaps mature on December 15, 2020.

As at June 30, 2015 the swap had an unrealized fair value loss of $9,047,620 (2014 - $7,450,560). The current portion of $1,645,022 is included in accounts payable and accrued liabilities.

The Company is subject to certain debt covenants on the SCF. As at June 30, 2015 the Company is in compliance with all covenants.

c) Term loan

In July 2010, the Company entered into a term loan ("the Term Loan") with the Japan Bank for International Cooperation.

The maximum amount available under the Term Loan is US$160,000,000. The Term Loan carries a variable interest rate of LIBOR plus 0.551% and matures on February 15, 2022. As at June 30, 2015 the Term Loan has a principal amount outstanding of $187,849,600 (US$150,400,000). The outstanding amount of $183,165,215 is net of issue costs of $4,684,385 which are amortized over the life of the loan. The Term Loan is guaranteed by MMC in exchange for a fee of 0.2% per annum.

The Term Loan is unsecured and repayable in increasing instalments every six months and commenced February 2013, with the majority of the loan falling due in the last six instalments. As at June 30, 2015 the cumulative principal payments totalled US $9,600,000.

Minimum principal repayments of the amounts outstanding under the Term Loan are as follows:

Annual repayments from June 30,	**US$**
2015	6,400,000
2016	9,600,000
2017	19,200,000
2018 - 2022	115,200,000
	150,400,000

The Company is subject to certain debt covenants. As at June 30, 2015 the Company is in compliance with all covenants.

d) Leases

Gross finance lease liability and minimum lease payments	**June 30, 2015** **$**	**December 31, 2014** **$**
Within one year	9,540,354	10,765,431
Between two and four years	16,904,629	11,663,261
	26,444,983	22,428,692
Future interest	(2,371,429)	(1,512,839)
Present value of finance lease liability	**24,073,554**	**20,915,853**

The present value of the finance lease liability is repayable as follows:

Finance lease liability and minimum lease payments, net of interest	**June 30, 2015** **$**	**December 31, 2014** **$**
Within one year	9,797,190	9,955,261
Between two and four years	14,276,364	10,960,592
Total over one year	**24,073,554**	**20,915,853**

8 Decommissioning and restoration provision

a. Reclamation bonds

The Company has on deposit $8,231,500 with the Government of British Columbia in support of reclamation liabilities at the Copper Mountain mine site. The Company receives interest on these bonds.

b. Decommissioning and restoration provision

The Company has a liability for remediation of current and past disturbances associated with mining activities at the Copper Mountain property. Decommissioning liabilities are as follows:

	June 30, 2015 $	December 31, 2014 $
Opening balance	7,797,154	6,245,963
Changes in estimated costs and timing	25,821	1,456,949
Unwinding of discount on restoration provision	314	94,242
End of year	**7,823,289**	**7,797,154**

9 Share capital

Authorized - Unlimited number of common shares without par value.

10 Share based compensation

a. Stock options

The Company has a stock option plan whereby it can grant up to 13,000,000 stock options exercisable for a period of up to ten years from the grant date. As at June 30, 2015 the Company had 4,995,000 options granted and outstanding.

The continuity of stock options granted and outstanding is as follows:

Options	**Options outstanding**	**Weighted average exercised price $**
Outstanding, December 31, 2013	5,601,000	2.32
Granted	3,500,000	1.94
Exercised	(2,476,000)	0.60
Expired	(50,000)	0.60
Forfeited	(180,000)	2.72
Outstanding, December 31, 2014	6,395,000	2.78
Granted	75,000	1.25
Expired	(1,275,000)	2.38
Forfeited	(200,000)	2.35
June 30, 2015	**4,995,000**	**2.88**

As at June 30, 2015 the following options were outstanding:

Date of stock option grant	Number of options	Exercise price $	Weighted average exercise price $	Expiry date
Aug. 12 , 2010	245,000	2.55	2.55	Aug. 12 , 2015
Feb. 10 to Dec 12, 2011	525,000	4.98 to 7.12	6.63	Feb. 10 to Dec 12, 2016
April 5, 2012	850,000	4.52	4.52	April 5, 2017
Feb. 20, 2014	3,300,000	1.92	1.92	Feb. 20, 2019
April 24, 2015	75,000	1.25	1.25	April 24, 2020
	4,995,000		**2.88**	

As at June 30, 2015 the following options were both outstanding and exercisable:

Date of stock option grant	Number of options	Exercise price $	Weighted average exercise price $	Expiry date
Aug. 12 , 2010	245,000	2.55	2.55	Aug. 12 , 2015
Feb. 10 to Dec 12, 2011	525,000	4.98 to 7.12	6.63	Feb. 10 to Dec 12, 2016
April 5, 2012	850,000	4.52	4.52	April 5, 2017
Feb. 20, 2014	1,650,000	1.92	1.92	Feb. 20, 2019
April 24, 2015	18,750	1.25	1.25	April 24, 2020
	3,288,750		**3.39**	

The Company uses the fair value method of accounting for all share-based payments to directors, officers, employees and consultants. During the six month period ended June 30, 2015, the Company recorded a share-based compensation expense of $607,280 (2014 - $1,773,364) related to stock options.

During the six month period ended June 30, 2015, the total fair value of stock options granted was $43,848 (2014 – $4,409,932) and had a weighted average grant-date fair value of $0.58 (2014 – $1.26) per option. The fair values of the stock options granted were estimated on the respective grant date using the Black-Scholes option pricing model. Volatility was determined using a historical daily volatility over the expected life of the options.

Weighted average assumptions used in calculating the fair value of options granted during the period are as follows:

	June 30, 2014
Risk free interest rate	1.57%
Expected dividend yield	Nil
Expected share price volatility	58.92%
Expected forfeiture rate	3.26%
Expected life	4.90 years

b. Deferred Share Unit Plans

Deferred Share Unit Plan for Non-Employee Directors ("DSU-D")

The Company established a deferred share unit ("DSU") plan that allows directors to receive director fees in the form of deferred share units. Directors can elect to receive common shares or cash upon exercise of the DSU. Certain DSUs may only be exercised when the holder ceases to be a director. Vesting terms of the DSUs are established by the directors at the time the DSUs are granted.

Deferred Share Unit Program for Employees and Directors ("DSU-E")

The Company established a deferred share unit program that allows executive officers, directors and consultants to receive incentive compensation in the form of deferred share units. The participant can elect to receive common shares upon exercise of the DSU by paying the exercise price or they can elect to receive cash equal to the difference between the exercise price and the market price of the Company's common shares at the time of exercise of the DSU. Vesting terms of the DSUs are established by the directors at the time the DSUs are granted.

The continuity of deferred share units issued and outstanding is as follows:

Units	**DSU-D**	**Weighted average exercise price $**	**DSU-E**	**Weighted average exercise price $**
Outstanding, December 31, 2013	557,339	1.69	779,646	2.65
Granted	1,250,000	1.92	1,900,000	1.92
Outstanding, December 31, 2014 and June 30, 2015	**1,807,339**	**1.85**	**2,679,646**	**2.13**

As at June 30, 2015 the following deferred share units were outstanding:

Date of DSU grant	**Number of Units**	**Exercise price $**	**Weighted average exercise price $**	**Expiry date**
DSU-D – September 17, 2010	27,027	-	-	September 17, 2020
DSU-E – September 17, 2010	329,646	3.70	3.70	September 17, 2020
DSU-D – August 12, 2011	9,571	-	-	August 12, 2021
DSU-D – April 5, 2012	20,741	-	-	April 5, 2022
DSU-D – April 13, 2013	500,000	1.88	1.88	April 13, 2018
DSU-E – April 13, 2013	450,000	1.88	1.88	April 13, 2018
DSU-D – February 20, 2014	1,250,000	1.92	1.92	February 20, 2019
DSU-E – February 20, 2014	1,900,000	1.92	1.92	February 20, 2019
	4,486,985		**2.02**	

As at June 30, 2015 the following deferred share units were both outstanding and exercisable:

Date of DSU grant	Number of Units	Exercise price $	Weighted average exercise price $	Expiry date
DSU-D – September 17, 2010	27,027	-	-	September 17, 2020
DSU-E – September 17, 2010	329,646	3.70	3.70	September 17, 2020
DSU-D – August 12, 2011	9,571	-	-	August 12, 2021
DSU-D – April 5, 2012	20,741	-	-	April 5, 2022
DSU-D – April 13, 2013	500,000	1.88	1.88	April 13, 2018
DSU-E – April 13, 2013	450,000	1.88	1.88	April 13, 2018
DSU-D – February 20, 2014	325,000	1.92	1.92	February 20, 2019
DSU-E – February 20, 2014	950,000	1.92	1.92	February 20, 2019
	2,911,985		**2.07**	

The liability for deferred share units issued and outstanding is as follows:

Liability	DSU-D $	DSU-E $
December 31, 2014	**90,596**	-
DSU based compensation expense (recovery)	(24,082)	-
June 30, 2015	**66,514**	-

During the six month period ended June 30, 2015, the Company recorded share-based compensation recovery of $24,082 (2014 – expense $294,288) related to deferred share units.

During the period ended June 30, 2015 the total fair value of deferred share units granted was $Nil (2014 – $6,048,000) and had a weighted average grant-date fair value of $Nil (2014 – $1.92) per unit.

11 Revenue

	Three months ended June 30,		Six months ended June 30,	
	2015 $	2014 $	2015 $	2014 $
Copper concentrate	58,857,561	57,435,764	126,693,575	123,373,608
Gold metal sales	8,957,240	8,293,368	20,030,744	17,246,628
Silver metal sales	1,154,591	1,807,367	2,924,980	3,824,668
Treatment and refining charges	(5,993,470)	(5,284,465)	(13,336,271)	(11,145,665)
Pricing adjustments on unsettled concentrate and metal sales	(5,450,101)	11,948,750	(4,897,663)	2,883,289
Concentrate and metal sales settled in the period	(715,473)	(6,167,136)	(3,148,351)	(6,966,608)
	56,810,348	**68,033,648**	**128,267,014**	**129,215,920**

12 Expenses by nature

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Cost of sales				
Direct mining and milling costs	31,388,847	34,296,222	67,247,368	70,542,018
Employee compensation and benefits	10,137,971	10,215,935	22,476,131	21,513,688
Depreciation	10,642,231	8,266,791	22,726,761	17,443,196
Transportation costs	3,487,541	4,862,064	7,913,004	8,228,306
	55,656,590	**57,641,012**	**120,363,264**	**117,727,208**
General and administration				
Corporate employee compensation and benefits	1,438,765	629,069	2,291,454	1,236,348
Corporate administrative and office expenses	838,297	657,580	1,936,440	1,677,963
	2,277,062	1,286,649	4,227,894	2,914,311
	57,933,652	**58,927,661**	**124,591,158**	**120,641,519**

13 Finance expense

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Interest on loans	2,097,375	2,208,756	4,176,552	3,693,228
Amortization of financing fees	327,362	290,492	661,974	587,484
Loan guarantee fee	93,729	82,856	188,334	327,017
Unwinding of discount on restoration provision	(2,218)	30,177	314	63,263
	2,516,248	**2,612,281**	**5,027,174**	**4,670,992**

14 Related party transactions

All transactions with related parties have occurred in the normal course of the Company's operations.

a. During the six month period ended June 30, 2015 the Company sold copper concentrates to MMC with revenues totalling $128,267,014 (2014 – $129,215,920) including pricing adjustments.

b. During the six month period ended June 30, 2015 the Company accrued interest on the subordinated loan with MMC totalling $231,680 (2014 - $231,680) and accrued a guarantee fee to MMC of $188,334 (2014 - $327,017).

c. Compensation of key management:

Key management includes the Company's directors and officers. Compensation awarded to key management includes:

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Salaries and short-term employee benefits	1,075,239	387,505	1,463,977	739,352
Share based compensation	281,684	(41,751)	487,843	1,176,588
	1,356,922	**345,754**	**1,951,820**	**1,915,940**

15 Supplementary cash flow disclosures

a. As at June 30, 2015, cash and cash equivalents consists of guaranteed investment certificates of $3,596,000 (2014 – $16,000,000) and $18,752,724 in cash (2014 - $4,213,980) held in bank accounts.

b. A reconciliation of net changes in working capital items is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Change in accounts receivable and prepaid expenses	11,319,174	(10,250,919)	(1,210,109)	(4,255,285)
Change in inventory	(8,323,915)	(9,316,607)	(9,308,452)	(14,176,391)
Change in tax liability	(535,614)	265,711	(170,788)	(239,944)
Change in accounts payable and accrued liabilities	5,623,566	1,404,581	(729,251)	4,609,929
	8,083,211	**(17,897,234)**	**(11,418,600)**	**(14,061,691)**

16 Financial instruments

The following table shows the carrying values of assets and liabilities by category at June 30, 2015 and December 31, 2014.

	2015	**2014**
	$	**$**
Financial assets		
Loans and receivables		
Cash and cash equivalents	22,348,724	21,600,228
Reclamation bonds	8,231,500	8,231,500
Amounts due from concentrate sales (note 3)	11,451,813	11,730,513
Fair value through profit and loss		
Pricing adjustments (notes 3)	(4,935,132)	(8,720,053)

Financial liabilities		
Amortized cost		
Accounts payable (note 6)	15,213,043	11,377,122
Long-term debt (note 7)	355,955,626	332,902,291
Fair value through profit and loss		
Interest rate swap liability (note 7b)	9,047,620	9,047,620

Fair Value hierarchy

The following table classifies financial assets and liabilities that are recognized on the balance sheet at fair value in a hierarchy that is based on significance of the inputs used in making the measurements.
The levels in the hierarchy are:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at June 30, 2015:

	Level 1 $	Level 2 $	Level 3 $	Total fair value $
Financial liabilities				
Interest rate swap liability (note 7b)	-	9,047,620	-	9,047,620
Pricing adjustments (note 3)	-	4,935,132	-	4,935,132

Financial risks factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and commodity price risk), credit risk and liquidity risk. Risk management is carried out by management under policies approved by the board of directors. Management identifies and evaluates the financial risks in co-operation with the company's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Company's overall risk management program seeks to minimize potential adverse effects on the company's financial performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure it will have sufficient liquidity to meet liabilities when due. To the extent the Company does not believe it has sufficient liquidity to meet obligations, it will consider securing additional equity or debt funding or will engage in negotiations to extend terms with existing debtors. The Company manages liquidity by continuously monitoring and forecasting cash flows.