



**COPPER MOUNTAIN**  
MINING CORPORATION

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**TSX: CUM**

## COPPER MOUNTAIN ANNOUNCES 2014 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, 2015 – Copper Mountain Mining Corporation (TSX: CUM)** (the “Company” or “Copper Mountain”) announces revenues of \$265.7 million after pricing adjustments and treatment charges for the year ended December 31, 2014 from the sale of 80.7 million pounds of copper, 24,700 ounces of gold, and 427,600 ounces of silver.

### Year End 2014 Highlights (100% Basis)

- Copper, gold and silver production for the 2014 fiscal year at Copper Mountain Mine (100%) was 81 million pounds of copper, 22,600 ounces of gold and 443,800 ounces of silver. This represents a 23% growth in copper production from 2013.
- Revenues for the 2014 year were \$265.7 million from metal sales.
- Gross profit for the year was \$31.8 million.
- Cash flow from operations was \$47.2 million or \$0.40 per share an increase of 48% over the previous year.
- Adjusted EBITDA<sup>1</sup> of \$78.8 million, an increase of 35% over the previous year.
- Adjusted earnings per share<sup>1</sup> of \$28.7 million or \$0.24 per share
- Mine production increased, with the addition of the new mine dispatch system, exiting 2014 at a rate of 175,000 TPD mined.
- Mill capacity improved during the year, with the addition of the permanent secondary crusher, exiting 2014 at a rate of 36,200 tpd for the last two weeks of December
- Site cash costs for the year was US\$1.49 per pound of copper produced net of precious metal credits.
- Total cash costs for the year was US\$1.98 per pound of copper sold net of precious metal credits and after all off- site charges.
- Realized prices on metal sales for 2014 was \$3.11 per pound of copper, \$1,266 per ounce of gold and \$19.08 per ounce of silver.

Jim O'Rourke, President and CEO of Copper Mountain, remarked “*The mine achieved record production in 2014 and ended the year with the addition of the new permanent \$40 million secondary crusher which in turn increased mill throughput above 35,000 tpd design capacity. Copper production increased 22% from the prior year and was within guidance. Clearly the secondary crusher has made a significant improvement on the operational performance of the concentrator by delivering a consistent feed size of ore to the SAG mill*”.

Mr. O'Rourke continued, “*Looking forward, we see the next twelve months as a period of continued optimization to further strengthen our operating base. Production for 2015 will come mainly from the Pit 2 area providing higher gold production. We have a strong operating team and I am confident that the mine will meet our production goals and be able to reduce costs to help offset the weaker copper price*”.

<sup>1</sup> Adjusted EBITDA and adjusted earnings per share are non-GAAP financial measurements which remove 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,	
	2014	2013	2014	2013
	\$	\$	\$	\$
<b>Revenues</b>	53,913,648	64,714,231	265,675,927	233,122,274
<b>Gross profit (loss)</b>	1,444,734	8,234,296	31,760,280	31,033,666
<b>Cash flow from operations</b>	17,409,412	15,450,111	47,196,650	31,851,327
<b>Operating income (loss)</b>	498,220	6,719,364	23,011,351	25,498,442
<b>Adjusted earnings (loss)<sup>2</sup></b>	5,635,758	4,724,691	28,745,338	14,544,023
<b>Net Income (loss)</b>	(16,245,042)	(4,145,430)	(22,530,950)	(3,414,357)
<b>Earnings (loss) attributable to shareholders of the Company</b>	(12,703,961)	(2,803,695)	(18,220,950)	(3,245,051)
<b>Adjusted earnings (loss) per share<sup>3</sup></b>	0.05	0.05	0.24	0.15
<b>Earnings (loss) per share<sup>4</sup></b>	(0.11)	(0.03)	(0.15)	(0.03)
<b>EBITDA</b>	(4,833,890)	6,594,093	27,501,470	40,501,071
<b>Adjusted EBITDA</b>	17,046,910	15,464,214	78,777,758	58,459,451
<b>Cash and cash equivalents</b>			21,600,228	42,281,137
<b>Working capital</b>			18,030,678	42,649,596
<b>Equity</b>			280,140,008	288,500,630
<b>Copper produced (lbs)</b>	20,259,000	18,600,000	80,941,000	66,200,000
<b>Gold produced (oz)</b>	6,100	4,300	22,600	21,600
<b>Silver produced (oz)</b>	101,100	105,800	443,800	320,400
<b>Copper sold (lbs)</b>	17,648,000	18,492,000	80,748,000	64,841,000
<b>Gold sold (oz)</b>	4,100	6,600	24,700	24,200
<b>Silver sold (oz)</b>	100,200	89,000	427,600	301,300
<b>Site cash costs per pound of copper produced (net of gold, silver credits) (US\$)</b>	1.54	1.68	1.49	1.70
<b>Total cash costs per pound of copper sold (net of gold, silver credits) (US\$)</b>	1.94	2.19	1.98	2.22

### Copper Mountain Mine

During the year, the company completed fourteen shipments of concentrate containing approximately 80.7 million pounds of copper to Japan for smelting and recorded revenues, net of smelter charges and pricing adjustments, of \$266 million, realizing a gross profit of \$32 million. The total cash cost of copper sold for the year ended December 31, 2013 was US\$1.99 per pound of copper net of gold and silver by-product credits.

Mining activities continued in the Pit 2 and Pit 3 areas throughout 2014. The new mine dispatch system has proven to be a valuable tool to maximize haulage truck load factors and improve mining efficiencies. A total of 60 million tonnes of material was mined, including 18.8 million tonnes of ore and 41.3 million tonnes of waste at an average mining rate of 175,000 tpd moved during 2014. The ore grade averaged 0.40% Copper for the year. Site cash costs were \$1.49 per pound of copper after gold and silver by-product credits.

Mill throughput from the concentrator was improved more than 10% during 2014 as compared to 2013. During the first quarter of 2014, SAG mill throughput was averaging about 29,280 tpd while utilizing temporary portable crushers and by year end mill throughput had increased 24% to an average of 36,200 tpd for the last two weeks of December. The improvement in mill throughput during the year was a direct result of feeding the SAG mill with finer ore. Construction of the \$40 million secondary crusher was completed on time and on budget by the end of July 2014. Commissioning of the crusher commenced immediately and by the end of the third quarter a marked improvement in production was noted. Some technical and mechanical issues limited the crusher's ability to run at 100% of designed capacity but these were resolved in the fourth quarter. At the end of the year the secondary crusher was operating at designed capacity and the finer mill feed provided the increased milling rate as planned.

<sup>2</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>3</sup> Calculated based on weighted average number of shares outstanding under the basic method based on adjusted earnings.

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

The mine exited the year on a positive note with copper production at 20 million pounds of copper, 6,100 ounces of gold and 101,000 ounces of silver during the three months of operations ended December 31, 2014. This brought production for the twelve months ended December 31, 2014 to 81 million pounds of copper, 22,600 ounces of gold and 443,700 ounces of silver.

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

### Summarized Balance Sheet

	<b>December 31, 2014</b>	<b>December 31, 2013</b>
	\$	\$
<b><u>Assets</u></b>		
Cash	21,600,228	42,281,137
Accounts Receivable and prepaids	6,886,175	17,953,700
Inventory	44,420,673	26,789,416
Property, plant and equipment	559,118,221	531,890,214
Other Assets	60,637,691	44,166,934
	<b>692,662,988</b>	<b>663,081,401</b>
<b><u>Liabilities</u></b>		
Current liabilities	54,876,398	44,374,657
Decommissioning and restoration provision	7,797,154	6,245,963
Interest rate swap liability	7,180,836	6,364,019
Long-term debt	332,902,291	311,241,671
Deferred tax liability	9,766,301	6,354,461
	415,522,980	374,580,771
<b><u>Equity</u></b>		
Share capital	188,306,341	186,291,105
Contributed surplus	11,818,044	9,662,977
Retained earnings (deficit)	(2,928,184)	15,292,029
Non-controlling interest	82,943,807	77,254,519
<b>Total equity</b>	<b>280,140,008</b>	<b>288,500,630</b>
	<b>692,662,988</b>	<b>663,081,401</b>

## Summarized Income Statement

	Three months ended		Year ended	
	December 31,		December 31,	
	2014	2013	2014	2013
(CDN\$)	\$	\$	\$	\$
<b>Revenues</b>	53,913,648	64,714,231	265,675,927	233,122,274
<b>Cost of sales<sup>5</sup></b>	(52,468,914)	(56,479,935)	(233,915,647)	(202,088,608)
<b>Gross profit</b>	<b>1,444,734</b>	<b>8,234,296</b>	<b>31,760,280</b>	<b>31,033,666</b>
<b>Other income and expenses</b>				
General and administration	(1,408,646)	(1,514,514)	(5,995,452)	(5,493,368)
Share based compensation	462,132	(418)	(2,753,477)	(41,856)
<b>Operating income</b>	<b>498,220</b>	<b>6,719,364</b>	<b>23,011,351</b>	<b>25,498,442</b>
Pricing adjustments on concentrate and metal sales	6,760,792	(185,387)	17,899,517	1,031,760
Finance income	6,240	171,365	197,148	387,438
Finance expense	(2,358,197)	(2,390,128)	(8,971,230)	(8,773,795)
Current resource tax expense	(149,202)	602,290	(985,610)	(632,750)
Deferred income and resource tax recovery	877,905	(192,813)	2,405,838	(2,967,072)
<b>Adjusted earnings<sup>6</sup></b>	<b>5,635,758</b>	<b>4,724,691</b>	<b>28,745,338</b>	<b>14,544,023</b>
Pricing adjustments on concentrate and metal sales	(6,760,792)	185,387	(17,899,517)	(1,031,760)
Unrealized gain (loss) on interest rate swap	(2,464,087)	(57,270)	(4,779,505)	2,217,428
Unrealized gain (loss) on foreign exchange	(12,625,921)	(8,998,238)	(28,597,266)	(19,144,048)
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>(16,245,042)</b>	<b>(4,145,430)</b>	<b>(22,530,950)</b>	<b>(3,414,357)</b>
<b>Net income (loss) and comprehensive income (loss) attributable to:</b>				
Shareholders of the company	(12,703,961)	(2,803,695)	(18,220,213)	(3,245,051)
Non-controlling interest	(3,541,081)	(1,341,735)	(4,310,737)	(169,306)
	<b>(16,245,042)</b>	<b>(4,145,430)</b>	<b>(22,530,950)</b>	<b>(3,414,357)</b>
<b>Earnings (loss) per share</b>	<b>(0.11)</b>	<b>(0.03)</b>	<b>(0.15)</b>	<b>(0.03)</b>
<b>Adjusted earnings per share</b>	<b>0.05</b>	<b>0.05</b>	<b>0.24</b>	<b>0.15</b>

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

### 2015 Guidance:

The 2015 guidance is based on mining at a rate of 185,000 tonnes per day to mine a total of 16.6 million tonnes of high grade material, 13.8 million tonnes of low grade material, 37 million tonnes of waste at a strip ratio of 1.22 to 1. Mining costs are estimated to be \$1.75 per tonne mined. Mill production is based on achieving 37,500 tpd through the mill at an average head grade of 0.33% Cu (0.41% CuEq) and recoveries of 82% to produce about 100 million pounds of copper equivalent which includes about 80 million pounds of copper, 35,000 ounces of gold, and 290,000 ounces of silver.

### 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. The key development for 2014 was the installation of the secondary crusher as a permanent solution to maximize concentrator throughput and improve overall efficiencies for the company. Secondary crusher construction was completed by the end of July 2014 on budget and on schedule. The

<sup>5</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>6</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.

18,000 acre site has a large resource of copper that 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 property's full development potential. Additional information is available on the Company's web page at [www.CuMtn.com](http://www.CuMtn.com).

The Conference call has been changed by one business day from the original scheduled date to accommodate management's travel schedule. A conference call and audio webcast will now be held on Monday February 23<sup>rd</sup>, 2015 at 7:00 am (Eastern Standard Time) for management to discuss the 2014 year end results. This discussion will be followed by a question-and-answer period with investors.

**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/1470513/1636877>

**Replay call information**

Toronto and international: 416-764-8677, passcode 045842

North America (toll-free): 888-390-0541, passcode 045842

The conference call replay will be available from 10:00 am (EST) on February 23, 2015 until 11:59 pm PST on March 9, 2015.

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

On behalf of the Board of

**COPPER MOUNTAIN MINING CORPORATION**

*"Rod Shier"*

Rodney A. Shier, CA.

Chief Financial Officer

**For further information, please contact:**

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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.