



Copper Mountain Mining Corporation

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COPPER MOUNTAIN ANNOUNCES 2011 YEAR END RESULTS

This release should be read with the unaudited financial statements and management's discussion and analysis available at www.cumtn.com and filed on 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 26, 2012 – Copper Mountain Mining Corporation (TSX: CUM) (the “Company” or “Copper Mountain”) announces a gross profit of \$16.2 million for the year ended December 31, 2011.

Fourth Quarter and Full Year 2011 Highlights

- Construction of the Copper Mountain Mine was completed on schedule (June 30, 2011) and operational commissioning commenced during the second half of 2011.
- The official mine opening was celebrated on August 10, 2011 with 1,700 guests in attendance.
- The mine delivered its inaugural shipment of concentrate to Japan totalling 11,200 wet metric tonnes in September 2011 and then maintained steady monthly shipments thereafter.
- Revenues for 2011 were \$66.5 million from the sale of 17.3 million pounds of copper, 6,934 ounces of gold, and 131,080 ounces of silver. Revenues for the fourth quarter of 2011 were \$44.7 million from the sale of 11.6 million pounds of copper, 4,372 ounces of gold and 86,431 ounces of silver.
- Gross profit for 2011 was \$16.2 million.
- EBITDA¹ and Adjusted EBITDA² for the fourth quarter of 2011 were \$20.9 million and \$10.6 million respectively.
- Adjusted^{3 4} earnings for 2011 were \$2.9 million or \$0.03 per share.
- Net loss for the year ended was \$14.7 million or \$0.13 per share as a result of changes in foreign exchange rates that produced a loss of \$8.3 million on the Company's long-term debt denominated in U.S. dollars and an unrealized loss of \$9.3 million on the interest rate swap derivative required under the Company's project debt agreements resulting in a net loss for the year of 14.7 million.
- Earnings for the quarter ended December 31, 2011 was \$8.1 million.
- Site cash costs for the year were US\$1.26 per pound of copper produced net of precious metal credits.
- Total cash costs for the year after all off site charges were US\$1.71 per pound of copper sold net of precious metal credits.
- Average realized copper price for the year ended December 31, 2011 was US\$3.55⁵ per pound of copper which realized a cash margin of US\$1.84 per pound of copper sold.

¹ EBITDA represents earnings before interest, income taxes and depreciation.

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

³ 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.

⁴ Calculated based on weighted average number of shares outstanding under the basic method.

⁵ Provisional prices are the LME prices at the time of shipment and are subject to change at the settlement dates.

Jim O'Rourke, President and CEO of Copper Mountain, remarked "We are very proud of the companies achievements in 2011. The most significant milestone was bringing the Copper Mountain Mine into production. In a short 4 ½ years, we met all our targets. The Copper Mountain mine forms a strong base for the company's future."

Mr. O'Rourke continued, "Our operating team has been working very hard to ensure the ramp up of the operation to meet our operating goals. Looking to 2012, we will remain fully focused on continuing to optimize the Copper Mountain mine to maximize the copper production target. We are planning an exploration program to expand the resource to extend the mine life beyond our 17 year mine plan or upgrade the resource to increase production", Mr. O'Rourke concluded.

Summary Financial Results

(CDN\$, except for cash cost data in US\$)	Three months ended December 31,		Year ended December 31,	
	2011	2010	2011	2010
	\$	\$	\$	\$
<i>Revenues</i>	44,710,034	-	66,531,355	-
<i>Gross profit</i>	5,534,826	-	16,203,386	-
<i>Operating income (loss)</i>	2,807,068	(1,994,040)	7,777,193	(4,947,866)
<i>Adjusted earnings (loss)⁶</i>	(2,199,010)	(1,780,804)	2,954,640	(4,490,744)
<i>Earnings (loss) attributable to shareholders of the Company</i>	5,590,703	3,369,815	(12,698,124)	2,953,360
<i>Adjusted earnings per share⁷</i>	(0.02)	(0.02)	0.03	-
<i>Earnings per share⁵</i>	0.06	0.04	(0.13)	-
<i>Cash and cash equivalents</i>			39,094,343	153,078,528
<i>Working capital</i>			7,231,869	135,630,216
<i>Equity</i>			213,370,648	171,425,331
<i>Copper produced (lbs)</i>	12,396,968	-	22,128,000	-
<i>Gold produced (oz)</i>	3,834	-	7,799	-
<i>Silver produced (oz)</i>	84,182	-	161,830	-
<i>Copper sold (lbs)</i>	11,552,512	-	17,363,352	-
<i>Gold sold (oz)</i>	4,372	-	6,934	-
<i>Silver sold(oz)</i>	86,431	-	131,080	-
<i>Site cash costs per pound of copper produced (net of gold silver credits) (US\$)</i>	1.11	-	1.26	-
<i>Total cash costs per pound of copper sold (net of gold silver credits) (US\$)</i>	1.94	-	1.71	-

Copper Mountain Mine

The Copper Mountain Mine produced 22.2 million pounds of copper during the year ended December 31, 2011. Costs during the months of July and August have been deferred as the mine had not yet achieved commercial production for financial reporting purposes. During the month of September 2011, the mine shipped its first load of concentrate containing 5.8 million pounds of copper to Japan for smelting. The Company recorded revenues, net of smelter charges and pricing adjustments, of \$66.5 million, realizing a gross profit of \$16.2 million. The total cash cost of copper sold for the year ended December 31, 2011 was US\$1.71 per pound of copper after gold and silver by-product credits. As this is the first year of operation for the mine, there are no comparative numbers. The only comparative number that the Company could use is the 2008 Feasibility Study life of mine cost of US\$1.30 per pound of copper after gold and silver by-product credits. Higher costs have resulted from increased consumable costs since the date of the 2008 Feasibility Study. The strengthened Canadian dollar has also been an adverse cost contributor.

⁶ 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.

⁷ Calculated based on weighted average number of shares outstanding under the basic method

Summarized Balance Sheet

	December 31, 2011	December 31, 2010
<u>Assets</u>		
Current assets	\$ 68,245,867	\$ 176,139,510
Reclamation bonds	4,700,500	4,008,000
Property, plant and equipment	520,051,062	346,087,430
Non-current inventory	5,540,890	-
	\$ 598,538,319	\$ 526,234,940
<u>Liabilities</u>		
Current liabilities	61,013,998	40,509,294
Decommissioning and restoration provision	5,152,382	3,802,222
Interest rate swap liability	10,610,394	2,021,250
Long-term debt	308,390,897	308,476,843
	385,167,671	354,809,609
<u>Equity</u>		
Share capital	157,596,608	116,286,786
Contributed surplus	6,602,387	3,800,668
Retained earnings (deficit)	(11,027,878)	1,670,246
Non-controlling interest	60,199,531	49,667,631
	213,370,648	171,425,331
Total equity	\$598,538,319	\$ 526,234,940

Summarized Income Statement

	Three months ended December		Year ended	
	2011	31, 2010	2011	December 31, 2010
	\$	\$	\$	\$
Revenue	44,710,034	-	66,531,355	-
Cost of sales	39,175,208	-	50,327,969	-
Gross profit	5,534,826	-	16,203,386	-
Other income and expenses				
General and administration	1,686,161	826,125	4,616,051	2,969,265
Share based compensation	1,041,597	1,167,915	3,810,142	1,978,601
Operating income (loss)	2,807,068	(1,994,040)	7,777,193	(4,947,866)
Finance income	(490,823)	(245,894)	(1,344,735)	(587,754)
Finance expense	5,496,901	32,658	6,167,288	130,632
Adjusted earnings (loss)⁽¹⁾	(2,199,010)	(1,780,804)	2,954,640	(4,490,744)
Unrealized loss (gain) on interest rate swap	(1,209,340)	2,269,250	9,351,657	2,269,250
Loss (gain) on foreign exchange	(9,088,280)	(9,105,255)	8,282,454	(12,201,906)
Net income (loss) and comprehensive income (loss) for the period	8,098,610	5,055,20	(14,679,471)	5,441,912
Net income (loss) and comprehensive income (loss) attributable to:				
Shareholders of the Company	5,590,703	3,369,815	(12,698,124)	2,953,360
Non-controlling interest	2,507,907	1,685,386	(1,981,347)	2,488,552
	8,098,610	5,055,201	(14,679,471)	5,441,912
Earnings per share:				
Basic	0.06	0.04	(0.13)	0.03
Diluted	0.05	0.04	(0.13)	0.03
Weighted average shares outstanding	98,421,909	86,202,222	97,347,637	86,202,222
Shares outstanding at end of period	98,466,877	90,508,645	98,466,877	90,508,645

⁽¹⁾ 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 Tuesday, March 27, 2012 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: (647) 427-7450

North America (toll-free): (888) 231-8191

To participate in the webcast live via your computer go to: <http://www.newswire.ca/en/webcast/detail/936119/1000809>

Replay call information

Vancouver and international: 416-849-0833, passcode 61990854

North America (toll-free): 1-855-859-2056, passcode 61990854

The conference call replay will be available from 10:30 am (PST) on March 27, 2012, until 11:59 pm PST on Nov. 30, 2011

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

About Copper Mountain Mining Corporation:

Copper Mountain is a Canadian resource company managed by an experienced team of professionals with a solid track record of exploration and development success. The Company's shares trade on the Toronto Stock Exchange under the symbol "CUM". Copper Mountain owns 75% and Mitsubishi Materials Corporation owns 25% of the Copper Mountain Mine. The 18,000 acre mine site is located 20 km south of the town of Princeton in southern British Columbia. The Copper Mountain Mine has a current resource of approximately 5 billion pounds of copper and recently commenced production. Additional information is available on the Company's new web page at www.CuMtn.com.

On behalf of the Board of

COPPER MOUNTAIN MINING CORPORATION

"Rod Shier"

Rodney A. Shier, CA.
Chief Financial Officer

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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, 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.