

Copper Mountain Mining Announces Fourth Quarter and Full Year 2022 Results and Provides 2023 Guidance

Vancouver, BC, March 27, 2023 – Copper Mountain Mining Corporation (TSX: CMMC | ASX:C6C) (the “Company” or “Copper Mountain”) announces fourth quarter and full year 2022 financial and operating results. All currency is in Canadian dollars, unless otherwise stated. All results are reported on a 100% basis. The Company’s Financial Statements and Management’s Discussion & Analysis (“MD&A”) are available at www.CuMtn.com and www.sedar.com.

SUMMARY

- Production in Q4 2022 was 15.9 million pounds of copper equivalent, including 13.3 million pounds of copper, 4,791 ounces of gold, and 65,338 ounces of silver.
- Full year 2022 production was 64.1 million pounds of copper equivalent, including 52.9 million pounds of copper, 21,771 ounces of gold, and 247,291 ounces of silver.
- Revenue for Q4 2022 was \$90.3 million and for the full year was \$301.5 million.
- C1 cash cost⁽¹⁾ per pound of copper produced in Q4 2022 was US\$3.88, all-in sustaining cost (“AISC”)⁽¹⁾ per pound of copper produced was US\$4.20 and all-in cost (“AIC”)⁽¹⁾ per pound of copper produced was US\$4.20.
- Full year 2022 C1 cash cost⁽¹⁾ per pound of copper produced was US\$3.53, AISC⁽¹⁾ per pound of copper was US\$4.20, and AIC⁽¹⁾ per pound of copper was US\$4.78.
- Net income for Q4 2022 was \$73.4 million or \$0.35 per share and for the full year was \$23.0 million or \$0.15 per share. Net loss from continuing operations for Q4 2022 was \$11.3 million, or (\$0.05) per share and for the full year was \$58.9 million, or (\$0.23) per share.
- Adjusted net loss⁽¹⁾ for Q4 2022 was \$20.6 million, or (\$0.10) per-share⁽¹⁾ and for the full year was \$48.0 million, or (\$0.23) per share⁽¹⁾.
- Cash flow from operating activities for Q4 2022 was (\$15.3) million, or (\$0.07) per share⁽¹⁾ and for the full year was \$19.5 million, or \$0.09 per share⁽¹⁾.
- Cash and cash equivalents, and restricted cash at the end of 2022 was \$214.6 million.
- Successfully commissioned the expansion of the rougher flotation circuit.
- Sold the Eva Copper Project and the Australian exploration tenements to Harmony Gold Mining Company Limited (“Harmony”) for gross proceeds of up to US\$230 million, which includes upfront cash consideration of US\$170 million.
- Annual guidance for 2023:
 - Production of 88 to 98 million pounds of copper.

- AIC of US\$2.45 to US\$2.95 per pound of copper produced.
- Subsequent to quarter end:
 - In January 2023, completed bond buyback resulting in the repurchase of the total planned aggregate principal amount of US\$87 million of bonds, thereby reducing the Company's total nominal value of bonds outstanding to US\$148 million.
 - Entered into monthly zero-cost collar option contracts for 3.32 million pounds of copper per month from January to June 2023, with a floor price of US\$3.60 per pound and a ceiling price of US\$4.40 per pound.
 - Announced the appointment of Patrick Merrin as President and CEO, effective April 24, 2023, following the retirement of Gil Clausen, current President and CEO, effective April 30, 2023.

(1) *The Company reports the non-GAAP financial measures of C1 cash cost, AISC, and AIC per pound of copper produced, adjusted net loss and cash flow from operating activities per share to manage and evaluate its operating performance. See "Cautionary Note Regarding Non-GAAP Performance Measures" in this press release.*

Gil Clausen, Copper Mountain's President and CEO commented, "We faced numerous operational challenges in 2022 that resulted in a disappointing year. From the start of the year, the mill was running at reduced rates from damage to the secondary crusher main shaft, then we encountered oxidized ore in the North Pit, a worn eccentric bushing in our primary crusher and general quality problems with the grinding balls from our supplier. On top of which, the year culminated with a ransomware attack in late December. Concurrently, we were completing all our plant optimization projects, so there was a large amount of committed project capital being spent at the same time we were experiencing operational challenges. We did not meet our expectations in 2022, but with these issues now behind us, we are having a solid start to 2023. Further, many achievements were still accomplished during the year. We completed our plant optimization projects, significantly increased our mineral reserves and mineral resources, and announced a low risk plan for future growth at our Copper Mountain Mine. We also generated an attractive return from the sale of the Eva Copper Project, materially reducing our outstanding debt and strengthening our balance sheet.

2023 will be a year focused on operational execution and exploration investment at Copper Mountain. We see a strong year ahead with production expected to significantly increase to 88 to 98 million pounds of copper. Notably, so far this year, production is in line with budget. We also expect costs to be materially lower from higher production, shorter haul distances, minimal expansionary capital with many one-time project costs now behind us. We are expecting a year of increased production, decreased costs and low capital commitments, all of which implies a year of solid free cash flow generation."

Mr. Clausen added, "Copper Mountain's incoming CEO, Patrick Merrin, has a wealth of operational and technical mining experience, and is the right person to lead the Company through this phase of operational excellence. We are very excited about the future."

SUMMARY OF OPERATING RESULTS

Copper Mountain Mine (100% Basis)	Q4 2022	Q4 2021	FY 2022	FY 2021
Mine				
Total tonnes mined (000s)	11,450	11,368	52,755	56,897
Ore tonnes mined (000s)	3,865	3,023	12,937	13,358
Waste tonnes (000s)	7,585	8,346	39,818	43,540
Stripping ratio	1.96	2.76	3.08	3.26
Mill				
Tonnes milled (000s)	3,103	3,124	12,707	13,406
Feed Grade (Cu%)	0.24	0.30	0.24	0.38
Recovery (%)	81.2	80.4	79.1	79.8
Operating time (%)	77.2	87.5	85.4	91.9
Tonnes milled (TPD)	33,725	33,957	34,814	36,729
Production				
Copper (000s lb)	13,268	16,693	52,902	90,140
Gold (oz)	4,791	5,472	21,771	28,736
Silver (oz)	65,338	80,377	247,291	523,821
Sales				
Copper (000s lb)	13,961	19,391	52,659	93,004
Gold (oz)	5,889	6,285	20,937	29,691
Silver (oz)	71,551	108,020	249,032	533,096
C1 cash cost per pound of copper produced (US\$) ⁽¹⁾	3.88	2.17	3.53	1.49
AISC per pound of copper produced (US\$) ⁽¹⁾	4.20	2.54	4.20	1.84
AIC per pound of copper produced (US\$) ⁽¹⁾	4.20	2.76	4.78	2.12
Average realized copper price (US\$/lb)	3.62	4.44	3.96	4.21

(1) The Company reports the non-GAAP financial measures of C1 cash costs, AISC and AIC per pound of copper produced to manage and evaluate its operating performance. For further information, see "Cautionary Note Regarding Non-GAAP Performance Measures" in this press release.

Fourth Quarter 2022

Production

The Copper Mountain Mine produced 13.3 million pounds of copper, 4,791 ounces of gold, and 65,338 ounces of silver in Q4 2022, compared to 16.7 million pounds of copper, 5,472 ounces of gold, and 80,377 ounces of silver in Q4 2021. The lower production in Q4 2022 as compared to Q4 2021 was due to lower mill throughput and lower mill feed grades.

Mill feed grade in Q4 2022 was 0.24% Cu compared to 0.30% Cu in Q4 2021. Mill feed was delivered from Phase 4 (approximately 35%), and the North Pit (approximately 65%) during the quarter. Phase 4 delivered higher grade

tonnes as planned, but lower tonnages of higher grade were present at the top of the deposit, thus more North Pit ore was used for mill feed than planned, resulting in the lower overall grade in the quarter. Phase 4 grades averaged 0.29% Cu during the quarter compared to North Pit grades averaging 0.22% Cu. Phase 4 higher grade ore is planned to be the main ore supply for 2023, driving increased production. Phase 4 has an average expected grade of 0.33% Cu. Grade and production in 2023 to date has been in line with budget.

The mill processed a total of 3.1 million tonnes of ore during the quarter compared to 3.1 million tonnes in Q4 2021, with mill availability averaging 77.2% for Q4 2022 compared to 87.5% in Q4 2021. As previously mentioned, mill throughput was impacted in October due to a mechanical failure of the lower eccentric bushing of the primary crusher, which resulted in a two-day mill shutdown following seven days of reduced tonnage. Mill tonnage was further reduced in late December associated with severe cold temperatures, followed by a shutdown of the mill in late December associated with the ransomware attack. Despite these significant downtime events, record daily mill tonnage rates were achieved during the quarter demonstrating the ability of the mill to operate at design tonnage rates.

Copper recovery was 81.2% in Q4 2022 compared to 80.4% in Q4 2021. Recoveries improved during the quarter as the North Pit was developed beyond the upper oxidized benches and there was sufficient ore supply to feed the mill with high quality ore. Initial operations of the rougher expansion provided positive recovery benefits, even when operating at higher tonnage rates. Copper recovery is expected to improve with full operation and optimization of the rougher flotation expansion, and optimization of the grinding circuit to achieve consistent finer grinds.

Costs

C1 cash cost, AISC and AIC per pound of copper produced are non-GAAP financial measures. See “Cautionary Note Regarding Non-GAAP Performance Measures” in this press release.

C1 cash cost per pound of copper produced, net of precious metal credits, for Q4 2022 was US\$3.88, compared to US\$2.17 in Q4 2021. The increase in C1 cash costs in Q4 2022 was primarily the result of lower copper production and other items, including higher operating costs and lower precious metal credits. Higher operating costs were primarily a result of cost increases associated with fuel, mill grinding media/steel, explosives and mobile equipment repairs.

AISC per pound of copper produced for Q4 2022 was US\$4.20, compared to US\$2.54 in Q4 2021. AISC carries forward from higher C1 cash costs in Q4 2022 with the addition of \$5.7 million in AISC adjustments, which includes: \$1.9 million for sustaining capital, \$2.9 million for lease payments and \$0.8 million for applicable mine administration costs. This compares to the addition of \$7.8 million in AISC adjustments in Q4 2021, which included \$4.9 million for sustaining capital, \$2.5 million for lease payments, and \$0.5 million for applicable mine administration expenditures.

AIC per pound of copper produced for Q4 2022 was US\$4.20, compared to US\$2.76 in Q4 2021. AIC carries forward from higher AISC, with the addition of deferred stripping mining costs, which are capitalized, and low-grade

stockpile mining costs, which are recorded as inventory. There was no deferred stripping or mining of low-grade stockpile material in Q4 2022 as compared to \$4.7 million deferred stripping costs in Q4 2021. As a result, AISC and AIC are the same for the period.

Full Year 2022

Production

During the year ended December 31, 2022, the Copper Mountain Mine produced 52.9 million pounds of copper, 21,771 ounces of gold, and 247,291 ounces of silver compared to 90.1 million pounds of copper, 28,736 ounces of gold, and 523,821 ounces of silver for the year ended December 31, 2021. This compares to the Company's revised 2022 copper production guidance of 55 to 60 million pounds. Lower mill feed grades and throughput are the primary drivers of lower production for the year ended December 31, 2022 compared to 2021.

Mill feed grade for the year ended December 31, 2022 averaged 0.24% Cu compared to 0.38% Cu for the year ended December 31, 2021. For the year ended December 31, 2022, lower grade ore was supplied from the North Pit, Phase 2, and the low-grade stockpile, while higher grade ore supply from Phase 4 was delayed due to waste stripping shortfalls. Phase 3 also had higher grades left in the highwall which could not be accessed during the year because of the need to single bench instead of double bench a section of this phase for geotechnical management. These higher grade areas will be recovered in a later phase. Phase 4 higher grade ore will be the main ore supply for 2023, driving increased production.

The mill processed a total of 12.7 million tonnes of ore during the year ended December 31, 2022 compared to 13.4 million tonnes in the year ended December 31, 2021. Throughput was reduced in Q1 2022 because of damage to the secondary crusher which was repaired in April 2022, challenges in processing high clay material through the crushing circuit in Q2 2022, a SAG ball quality issue experienced in Q3 2022, a primary crusher mechanical issue, and the ransomware attack in Q4 2022. This all resulted in average mill availability of 85.4% for the year ended December 31, 2022 compared to 91.9% for the year ended December 31, 2021.

Copper recovery was 79.1% for the year ended December 31, 2022 compared to 79.8% for the year ended December 31, 2021. The slightly lower recovery was a result of the impact of oxidized ore from the top benches of the North Pit.

Costs

C1 cash cost per pound of copper produced, net of precious metal credits, for the year ended December 31, 2022 was US\$3.53, compared to US\$1.49 for the year ended December 31, 2021. The increase in C1 cash costs for the year ended December 31, 2022 was primarily a result of lower copper production, as well as higher operating costs and lower precious metal credits as compared to the year ended December 31, 2021. Increased operating costs for the year were largely a result of higher costs associated with fuel, mill grinding media/steel, mobile equipment repairs, and increased maintenance contractor support.

AISC per pound of copper produced for the year ended December 31, 2022 was US\$4.20 compared to US\$1.84 for the year ended December 31, 2021. AISC carries forward from C1 cash costs with the addition of \$46.4 million in AISC adjustments for the year ended December 31, 2022, including \$31.4 million for sustaining capital, \$12.4 million for lease payments and \$2.7 million for applicable mine administration costs. This compares to the addition of \$39.6 million in AISC adjustments for the year ended December 31, 2021, including \$23.0 million for sustaining capital, \$14.0 million for lease payments, and \$2.6 million for applicable mine administration expenditures. The AISC adjustments for the year ended December 31, 2022 were higher than December 31, 2021 primarily as a result of costs carried forward from higher C1 costs, but also from higher sustaining capital costs because of continued implementation of the mine's environmental water management systems.

AIC per pound of copper produced for the year ended December 31, 2022 was US\$4.78 compared to US\$2.12 for the year ended December 31, 2021. The Company's revised AIC guidance for 2022 was US\$4.25 to US\$4.50 per pound of copper produced. AIC carries forward from AISC with the addition of deferred stripping mining costs which are capitalized and totalled \$39.8 million in the year ended December 31, 2022 compared to \$31.2 million in the year ended December 31, 2021. The increase in deferred stripping is a result of the continued development of Phase 4 of the Main Pit to access the higher-grade ore and the commencement of development of the North Pit earlier in the year to access another ore source.

SUMMARY OF FINANCIAL RESULTS

<i>Results and Highlights (100%)</i>	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
<i>(In thousands of CDN\$, except for per share amounts)</i>				
Financial				
Revenue	90,279	136,755	301,467	578,202
Gross profit (loss)	(9,518)	72,175	(11,252)	320,882
Gross profit (loss) before depreciation ⁽¹⁾	(1,077)	74,441	14,205	344,419
Net income (loss) from continuing operations	(11,313)	32,073	(58,853)	149,353
Income (loss) per share from continuing operations – basic	(0.05)	0.11	(0.23)	0.50
Net income ⁽²⁾	73,350	31,535	22,965	148,139
Income per share – basic ⁽²⁾	0.35	0.11	0.15	0.50
Adjusted earnings (loss) ⁽¹⁾	(20,605)	23,830	(47,987)	131,483
Adjusted earnings (loss) per share – basic ⁽¹⁾	(0.10)	0.11	(0.23)	0.63
EBITDA ⁽¹⁾	(5,376)	68,262	(9,822)	307,430
Adjusted EBITDA ⁽¹⁾	(14,668)	60,019	1,044	289,560
Cash flow from operating activities ⁽²⁾	(15,325)	50,420	19,474	315,456
Cash flow from operating activities per share – basic ⁽¹⁾⁽²⁾	(0.07)	0.24	0.09	1.50
Cash, cash equivalents, and restricted cash – end of period			214,643	178,414

(1) The Company reports the non-GAAP financial measures of gross profit before depreciation, adjusted earnings, adjusted earnings per share, EBITDA and adjusted EBITDA to manage and evaluate its operating performance. For further information, see "Cautionary Note Regarding Non-GAAP Performance Measures" in this press release.

(2) Net income (loss) figures above include the gain on the disposition of the Eva Copper Project and according to IFRS 5, the Eva Copper Project's results are included within cash flow amounts in both the current and comparative period.

Fourth Quarter 2022

In Q4 2022, revenue was \$90.3 million, net of pricing adjustments and treatment charges, compared to revenue of \$136.8 million in Q4 2021. Revenue in Q4 2022 is based on the sale of 14.0 million pounds of copper, 5,889 ounces of gold, and 71,551 ounces of silver. This compares to 19.4 million pounds of copper, 6,285 ounces of gold, and 108,020 ounces of silver sold in Q4 2021. As noted above, the decrease in revenue was due to lower quantities of all metals sold at lower realized prices. Lower quantities of metals sold was a result of lower metal production in Q4 2022 compared to Q4 2021.

Cost of sales in Q4 2022 was \$100.0 million compared to \$64.6 million for Q4 2021. The elevated cost of sales, despite lower revenue, can largely be attributed to cost increases associated with fuel, mill grinding media/steel, explosives, mobile equipment repairs, and other operating costs across the mine site. Cost of sales is also affected by the allocation of mine operating costs to deferred stripping. No costs were allocated to deferred stripping in Q4 2022, compared to \$5.3 million (including \$0.6 million of depreciation) that was allocated to deferred stripping in Q4 2021.

The Company generated a gross loss of \$9.5 million in Q4 2022 compared to a gross profit of \$72.2 million in Q4 2021. The Company reported a net loss from continuing operations of \$11.3 million for Q4 2022 compared to net income of \$32.1 million for Q4 2021. The variance in net income for Q4 2022, compared to Q4 2021, was due to several items, including:

- Lower revenue in Q4 2022 because of a 28% decrease in pounds of copper sold and a 6% and 34% decrease in gold and silver sold, respectively, in Q4 2022;
- Lower realized metal prices in Q4 2022 of 18%, 4%, and 8% in copper, gold, and silver prices, respectively; and,
- Higher cost of sales in Q4 2022 because of inflationary pressures, higher operating and production costs with no mine operating costs going to deferred stripping in the period.

The Company recorded an adjusted net loss⁽¹⁾ of \$20.6 million in Q4 2022, or \$(0.10) per share⁽¹⁾, compared to adjusted net income⁽¹⁾ of \$23.8 million in Q4 2021, or \$0.11 per share⁽¹⁾.

Full Year 2022

For the year ended December 31, 2022, revenue was \$301.5 million, net of pricing adjustments and treatment charges, compared to \$578.2 million for the year ended December 31, 2021. Revenue for the year ended December 31, 2022 is based on the sale of 52.7 million pounds of copper, 20,937 ounces of gold, and 249,032 ounces of silver. This compares to 93.0 million pounds of copper, 29,691 ounces of gold, and 533,096 ounces of silver sold in the year ended December 31, 2021. As noted above, the decrease in revenue was due to lower quantities of all metal sold at lower realized prices. Lower quantities of metal sold was a result of lower metal production for the year ended December 31, 2022 as compared to the year ended December 31, 2021.

Cost of sales for the year ended December 31, 2022 was \$312.7 million compared to \$257.3 million for the year ended December 31, 2021. The elevated cost of sales, despite lower revenues, can largely be attributed to cost increases associated with fuel, mill grinding media/steel, explosives, mobile equipment repairs, and other operating costs across the mine site, including increased maintenance contractor support earlier in the year.

Cost of sales is net of \$42.4 million of mining costs (including \$2.6 million in depreciation), allocated to deferred stripping in the year ended December 31, 2022 compared to \$35.5 million of mining costs (including \$4.4 million in depreciation) in the year ended December 31, 2021.

During the year ended December 31, 2022, the Company generated a gross loss of \$11.3 million compared to a gross profit of \$320.9 million for the year ended December 31, 2021.

The Company reported a net loss from continuing operations of \$58.9 million for the year ended December 31, 2022 compared to net income of \$149.4 million for the year ended December 31, 2021. The variance in the net loss for the year ended December 31, 2022, compared to the net income of the year ended December 31, 2021, was due to several items, including:

- Lower revenue for the year ended December 31, 2022 as a result of a 43% decrease in pounds of copper sold and a 29% and 53% decrease in gold and silver sold, respectively, compared to the year ended December 31, 2021. The decrease in production was a result of challenges described above;
- Lower realized metal prices for the year ended December 31, 2022 compared to the year ended December 31, 2021 including 6% and 15% lower copper and silver prices, respectively;
- Higher cost of sales for the year ended December 31, 2022 as a result of inflationary pressures and higher operating and production costs as compared to the year ended December 31, 2021; and
- A higher foreign exchange loss for the year ended December 31, 2022 of \$21.1 million compared to a \$3.2 million loss for the year ended December 31, 2021.

For the year ended December 31, 2022, the Company recorded an adjusted net loss⁽¹⁾ of \$48.0 million, or \$(0.23) per share⁽¹⁾, compared to adjusted net income⁽¹⁾ of \$131.5 million, or \$0.63 per share⁽¹⁾ in the year ended December 31, 2021.

PROJECT DEVELOPMENT UPDATE

Copper Mountain Mine, Canada

In early October, the Company successfully commissioned the rougher flotation circuit expansion, thereby completing the final plant improvement and optimization project in 2022. The rougher flotation circuit is expected to support higher recoveries, especially on slower kinetic ore types. Initial operation of the rougher expansion has already provided positive recovery benefits.

The plant improvement and optimization projects completed earlier in 2022 included the installation of an additional large column flotation cell to increase cleaner circuit capacity, which was completed and fully

commissioned during the second quarter. The large new flotation cell provides additional cleaner circuit capacity to handle higher mill feed grades at higher tonnage rates. A new filter press was also installed and commissioned during the year. This second filter press will allow for maintaining design mill tonnage rates during extended periods of higher grades, eliminating the requirement to reduce mill tonnage as was experienced in 2021. The new filter will also fully support the planned increased production levels in 2023 at any grade. Importantly, all projects were completed without lost time injuries.

Exploration Update

A large resource expansion drilling program, comprising approximately 61,000 metres of drilling, was completed at the Copper Mountain Mine earlier this year. Data from this successful drilling program were used to update the mineral resources and mineral reserves models, resulting in a 57% increase in the copper mineral reserves and an updated life-of-mine plan, as reported in the Company's news release dated September 28, 2022.

The Copper Mountain Mine is a large alkalic porphyry deposit with known copper-gold mineralization occurring over a 5 x 2 kilometre area. The deposit remains open both laterally and at depth, providing further reserve expansion potential. Multiple historical drill holes end in copper-gold mineralization and geophysical data suggest that the mineralizing system extends well below the current known resource. To evaluate this upside potential, a geoscience-based target definition program began in June 2022 and included relogging and resampling of historical drill core for multi-element geochemical analysis and petrographic study, reinterpretation of historical geophysical data (including IP chargeability/resistivity data, magnetotellurics, and airborne magnetic/radiometric data), and the creation of a new 3D geological model of the deposit.

This target definition program focused in particular on the identification of areas with the potential to host high-grade "root zones", analogous to the deeper parts of the Red Chris porphyry in British Columbia (also an alkalic porphyry and of similar age), and the deposits in the Cadia-Ridgeway alkalic porphyry district in Australia. The program identified multiple such target areas and additional geophysical surveys are planned to better define individual drill targets. This new geophysical data, together with geochemical and alteration/mineralization style data from drill holes, will be used to rank and prioritize drill targets with drill testing having commenced during the first quarter of 2023.

CORPORATE UPDATE

Transactions

On December 15, 2022, the Company completed the sale of its wholly-owned Eva Copper Project and its 2,100km² exploration land package in Queensland, Australia to Harmony for total consideration of up to US\$230 million (the "Transaction").

Under the terms of the Transaction, Copper Mountain was entitled to receive gross upfront cash consideration of US\$170 million on closing. Net of withholding taxes and certain purchase price adjustments, the Company received

total cash of approximately US\$149 million. In addition, Copper Mountain is entitled to receive contingent consideration comprised of the following:

- A. Up to US\$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain 10% of the incremental revenue generated from the Eva Copper Project and the Australian exploration land package above the revenue assuming a US\$3.80/lb copper price; and
- B. Up to US\$30 million in cash, based on a contingent payment arrangement where Harmony will pay Copper Mountain US\$0.03 per pound of contained copper for any SAMREC copper resource discovered and declared on a new deposit within the Eva Copper Project and the Australian exploration land package after the closing of the Transaction.

For more details please see the Company's press release dated December 15, 2022 titled "*Copper Mountain Mining Completes Sale of the Eva Copper Project and the Australian Exploration Tenements*". With the net proceeds, the Company repurchased US\$87,000,000 principal amount of the Company's US\$250 million senior secured bonds (the "Bonds") at an offer price of 103% of the nominal amount (plus accrued interest).

As a result of the sale, for accounting purposes, the Company recognized a gain on disposal of \$84.3 million in Q4 2022. This gain was recognized by deducting \$89.3 million net book value of assets disposed, \$4.4 million foreign currency transaction adjustments, \$4.4 million of bond amendment expenses, \$6.4 million of transaction costs, and tax adjustments from cash proceeds received of \$231.9 million.

Ransomware Attack

The Company was subject to a ransomware attack late on December 27, 2022 that affected the Company's internal IT systems at the Copper Mountain Mine and corporate office. As a result, the Company isolated operations, switched to manual processes, where possible, and the mill was preventatively shutdown to determine the effect on its control system. On January 1, 2023, the Company resumed operations of the primary crusher and on January 4, 2023 the mill was at full production. The Company has now returned to full business functionality in a safe and secure manner. Throughout the outage, all environmental management systems at the Copper Mountain Mine were operational, and there were no environmental incidents or injuries to personnel.

The Company has since enhanced its security and monitoring tools with additional protection and continues to work with external advisors to review and evaluate additional security measures that could be implemented to further protect the Company's systems. Ensuring the safety and security of the Company's systems remain one of the Company's top priorities.

OUTLOOK

This section of the press release provides management's production and cost estimates for 2023. See "Cautionary Note Regarding Forward-Looking Statements" in this press release. C1 cash costs, AISC and AIC per pound of copper produced are non-GAAP financial measures. See "Cautionary Note Regarding Non-GAAP Financial Measures" in this press release.

Production Guidance

The Company expects 2023 copper production to be between 88 and 98 million pounds, with gold production between 20,000 and 30,000 ounces and silver production between 350,000 and 400,000 ounces. The Company forecasts production and grade to increase sequentially through the first three quarters of the year, with the third quarter expected to be the strongest quarter of the year. Mill feed is expected to be primarily from the higher-grade Phase 4 area and the North Pit. Average grades for the year are expected to be approximately 0.31%. Production to date in 2023 has been in line with budget.

With the completion of the plant improvement projects in 2022, mill throughput is expected to be higher in 2023 and average 45,000 tonnes per day, with recoveries expected to average approximately 84%. Production in 2023 reflects minor adjustments to the mine plan over the next five years. These adjustments are focused on maximizing cash flow by minimizing costs and eliminating production and grade variability year over year. Total production over the five years remains unchanged from the prior production plan announced in September 2022.

Production	2023 Guidance
Copper Production	88 to 98 million pounds
Gold Production	20,000 to 30,000 ounces
Silver Production	350,000 to 400,000 ounces

Cost Guidance

Costs across all metrics are expected to be significantly lower compared to 2022 driven by higher production, lower mining costs as the optimized mine plan requires shorter haul distances, the use of Trolley Assist lowering diesel consumption, and lower sustaining capital and deferred stripping. A summary of cost per pound guidance is provided below. All dollars are in US Dollars and assume a CAD to USD exchange rate of 1.32 to 1.

Costs per pound of copper produced	2023 Guidance
C1 Cash Costs ^(1,2)	US\$2.00 to US\$2.50
AISC ^(1,2)	US\$2.40 to US\$2.90
AIC ^(1,2)	US\$2.45 to US\$2.95

(1) The Company reports the non-GAAP financial measures of C1 cash cost, AISC, and AIC per pound of copper produced to manage and evaluate its operating performance. See "Cautionary Note Regarding Non-GAAP Performance Measures" in this press release.

(2) Costs guidance is net of previous metal credits and assumes a gold price of US\$1,740 per ounce and a silver price of US\$21.54 per ounce.

AISC includes sustaining capital of approximately US\$17 to US\$20 million, which relates primarily to mill maintenance and environmental monitoring systems. AIC includes deferred stripping which is expected to be between US\$5 and US\$10 million. Total development capital is expected to be minimal in 2023, between US\$3 and US\$5 million.

As a result of the target definition drilling program completed in 2022, and as described under “*Exploration Update*” below, the Company has a two-phase capitalized exploration program. Phase 1 is budgeted to be approximately US\$3 million and is focused on drilling ten high priority targets focused on higher-grade mineralization at depth.

Capital Expenditures	2023 Guidance
Sustaining Capital	US\$17 to US\$20 million
Deferred Stripping	US\$5 to US\$10 million
Expansionary Capital	US\$3 to US\$5 million
Capitalized Exploration (Phase 1)	Approx. US\$3 million

FOURTH QUARTER AND FULL YEAR 2022 FINANCIAL AND OPERATING RESULTS CONFERENCE CALL AND WEBCAST

Copper Mountain will host a conference call on Monday, March 27, 2023 at 10:30 am Eastern Time (7:30 am Pacific Time) for senior management to discuss fourth quarter and full year 2022 results.

Dial-in and webcast information:

Toronto and international: 1 (416) 764 8650

North America (toll-free): 1 (888) 664 6383

Webcast: <https://app.webinar.net/GQAvRlyVXkz>

Replay information:

Toronto and international: 1 (416) 764 8677, Passcode: 774979#

North America (toll-free): 1 (888) 390 0541, Passcode: 774979#

The conference call replay will be available until 11:59 pm Eastern Time (8:59 pm Pacific Time) on April 3, 2023. An archive of the audio webcast will also be available on the company’s website at www.CuMtn.com.

About Copper Mountain Mining Corporation

Copper Mountain owns 75% of the Copper Mountain Mine, which is located in southern British Columbia near the town of Princeton. The Copper Mountain Mine produces approximately 100 million pounds of copper equivalent on average per year. Copper Mountain trades on the Toronto Stock Exchange under the symbol “CMMC” and Australian Stock Exchange under the symbol “C6C”.

Additional information is available on the Company’s website at www.CuMtn.com.

On behalf of the Board of

COPPER MOUNTAIN MINING CORPORATION

“Gil Clausen”

Gil Clausen

President and Chief Executive Officer

For further information, please contact:

Tom Halton

Director, Investor Relations & Corporate Communications

Telephone: 604-682-2992

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Cautionary Note Regarding Forward-Looking Statements

This document may contain “forward looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). These forward-looking statements are made as of the date of this document and Copper Mountain does not intend, and does not assume any obligation, to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities legislation.

All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements relate to future events or future performance and reflect the Company’s expectations or beliefs regarding future events.

In certain circumstances, forward-looking statements can be identified, but are not limited to, statements which use terminology such as “plans”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, “forecasts”, “guidance”, “scheduled”, “target” or variations of such words, or statements that certain actions, events or results “may”, “could”, “would”, “might”, “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified, including production and cost guidance, anticipated production at the Copper Mountain Mine, financial condition and prospects, anticipated metals prices and the anticipated sensitivity of the Company’s financial performance to metals prices, the timing and results of the Company’s exploration and development programs, the timing of studies, announcements, and analysis, events that may affect its operations and development projects, anticipated cash flows from operations and related liquidity requirements, the anticipated effect of external factors on revenue, such as commodity prices, estimation of mineral reserves and mineral resources, mine life projections, reclamation costs, economic outlook, the impact of inflation, government regulation of mining operations, and business and acquisition strategies. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results, performance, achievements and opportunities to differ materially from those implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, among others, the successful exploration of the Company’s properties in Canada, market price, continued availability of capital and financing and general economic, market or business conditions, extreme weather events, material and labour shortages, the reliability of the historical data referenced in this document, and risks set out in Copper Mountain’s public documents, including in each management’s discussion and analysis and the Company’s most recent annual information form, filed on SEDAR at www.sedar.com. Although Copper Mountain has attempted to identify important factors that could cause the Company’s actual results, performance, achievements and opportunities to differ materially from those described in its forward-looking statements, there may be other factors that cause the Company’s results, performance, achievements and opportunities not to be as anticipated, estimated or intended. While the Company believes that the information and assumptions used in preparing the forward-looking statements are

reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Accordingly, readers should not place undue reliance on the Company's forward-looking statements.

Cautionary Note Regarding Non-GAAP Performance Measures

This document includes certain non-GAAP performance measures that do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS"). These measures may differ from those used and may not be comparable to such measures as reported by other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. These performance measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures have been derived from the Company's financial statements and applied on a consistent basis. The calculation and an explanation of these measures is provided in the Company's MD&A and such measures should be read in conjunction with the Company's financial statements.

Cash Costs per Pound

Copper cash costs per pound is a key performance measure that management uses to monitor performance. Management uses this metric to assess the performance and overall efficiency and effectiveness of mining operations. Cash costs is not an IFRS measure and, although it is calculated according to accepted industry practice, the Company's disclosed cash costs may not be directly comparable to other base metal producers. Cash costs per pound produced is calculated by dividing the aggregate of the applicable costs by copper pounds produced. These measures are calculated on a consistent basis for the periods presented.

C1 Cash Costs

C1 cash costs is a metric representing the cash cost per unit of extracting and processing the Company's principal metal product, copper, to a condition in which it may be delivered to customers net of gold and silver credits from concentrates sold. It is provided in order to support peer group comparability and to provide investors and other stakeholders with additional information about the underlying cash costs of Copper Mountain and the impact of gold and silver credits on the operations' cost structure. C1 cash costs are relevant to understanding the Company's operating profitability and ability to generate cash flow. When calculating costs associated with producing a pound of copper, the Company deducts gold and silver revenue credits as the production cost is reduced as a result of selling these products.

All-in Sustaining Costs (AISC)

AISC is an extension of C1 cash costs discussed above and is also a key performance measure used by management to measure performance. Management uses this measure to analyze margins achieved on existing assets while sustaining and maintaining production at current levels. Development capital, including deferred stripping and certain exploration costs are excluded from this definition as these are costs typically incurred to extend mine life or materially increase the productive capacity of existing assets, or for new operations. As this measure seeks to present a full cost of copper production associated with sustaining current operations, mining costs associated with sustaining capital, certain applicable corporate administration costs and mining equipment lease costs are included.

All-in Costs (AIC)

AIC is an extended cash-based cost metric providing further information on the total cash, capital, and overhead outlay per unit of copper produced in both the short-term and over the full life cycle of the Company's operations. As a result, deferred stripping and mining costs allocated to the low-grade stockpile on a cash basis are included as these development activities are performed in support of future mining operations under the existing life-of-mine plan. As this measure seeks to present the total cost of copper production associated with sustaining current and future operations, it allows Copper Mountain to assess the ability to support current and future production from the generation of operating cash flows.

A reconciliation of site cash costs, C1 cash costs, AISC, and AIC is provided below:

Cash Costs per Pound Produced (100%)	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
(In thousands of CDN\$, unless otherwise noted)	\$	\$	\$	\$
Cost of sales	99,797	64,580	312,719	257,320
Adjustments				
Depreciation and depletion	(8,441)	(2,266)	(25,457)	(23,537)
Change in inventory	(6,157)	(1,436)	1,570	(2,466)
Transportation costs	(4,628)	(4,821)	(14,880)	(21,153)
Site cash costs	80,571	56,057	273,952	210,164
Adjustments				
Transportation costs	4,628	4,821	14,880	21,153
Treatment and refining costs	3,501	4,395	12,637	21,142
By-product credits (gold and silver)	(18,718)	(19,568)	(58,565)	(83,935)
C1 cash cost	69,982	45,705	242,904	168,524
Adjustments				
Sustaining capital	1,949	4,869	31,413	22,971
Lease payments	2,940	2,451	12,354	14,029
Applicable administration	787	452	2,657	2,643
All-in sustaining costs (AISC)	75,658	53,477	289,328	208,167
Adjustments				
Deferred stripping	-	4,657	39,818	31,161
All-in costs (AIC)	75,658	58,134	329,146	239,328
Average foreign exchange rate (CDN\$ to US\$)	0.7364	0.7935	0.7688	0.7978
Copper production (000s lb)	13,268	16,693	52,902	90,139
C1 cash costs (US\$/lb produced (net))	\$3.88	\$2.17	\$3.53	\$1.49
All-in sustaining costs (AISC) (US\$/lb produced (net))	\$4.20	\$2.54	\$4.20	\$1.84
All-in costs (AIC) (US\$/lb produced (net))	\$4.20	\$2.76	\$4.78	\$2.12
Average realized copper price (US\$/lb)	\$3.62	\$4.44	\$3.96	\$4.21

Adjusted Net Income

Adjusted net income removes the effects of the following transactions from operating income as reported under IFRS:

- Pricing adjustments on concentrate and metal sales;
- Derivative gains/losses;
- Foreign exchange gains/losses; and
- Non-recurring transactions.

Management believes that these transactions do not reflect the underlying operational performance of the Company's mining operations and are also not indicative of future operating results.

Adjusted Net Income	Three months ended		Year ended	
	December 31,		December 31,	
(In thousands of CDN\$, except per share amounts)	2022	2021	2022	2021
	\$	\$	\$	\$
Net income (loss) from continuing operations	(11,313)	32,073	(58,853)	149,353
Adjustments				
Pricing adjustments on concentrate sales	(9,740)	(7,721)	1,065	(24,406)
(Gain) loss on derivative	2,530	659	(11,329)	3,368
Foreign exchange (gain) loss	(2,082)	(1,181)	21,130	3,168
Adjusted net income (loss)	(20,605)	23,830	(47,987)	131,483
Weighted average number of common shares outstanding, as reported – basic (thousands)	213,837	209,921	212,837	209,320
Adjusted earnings (loss) per share - basic	\$(0.10)	\$0.11	\$(0.23)	\$0.63

EBITDA and Adjusted EBITDA

EBITDA and adjusted EBITDA are non-GAAP performance measures and represent net earnings before interest, income taxes, and depreciation. EBITDA is presented because it is an important supplemental measure of the Company's performance and is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in the industry, many of which present EBITDA when reporting their results. The Company believes EBITDA is an appropriate supplemental measure of debt service capacity and performance of its operations.

Adjusted EBITDA is presented as a further supplemental measure of the Company's performance and ability to service debt. Adjusted EBITDA is prepared by adjusting EBITDA to eliminate the impact of several items that are not considered indicative of ongoing operating performance.

Adjusted EBITDA is calculated by adding to EBITDA certain items of expense and deducting from EBITDA certain items of income that are not likely to recur or are not indicative of the Company's future operating performance consisting of:

- Pricing adjustments on concentrate and metal sales;
- Derivative gains/losses;
- Foreign exchange gains/losses; and
- Non-recurring transactions.

While some of the adjustments are recurring, other non-recurring expenses do not reflect the underlying performance of the Company's core mining business and are not necessarily indicative of future results. Furthermore, gains/losses on derivative instruments, and foreign currency translation gains/losses are not necessarily reflective of the underlying operating results for the reporting periods presented.

EBITDA and Adjusted EBITDA	Three months ended		Year ended	
	December 31,		December 31,	
(In thousands of CDN\$)	2022	2021	2022	2021
	\$	\$	\$	\$
Net income (loss) from continuing operations	(11,313)	32,073	(58,853)	149,353
Adjustments				
Finance income	(179)	(40)	(597)	(177)
Finance expense	8,703	7,937	33,636	31,576
Depreciation	8,441	2,266	25,457	23,537
Current income and resource tax expense (recovery)	1,039	(207)	1,457	7,803
Deferred income and resource tax expense (recovery)	(12,067)	26,233	(10,922)	95,338
EBITDA	(5,376)	68,262	(9,822)	307,430
Adjustments				
Mark to market adjustments on concentrate sales	(9,740)	(7,721)	1,065	(24,406)
(Gain) loss on derivative	2,530	659	(11,329)	3,368
Foreign exchange (gain) loss	(2,082)	(1,181)	21,130	3,168
Adjusted EBITDA	(14,668)	60,019	1,044	289,560

Copper Mountain Mining Corporation
Condensed Consolidated Statements of Financial Position
(In thousands of Canadian dollars)

	December 31, 2022	December 31, 2021
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	83,653	171,902
Restricted cash	130,990	6,512
Accounts receivable and prepaid expenses	33,334	31,624
Inventory	38,448	32,635
Other assets	1,903	-
	<u>288,328</u>	<u>242,673</u>
Other assets	2,651	5,783
Mineral properties, plant and equipment	744,447	710,583
Low grade stockpile	64,541	64,879
	<u>1,099,967</u>	<u>1,023,918</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	86,212	60,482
Accounts payable to related parties	13,672	-
Current portion of lease liabilities	13,746	10,403
Current portion of long-term debt	131,377	12,678
Taxes payable	16,735	2,143
	<u>261,742</u>	<u>85,706</u>
Provisions and other liabilities	18,149	23,961
Lease liabilities	45,427	50,669
Long-term debt	176,541	284,829
Deferred tax liability	88,392	99,314
	<u>590,251</u>	<u>544,479</u>
Equity		
Attributable to shareholders of the Company:		
Share capital	292,929	287,724
Contributed surplus	17,319	18,973
Accumulated other comprehensive loss	(168)	(3,929)
Retained earnings	100,901	68,940
	<u>410,981</u>	<u>371,708</u>
Non-controlling interest	98,735	107,731
Total equity	509,716	479,439
	<u>1,099,967</u>	<u>1,023,918</u>

Copper Mountain Mining Corporation
Condensed Consolidated Statements of Income and Comprehensive Income
(In thousands of Canadian dollars, except for number of and earnings per share)

	Year ended December 31,	
	2022	2021
	\$	\$
Revenue	301,467	578,202
Cost of sales	(312,719)	(257,320)
Gross (loss) profit	<u>(11,252)</u>	<u>320,882</u>
Other income and expenses		
General and administration	(17,066)	(13,460)
Share-based compensation	2,840	(16,993)
Income (loss) from operations	<u>(25,478)</u>	<u>290,429</u>
Finance income	597	177
Finance expense	(33,636)	(31,576)
Gain (loss) on derivative	11,329	(3,368)
Foreign exchange loss	<u>(21,130)</u>	<u>(3,168)</u>
Income (loss) before tax	(68,318)	252,494
Current income and resource tax expense	(1,457)	(7,803)
Deferred income and resource tax recovery (expense)	10,922	(95,338)
Net income (loss) from continuing operations	<u>(58,853)</u>	<u>149,353</u>
Net income (loss) from discontinued operations	<u>81,818</u>	<u>(1,214)</u>
Net income	<u>22,965</u>	<u>148,139</u>
Other comprehensive income (loss)		
Foreign currency translation adjustment	(666)	(3,409)
Reclassification of currency translation to earnings	4,427	-
Total comprehensive income	<u>26,726</u>	<u>144,730</u>
Net income (loss) from continuing operations attributable to:		
Shareholders of the Company	(49,857)	105,307
Non-controlling interest	(8,996)	44,046
	<u>(58,853)</u>	<u>149,353</u>
Net income (loss) attributable to:		
Shareholders of the Company	31,961	104,093
Non-controlling interest	(8,996)	44,046
	<u>22,965</u>	<u>148,139</u>

Earnings (loss) per share from continuing operations:		
Basic	(0.23)	0.50
Diluted	(0.23)	0.48
<hr/>		
Earnings (loss) per share:		
Basic	0.15	0.50
Diluted	0.15	0.48
<hr/>		
Weighted average shares outstanding, basic (thousands)	212,837	209,320
Weighted average shares outstanding, diluted (thousands)	218,125	218,622
<hr/>		
Shares outstanding at end of the year (thousands)	213,841	210,364
<hr/>		

Copper Mountain Mining Corporation
Condensed Consolidated Statements of Cash Flows
(In thousands of Canadian dollars)

	Year ended December 31,	
	2022	2021
	\$	\$
Cash flows from operating activities		
Net income for the year	22,965	148,139
Adjustments for:		
Depreciation	25,897	23,823
Gain on sale of Eva Copper, net of tax	(84,347)	-
Unrealized foreign exchange loss	20,467	95
Loss on derivatives	-	3,368
Deferred income and resource tax (recovery) expense	(10,922)	95,338
Finance expense	33,610	31,577
Share-based compensation (recovery)	(2,840)	16,993
	<u>4,830</u>	<u>319,333</u>
Net changes in working capital items	14,644	(3,877)
Net cash from operating activities	<u>19,474</u>	<u>315,456</u>
Cash flows from investing activities		
Deferred stripping activities	(39,818)	(31,161)
Development of mineral properties, plant and equipment	(116,341)	(117,313)
Net cash proceeds on the sale of Eva Copper	202,580	-
Purchase of copper puts	-	(3,397)
Refund (purchase) of reclamation bonds and deposits	4,972	(1,621)
Net cash from (used in) investing activities	<u>51,393</u>	<u>(153,492)</u>
Cash flows from financing activities		
Proceeds on the issuance of common shares	3,418	1,931
Net proceeds from bond issuance	-	287,785
Loans from non-controlling interest	13,672	20,393
Repayment to related party	-	(150,815)
Repayments made to non-controlling interest	-	(17,504)
Restricted cash	(125,422)	(6,512)
Loan principal payments	(13,167)	(160,293)
Interest paid	(29,561)	(36,351)
Lease payments	(12,354)	(14,029)
Net cash used in financing activities	<u>(163,414)</u>	<u>(75,395)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	4,298	(238)
(Decrease) increase in cash and cash equivalents	(88,249)	86,331
Cash and cash equivalents - Beginning of year	<u>171,902</u>	<u>85,571</u>
Cash and cash equivalents - End of year	<u>83,653</u>	<u>171,902</u>