

## COPPER MOUNTAIN ANNOUNCES 2012 YEAR END RESULTS

This release should be read with the unaudited financial statements and management's discussion and analysis available at [www.cumtn.com](http://www.cumtn.com) and filed on [www.sedar.com](http://www.sedar.com). Our financial results are prepared in accordance with IFRS and expressed in Canadian dollars, unless otherwise noted. Sales and production volumes for the Company's 75%-owned Copper Mountain Mine are presented on a 100% basis unless otherwise indicated.

**Vancouver, British Columbia – March 18, 2012 – Copper Mountain Mining Corporation (TSX: CUM)** (the “Company” or “Copper Mountain”) announces a gross profit of \$38.2 million for the year ended December 31, 2012, an increase of 137% over the prior year.

### Year End 2012 Highlights

- Gross profit for the year was \$38.2 million.
- Revenues for 2012 were \$229.5 million from the sale of 59 million pounds of copper, 20 thousand ounces of gold, and 402 thousand ounces of silver.
- Total production for the 2012 year at Copper Mountain mine (100%) was 57 million pounds of Copper, 19 thousand ounces of gold, and 354 thousand ounces of silver.
- Mining activities continued to improve during the year, exiting 2012 at a rate of 186,250 TPD mined
- Milling activities continued to improve during the year, with the resolution of a number of one off issues in the mill
- EBITDA<sup>1</sup> and Adjusted EBITDA<sup>2</sup> for the year were \$61.2 million and \$61.7 million respectively.
- Adjusted<sup>3 4</sup> earnings for the year was \$27.9 million or \$0.28 per share.
- Site cash costs for the year was US\$1.83 per pound of copper produced net of precious metal credits.
- Total cash costs for the year was US\$2.32 per pound of copper sold net of precious metal credits and after all off- site charges.
- Average realized copper price for 2012 was \$3.61 per pound, in line with the average London Metal Exchange price for 2012

Jim O'Rourke, President and CEO of Copper Mountain, remarked “We have been challenged with mill availability and throughput tonnage in the mill for a majority of 2012, but are very pleased to report that our efforts are paying off. Although we ended the year with an 82% availability in the mill for 2012, we have since seen significant improvements in availability as we achieved 93% availability in February 2013. The mill is still challenged to consistently make designed tonnage when receiving only Pit#3 ore as it is very hard, and we are now testing additional explosives to increase fragmentation of the ore and are evaluating the installation of a secondary crusher to pre-crush the ore entering the SAG Mill. In doing so this would allow for a

<sup>1</sup> EBITDA represents earnings before interest, income taxes and depreciation.

<sup>2</sup> Adjusted EBITDA removes unrealized gains/losses on derivative instruments and foreign exchange gains/losses

<sup>3</sup> Adjusted earnings (loss) and adjusted earnings (loss) per share are non-GAAP financial measures which remove unrealized gains/losses on interest rate swaps and foreign currency gains/losses.

<sup>4</sup> Calculated based on weighted average number of shares outstanding under the basic method.

consistent size of finer ore going into the SAG Mill to optimize the operation. Initial estimates indicate that improved fragmentation or pre-crushing would result in ensuring the plant meets the original design capacity with potential for the grinding capacity of the SAG to be increased to the 40,000 tonnes per day range. This expansion would further strengthen the Copper Mountain Mine and ensure that it forms a strong and consistent base for the company's future. ”

### Summary Financial Results

(CDN\$, except for cash cost data in US\$)	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
	\$	\$	\$	\$
<i>Revenues</i>	50,086,260	44,710,034	229,473,610	66,531,355
<i>Gross profit</i>	6,236,705	5,534,826	38,220,542	16,203,386
<i>Operating income (loss)</i>	4,894,106	2,807,068	31,512,632	7,777,193
<i>Adjusted earnings (loss)<sup>5</sup></i>	7,415,999	(1,863,724)	27,932,610	8,613,040
<i>Earnings (loss) attributable to shareholders of the Company</i>	2,214,713	5,590,703	19,776,352	(12,698,124)
<i>Adjusted earnings per share<sup>6</sup></i>	0.08	(0.02)	0.28	0.09
<i>Earnings per share<sup>5</sup></i>	0.02	0.06	0.20	(0.13)
<i>Cash and cash equivalents</i>			24,300,790	39,094,343
<i>Working capital</i>			11,781,230	7,231,869
<i>Equity</i>			244,005,027	213,370,648
<i>Copper produced (lbs)</i>	13,780,000	12,396,968	56,600,000	22,127,640
<i>Gold produced (oz)</i>	5,800	3,834	18,900	7,799
<i>Silver produced (oz)</i>	66,700	84,182	354,000	161,830
<i>Copper sold (lbs)</i>	13,185,000	11,552,512	59,122,000	17,363,352
<i>Gold sold (oz)</i>	5,200	4,372	19,900	6,466
<i>Silver sold(oz)</i>	71,600	86,431	402,000	131,080
<i>Site cash costs per pound of copper produced (net of gold silver credits) (US\$)</i>	1.77	1.11	1.83	1.26
<i>Total cash costs per pound of copper sold (net of gold silver credits) (US\$)</i>	2.27	1.94	2.32	1.71

### Copper Mountain Mine

The Copper Mountain Mine produced 57 million pounds of copper, 18,900 ounces of gold, and 354,000 ounces of silver which generated \$229 million in revenue net of pricing adjustments for the year ended December 31, 2012. The total cash cost of copper sold for the year ended December 31, 2012 was US\$2.32 per pound of copper after gold and silver by-product credits.

Mining activities continued in the Pit #3 area at the beginning of 2012 with the push-backs on the eastern wall. Part way through the year, the Company relocated two of the production shovels from the Pit#3 area to the Pit #2 area for the commencement of mining activities there. During the year a total of 54.9 million tonnes of material was mined, including 12.5 million tonnes of ore and 42.5 million tonnes of waste during the year, resulting in approximately a 3.4 to 1 waste to ore strip ratio. The mine exited 2012 with an average mining rate of 186,250 tonnes of per day moved during December 2012.

Mill production was adversely affected during the year by greater than expected tailings line wear, failure of the ball mills motor controls, a lack of clear reclaim water in the tailings management facility, and the premature breakage of SAG mill grates. Following the planned mill maintenance shutdowns throughout the year, the Company was able to resolve all of these issues by year end, and in early 2013 the mill achieved for the first time a 93.3% plant availability, compared to a budgeted 92% availability.

However, the mill is still experiencing challenges meeting its tonnage throughput goals as a result of the variability in ore hardness and fragmentation entering the SAG Mill from various open pit locations. Management has engaged an engineering firm to review the option of adding a secondary crusher to pre-crush ore entering the SAG Mill to increase the tonnage throughput. Preliminary designs for this secondary crusher involves ore conveyed from the coarse ore stock pile to the new crushing facility where it would be crushed to 50% minus one inch. Initial estimates indicate the pre-crushing would result in an

<sup>5</sup> Adjusted earnings (loss) and adjusted earnings (loss) per share are non-GAAP financial measures which remove unrealized gains/losses on interest rate swaps and foreign currency gains/losses.

<sup>6</sup> Calculated based on weighted average number of shares outstanding under the basic method

expansion to the grinding capacity and will ensure the mill meets the original design capacity with potential to increase the grinding capacity of the SAG to the 40,000 tonnes per day range. Preliminary work estimates that the crushing facility would cost approximately \$40 million and would be funded out of cash flow or additional debt. It is estimated that the new crushing facility could be in place by the end of the year subject to necessary approval to proceed before the end of April 2013. Concurrent with the secondary crusher evaluation, the mine is testing various blasting techniques to improve fragmentation. To date increased blasting has proven to be positive.

During the year, the Company completed a total of thirteen shipments containing approximately 59.1 million pounds of copper, 19,900 ounces of gold, and 402,000 ounces of silver which generated \$229.5 million in revenue net of pricing adjustments. Summarized income statement and balance sheet are provided below.

## Summarized Balance Sheet

	December 31, 2012	December 31, 2011
<b><u>Assets</u></b>		
Current assets	\$ 61,633,037	\$ 68,245,867
Restricted cash	6,013,726	-
Deferred tax asset	2,896,832	-
Reclamation bonds	8,200,500	4,700,500
Property, plant and equipment	510,382,493	520,051,062
Non-current inventory	26,887,360	5,540,890
	<b>\$ 616,013,948</b>	<b>\$ 598,538,319</b>
<b><u>Liabilities</u></b>		
Current liabilities	49,851,807	61,013,998
Decommissioning and restoration provision	6,997,883	5,152,382
Interest rate swap liability	10,980,888	10,610,394
Long-term debt	304,178,343	308,390,897
	372,008,921	385,167,671
<b><u>Equity</u></b>		
Share capital	157,942,209	157,596,608
Contributed surplus	9,469,280	6,602,387
Retained earnings (deficit)	8,748,474	(11,027,878)
Non-controlling interest	176,159,963	60,199,531
Total equity	244,005,027	213,370,648
	<b>\$616,013,948</b>	<b>\$598,538,319</b>

## Summarized Income Statement

	Three months ended December		Year ended	
	2012	31, 2011	2012	December 31, 2011
	\$	\$	\$	\$
<b>Revenue</b>	50,086,260	44,710,034	229,473,610	66,531,355
<b>Cost of sales</b>	(43,849,555)	39,175,208	(191,253,068)	50,327,969
<b>Gross profit</b>	6,236,705	5,534,826	38,220,542	16,203,386
<b>Other income and expenses</b>				
General and administration	(797,283)	1,686,161	(4,252,973)	4,616,051
Share based compensation	(545,316)	1,041,597	(2,454,937)	3,810,142
<b>Operating income (loss)</b>	4,894,106	2,807,068	31,512,632	7,777,193
Pricing adjustments on concentrate and metal sales	1,878,416	(335,286)	1,641,593	5,658,400
Finance income	314,886	(490,823)	1,571,489	(1,344,735)
Finance expense	(2,316,055)	5,496,901	(8,388,716)	6,167,288
Deferred income and resource tax recovery	2,896,832	-	2,896,832	-
Current resource tax expense	(252,186)	-	(1,301,220)	6,167,288
<b>Adjusted earnings (loss)<sup>(1)</sup></b>	7,415,999	(1,863,724)	27,932,610	8,613,040
Pricing adjustments on concentrate and metal sales	(1,878,416)	(335,286)	(1,641,593)	(5,658,400)
Unrealized loss (gain) on interest rate swap	(394,705)	1,209,340	(3,654,594)	(9,351,657)
Loss (gain) on foreign exchange	(2,745,112)	9,088,280	4,785,462	(8,282,454)
<b>Net income (loss) and comprehensive income (loss) for the period</b>	2,397,776	8,098,610	27,421,885	(14,679,471)
<b>Net income (loss) and comprehensive income (loss) attributable to:</b>				
Shareholders of the Company	2,214,713	5,590,703	19,776,352	(12,698,124)
Non-controlling interest	183,053	2,507,907	7,645,533	(1,981,347)
	2,397,776	8,098,610	27,421,885	(14,679,471)
<b>Earnings (loss) per share</b>	0.02	0.06	0.20	(0.13)
<b>Adjusted earnings (loss) per share</b>	0.07	(0.02)	0.28	0.09
<b>Weighted average shares outstanding</b>	98,519,596	98,421,909	98,519,596	97,347,637
<b>Shares outstanding at end of period</b>	98,570,927	98,466,877	98,570,927	98,466,877

<sup>(1)</sup> Adjusted earnings (loss) is a non-GAAP financial measure which removes unrealized gains/losses on derivative instruments, changes in fair/value of financial instruments, foreign currency gains/losses and non-recurring transactions

The full set of financial statements and accompanying MD&A are posted on Sedar.com.

Copper Mountain will host a conference call on Monday, March 18, 2013 at 10:30 a.m. Eastern Time (7:30 a.m. Pacific) to discuss these results. The conference call may be accessed by dialing:

**Live Dial-in information**

Vancouver and international: (416) 764-8609

North America (toll-free): (888) 390-0605

To participate in the webcast live via your computer go to : <http://www.newswire.ca/en/webcast/detail/1128023/1230361>

**Replay call information**

Vancouver and international: 416-764-8677, passcode 616516

North America (toll-free): 1-888-390-0541, passcode 616516

The conference call replay will be available from 10:30 am (PST) on March 18, 2013, until 11:59 pm PST on March 26, 2013

Participant audio webcast will also be available on the company's website <http://www.cumtn.com>

**About Copper Mountain Mining Corporation:**

Copper Mountain's flagship asset is the 75% owned Copper Mountain mine located in southern British Columbia near the town of Princeton. The Company has a strategic alliance with Mitsubishi Materials Corporation who owns the remaining 25%. The Copper Mountain mine commenced production in the summer of 2011, and has continued to improve its operations during the year; and attained design capacity in the summer of 2012. The 18,000 acre site has a resource of approximately 5 billion pounds of copper and remains open laterally and at depth. The mine has significant exploration potential that will need to be explored over the next few years to fully appreciate the properties full development potential. Additional information is available on the Company's web page at [www.CuMtn.com](http://www.CuMtn.com).

On behalf of the Board of

**COPPER MOUNTAIN MINING CORPORATION**

*"Rod Shier"*

Rodney A. Shier, CA.  
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Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents, filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com), specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. The Company undertakes no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statement.