



**COPPER MOUNTAIN**  
MINING CORPORATION

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**TSX: CUM**

## COPPER MOUNTAIN ANNOUNCES 2013 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 – February 20, 2014 – Copper Mountain Mining Corporation (TSX: CUM)** (the “Company” or “Copper Mountain”) announces revenues of \$233.1 million after pricing adjustments and treatment charges for the year ended December 31, 2013 from the sale of 64.8 million pounds of copper, 24,200 ounces of gold, and 301,300 ounces of silver.

### Year End 2013 Highlights (100% Basis)

- Total production for the 2013 fiscal year at Copper Mountain Mine (100%) was 66.2 million pounds of copper, 21,600 ounces of gold and 320,400 ounces of silver. This represents a 17% growth in copper production and a 14% growth in gold production from 2012.
- Gross profit for the year was \$31.0 million.
- Mining activities continued to improve during the year, exiting 2013 at a rate of 165,600 TPD mined.
- Milling activities continued to improve – Average throughput rate was nearly 33,000 tonnes per day (tpd) and mill availability was 95% for the month of December 2013
- EBITDA<sup>1</sup> and Adjusted EBITDA<sup>2</sup> were \$40.5 million and \$58.5 million for the fiscal year respectively.
- Adjusted earnings per share were \$14.5 million or \$0.15 per share
- Site cash costs for the year was US\$1.70 per pound of copper produced net of precious metal credits.
- Total cash costs for the year was US\$2.22 per pound of copper sold net of precious metal credits and after all off- site charges.
- Realized prices on metal sales for 2013 was \$3.25 per pound of copper, \$1,340 per ounce of gold and \$21.75 per ounce of silver.

Jim O'Rourke, President and CEO of Copper Mountain, remarked “*The mine achieved record production in 2013 and ended the year on a strong note. Copper production grew by 17% from the prior year and was within guidance. The mine delivered improving operational results quarter over quarter in production, throughput, and mill availability.*”.

Mr. O'Rourke continued, “*Looking forward, we see the next twelve months as a period of growth. We are forecasting a 25% growth in copper production in 2014 with the installation of the secondary crusher in mid summer. I am confident that we will exit 2014 a much stronger company as we focus on operational improvements and delivering strong results as we rebuild our credibility to prepare for exciting future developments.*”.

<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

## Summary Financial Results

(CDN\$, except for cash cost data in US\$)	Three months ended December 31,		Year ended December 31,	
	2013 \$	2012 (restated) \$	2013 \$	2012 (restated) \$
<b>Revenues</b>	64,714,231	50,086,260	233,122,274	229,473,610
<b>Gross profit (loss)</b>	8,234,296	10,327,657	31,033,666	55,622,509
<b>Operating income (loss)</b>	6,719,364	8,985,058	25,498,442	48,914,599
<b>Adjusted earnings (loss)<sup>3</sup></b>	4,724,691	7,156,459	14,544,023	40,984,085
<b>Net Income (loss)</b>	(4,145,430)	2,138,226	(3,414,357)	40,473,360
<b>Earnings (loss) attributable to shareholders of the Company</b>	(2,803,695)	2,020,058	(3,245,051)	29,564,958
<b>Adjusted earnings (loss) per share<sup>4</sup></b>	0.05	0.07	0.15	0.42
<b>Earnings (loss) per share<sup>5</sup></b>	(0.03)	0.02	(0.03)	0.30
<b>EBITDA</b>	6,594,093	10,803,652	40,501,071	74,660,552
<b>Adjusted EBITDA</b>	15,464,214	15,821,885	58,459,451	75,171,277
<b>Cash and cash equivalents</b>			42,281,137	24,300,790
<b>Working capital</b>			42,649,596	10,676,254
<b>Equity</b>			288,500,630	257,056,502
<b>Copper produced (lbs)</b>	18,600,000	13,780,000	66,200,000	56,600,000
<b>Gold produced (oz)</b>	4,300	5,800	21,600	18,900
<b>Silver produced (oz)</b>	105,800	66,700	320,400	354,000
<b>Copper sold (lbs)</b>	18,492,000	13,185,000	64,841,000	59,122,000
<b>Gold sold (oz)</b>	6,600	5,200	24,200	19,900
<b>Silver sold (oz)</b>	89,000	71,600	301,300	402,000
<b>Site cash costs per pound of copper produced (net of gold, silver credits) (US\$)</b>	1.68	1.65	1.70	1.59
<b>Total cash costs per pound of copper sold (net of gold, silver credits) (US\$)</b>	2.19	2.13	2.22	2.09

### Copper Mountain Mine

During the year, the company completed twelve shipments of concentrate containing approximately 64.8 million pounds of copper to Japan for smelting and recorded revenues, net of smelter charges and pricing adjustments, of \$233.1 million, realizing a gross profit of \$31.0 million. The total cash cost of copper sold for the year ended December 31, 2013 was US\$2.22 per pound of copper after gold and silver by-product credits.

Mining activities continued in the Pit #3 and Pit#2 areas throughout 2013. A total of 56.7 million tonnes of material was mined, including 16.6 million tonnes of ore and 40.1 million tonnes of waste at an average mining rate of 165,600 tpd moved during 2013. The ore grade averaged 0.35% Copper for the year. Site cash costs were \$1.72 per pound of copper after gold and silver by-product credits.

The mine exited the year on a positive note with the mill availability averaging 95% and copper production of 6.9 million pounds for the month of December. Mine production was 18,600 million pounds of copper, 4,300 ounces of gold, and 105,800 ounces of silver during the three months of operations ended December 31, 2013. This brought production for the twelve months ended December 31, 2013 to 66.2 million pounds of copper, 21,600 ounces of gold and 320,400 ounces of silver.

Mill throughput from the 35,000 tpd designed concentrator was improved significantly during 2013. During the first quarter of 2013 SAG mill throughput was averaging just over 24,900 tpd, and by year end had increased to an average of 32,767 tpd during the month of December 2013. This improvement in mill throughput tonnage during the year was a direct result of the resolution of a number of supplier related equipment issues that saw plant availability improve from a low of 86% in early 2013 to a high of 95% for the month of

<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 unrealized foreign currency gains/losses.

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

<sup>5</sup> Calculated based on weighted average number of shares outstanding under the basic method based on earnings attributable to shareholders.

December 2013. However, the main reason for the increased SAG mill throughput and mill production is a result of the temporary portable crushing measures taken by the Company during the year. At the start of the year the Company increased the powder factor in the blasting of ore to increase the fragmentation and create more fines in the feed to the SAG Mill. By year end, the Company had added three independent portable crushing plants along the conveyor route to the SAG Mill at a cost of approximately \$1.3 million per month. By year end these facilities collectively were able to crush approximately 10,000 tpd of ore to minus 2 inch size for the SAG Mill feed and resulted in increased mill throughput and copper production for the year. Copper production increased from 14.2 million pounds of copper in the first quarter to 18.6 million pounds of copper in the last quarter of 2013.

Listed below are a summarized balance sheet and income statement as well as conference call in details:

### Summarized Balance Sheet

	<b>December 31, 2013</b>	<b>December 31, 2012</b>
	<b>\$</b>	<b>(restated) \$</b>
<b><u>Assets</u></b>		
Cash	42,281,137	24,300,790
Accounts Receivable and prepaids	17,953,700	15,352,990
Inventory	26,789,416	20,874,281
Property, plant and equipment	531,890,214	541,607,854
Other Assets	44,166,934	29,684,388
	<b>663,081,401</b>	<b>631,820,303</b>
<b><u>Liabilities</u></b>		
Current liabilities	44,374,657	49,851,807
Decommissioning and restoration provision	6,245,963	6,997,883
Interest rate swap liability	6,364,019	10,980,888
Long-term debt	311,241,671	304,178,343
Deferred tax liability	6,354,461	2,754,880
	374,580,771	374,763,801
<b><u>Equity</u></b>		
Share capital	186,291,105	157,942,209
Contributed surplus	9,662,977	9,469,280
Retained earnings (deficit)	15,292,029	18,537,080
Non-controlling interest	77,254,519	71,107,933
<b>Total equity</b>	<b>288,500,630</b>	<b>257,056,502</b>
	<b>663,081,401</b>	<b>631,820,303</b>

## Summarized Income Statement

	Three months ended		Year ended	
	December 31,		December 31,	
(CDN\$)	2013	2012 <sup>6</sup>	2013	2012 <sup>9</sup>
	\$	\$	\$	\$
<b>Revenues</b>	64,714,231	50,086,260	233,122,274	229,473,610
<b>Cost of sales<sup>7</sup></b>	(56,479,935)	(39,758,603)	(202,088,608)	(173,851,101)
<b>Gross profit</b>	<b>8,234,296</b>	<b>10,327,657</b>	<b>31,033,666</b>	<b>55,622,509</b>
<b>Other income and expenses</b>				
General and administration	(1,514,514)	(797,283)	(5,493,368)	(4,252,973)
Share based compensation	(418)	(545,316)	(41,856)	(2,454,937)
<b>Operating income</b>	<b>6,719,364</b>	<b>8,985,058</b>	<b>25,498,442</b>	<b>48,914,599</b>
Pricing adjustments on concentrate and metal sales	(185,387)	1,878,416	1,031,760	1,641,593
Finance income	171,365	314,886	387,438	1,571,489
Finance expense	(2,390,128)	(2,316,055)	(8,773,795)	(8,388,716)
Current resource tax expense	602,290	(252,186)	(632,750)	(1,301,220)
Deferred income and resource tax recovery	(192,813)	(1,453,660)	(2,967,072)	(1,453,660)
<b>Adjusted earnings<sup>8</sup></b>	<b>4,724,691</b>	<b>7,156,459</b>	<b>14,544,023</b>	<b>40,984,085</b>
Pricing adjustments on concentrate and metal sales	185,387	(1,878,416)	(1,031,760)	(1,641,593)
Unrealized gain (loss) on interest rate swap	(57,270)	(394,705)	2,217,428	(3,654,594)
Unrealized gain (loss) on foreign exchange	(8,998,238)	(2,745,112)	(19,144,048)	4,785,462
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>(4,145,430)</b>	<b>2,138,226</b>	<b>(3,414,357)</b>	<b>40,473,360</b>
<b>Net income (loss) and comprehensive income (loss) attributable to:</b>				
Shareholders of the company	(2,803,695)	2,020,058	(3,245,051)	29,564,958
Non-controlling interest	(1,341,735)	118,168	(169,306)	10,908,402
	<b>(4,145,430)</b>	<b>2,138,226</b>	<b>(3,414,357)</b>	<b>40,473,360</b>
<b>Earnings (loss) per share</b>	<b>(0.03)</b>	<b>0.02</b>	<b>(0.03)</b>	<b>0.30</b>
<b>Adjusted earnings per share</b>	<b>0.05</b>	<b>0.07</b>	<b>0.15</b>	<b>0.42</b>

The full set of financial statements and accompanying MD&A are posted on Sedar.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 latter half of 2011, and has continued to improve its operations during the year. 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 new web page at [www.CuMtn.com](http://www.CuMtn.com).

<sup>6</sup> 2012 comparatives have been adjusted for application of IFRIC 20 and change in accounting policy related to inventory cost allocation.

<sup>7</sup> 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 costs.

<sup>8</sup> 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.

Copper Mountain will host a conference call on Friday, February 21st, 2014 at 10:30 a.m. Eastern Time (7:30 a.m. Pacific Time) to discuss the 2013 year end results. The conference call may be accessed by dialing:

**Live Dial-in information**

Toronto and international: 416-764-8688

North America (toll-free): 888-390-0546

To participate in the webcast live via your computer go to: <http://www.newswire.ca/en/webcast/detail/1299285/1433551>

**Replay call information**

Toronto and international: 416-764-8677, passcode 050882

North America (toll-free): 888-390-0541, passcode 050882

The conference call replay will be available from 10:30 am (PST) on February 21st, 2014, until 11:59 pm PST on February 28<sup>th</sup>, 2014

Participant audio webcast will also be available on the company's website <http://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](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.