



## Copper Mountain Mining Corporation

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TSX: CMMC

# Copper Mountain Mining Announces Q1 2017 Financial Results

**Vancouver, British Columbia – April 25, 2017 – Copper Mountain Mining Corporation (TSX: CMMC)** (the “Company” or “Copper Mountain”) announces first quarter revenues of \$74.1 million after pricing adjustments and treatment charges from the sale of 19.0 million pounds of copper, 6,000 ounces of gold, and 64,000 ounces of silver. Total cash cost for the quarter ended March 31, 2017 was US\$1.86 per pound of copper sold, net of precious metals credits.

### Highlights (100% Basis)

- Sales for the quarter were \$74.1 million from four shipments of concentrate containing 19.0 million pounds of copper, 6,000 ounces of gold, and 64,000 ounces of silver, net of pricing adjustments.
- Gross profit for the quarter was \$11.2 million.
- EBITDA was \$22.8 million for the quarter, compared to \$34.0 million in the same quarter for 2016.
- Cash flow from operating activities before working capital changes was \$20.8 million.
- Cash and cash equivalents were \$30.1 million at the end of the quarter.
- Site cash costs for the 2017 first quarter were US\$1.36 per pound of copper produced net of precious metal credits.
- Total cash costs for the period were US\$1.86 per pound of copper sold net of precious metal credits and after all off-site charges.
- Realized prices on metal sales were US\$2.65 per pound of copper, US\$1,217 per ounce of gold and US\$17.30 per ounce of silver.

Jim O’Rourke, President and CEO of Copper Mountain, remarked *“During the first quarter of 2017, the mining rate averaged 199,600 tpd moved or 10.5% above plan. This extra mine production continues to strengthen the mine plan and enhances the ore release flexibility. This strong mine performance provides opportunities to better benefit from the improved metal prices”*.

As reported earlier, mining activities were mainly focused in the Pit #2 and the Saddle areas for the first quarter of 2017. During the quarter a total of 18.0 million tonnes of material was mined, including 5.7 million tonnes of ore and 12.3 million tonnes of waste for a strip ratio of 2.16:1. High equipment mechanical availability was maintained during the quarter which helped contribute to the above average mining rates of 199,600 tonnes per day moved, well above our 2017 mining guidance rate of 180,000 tonnes per day moved.

During the quarter the mill processed a total of 3.4 million tonnes of ore grading 0.31% copper to produce 18.1 million pounds of copper, 5,900 ounces of gold, and 64,300 ounces of silver. Mill head grade was slightly above guidance for the quarter, while copper recoveries were slightly below plan at 79% for the quarter because of processing some fine-grained ore in the saddle area. This is a small area of the pit that was mined mid quarter and recoveries returned back in line with the plan. Mill operating time during the quarter averaged 92% and the mill achieved an average throughput rate of 37,350 tpd during the quarter.

## Summary Financial Results

(In thousands of CDN\$, other than per share and per pound amounts)	Three months ended March 31,		Dur ing the peri od the Co mpa ny reco gniz ed reve nues of \$74. 1 milli on, net of prici ng adju stme nts and treat
	2017 \$	2016 \$	
<b>Revenues</b>	74,096	58,726	
<b>Cash Flow from operating activities before working capital items</b>	20,843	15,161	
<b>Gross profit</b>	11,211	1,564	
<b>Operating income (loss)</b>	7,971	(450)	
<b>Net income</b>	7,492	19,098	
<b>Net income per share</b>	\$0.04	\$0.11	
<b>EBITDA</b>	22,819	34,002	
<b>Adjusted EBITDA</b>	16,030	7,194	
<b>Cash and cash equivalents</b>	30,126	1,761	
<b>Accounts Receivable</b>	26,044	16,865	
<b>Working capital (incl. \$30,745 due to related party (2016 - \$13,724))</b>	(7,165)	(13,946)	
<b>Equity</b>	203,460	195,348	
<b>Copper produced (000's lbs)</b>	18,100	19,000	
<b>Gold produced (oz)</b>	5,900	7,600	
<b>Silver produced (oz)</b>	64,300	64,700	
<b>Copper sold (000's lbs)</b>	19,000	18,100	
<b>Gold sold (oz)</b>	6,000	6,900	
<b>Silver sold (oz)</b>	64,000	61,200	
<b>Site cash costs per pound of copper produced (net of gold, silver credits) (US\$)</b>	1.36	1.16	
<b>Total cash costs per pound of copper sold (net of gold, silver credits) (US\$)</b>	1.86	1.61	
<b>Realized Copper Price (US\$)</b>	2.65	2.10	

ment charges based on an average realized copper price of US\$2.65 per pound; compared to revenues of \$58.7 million net of pricing adjustments and an average copper price of US\$2.10 per pound for the period ended March 31, 2016. Gross profit for the quarter was \$11.2 million as compared to a gross profit of \$1.6 million for the period ended March 31, 2016. The increase in revenues and gross profit for Q1 2017 is due to the increase in the sales price of copper along with more pounds of copper being sold as compared to the same period in 2016.

The Company reported net income of \$7.1 million or \$0.04 per share for the three months ended March 31, 2017, compared to net income of \$18.9 million or \$0.11 per share for the three months ended March 31, 2016. The decrease in net income for the current quarter compared to the same quarter in 2016 is largely attributable to the non-cash unrealized foreign exchange gain of \$25.1 million in 2016 that was related to the Company's US dollar denominated debt.

Site cash costs were US\$1.36 per pound of copper produced and total cash costs were US\$1.86 per pound sold, net of precious metal credits for the three months ended March 31, 2017; compared to site cash costs of US\$1.16 per pound of copper produced and total cash costs of US\$1.61 per pound of copper sold, net of precious metal credits for the three months ended March 31, 2016. The increase in site costs for the three months ended March 31, 2017 as compared to the three months ended March 31, 2016 are the result of a 4% increase in power costs, an increase in the cost of fuel, an increased use of more expensive wet hole explosives due to wet drill hole condition in the area of the pit mined during the quarter, and the timing of mine and mill maintenance projects.

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

**Summarized Balance Sheet**  
(In thousands of Canadian dollars)

	<b>March 31, 2017</b>	<b>December 31, 2016</b>
	\$	\$
<b><u>Assets</u></b>		
Cash	30,127	31,409
Accounts Receivable and prepaids	26,044	26,048
Inventory	52,355	48,465
Property, plant and equipment	451,053	463,080
Other Assets	84,929	78,788
	<b>644,508</b>	<b>647,790</b>
<b><u>Liabilities</u></b>		
Accounts payable and accrued liabilities	32,832	36,488
Amounts payable to related parties	30,745	22,653
Current portion of long-term debt	51,740	46,415
Electricity deferral	11,058	15,385
Tax liability	371	1,157
Decommissioning and restoration provision	6,474	6,312
Interest rate swap liability	4,317	4,088
Long-term debt	303,508	319,759
	441,045	452,257
<b><u>Equity</u></b>		
Share capital	194,588	194,208
Contributed surplus	15,206	14,733
Retained earnings (deficit)	(68,933)	(73,656)
Non-controlling interest	62,602	60,208
<b>Total equity</b>	<b>203,463</b>	<b>195,533</b>
	<b>644,508</b>	<b>647,790</b>

## Summarized Income Statement

(In thousands of Canadian dollars, other than per share and per pound amounts)

	<b>Three months ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues</b>	74,096	58,726
<b>Cost of sales<sup>1</sup></b>	(62,885)	(57,162)
<b>Gross profit</b>	<b>11,211</b>	<b>1,564</b>
<b>Other income and expenses</b>		
General and administration	(2,682)	(1,780)
Exploration and evaluation	(35)	-
Share based compensation	(523)	(234)
<b>Operating income</b>	<b>7,971</b>	<b>(450)</b>
Pricing adjustments on concentrate and metal sales	(3,976)	(4,226)
Finance income	145	97
Finance expense	(3,437)	(3,131)
Current resource tax expense	(375)	(170)
<b>Adjusted earnings<sup>2</sup></b>	<b>328</b>	<b>(7,880)</b>
Pricing adjustments on concentrate and metal sales	3,976	4,226
Unrealized loss on interest rate swap	(358)	(2,566)
Unrealized gain on foreign exchange	3,171	25,148
<b>Net income and comprehensive income for the period</b>	<b>7,117</b>	<b>18,928</b>
<b>Net income and comprehensive income attributable to:</b>		
Shareholders of the company	4,723	13,617
Non-controlling interest	2,394	5,311
	<b>7,117</b>	<b>18,928</b>
<b>Earnings per share</b>	<b>\$0.04</b>	<b>\$0.11</b>
<b>Adjusted earnings per share</b>	<b>\$0.00</b>	<b>(\$0.07)</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 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 25% of the mine. The Copper Mountain mine has a large resource of copper that remains open laterally and at depth. This significant exploration potential will be explored over the next few years in order 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).

<sup>1</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>2</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.

*The conference call and audio webcast will be held on Tuesday, April 25, 2017 at 7:30 am (Pacific Standard Time) and will be followed by a question-and-answer period with investors.*

***Live Dial-in information***

*Toronto and international: 647-427-7450*

*North America (toll-free): 1-888-231-8191*

*To participate in the webcast live via your computer go to:*

<http://event.on24.com/r.htm?e=1396431&s=1&k=67F97D9094AA01C7BA6587307E6DA50A>

***Replay call information***

*Toronto and international: 416-849-0833 Passcode: 95448533*

*North America (toll-free): 1-855-859-2056 Passcode: 95448533*

*The conference call replay will be available from 10:30 am (PST) on Tuesday, April 25, 2017, until 11:59 pm PST on Tuesday, May 9th, 2017.*

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