

# 2022 Annual Information Form

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# Introductory Notes

## *Date of Information*

In this Annual Information Form (“**AIF**”), Copper Mountain Mining Corporation, together with its subsidiaries, as the context requires, is referred to as the “Company” and “Copper Mountain”. All information contained in this AIF is as at December 31, 2022, unless otherwise stated, being the date of the Company’s most recently completed financial year, and the use of the present tense and of the words “is,” “are,” “current,” “currently,” “presently,” “now” and similar expressions in this AIF is to be construed as referring to information given as of that date.

## *Cautionary Note Regarding Forward-Looking Statements*

This AIF, including the documents incorporated by reference herein, may contain forward-looking statements and forward-looking information (collectively, “**forward-looking statements**”) within the meaning of applicable securities legislation. The Company intends for all forward-looking statements to be covered by the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995, as amended, and are including this statement for purposes of complying with those safe harbor provisions. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans,” “expects” or “does not expect,” “is expected,” “budget,” “guidance,” “scheduled,” “estimates,” “forecasts,” “strategy,” “target,” “intends,” “objective,” “goal,” “anticipates” or “does not anticipate,” or “believes” or variations of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might” or “will be taken,” “occur” or “be achieved”. Forward-looking statements include, but are not limited to, statements with respect to general business, economic, competitive, political and social uncertainties, actual results of reclamation activities, conclusions of economic evaluations, income and sales tax regulatory matters, competition, sales projection and interest rate fluctuations, fluctuations in the value of the Canadian dollar relative to the United States dollar, changes in project parameters as plans continue to be refined, failure of equipment or processes to operate as anticipated, changes in labour costs and other costs and inflationary impacts and availability of equipment or processes to operate as anticipated, accidents, labor disputes and other risks inherent to the mining industry, including, but not limited to, environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavorable operating conditions and losses, detrimental events that interfere with transportation of concentrate or the smelters’ ability to accept concentrate, including declaration of force majeure events, insurrection or war, delays in obtaining governmental approvals or revocation of governmental approvals, title risks and Indigenous rights and the United Nations Declaration on the Rights of Indigenous Peoples (“**UNDRIP**”), delays in obtaining, or unavailability of, financing or delays in the completion of development or construction activities, failure to comply with restrictions and covenants in agreements governing the Company’s indebtedness and actual results of current exploration activities.

Forward-looking statements are based on the opinions and estimates of management as of the date such forward-looking statements are made. Estimates regarding the anticipated timing, amount and cost of mining at the Company’s projects are based on assumptions underlying Mineral Reserve and Mineral Resource estimates and the probability of realizing such estimates are set out herein. Capital and operating cost estimates are based on extensive research of the Company and independent consultants, actual expenditures incurred, recent estimates of construction and mining costs and other factors set forth in this AIF. Production estimates are based on mine plans and production schedules that have been developed by the Company’s personnel and independent consultants.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including, but not limited to, risks related to:

- the nature of the mining industry is an inherently dangerous business subject to a number of operational risks;
- the risks associated with resource exploration and development including failure to discover mineral deposits or discovering mineral deposits that are insufficient in quantity and quality to return a profit from production;
- fluctuation in commodity prices;
- financing the development and exploration of the Company's projects;
- Mitsubishi Materials Corporation's ("**MMC**") continued support of the Copper Mountain Mine;
- environmental hazards that exist on, or adjacent to, the Company's projects that may result in the Company being liable for losses and may be forced to undertake extensive remedial clean-up action;
- adverse weather conditions and unanticipated events related to health, safety and environmental matters;
- the risks and hazards of the mining business may not be fully insurable or coverage may not be available under Copper Mountain's insurance policies;
- the risks related to information technology, cyber security and data leakage;
- the laws and regulatory requirements applicable to the Company's operations are subject to change in a manner that could limit or adversely affect exploration, development and operations;
- potential cost overruns on any development;
- potential regulatory and agency proceedings, investigations and audits;
- title to mineral properties and ongoing compliance may be disputed and Copper Mountain's interest in its properties may be subject to title defects, Indigenous land claims or claims of third parties;
- Mineral Resources and Mineral Reserves of Copper Mountain could be lower than estimated;
- competition in the mining industry for funding, labour, supplies and equipment;
- risks relating to dependency upon the services of key executives and directors of Copper Mountain, and potential conflicts of interest;
- risks relating to global economic conditions;
- risks related to potential fraudulent or illegal activity by employees, contractors and consultants
- risks related to cyber attacks or other breaches of information technology security;
- risks associated with pandemics (including COVID-19) resulting in disruption and volatility in financial and commodities markets; and
- volatility in the market price of Copper Mountain shares.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that may cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Such information is included, among other places, in this AIF and in the Company's filings with securities regulatory authorities, through SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com).

Certain of the forward-looking statements and forward-looking information contained in this AIF concerning the mining industry and the general expectations of the Company are based on estimates prepared by the Company using data from publicly available governmental sources, market research, industry analysis and on assumptions based on data and knowledge of the mining industry, which the Company believes to be reasonable. Although generally indicative of relative market positions, such data is imprecise. While the Company is not aware of any misstatement regarding any industry or government data presented herein, the mining industry involves risks and uncertainties that are subject to change based on various factors.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by the Company at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information.

Although the Company believes the expectations expressed in such forward-looking information are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements.

These factors should be considered carefully, and you are cautioned not to place undue reliance on any forward-looking statements. You are also cautioned that the foregoing list of risk factors is not exhaustive, and it is recommended that you carefully read the more complete discussion of risks and uncertainties facing the Company included under “*Risks and Uncertainties*” in this AIF.

## ***Cautionary Note Regarding Mining Disclosures***

Information concerning Copper Mountain’s mineral properties has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of the United States Securities and Exchange Commission (the “SEC”) set forth in Industry Guide 7, which was in effect for the historical periods covered in this AIF. Under the SEC’s Industry Guide 7, mineralization could not be classified as a “reserve”, unless the determination had been made that the mineralization could be economically and legally produced or extracted at the time of the reserve determination, and the SEC did not recognize the reporting of mineral deposits which did not meet the SEC Industry Guide 7 definition of “Reserve”. In accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”), published by the Canadian Securities Administrators, the terms “mineral reserve”, “proven mineral reserve”, “probable mineral reserve”, “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in accordance with the CIM Standards. While the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are recognized and required by NI 43-101, the SEC did not previously recognize them. However, the SEC has adopted final rules, effective February 25, 2019, to replace SEC Industry Guide 7 with new mining disclosure rules which recognize estimates of “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, and amend the SEC’s definitions of “proven mineral reserves” and “probable mineral reserves” to be substantially similar to international standards. Nevertheless, you are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be upgraded into mineral reserves.

## ***Currency and Exchange Rate Information***

The Company reports its financial results and prepares its financial statements in Canadian dollars. All currency references in this AIF are in Canadian dollars unless otherwise indicated. References to “U.S. dollars” or the use of the symbol “US\$” refers to United States dollars.

The following table sets forth, for each period indicated, the high and low exchange rates for Canadian dollars expressed in United States dollars, and the average of such exchange rates during such period. These rates are based on the indicative rate of exchange reported by the Bank of Canada.

### **Years Ended December 31**

	2022	2021	2020	2019	2018
High	US\$0.8031	US\$0.8306	US\$0.7863	US\$0.7699	US\$0.8138
Low	US\$0.7217	US\$0.7727	US\$0.6898	US\$0.7537	US\$0.7330
Average	US\$0.7692	US\$0.7980	US\$0.7461	US\$0.7353	US\$0.7684

On March 27, 2023, the exchange rate reported by the Bank of Canada was C\$1.00 per US\$0.7309.

## ***Historical Copper Prices***

The following table shows the variation in the average daily London Metals Exchange spot copper price in U.S. dollars per pound as reported by Westmetall.com for the following years:

### **Years Ended December 31**

	2022	2021	2020	2019	2018
High	US\$4.87	US\$4.86	US\$3.61	US\$2.98	US\$3.29
Low	US\$3.18	US\$3.52	US\$2.09	US\$2.51	US\$2.64
Average	US\$3.99	US\$4.23	US\$2.80	US\$2.72	US\$2.96

## ***Accounting Policies and Financial Information***

Financial information is presented in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and with interpretations of the International Financial Reporting Interpretations Committee which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook—Accounting.



## Units and Conversion Table

For ease of reference, the following factors for converting metric measurements into imperial equivalents are provided:

From Metric	To Imperial	Multiply by
Hectares	Acres	2.47105
Metres	Feet	3.28084
Kilometres	Miles	0.62137
Tonnes	Tons	1.10231
Grams/Tonne	Ounces (troy)/ton	0.03215

## Scientific and Technical Information

Where Mineral Resources are stated alongside Mineral Reserves, such Mineral Resources are inclusive of, and not in addition to, the stated Mineral Reserves. Mineral resources are not Mineral Reserves as they have not demonstrated economic viability. The estimates of Mineral Reserves and Mineral Resources provided in this AIF may be affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing and other relevant issues. The Company's current technical report for the Copper Mountain Mine, which is available on SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com), contains further details regarding Mineral Reserves and Mineral Resources estimates, classification, reporting parameters, key assumptions and risks for the Copper Mountain Mine.

Unless otherwise indicated, the scientific and technical information in this AIF relating to the Copper Mountain Mine has been reviewed and approved by Dr. Patrick Redmond, Ph.D., P.Geo., the Company's Senior Vice President, Exploration and Geoscience, and Mr. Alberto Chang, P.Eng., the Company's Vice President, Mining, each of whom is a qualified person under NI 43-101. See "*Interests of Experts*".

A "qualified person" for the purposes of NI 43-101 means an individual who is an engineer or geoscientist, holding the required accreditation, with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, has experience relevant to the subject matter of the mineral project, and is a member in good standing of a professional association.

## Cautionary Note Regarding Mineral Reserves and Mineral Resources Estimates

The disclosure included in this AIF uses Mineral Reserves and Mineral Resources classification terms that comply with reporting standards in Canada and the Mineral Reserves and Mineral Resources estimates are made in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") Definition Standards on Mineral Reserves and Mineral Resources (the "**CIM Standards**") adopted by the CIM Council on May 10, 2014, and NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The following definitions are reproduced from the CIM Standards:

A **Mineral Resource** is a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics

of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories.

An **Inferred Mineral Resource** is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An **Indicated Mineral Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve. "Modifying Factors" are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

A **Measured Mineral Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

A **Mineral Reserve** is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility (as such terms are defined in the CIM Standards) level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proven Mineral Reserves. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

A **Probable Mineral Reserve** is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

A **Proven Mineral Reserve** is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

A **Feasibility Study** is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

**Modifying Factors** are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

## ***Notice Regarding Non-GAAP Performance Measures***

This AIF includes certain terms or performance measures commonly used in the mining industry that are not defined under IFRS as issued by the IASB, including C1 cash costs per pound of copper produced. Non-GAAP performance measures do not have any standardized meaning prescribed under IFRS and, therefore, they may not be comparable to similar measures reported by other companies. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. The data presented is 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 non-GAAP performance measures should be read in conjunction with the Company's financial statements. See "*Non-GAAP Performance Measures*" in the Company's management's discussion and analysis for the year ended December 31, 2022 for a more detailed discussion of how the Company calculates such measures and for a reconciliation of such measures to IFRS terms.

## **Corporate Structure**

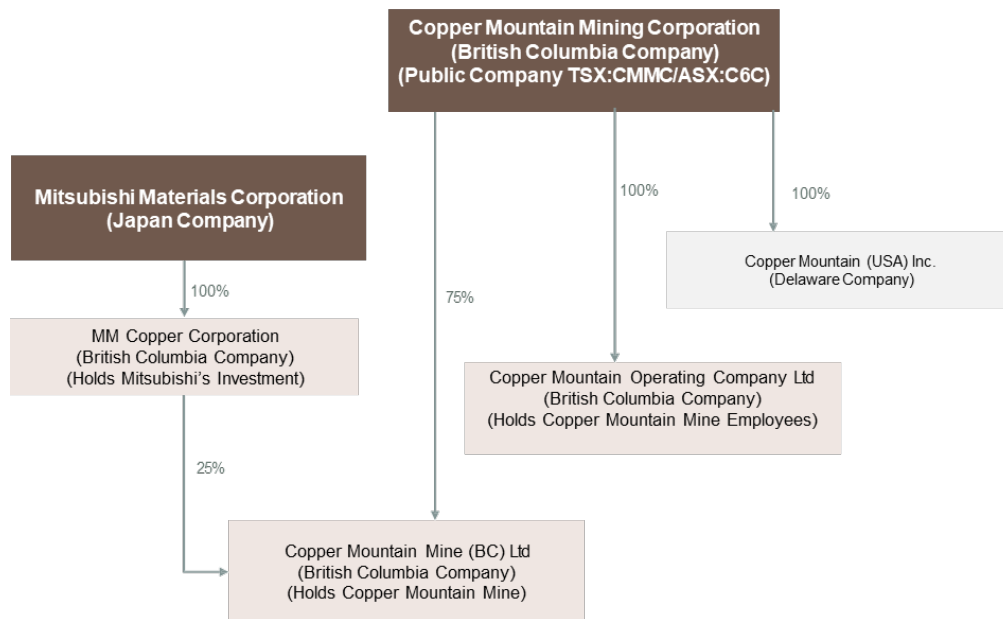
### ***Name, Address, and Incorporation***

Copper Mountain was incorporated pursuant to the provisions of the British Columbia *Business Corporations Act* on April 20, 2006.

The head office and registered and records office of the Company is located at Suite 1700-700 West Pender Street, Vancouver, British Columbia, V6C 1G8 and Suite 2600-700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3, respectively.

### ***Intercompany Relationships***

The following is a diagram of the intercompany relationships among Copper Mountain and certain of its subsidiaries, including their respective jurisdiction of incorporation. Except as indicated in the diagram below, all of the Company's material subsidiaries are wholly-owned.



## General Development of the Business

### Overview

Copper Mountain is a Canadian-based copper mining company focused on the operation, exploration and further development of its principal mining operation, the 75% owned Copper Mountain Mine located just south of Princeton, British Columbia, Canada. The remaining 25% of the Copper Mountain Mine is owned by MMC.

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol CMMC and on the Australian Stock Exchange ("ASX") under the symbol C6C.



Property Location Map

## Three-Year History

### 2020

- On March 10, 2020, the Company announced it revised its mine plan and project schedule at the Copper Mountain Mine, with the objective of maintaining positive margins and cash flow in response to current market conditions and near-term copper price uncertainty as a result of the COVID-19 impact to metal prices.
- On May 7, 2020, the Company announced improved feasibility study update results for its previously owned Eva Copper Project (the “**Eva Copper May 2020 Feasibility Study Update**”). The updated feasibility study demonstrated a significant increase to the after-tax net present value (“**NPV**”) of the project as a result of a 57% increase in total copper production, a 17% decrease in C1 cash costs and a 25% increase in the mine life. The Company filed a technical report titled “NI 43-101 Technical Report for the Eva Copper Project Feasibility Study Update, North West Queensland, Australia, with an effective date of January 31, 2020 and dated May 7, 2020 in support of the Eva Copper May 2020 Feasibility Study Update.
- On October 30, 2020, the Company appointed Mr. Peter Sullivan to the Company’s Board of Directors. See “*Directors and Officers*” for additional information on Mr. Sullivan’s prior experience.
- On November 26, 2020, the Company announced the closing of a \$17.25 million bought deal offering of common shares at a price of \$1.15 per common share. The net proceeds of the offering were for regional exploration on the Company’s prospective land package in Australia, advancing the development of its previously owned Eva Copper Project and general corporate purposes.
- On November 30, 2020, the Company announced a new life of mine plan for the Copper Mountain Mine, which included a proposed mill expansion to 65,000 tpd (the “**2020 Expansion Plan**”), building upon the 45,000 tpd mill expansion, and the integration of the New Ingerbelle deposit. The 2020 Expansion Plan increased the Copper Mountain Mine’s NPV at an 8% discount rate to US\$1.0 billion. The 2020 Expansion Plan also included a 15% increase in average annual copper production and a 35% decrease in C1 cash cost compared to the previous Copper Mountain Mine production plan included in the technical report titled “Integrated Life-of-Mine NI 43-101 Technical Report for the Copper Mountain Mine Including New Ingerbelle, Princeton, British Columbia” with an effective date of January 1, 2019 and dated February 25, 2019. The Company filed a technical report titled “Copper Mountain Mine 65 kt/d Expansion Study and Life-of-Mine Plan NI 43-101 Technical Report” with an effective date of September 1, 2020 (the “**2020 Technical Report**”) and dated November 30, 2020 in support of the 2020 Expansion Study.
- For the year ended December 31, 2020, the Company achieved its 2020 sustainability targets, receiving a “AA” rating for its Tailings Management, a “AAA” rating for its Aboriginal and Community Outreach and a “AA” rating for its Health and Safety, under the Canadian Mining Association’s Towards Sustainable Mining (“**TSM**”) standards. The Company further announced it was targeting to achieve at least an A rating on the remaining TSM protocols by the end of 2021.
- During the year ended December 31, 2020, the Copper Mountain Mine produced 77.6 Mlb of copper, 29,227 oz of gold, and 392,494 oz of silver.

## 2021

- On January 14, 2021, the Company appointed Mr. Ed Dowling as the Chair of the Board of Directors of the Company. See “*Directors and Officers*” for additional information on Mr. Dowling’s prior experience.
- On March 5, 2021, the Company appointed Ms. Paula Rogers to the Board of Directors of the Company. See “*Directors and Officers*” for additional information on Ms. Rogers’ prior experience.
- On April 9, 2021, the Company closed a US\$250 million financing of senior secured bonds in the Nordic bond market (the “**Bonds**”). The five-year Bonds mature on April 9, 2026 and bear interest at 8% per annum. The net proceeds from such offering was used for refinancing the Company’s existing debt.
- On June 11, 2021, the Company announced the appointment of Mr. Don Strickland as Executive Vice President, Sustainability, transitioning from Chief Operating Officer, effective July 1, 2021. See “*Directors and Officers*” for additional information on Mr. Strickland’s prior experience.
- On September 22, 2021, the Company announced that it had successfully installed and commissioned Ball Mill 3, which was expected to increase throughput to 45,000 tpd and improve recoveries at the Copper Mountain Mine.
- On December 13, 2021, the Company announced updated economics, including capital and operating costs, for its previously owned Eva Copper Project. The project’s after-tax NPV, based on an 8% discount rate, was US\$622 million, a 42% increase compared to the Eva Copper May 2020 Feasibility Study Update.
- For the year ended December 31, 2021, the Company met or exceeded its 2021 sustainability targets, which were to achieve at least an “A” or “Yes” rating on each of the Mining Association of Canada’s TSM protocols.
- During the year ended December 31, 2021, the Copper Mountain Mine produced 90.1 Mlb of copper, 28,736 oz of gold, and 523,821 oz of silver.

## 2022

- On April 4, 2022, the Company announced that it successfully commissioned its Trolley Assist project, which consists of an approximately one kilometre trolley-assist haul ramp and seven pantograph-equipped electric haul trucks. The project is aimed at cutting carbon emissions at the Copper Mountain Mine by at least 30%, paving a solid foundation to achieve the Company’s goal of net zero carbon emissions by 2035.
- On April 19, 2022, the Company appointed Ms. Jeane Hull to the Board of Directors of the Company. See “*Directors and Officers*” for additional information on Ms. Hull’s prior experience.
- On May 3, 2022, the Company announced it received the 2022 TSM Environmental Excellence Award in recognition of its Electric Trolley Assist Project focused on reducing carbon intensity and minimizing environmental impact.

- On May 6, 2022, the Company announced that Mr. Don Strickland returned to the role of Chief Operating Officer from Executive Vice President, Sustainability. See “*Directors and Officers*” for additional information on Mr. Strickland’s prior experience.
- On August 23, 2022, the Company announced the appointment of Mr. Bradley Bolger, the Company’s then Vice President, Finance, as interim Chief Financial Officer, replacing Mr. Rodney Shier. See “*Directors and Officers*” for additional information on Mr. Bolger’s prior experience.
- On September 22, 2022, the Company released its inaugural 2021 environmental, social and governance (“**ESG**”) report entitled “*Powering a Sustainable Future*”. The report formalized Copper Mountain’s sustainability initiatives, marking an important milestone in creating a baseline for future disclosure and reporting to relevant and evolving industry standards.
- On September 22, 2022, the Company announced it received the award for Outstanding Achievement in Mine Reclamation in the Metal Mine category from the British Columbia Technical and Research Committee on Reclamation for its reclamation work on the Wolfe Creek Realignment and Fish Habitat Offsetting Plan.
- On September 28, 2022, the Company announced an updated Mineral Reserves and Mineral Resources estimate and revised life of mine plan for the Copper Mountain Mine (the “**2022 Updated Expansion Study**”). The 2022 Updated Expansion Study, based only on Mineral Reserves, supports an updated mill expansion scenario to 65,000 tpd, producing a total of 4.1 billion pounds of copper equivalent over a mine life of 32 years with robust economics including an after-tax NPV at an 8% discount rate of US\$1.24 billion. The Company filed a technical report titled “Life-of-Mine Plan and 65 kt/d Expansion Study Update NI 43-101 Technical Report, Princeton, British Columbia” with an effective date of August 1, 2022 (the “**2022 Technical Report**”) and dated September 30, 2022 in support of the 2022 Updated Expansion Study. See “*Description of Property – Copper Mountain Mine*” for further details.
- On October 6, 2022, the Company announced the appointment of Ms. Letitia Wong as the Company’s Chief Financial Officer and Mr. Bolger as the Company’s Senior Vice President, Finance. See “*Directors and Officers*” for additional information on each of Ms. Wong’s and Mr. Bolger’s prior experience.
- On December 15, 2022, the Company sold its wholly-owned Eva Copper Project and 2,100km<sup>2</sup> exploration land package in Queensland, Australia to Harmony Gold Mining Company Limited (“**Harmony**”) for total consideration of up to US\$230 million. Under the terms of the transaction, Copper Mountain was entitled to receive gross upfront cash consideration of US\$170 million on closing as well as 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.
- During the year ended December 31, 2022, the Copper Mountain Mine produced 52.9 Mlb of copper, 21,771 oz of gold, and 247,291 oz of silver.



## Recent Developments

- In January 2023, the Company completed a 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.
- On March 16, 2023, the Company announced the appointment of Mr. Patrick Merrin as President and Chief Executive Officer of the Company effective as of April 24, 2023. Mr. Merrin will succeed the Company's current President and Chief Executive Officer, Mr. Gil Clausen, who will retire effective April 30, 2023. Mr. Clausen will remain on the Board of Directors as a non-independent director until the Company's 2023 annual general meeting, which is planned for June 8, 2023, and will be retained on an advisory basis until May 1, 2024 to ensure an orderly and effective transition.

## Description of the Business

### General

Copper Mountain is a Canadian copper metal mining company with operations in British Columbia, Canada. The Company's principal operating asset is the 75%-owned Copper Mountain Mine in southern British Columbia, the fourth largest open pit copper mine in Canada. The Copper Mountain Mine also produces gold and silver as by-product metals. See "*Description of Property – Copper Mountain Mine*" for further details.

### Principal Products

The Copper Mountain Mine produces copper concentrates, which includes gold and silver. The Company sells all of its copper concentrates to MMC smelters in Japan based on quoted market prices of contained metals.

The Company's gross revenue by metal for the financial years ended December 31, 2022 and December 31, 2021 was as follows:

Gross Revenue	2022		2021	
	\$000s	%	\$000s	%
Copper in Concentrate	255,539	81.4	515,409	86.0
Gold in Concentrate	52,186	16.6	67,275	11.2
Silver in Concentrate	6,367	2.0	16,660	2.8
<b>Total<sup>(1)</sup></b>	<b>314,092</b>	<b>100</b>	<b>599,344</b>	<b>100</b>

**Note:** (1) Treatment and refining charges of \$12.637 million and \$21.142 million in 2022 and 2021, respectively, are deducted from gross revenue of \$314.092 million and \$599.344 million in 2022 and 2021, respectively, resulting in reported revenue of \$301.467 million and \$578.202 million in 2022 and 2021, respectively, as per the audited consolidated financial statements for Copper Mountain.

The Company's financial flexibility is highly dependent on the prevailing prices for the commodities it produces. Certain circumstances may arise where increased certainty of cash flows is considered more important to long term value creation than providing investors short term exposure to the volatility of metal



prices. In these circumstances, the Company may elect to lock in future prices through the variety of financial derivative instruments available. See *"Risks and Uncertainties"*.

## ***Specialized Skills and Knowledge***

Nearly all aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, mine planning, engineering, construction, regulatory compliance and accounting. Many of the officers and directors of the Company are industry professionals who have extensive expertise and highly technical experience specific to the mining industry. They provide a strong foundation of advanced field skills and advanced knowledge and specialized mineral exploration experience, complemented by their demonstrated ability to succeed in the management and administration of a mining company. The Company's business depends upon these skilled and experienced personnel. See *"Risks and Uncertainties"* for further details.

## ***Competitive Conditions***

The base metals mineral exploration and mining business is competitive. Competition is primarily for: mineral properties that can be developed and produced economically; technical experts that can find, develop and mine such mineral properties; labour to operate the mineral properties; and capital to finance exploration, development and operations.

The Company competes with other mining and exploration companies in the acquisition of mineral properties and in connection with the recruitment and retention of qualified employees. There is significant competition for mineral properties. Many larger competitors conduct business globally and thus have greater financial and technical resources available to them. If the Company is unsuccessful in acquiring additional mineral properties or qualified personnel, the Company may not be able to replace Mineral Reserves, maintain production or grow.

## ***Employees***

As of December 31, 2022, Copper Mountain had a total of approximately 554 employees located in Canada and the United States, including a total of approximately 518 employees at the Copper Mountain Mine.

## ***Environmental Protection***

The Company's mining, development and exploration activities are subject to various levels of federal, provincial and local laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. The Company believes in progressive reclamation and currently is committed to reclaiming approximately 25 hectares per year. The Company's total liability for reclamation and other closure provisions as at December 31, 2022 was approximately \$22.2 million.

## ***Operations***

Any changes in regulations or shifts in political attitudes in Canada, where the Company operates, are beyond the Company's control and may adversely affect the Company's business. Current and future development and operations may be affected in varying degrees by certain economic, political and other risks and uncertainties including, but not limited to: claims by governmental bodies; restrictions on production; import and export regulations; cancellation or renegotiation of contracts; changing fiscal regimes and uncertain regulatory environments; fluctuations in currency exchange rates; high rates of

inflation; changes in royalty and tax regimes, including the elimination of tax exemptions; changes to environmental legislation; land claims of local people; and mine safety. The Company cannot accurately predict the effect of these factors. See “*Risks and Uncertainties*” for further details.

## ESG Focus

### *General*

Copper Mountain is *Powering a Sustainable Future*. With this purpose, the Company recognizes that as a sustainable producer of copper, a resource vital to a low-carbon future, it has a responsibility to mine with integrity and incorporate sustainability into all facets of its business.

Copper Mountain is making important contributions to the energy transition, and the Company is motivated to perform to best-in-class industry standards, while demonstrating industry leadership in emissions reduction. ESG principles are foundational to the Company’s corporate strategy and critical to how it continues to increase safe, sustainable production of copper. The Company’s approach is to minimize impacts on the environment, deliver ongoing shared value to its stakeholders, and drive long-term success.

### *Towards Sustainable Mining (TSM)*

Central to the Company’s mission is its enduring commitment to the standards set in TSM, a social and environmental mining program created by the Mining Association of Canada. The Company’s dedication to the TSM program reflects a duty to operate at the highest standards while still striving for continuous improvement.

TSM provides a management framework of best practices as well as rigorous, third-party assessments of the Company’s social and environmental performance. Furthermore, the program ensures transparency through independently validated and publicly reported performance.

In 2022, the Company received the TSM Environmental Excellence Award in recognition of its Electric Trolley Assist Project, which is focused on reducing carbon intensity and minimizing environmental impact. Copper Mountain also achieved its target of a minimum “A” or “Yes” rating in 2022 on all TSM protocols.

### *Environment*

Copper Mountain is committed to the safe, responsible mining of copper, which is vital to powering a clean-energy future. The Company considers climate change implications in its business strategy and is developing facility-level systems to manage its energy consumption and greenhouse gas emissions. In addition to taking action to reduce the Company’s impact, it is also looking at ways to manage potential climate risks and opportunities to ensure its operations remain resilient.

Under the Company’s Environmental Policy, the Company is committed to executing its business with strong environmental and community stewardship through the development of a sustainable approach to corporate social responsibility. The Environmental Policy is available for viewing on the Company’s website at [www.CuMtn.com](http://www.CuMtn.com).

The Company’s Executive Vice President, Chief Operating Officer oversees environmental management and reports to the President and Chief Executive Officer and the Company’s Board of Directors. Furthermore, executive compensation and remuneration is based on the achievement of the Company’s corporate objectives, which include health, safety, environment and sustainability goals.

The Company's Energy Policy defines the organization's structure and approach to energy management and its targets and objectives. The Company's Energy Management Team is comprised of representatives from the key operating departments and is responsible for implementing the Company's Energy Management Program as part of the Energy Policy. The Energy Policy is available for viewing on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

## ***Health and Safety***

The Company is committed to achieving Zero Harm at its Copper Mountain Mine. *"Every day, every shift, everyone goes home safe"* is one of the Company's core values.

The Company reflects its commitment to the health and safety of its employees by creating and maintaining a secure, healthy working environment, and by complying with all applicable health and safety laws and regulations. The Company acknowledges that there are inherent risks associated with the Company's business and continuously strives to minimize and control these risks. Prior to starting work, all Copper Mountain employees are required to undergo training on how to perform their jobs safely and productively.

Copper Mountain's health and safety objectives are contingent on its management team providing active leadership and support as well as the meaningful participation of all employees. The Copper Mountain Mine maintains a Joint Occupational Health, Safety & Environmental Committee ("**JOHSEC**"), with representatives from each crew. The JOHSEC representatives are Safety Leaders committed to working together to reduce risk in the workplace. JOHSEC representatives conduct monthly group inspections of an area of the mine site, complete a full annual inspection of the full site, and meet monthly to discuss safety performance and opportunities for improvement.

The Company's Health and Safety Policy defines the organization's safety commitments and is designed to guide the Company in advancing each of those commitments, and to ensure that the Company develops and implements effective management systems to identify, minimize and manage health and safety risks. It is also used to promote and enhance employee commitment and accountability. The Health and Policy is available for viewing on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

## ***Social***

The Company recognizes the responsibility it has to its people and the communities in which it has the privilege to operate. Copper Mountain acknowledges that it operates on the unceded territories of the Upper Similkameen Indian Band ("**USIB**") and the Lower Similkameen Indian Band ("**LSIB**") in British Columbia.

Copper Mountain deeply values its relationships with local towns and Indigenous communities and recognizes that their support enables the Company's continued success. Copper Mountain works to continue to build these positive and mutually beneficial relationships.

The foundation of the Company's community and Indigenous relationships is trust, transparency, and open dialogue. Copper Mountain actively engages with local communities to receive and respond to concerns, as well as to keep communities apprised of activities and developments. The Town of Princeton is the base community for the Copper Mountain Mine, and as the largest local employer, the Company strives to employ from local communities and the regional district. Its focus is maximizing local hire and training team members in their personal growth to support career development and promotion from within. The Company also supports community events, including local sports and recreation, and the Copper Mountain Mine has been included in a town boundary extension, allowing taxes to go directly from the Copper Mountain Mine to the local community.

The Copper Mountain Mine has participation agreements in place with each of the USIB and the LSIB, as well as support from the Town of Princeton and the Province of British Columbia.

The Company is proud to have achieved an “A” rating under the TSM standard for Indigenous and Community Relationships in 2022. This rating recognizes, along with other indicators, that Copper Mountain has processes in place to support the development of meaningful relationships with communities of interest, to mitigate adverse community impacts and optimize social benefits generated from mining, and to actively build meaningful relationships and implement engagement and decision-making with Indigenous communities.

## *Transparency*

In 2022, the Company published its inaugural 2021 ESG Report. This inaugural ESG Report formalized the sustainability initiatives Copper Mountain has been undertaking for years. It also established a baseline for future reports and marks the Company’s commitment to transparency in reporting and increased sustainability performance. The ESG Report is available for viewing on the Company’s website at [www.CuMtn.com](http://www.CuMtn.com).

In addition, the Company discloses certain categories of payments it makes to domestic and foreign governments at all levels under the *Canadian Extractive Sector Transparency Measures Act* (“**ESTMA**”). The Company’s annual ESTMA reports are available on the Company’s website at [www.CuMtn.com](http://www.CuMtn.com).

## *Diversity*

The Company recognizes and embraces the importance of having diverse perspectives from highly qualified and skilled individuals as members of the Board of Directors and employees. To this end, the Company has adopted a Diversity Policy, which sets forth the Company’s objectives for increasing diversity. In addition, the Company’s Code of Business Conduct and Ethics (the “**Code of Conduct**”) promotes and supports diversity and inclusion. The Diversity Policy and the Code of Conduct can be found on the Company’s website at [www.CuMtn.com](http://www.CuMtn.com).

The Corporate Governance Committee reviewed Board governance, including diversity, in seeking new directors throughout its refreshment and renewal process in 2020 and 2021. The Corporate Governance Committee’s objective is to build a pipeline of diverse, experienced, high quality board ready candidates, specifically considering gender and ethnicity.

In April 2022, the Board committed to achieving a Board composition by the end of 2022 of at least 30% women directors and included such commitment in the Diversity Policy. As of the date of this AIF, three of eight directors are women, representing approximately 38% of the Board.

Furthermore, in approving candidates to positions of employment with the Company, the Diversity Policy requires the Company take into account the representation of gender and ethnicity. The Company’s objective is to identify candidates on a merit-based system, including those who best possess the skills required for each position; however, the Company values diversity, including, without limitation, gender, ethnicity and aboriginal status, as part of its overall business strategy.

The Company is committed to Indigenous employment as part of its participation agreements with each of the USIB and LSIB. Indigenous employment has remained consistent over the last five years, with approximately 15% of the Copper Mountain Mine team self-declaring as Indigenous as at December 31, 2022.

As of the date of the AIF, one of the six executive officers of the Company is a female, representing approximately 17% of the Company's executive officers. The Company's mining operations have several senior female managers, with approximately 18% of the Company's workforce identifying as female as at December 31, 2022.

## ***Corporate Social Responsibility Committee***

The Company's Board of Directors has established Corporate Social Responsibility Committee (the "**CSR Committee**") that, as part of its mandate, is responsible for in overseeing and assessing the Company's safety, health and environmental, corporate social responsibility, including good community relations, and human rights programs, policies and performance and the corporate culture in support of same. The CSR Committee meets and reports to the Board on a quarterly basis. The Company's CSR Committee mandate is available for viewing on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

## **Description of Property – Copper Mountain Mine**

The following disclosure relating to the Copper Mountain Mine is based on information derived from the 2022 Technical Report and prepared in accordance with NI 43-101. The detailed disclosure in the 2022 Technical Report is incorporated by reference herein. The 2022 Technical Report is intended to be read in its entirety, and sections should not be read or relied upon out of context. The 2022 Technical Report is available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) or on the Company's website at [www.CuMtn.com](http://www.CuMtn.com). All scientific and technical information relating to the Copper Mountain Mine subsequent to the effective date of the 2022 Technical Report has been reviewed and approved by Dr. Patrick Redmond, Ph.D., P.Geo., the Company's Senior Vice President, Exploration and Geoscience, and Mr. Alberto Chang, P.Eng., the Company's Vice President, Mining, each of whom is a qualified person under NI 43-101.

## ***Property Description, Location, and Access***

The Copper Mountain Mine is 21 km by road south of Princeton, British Columbia, Canada and 180 km east of Vancouver, British Columbia, Canada. The property consists of 135 Crown-granted mineral claims, 145 located mineral claims, 14 mining leases, 12 fee simple properties, and seven cell claims, which together cover 6,354 ha (63.5 km<sup>2</sup>). All claims are controlled by Copper Mountain Mine (BC) Ltd. (formerly Similco Mines Ltd.) ("**CMML**"). The claims straddle the Similkameen River, with New Ingerbelle on the west side of the river and the Copper Mountain Main ("**CM Main**") and Copper Mountain North ("**CM North**") pits on the east side of the river. The Hope–Princeton Highway (Highway 3) passes immediately west of the property.

Approximately 11% of the total property area consists of claims subject to a 5% net smelter return ("**NSR**") royalty. The royalty claims are mainly peripheral to areas currently scheduled for mining, and most are situated outside of the area deemed favourable for mineralization, or under active exploration. Both past and current mine production areas occupy less than 5% of the total property area. The CM North pit is partially covered by royalty-bearing claims. Exploration in the Virginia, CM North pit, and Voigt areas was carried out intermittently between 1993 and 2012. Mine production recommenced in the Virginia deposit in 2016 and was completed in 2017. The royalty agreements date back to 1979 and were made by Newmont Mining Corporation ("**Newmont**"), with both Cominco's and Nufort Resources Inc.'s ("**Nufort**") claims combined into a single agreement. UNOR Inc., a small uranium exploration company, which has since changed its name to Hornby Bay Mineral Exploration Ltd., purchased the Nufort royalty, which has since been purchased by the Company. The only remaining royalty belongs to Sandstorm Gold Ltd., which purchased the Cominco royalty from Teck Resources Ltd.

Almost all the Copper Mountain Mine property area is accessible by highway, with the site served by a paved access road, local gravel roads (remaining either from previous mining or logging), and those used for current mining. Electrical power from the provincial grid is connected to the property. Supplemental water for operations, in addition to water recycled from the tailings management facility (“**TMF**”), is pumped from the Similkameen River.

## *History*

Initial exploration at the Copper Mountain Mine dates to around 1884. Underground mining began in 1923, when Granby Consolidated Mining, Smelting and Power Company (“**Granby**”) acquired the property and built a milling facility in Allenby (adjacent to Princeton). Between 1927 and 1957, Granby extracted around 31.5 million tonnes (“**Mt**”) of ore with an estimated head grade of 1.08% Cu, as well as significant amounts of gold and silver, mostly from its underground operations. In 1972, Newmont began open pit mining operations at New Ingerbelle, with an initial Mineral Reserves estimate of 69 Mt grading 0.53% Cu (Dolan et al., 1975). In 1979, development of mineable reserves on the Copper Mountain Mine side of the project (east of the Similkameen River) commenced with the installation of a new primary crusher and conveyor system across the Similkameen River. This helped feed the New Ingerbelle mill, which was expanded from 13,000 tpd to over 20,000 tpd. Production from the Copper Mountain Mine side of the project was from historical Pits 1, 2, and 3. In 1988, Newmont sold the entire property to Cassiar Mining Corporation, which later became Princeton Mining Corporation. Mining operations ceased in 1996.

In 2006, the Company acquired the Copper Mountain Mine project and, following extensive exploration and engineering studies between 2007 and 2009, determined that the Copper Mountain Mine should be placed into production. Upon completion of permitting, construction was initiated in early 2010, and the current phase of open pit mining began in 2011.

## *Geological Setting and Mineralization*

The Copper Mountain Mine porphyry copper deposit lies near the southern end of the Quesnel Terrane—an allochthonous composite crustal fragment consisting of Paleozoic and Mesozoic volcanic, sedimentary, and plutonic rocks. The southern Quesnel Terrane is dominated by the late Triassic Nicola Group, a subaqueous island arc assemblage composed of volcanic and sedimentary rocks that make up the Nicola Volcanic Arc. At the Copper Mountain Mine, the Nicola Group is cut by a suite of intrusive rocks including the composite Copper Mountain Stock (“**CMS**”), the Voigt Stock, and the slightly younger, polyphase, Lost Horse Intrusive Complex (“**LHIC**”). The bulk of the known copper–gold mineralization at the Copper Mountain Mine occurs in a northwesterly trending belt of Nicola Group rocks, approximately 5 km long and 2 km wide, that is bounded in the south by the CMS and in the west by the northerly–trending Boundary Fault system. Copper–gold mineralization post-dates the CMS and is temporally and spatially associated with the LHIC. Host rocks and mineralization in the mine area are cut by numerous late, north–south-trending felsite dykes, which are related to emplacement of the Cretaceous Verde Creek quartz monzonite, located approximately 3.5 km northeast of the mine area. Sedimentary and volcanic rocks of the Eocene Princeton Group have been unconformably deposited on Nicola Group rocks and LHIC along the northern margin of the Copper Mountain Mine and dip at about 30° to the north.

Alteration types in the Copper Mountain Mine deposit are typical of porphyry copper deposits. Three major alteration types are observed at the Copper Mountain Mine: potassic; sodic; and propylitic. Other volumetrically minor alteration types include kaolinitic and sericite–chlorite clay. All mineralization-related hydrothermal alteration types postdate the hornfelsing of Nicola Group volcanic rocks adjacent to the CMS.



Mineralization had been subdivided into four types, as follows:

- Disseminated and stockwork chalcopyrite, bornite, chalcocite, and pyrite in altered Nicola Group volcanic rocks and LHIC rocks;
- Bornite-chalcopyrite associated with pegmatite-like veins (coarse masses of orthoclase, calcite, and biotite);
- Magnetite-(±hematite)-chalcopyrite replacements and/or veins); and
- Chalcopyrite-bearing magnetite breccias.

Due to Pleistocene glacial erosion most of the Copper Mountain deposit is characterized by a relatively fresh erosion surface, with limited surficial oxidation and no significant secondary enrichment of copper.

## ***Deposit Types***

The Copper Mountain Mine deposit is an example of an alkalic porphyry deposit, in which copper–gold mineralization is spatially and genetically associated with multiple pulses of volumetrically restricted, and compositionally varied, alkaline porphyry intrusions. Although less common globally than calc-alkalic porphyry deposits, alkalic porphyry deposits are common in British Columbia, where they have been extensively studied. Well known examples of alkalic porphyry deposits in British Columbia include the Copper Mountain Mine, Afton/Ajax, Mountain Milligan, Mount Polley, Lorraine, Red Chris, and Galore Creek. Alkalic porphyry deposits in British Columbia have been further subdivided into two types: silica undersaturated (e.g., Galore Creek); and silica saturated (e.g., Copper Mountain Mine).

Mineralization in alkalic porphyry deposits is typically hosted by potassic and/or calc-potassic alteration zones, and potassic alteration is typically more extensive spatially than copper–gold mineralization. Alkalic porphyry deposits in general are characterized by a relative scarcity of phyllic (sericitic) alteration, and an almost total lack of clay alteration. Sulphides in alkalic porphyry deposits are typically zoned from a bornite–rich core to bornite + chalcopyrite and then pyrite + chalcopyrite zones, with an outer barren zone where pyrite is the dominant sulphide. Overall, the sulphide content, especially pyrite content, is low compared to calc-alkalic porphyry deposits.

## ***Exploration***

The Company uses a UTM NAD 83 Zone 10 datum. A number of geological mapping programs have been completed on the Copper Mountain Mine project. Mapping scales ranged from 1:20,000 district geological maps to more detailed 1:2,500 geological maps of the mine. Data from this mapping has been used to support geological interpretation and resource estimation.

The Copper Mountain Mine has a long history of exploration and mining. Historical soil sampling and rock chip sampling were carried out. There is limited information available on these historical geochemical surveys and these surficial data are not relevant to the current Mineral Resources estimate.

Airborne geophysical surveys were flown within the project area in 1993 and 2014. A Titan IP/resistivity/MT survey, covering the CM Main and CM North zones, was carried out in 2007; it consisted of seven lines totalling 22.8 line km. Another IP/resistivity survey was carried out in 2017 and consisted of seven geophysical survey lines totalling 9.9 line km. Data from these geophysical surveys has been used to support geological mapping, exploration, and interpretation of the Copper Mountain deposit.

## *Drilling*

The majority of historical drilling (1912–2007) at the Copper Mountain Mine project was diamond drilling, with some percussion holes drilled in the 1950s and reverse-circulation (“**RC**”) holes drilled in 1994. Since 2007, the majority of the drilling has been diamond drilling, with some RC drilling carried out in 2021–2022. Since the previous NI 43-101 technical report in November 2020, 203 additional drill holes, comprising 60,953 m of drilling, have been added to the database.

Drilling completed to March 1, 2022, on the Copper Mountain Mine includes 6,187 core drill holes (606,847 m) and 1,358 RC and percussion drill holes (110,294 m) for a total of 7,545 drill holes (717,141 m).

Since the close-out date of the database for the Mineral Resources estimate as at August 1, 2022, a total of 31 RC drill holes (5,318 m) have been completed in the CM Main zone. Other drill holes that are not used in the Mineral Resources estimate were drilled for purposes other than exploration and resource expansion, such as geotechnical or hydrogeological drill holes. Blasthole drilling was conducted in support of short-term grade control and mining operations. Blasthole data are also not used in the Mineral Resources estimate but have been used for reconciliation.

A number of different drill core diameters have been employed over the history of the Copper Mountain Mine, including BX (36.6 mm core diameter for historical underground), NQ (47.6 mm core diameter), and HQ (63.5 mm core diameter). From 2007 onwards, the standard method of drilling was to start all holes with HQ core, then reduce to NQ core at depth.

Diamond core drill holes have been geologically logged for lithology, structure, alteration, vein type, and mineralization. The geological logging of RC chips is recorded using a modified logging template to capture the same major characteristics of the core logging.

Core recoveries are typically between 90% and 100% with local zones of lower recovery associated with fault zones.

Historical collar surveys used industry-standard theodolite instrumentation to establish local grid control. From 2007, drill-hole collars were surveyed using either a total station instrument or differential Global Positioning System.

Down-hole survey data were absent in pre-1960 drill holes. Down-hole dip data, presumably by acid tests, were included in drill data from 1960 to 1987. From 1988 to 1998, down-hole surveys were obtained using a Pajari instrument, which provided both azimuth and dip data. From 2007, down-hole surveys were obtained using digital REFLEX instruments (or similar systems) which were compass based.

## *Sample Preparation, Analyses and Security*

Core sampling was generally performed at 3 m intervals for NQ core and 2 m intervals for HQ core. Core was halved using a diamond-bladed core saw. RC samples were typically taken at 3 m intervals. Blasthole samples were collected using a 60 mm-diameter stainless-steel tube, with a total of three subsamples typically collected from each blasthole cone to form one complete sample.

A total of 1,673 specific gravity (“**SG**”) measurements have been made on drill core samples, representing a range of lithology, alteration, and mineralization types, using the weigh-in-air/weigh-in-water technique.

Sample preparation and analytical laboratories used included the following independent laboratories: Pioneer, Richmond (accreditations unknown); Ecotech, Kamloops (accreditations unknown); ALS Chemex,



Vancouver (ISO9001 and ISO17025:2017); Actlabs, Kamloops (ISO9001 and ISO17025:2017); and MSALABS, Langley (ISO9001 and ISO17025:2017). From 2012 to early 2022, sample preparation and primary copper and silver analysis of exploration samples (both core and RC) was carried out at the on-site the Copper Mountain Mine laboratory. This laboratory is not accredited and is not independent of the Company. During this time, check assay procedures were in place at independent accredited laboratories to verify analytical results from the Copper Mountain Mine laboratory. Sample pulps that returned >0.1% Cu at the Copper Mountain Mine laboratory were routinely sent to these independent laboratories for gold analysis, and approximately 10% these sample pulps were also analyzed for copper and silver. These check assay results indicate that sample analysis at the Copper Mountain Mine laboratory was acceptable.

Sample preparation methods have included crushing and pulverizing; however, the crush and pulverization sizing has changed slightly over time. Currently, the protocol is to crush to 70% passing ( $P_{70}$ ) a -10 mesh (<2 mm) sieve, and pulverize to 85% passing ( $P_{85}$ ) a -200 mesh (<75  $\mu$ m) sieve. Aqua regia digestion has been the standard digestion method since 2007. Analytical methods have been primarily by atomic absorption spectroscopy (“**AAS**”) for copper and silver, and fire assay/inductively coupled plasma (“**ICP**”) finish for gold. The Copper Mountain Mine laboratory also carried out initial copper analysis of samples using X-ray fluorescence with all samples returning >0.1% Cu subsequently analyzed using AAS. Multi-element suites were determined for selected samples from 2007 to early 2022, and for all exploration samples submitted to MSALABS (starting in March 2022), these multi-element analyses are reported using ICP methods.

The Company does not have any information on quality assurance and quality control (“**QA/QC**”) procedures for historical (pre-2007) analytical data. However, these historical data were obtained and compiled by major mining companies for mine design and production, and it is assumed that these data were acquired in an industry-standard manner for their time.

QA/QC measures adopted for the drilling from 2007–2016 included the submission of coarse blanks and certified reference material (“**CRM**”). The QA/QC insertion rates consisted of 2.2% coarse blanks and 2.2% CRMs. From 2017–2020, QA/QC measures included the submission of CRMs at an insertion rate of 1.4%, with no coarse blanks included. From 2021 to early 2022, QA/QC measures did not include the submission of CRMs or coarse blanks; however, during this time, the Copper Mountain Mine laboratory continued to insert CRMs into the analytical sample stream, at an insertion rate of 5% for both X-ray fluorescence and AAS analyses—a QA/QC measure that had been in place at the Copper Mountain Mine laboratory from 2012 to 2022. From March 2022, sample preparation and primary analysis for exploration samples was carried out at MSALABS, and QA/QC measures included the submission of coarse blanks, CRMs, and half-core duplicates, with an insertion rate of 5% for coarse blanks, 5% for CRMs, and 3.9% for half-core duplicates. Coarse crush duplicate analyses were also carried out by MSALABS, at a rate of 3.2%. Review of the QA/QC data indicates that although there were batches that indicated QA/QC failures, after resubmitting the outlier samples to the laboratory, the resulting re-assay data were acceptable.

A number of check assay and re-assay programs have been carried out at the Copper Mountain Mine. Since 2007, an independent check assay procedure for copper and silver has been in place. Approximately 10% of exploration samples with >0.1% Cu have been subjected to check assay at independent laboratories. In 2022, 360 samples of archived half-core from the 2021–2022 drilling program were sent for re-assay at MSALABS. These samples were of NQ and HQ core, were 1.5 m to 3.0 m long, and represented a range of copper grades. Sample preparation and primary analysis of the original half-core samples for 310 of these samples had been carried out at the Copper Mountain Mine laboratory and for the remaining 50 at MSALABS. This re-assay program represented a 5% check of primary analyses of >0.1% Cu from the Copper Mountain Mine laboratory on samples from the 2021–2022 program and showed that the original assay results from the Copper Mountain Mine laboratory were acceptable.

Based on a review of QA/QC data and the results of check and re-assay programs, the copper, gold and silver data from drill core and RC samples are considered acceptable for use in Mineral Resource estimation.

Drill core and RC drill data, including assay data, were stored in Excel spreadsheets and subsequently uploaded to an Access database in Surpac software for Mineral Resource estimation. Geological logging data were recorded either directly into Excel or onto paper logs that were subsequently entered into Excel.

The Company has no information on sample security measures prior to 2007. From 2007, samples have been stored in secure areas at the mine site. No significant security issues have been identified.

## ***Data Verification***

Copper Mountain Mine exploration staff continually verified data starting with the drilling programs in 2007–2008, which supported the mine restart in 2011, and continuing through the most recent 2022 drill program. Drill hole data are also supported by more than 11 years of reconciled copper production and operational data. No significant issues have been noted during reconciliation with the exploration data that were collected.

There is no direct method for verifying historical (pre-2007) drill data. However, these historical data were obtained and compiled by major mining companies for mine design and production, and the data were presumably collected in an industry-standard manner for that time.

The drill hole data used to generate the Mineral Resource estimate were manually checked for errors and gaps prior to data upload to Surpac software. Exploration personnel conducted regular reviews of data quality prior to Mineral Resource estimation.

In 2019, SRK completed an independent Mineral Resource estimate at New Ingerbelle and reviewed the Company's estimation methodology and concluded that it is reasonable and based on industry standards. In 2022, SLR completed an independent review and geostatistical analysis of grade estimation and classification criteria for the CM Main, CM North, and New Ingerbelle zones at the Copper Mountain Mine. SLR concluded that the 2021 and 2022 Mineral Resources estimates for the Copper Mountain Mine were reported in accordance with the CIM Standards.

## ***Mineral Processing and Metallurgical Testing***

Ore sourced from the Copper Mountain and New Ingerbelle pits have been studied. Laboratory testwork and plant operation demonstrate that all ore on the property can be generalized as competent and hard, requiring relatively large energy investment in the comminution process. Flotation recovery varies across the areas of the active Copper Mountain pits, with sulphide grain sizes spanning a very-fine to coarse classification, requiring additional liberation and metallurgical domain-specific recovery targets. The majority of the flotation samples analyzed on New Ingerbelle ore have shown that this area will see the highest recovery of the known ore types on the property due to coarse mineralization.

In the cases of both comminution and flotation, laboratory testwork is validated against actual production at the Copper Mountain Mine concentrator using production models. In the case of comminution, it is using Morell power-based equations and Ausenco's proprietary models. In the case of flotation, each recovery domain is adjusted based on the degree of liberation, by using the grind size estimated by the comminution model as an input.

There are currently no penalties associated with concentrates produced by the Copper Mountain Mine concentrator. Moreover, there is no indication of any potential future concerns.

### ***Mineral Resources and Mineral Reserves Estimates***

The material assumptions, parameters and methodology used to estimate Mineral Resources and Mineral Reserves and the data verification procedures followed are set out in the 2022 Technical Report. Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

### Mineral Resources Estimate (as at December 31, 2022)

Category	Tonnes (kt)	Cu Grade (%)	Au Grade (g/t)	Ag Grade (g/t)	Copper Pounds (Mlb)	Gold Ounces (koz)	Silver Ounces (koz)
<b>Measured</b>							
CM Main & North Pits Total	334,768	0.24	0.07	0.80	1,750	783	8,637
New Ingerbelle Pit	198,241	0.24	0.14	0.41	1,027	905	2,588
Subtotal Measured	533,009	0.24	0.10	0.66	2,777	1,688	11,225
Stockpile	51,765	0.154	0.04	0.45	176	67	749
<b>Total Measured</b>	<b>584,774</b>	<b>0.23</b>	<b>0.09</b>	<b>0.64</b>	<b>2,953</b>	<b>1,755</b>	<b>11,974</b>
<b>Indicated</b>							
CM Main & North Pits Total	352,917	0.19	0.07	0.59	1,459	788	6,732
New Ingerbelle Pit	165,210	0.23	0.13	0.37	845	680	1,987
<b>Total Indicated</b>	<b>518,127</b>	<b>0.20</b>	<b>0.09</b>	<b>0.52</b>	<b>2,304</b>	<b>1,468</b>	<b>8,719</b>
<b>Measured + Indicated</b>							
CM Main & North Pits Total	687,685	0.21	0.07	0.69	3,209	1,571	15,369
New Ingerbelle Pit	363,451	0.23	0.14	0.39	1,872	1,585	4,574
Subtotal Measured + Indicated	1,051,136	0.22	0.09	0.59	5,081	3,156	19,943
Stockpile	51,765	0.154	0.04	0.45	176	67	749
<b>Total Measured + Indicated</b>	<b>1,102,901</b>	<b>0.22</b>	<b>0.09</b>	<b>0.58</b>	<b>5,257</b>	<b>3,223</b>	<b>20,692</b>
<b>Inferred</b>							
CM Main & North Pits Total	271,320	0.19	0.08	0.61	1,130	673	5,315
New Ingerbelle Pit	154,800	0.20	0.11	0.32	696	567	1,603
<b>Total Inferred</b>	<b>426,120</b>	<b>0.19</b>	<b>0.09</b>	<b>0.50</b>	<b>1,826</b>	<b>1,240</b>	<b>6,918</b>

**Notes:**

1. Mineral Resources estimate was prepared by Dr. Patrick Redmond, Ph.D., P.Geo., the Company's Senior Vice President, Exploration and Geoscience and a qualified person.
2. Mineral Resources were estimated using the December 31, 2022 mining surface for the Copper Mountain Mine project.
3. Mineral Resources are constrained by a \$3.50/lb Cu pit shell.
4. Cut-off grade is based on copper grade only.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Cut-off grades applied at 0.1% Cu.
7. Totals may not add due to rounding.
8. Low grade stockpile is included in the measured category.

### Mineral Reserves Estimate (as at December 31, 2022)

Category	Tonnes (kt)	Cu Grade (%)	Au Grade (g/t)	Ag Grade (g/t)	Copper Pounds (Mlb)	Gold Ounces (kt)	Silver Ounces (kt)
<b>Proven</b>							
CM Main & North Pits Total	227,696	0.28	0.08	0.90	1,385	608	6,552
New Ingerbelle Pit	183,003	0.23	0.14	0.41	928	824	2,412
Subtotal Pit Only	410,699	0.26	0.11	0.68	2,313	1,432	8,964
Stockpile	51,765	0.15	0.04	0.45	176	67	749
<b>Total Proven</b>	<b>462,464</b>	<b>0.24</b>	<b>0.10</b>	<b>0.65</b>	<b>2,489</b>	<b>1,499</b>	<b>9,713</b>
<b>Probable</b>							
CM Main & North Pits Total	145,493	0.22	0.08	0.63	709	388	2,928
New Ingerbelle Pit	80,154	0.22	0.12	0.37	389	309	953
<b>Total Probable</b>	<b>225,647</b>	<b>0.22</b>	<b>0.10</b>	<b>0.54</b>	<b>1,098</b>	<b>697</b>	<b>3,881</b>
<b>Proven + Probable</b>							
CM Main & North Pits Total	373,189	0.25	0.08	0.79	2,094	996	9,480
New Ingerbelle Pit	263,157	0.23	0.13	0.40	1,317	1,133	3,366
Subtotal Pit Only	636,346	0.24	0.10	0.63	3,411	2,129	12,846
Stockpile	51,765	0.15	0.04	0.45	176	67	749
<b>Total Proven + Probable</b>	<b>688,111</b>	<b>0.24</b>	<b>0.10</b>	<b>0.62</b>	<b>3,587</b>	<b>2,196</b>	<b>13,595</b>

#### Notes:

1. Mineral Reserves estimate was prepared by Mr. Alberto Chang, P.Eng., the Company's Vice President, Mining and a qualified person.
2. Joint Ore Reserves Committee ("JORC") and the CIM Standards were followed for Mineral Reserves.
3. Mineral Reserves were generated using the December 31, 2022 mining surface.
4. Mineral Reserves are reported at 0.10% and 0.13% Cu cut-off grade for New Ingerbelle and the Copper Mountain Mine, respectively.
5. Mineral Reserves are reported using long-term copper, gold, and silver prices of \$2.75/lb, \$1,500/oz, and \$18.50/oz, respectively.
6. An average CM Main & CM North copper process recovery of 80%, gold process recovery of 65%, and silver process recovery of 70% is based on geo-metallurgical domains and actual plant values.
7. An average New Ingerbelle copper process recovery of 88.5%, gold process recovery of 71%, and silver process recovery of 65% is based on geo-metallurgical domains, historical recoveries, and recent testwork.
8. Average bulk density is 2.78 t/m<sup>3</sup>.
9. Stockpile tonnes and grade based on production grade control process.
10. Totals may not add due to rounding.

## Mining Operations

The Copper Mountain Mine employs conventional open pit mining methods composed of blasthole drilling, blasting, shovel loading, and rigid-frame, rear-dump truck haulage. Blastholes (270 mm or 311 mm diameter) are drilled on a grid pattern, with blasthole spacing between 7 m and 9 m depending on hole diameter, rock hardness, and whether material is anticipated to be ore or non-economic rock ("NER"). The blasthole cuttings are mapped and sampled, with samples transported to the on-site analytical laboratory. Samples are pulverized and analyzed for copper. Assays are uploaded to the ore control department and

combined with the exploration drill database, which is then interpolated onto bench plans together with blasthole grades and geological information. Grade boundaries are selected manually, and depending on the material, the blasting details are determined. Following blasting, the dig plans are uploaded to the shovels and dispatch system to direct mining and haulage. Mine plans are updated on an annual basis, or as required due to changing circumstances.

Mine production information for each of the 2022 and 2021 year is presented in the following table:

Copper Mountain Mine (100% Basis)	2022 Annual	2021 Annual
<b><i>Mine</i></b>		
Total Tonnes Mined (000s)	52,755	56,897
Ore Tonnes Mined (000s)	12,937	13,358
Waste Tonnes (000s)	39,818	43,540
Stripping Ratio	3.08	3.26
<b><i>Mill</i></b>		
Tonnes Milled (000s)	12,707	13,406
Feed Grade (Cu%)	0.24	0.38
Recovery (%)	79.1	79.8
Operating time (%)	85.4	91.9
Tonnes milled (TPD)	34,814	36,729
<b><i>Production</i></b>		
Copper (000s lbs)	52,902	90,140
Gold (oz)	21,771	28,736
Silver (oz)	247,291	523,821

## ***Recovery Methods***

The Copper Mountain Mine concentrator flowsheet is currently a relatively simple two-stage crushing, SAG, pebble crusher, ball milling, and sulphide flotation circuit design. The current capacity supports 45,000 tpd of ore processing.

The 45,000 tpd expansion, which is currently in operation, added a third ball mill in parallel with two pre-existing ball mills and reduced the grind size to 150 µm.

The 2022 Technical Report presents the studies conducted for the installation of a high-pressure grinding rolls (“**HPGR**”), a fourth ball mill and additional equipment, which will allow for production at 65,000 tpd at P<sub>80</sub> 165 µm.

## ***Infrastructure***

The Copper Mountain Mine was constructed between 2010 and mid-2011. As it was constructed on a site of previous mining activity, significant parts of the infrastructure were already in place, including a power line to the New Ingerbelle mill, roads, water source, mine office building, and TMF. The key components required for the new mine in 2010 were: a 35,000 tpd concentrator processing facility; a power-line

extension; new transformers and power distribution; a new fresh-water booster station and piping to the new concentrator; new mine maintenance truck shop; and a fleet of open pit mining equipment. In 2014, a secondary crushing circuit was added, which allowed the concentrator to significantly exceed the original design capacity of 35,000 tpd, increasing capacity to 40,000 tpd. In 2021, a third ball mill was installed, increasing capacity to 45,000 tpd.

The Copper Mountain Mine concentrator is approximately 21 km from Princeton, B.C. The Copper Mountain Mine site can be accessed by way of an 18.4 km-long paved road, and an existing site-access gravel road approximately 2.6 km long. The site is easily serviced and accessible by a strong presence of key support vendors within the greater Vancouver, Okanagan/Kelowna, and Kamloops areas. With the proximity to the town of Princeton, employees live locally within the town and surrounding area, negating the need for camp services.

Electricity is supplied from the BC Hydro Nicola substation near Merritt, British Columbia along a 138 kV transmission line owned and maintained by BC Hydro, to the Similco Mines substation ("**SCO**"). The BC Hydro line can also supply power to the Princeton substation operated by FortisBC. The SCO, owned by the Company, supplies equipment operating on the west side of the Similkameen River, such as the fresh-water pumps. A 3.3 km long 138 kV line crossing the Similkameen River then runs from the SCO substation to the Copper Mountain Mine substation at the Copper Mountain Mine concentrator. This substation provides the required voltage step-downs to service all other equipment operating east of the Similkameen River.

Concentrator process water is recycled from the TMF pond, with additional make-up water pumped from the Similkameen River. Existing infrastructure installed to support the Copper Mountain Mine operation includes:

- A complete 45,000 tpd Cu-Au-Ag flotation plant and concentrate load-out facility;
- Active CMM open pit and NER storage area ("**NERSA**");
- Historical Ingerbelle pit and its north NERSA;
- Cyclone sand dam TMF (approximately 267 ha), complete with seepage return pumping systems installed at the toe of the East and West dams;
- Access and haul roads, plant site, TMF, explosives bulk storage depot and magazine, pumping station at the Similkameen River;
- Truck shop (five bays), tire pad, wash pad, and warehouse facilities;
- Power supply to the SCO and CUM substations and electrical reticulation;
- Process water, contact water, and fresh-water pumping infrastructure;
- Potable and wastewater treatment facilities servicing the full allotment of operating and administration staff;
- Fully equipped metallurgical and assay determination laboratory;
- Administration facilities;
- Explosives bulk storage depot and magazines;
- Training, plant tool storage, security gatehouse and first aid facilities; and
- Mining infrastructure, including a 1 km Trolley Assist waste-hauling system from the Copper Mountain pits.

In early October 2022, the Company successfully commissioned the rougher flotation circuit expansion, which is the final plant improvement and optimization project planned for 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.

The 65,000 tpd expansion will require modifications to existing concentrator and infrastructure to support the increased milling rate, including the following:

- Primary and Secondary crushing, conveying and screening plant upgrade;
- HPGR, conveying, wet screening and buildings;
- No. 4 Ball Mill and Classification;
- Demolishing Regrind mill and install a new Verti-Mill;
- Three additional Rougher 300 m<sup>3</sup> flotation cells;
- Rougher and Regrind building;
- East Haul Road Trolley Assist;
- New Ingerbelle and Seepage management system;
- Tailings Line Expansion to new North TMF; and
- Wolfe Creek Realignment (14 km).

## ***Permitting and Compliance Activities***

The mining and processing at the CMM are authorized and regulated by three major permits: B.C. *Mines Act* Permit M-29; Effluent Permit PE-261; and Air Emissions Permit PA-105340. Additionally, discharges from the mine site are governed by the federal Metal and Diamond Mining Effluent Regulations under the federal *Fisheries Act*. All permits have specific monitoring requirements, and general or specific discharge limits and characteristics.

The current *Mines Act* M-29 permit, issued, and enforced by the B.C. Ministry of Energy, Mines, and Low Carbon Innovation (“**EMLI**”) authorizes the mine and reclamation plans, tailings and NERSA, site roads, and water management. It also contains requirements for reclamation liabilities, closure cost estimates, and associated reclamation bonding.

The Copper Mountain Mine expansion project to 65,000 tpd will require amendments to these existing operational permits. Although these permits fall under the jurisdiction of EMLI and the B.C. Ministry of Environment and Climate Change Strategy, applications allow for an integrated permitting process that are expected to enable a coordinated authorization review process. The time required for these permit developments has been factored into the overall schedule.

The Copper Mountain Mine biophysical setting includes relevant baseline studies, monitoring, and management plans for vegetation, wildlife and wildlife habitat, fish and aquatic resources, hydrology, hydrogeology, water quality, sediment, periphyton and benthic invertebrates, air quality, as well as greenhouse gas and climate change. Data from historical and existing monitoring will be supplemented with additional baseline assessments to characterize the environmental impact of the Copper Mountain Mine expansion project.



The Company has strong support from local communities and the Town of Princeton. Transparent engagement and strong cooperative working relationships with all local communities are priorities for the Company. The Copper Mountain Mine is within the Traditional Territory of the Smilq'mixw People as represented by the USIB, in Hedley, and the LSIB, in Cawston. The Company maintains a cooperative and respectful relationship with each of the USIB and LSIB that is in keeping with the principles of economic sustainability, environmental stewardship, and self-determination in respect of Smilq'mixw Territory. The Company has actively engaged each of the USIB and LSIB on the New Ingerbelle development plan and will continue engagement activities for the Copper Mountain Mine expansion project, specifically with involvement in environmental baseline studies, input of Indigenous Knowledge into design considerations, and review of basic engineering concepts.

The Company has developed a conceptual end land-use plan (“**ELUP**”) in collaboration with each of the USIB and LSIB for the Copper Mountain Mine. The conceptual ELUP serves as a guide for reclamation planning, progressive reclamation efforts, and research on site-throughout operations, and as a tool for input from each of the USIB and LSIB in the development of a detailed ELUP. The detailed ELUP, once developed, will continue to be used to achieve the end land-use objectives and to identify challenges and solutions that can be addressed through recontouring, reclamation research, and reclamation implementation.

As required under *Mines Act* Permit M-29, the Company will develop and submit a detailed Closure Plan to EMLI for approval at least twelve months prior to final closure. The Company will continue to engage First Nations, local communities, and regulatory agencies in focused consultation about closure and development of an appropriate and detailed mine closure plan that is responsive to First Nations and stakeholder concerns.

## ***Capital and Operating Costs***

The capital and operating cost estimates derived for the Copper Mountain Mine are based on the data set forth in the 2022 Technical Report. Total sustaining and development capital costs are estimated to be US\$1,287.2 million for the life of the Copper Mountain Mine. The life of mine capital costs estimate is shown in the table below.

Area	Value (US\$ millions)
<b><i>Sustaining Capital</i></b>	
Mine (Includes Capital Leases)	715.5
Mill and Site	112.0
<b>Total Sustaining Capital</b>	<b>827.5</b>
<b><i>Development Capital</i></b>	
65,000 tpd Initial Development Capital	236.9
Other Development Capital	222.8
<b>Total Development Capital</b>	<b>459.7</b>
<b>Total Capital Costs</b>	<b>1,287.2</b>

The breakdown of estimated operating costs for the life of mine is shown in the table below, with all assumptions in place for the mining and milling of an integrated mine plan. The mine cost includes all mining costs for rehandling of existing ore stockpiles to feed the concentrator. Assumptions were made based on

hauling New Ingerbelle ore by truck and feeding the expanded concentrator at 65,000 tpd throughput. The higher milling rate, and lower operating cost of the HPGR circuit will result in a lower unit operating cost at the concentrator.

Area	LOM (\$/t milled)
Mine Cost per Tonne Milled <sup>(1)</sup>	5.75
Mill Cost per Tonne Milled	3.87
G&A and Engineering Cost per Tonne Milled	0.51
<b>Total Operating Cost per Tonne Milled</b>	<b>10.14</b>

**Note:** (1) Mining costs are inclusive of costs to rehandle the existing ore stockpiles. LOM mining cost is \$1.70/tonne mined.

Costs in individual years may vary significantly as a result of, among other things, current or future non-recurring expenditures, changes to input costs and exchange rates, and changes to the Company's current mining operations or mine plan.

## ***Exploration, Development and Production***

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.

For 2023, sustaining capital is estimated to be approximately US\$17 to US\$20 million, which relates primarily to mill maintenance and environmental monitoring systems. Deferred stripping is estimated 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 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.

The Copper Mountain Mine deposit remains open laterally and at depth, providing further Mineral 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 Mineral 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.

## Risks and Uncertainties

An investment in the Company's securities is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of operation, exploration and development of the Company's mineral properties. The following risk factors, as well as risks currently unknown to the Company and including those that the Company currently considers immaterial, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause you to lose part or all of your investment in the Company's securities. If any of the following risks materialize, the Company's business may be harmed, and its financial condition and operational results may suffer significantly. You should carefully consider the following risk factors along with the other matters set out in this AIF and in the Company's other public filings. The information in this section is intended to serve as an overview and should not be considered comprehensive, as the Company may face risks and uncertainties that are not currently known or that are deemed to be immaterial, and that are therefore not discussed in this section. All risks to the Company's business have the potential to influence its operations in a material adverse manner.

### **General**

The Company is in the business of operating, exploring and developing mineral properties, which is a highly speculative endeavour.

### ***Reliance On Copper Mountain Mine Operations***

The Company's ability to produce copper is subject to the continued successful operation of the Copper Mountain Mine in accordance with the annual budget. Although the annual budgets are completed with the Company's knowledge of the prior operating history of the Copper Mountain Mine, and the operating history of other mines in the region, actual operating results of the Copper Mountain Mine may differ materially from those anticipated.

The profitable operations of the Copper Mountain Mine are subject to a number of uncertainties. The following events, among others, could affect the profitability or economic feasibility of the Copper Mountain Mine:

- unanticipated changes in grade and tonnage of ore to be mined and processed;
- unanticipated adverse geotechnical conditions;
- incorrect data on which engineering assumptions are made;
- costs of constructing and operating a mine;
- unanticipated transportation costs;
- government regulations (including regulations to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands);
- fluctuations in commodity prices and exchange rates; and
- accidents, labour action and force majeure events of Copper Mountain Mine and that of other parties to material contracts with Copper Mountain Mine.

It is not unusual in mining operations to experience unexpected problems during the early years, and delays can often occur.

## ***Financing Risks***

In April 2021, Copper Mountain completed the Bond offering and repaid the balance owing on the senior loan agreement with The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mizuho Corporate Bank Ltd.

The Bond terms contain certain covenants and imposes certain restrictions on the Company's ability to complete certain transactions. For example, the Bond terms require that the Company's subsidiary obtain bondholder approval for any cumulative leases over US\$85 million. The Bond terms also restrict Copper Mountain from incurring additional indebtedness other than those expressly permitted by the Bond terms. Furthermore, the Bonds require the Company to maintain a minimum cash amount of: (a) US\$10 million, on an unconsolidated basis, subject to the Liquidity Covenant Step-up (as defined below); and (b) \$10 million at the Copper Mountain Mine. If, at the end of a quarter, the Leverage Ratio (defined as net debt to trailing twelve months adjusted EBITDA) exceeds 4.00 : 1.00, the Company is required to, on an unconsolidated basis, maintain a minimum cash balance of an amount equal to (i) US\$25 million less (ii) an amount equal to the amount deposited in the debt service account (the "**Liquidity Covenant Step-up**").

As at December 31, 2022, the Company is in compliance with the Bonds' financial covenants. However, a breach by the Company of any covenant or restriction in the Bond terms will constitute an event of default under the Bonds, entitling the lenders thereunder to accelerate the payment of amounts due thereunder. An obligation to repay the amount owing under the Bond terms before its stated maturity could have an adverse effect on the Company and its financial position.

## ***Exploration and Development Risks***

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, which factors, alone or in combination, may result in the Company not receiving an adequate return of investment capital. All of the claims to which the Company has a right to acquire an interest, except for the Copper Mountain Mine, are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that future exploration activities of the Company's mineral properties will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

### ***Lack of Availability of Resources***

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

### ***Requirement for Additional Financing***

The development and exploration of additional Company projects depends upon the Company's ability to obtain financing through equity financing, joint ventures, debt financing, or other means. There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets for precious and base metals may make it difficult or impossible for the Company to obtain equity financing or debt financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its operations.

### ***Uninsurable Risks***

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes, and cyber attacks or other breaches of information technology security. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance may not cover all the potential risks associated with a mining company's operations, including with respect to cyber attacks or other breaches of information technology security. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

### ***Environmental Regulations, Permits and Licenses***

Upon purchase of the Copper Mountain Mine, the Company has assumed certain pre-existing site reclamation obligations in respect of the Copper Mountain Mine. These costs are reflected in the Company's financial statements that are incorporated by reference into this AIF.

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of

operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to comply fully with all environmental regulations. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various federal, provincial and local governmental authorities in Canada, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial governmental regulation under applicable laws by governmental agencies that may require the Company to obtain permits or permit amendments from various governmental agencies. There can be no assurance, however, that all permits or permit amendments that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### ***Regulatory or Agency Proceedings, Investigations and Audits***

The Company's business requires compliance with many laws and regulations. Failure to comply with these laws and regulations could subject the Company to regulatory or agency proceedings or investigations and could also lead to damage awards, fines and penalties. The Company may become involved in a number of government or agency proceedings, investigations, and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm the Company's reputation, require the Company to take, or refrain from taking, actions that could harm its operations or require the Company to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations, and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on the Company's business, financial condition, and results of operation.

### ***Mineral Exploration and Mining Carry Inherent Risks***

Mining operations are subject to all hazards that are normally encountered in exploration, development and production. These include unexpected geological formations, rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which

could impact production throughput. Although it is intended to take adequate precautions to minimize risk, there is a possibility of a material adverse impact on the Company's operations and its financial results.

### ***Title Risks***

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects. Surveys have not been carried out on all of the Company's mineral properties in accordance with the laws of the jurisdiction in which such properties are situated; therefore, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Company can give no assurance as to the validity of title of the Company to those lands or the size of such mineral lands.

The Company has reviewed the land title searches for its Crown granted mineral claims at the Copper Mountain Mine. These searches contain remarks which purport to describe the nature of the undersurface rights held by the Company however these remarks are not binding or definitive. A full review of the original Crown grants and all subsequent transfer documents would be required in order to determine the definitive rights of the Company to undersurface rights. This review has not been conducted at this time.

In addition, certain claims are subject to production royalties ranging from 1% to 5%. The current development plan does not extend onto any claims which are subject to these royalties.

### ***Indigenous Rights and UNDRIP***

The Company operates and conducts exploration on properties which are subject to asserted Aboriginal rights and title. The Company has and continues to be committed to engaging with rights-holding Indigenous groups about any potential impact of its activities on such rights so as to avoid or mitigate impacts, which may result in delays or changes to mineral development activities.

In addition, the Government of British Columbia has adopted the *Declaration on the Rights of Indigenous Peoples Act* (2019) ("**DRIPA**") to implement UNDRIP in British Columbia. The legislation commits to a systematic review of the province's laws for alignment with UNDRIP principles, while also encouraging new agreements with Indigenous groups that are intended to address outstanding governance questions around the nature of Indigenous rights and title interests in British Columbia.

While the Company actively consults with all groups which may be adversely affected by the Company's activities, including Indigenous groups, there can be no assurance that satisfactory agreements can be reached.

### ***Competition***

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and may have longer operating histories and technical facilities. Competition could adversely affect the Company's ability to acquire additional suitable properties or prospects in the future.

### ***Board of Directors and Management***

The success of the Company is currently largely dependent on the performance of its board of directors and its' senior management. There is no assurance the Company can maintain the services of its board of



directors and management or other qualified personnel required to operate its business. Failure to do so could have material adverse effect on the Company and its prospects.

### ***Metal Prices are Volatile***

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends (such as the current conflict between Russia and the Ukraine), expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of, and demand for, the Company's principal products and exploration targets, gold, copper and silver, is affected by various factors, including political events, economic conditions and production costs.

### ***Infrastructure***

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

### ***Conflict of Interests***

Certain of the directors of the Company are directors of, or have significant shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate or may wish to participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such other companies may also compete with the Company for the acquisition of mineral property rights. In the event that any such conflict of interest arises, a director or officer who has such a conflict will disclose the conflict to a meeting of the board of directors of the Company and, if the conflict involves a director, the director will abstain from voting for or against the approval of such a participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the Company making the assignment. In accordance with the provisions of the British Columbia Business Corporations Act the directors and officers of the Company are required to act honestly in good faith, with a view to the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to the Company, the degree of risk to which the Company may be exposed and its financial position at that time.

### ***Key Personnel***

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for



such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff on the operations side. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

### ***Legal and Accounting Requirements***

As a publicly-listed company, the Company is subject to numerous legal and accounting requirements including the rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian and Australian securities administrators and regulators, the TSX and the ASX. These rules and regulations continue to evolve in scope and complexity creating many new requirements. The cost of compliance with many of these requirements is material. Failure to comply with these requirements can have numerous adverse consequences including, but not limited to, the Company's inability to file required periodic reports on a timely basis, loss of market confidence, delisting of its securities and/or governmental or private actions against the Company.

### ***Dilution***

There are a number of outstanding options pursuant to which additional common shares may be issued in the future. Exercise of such options may result in dilution to the Company's shareholders. In addition, if the Company raises additional funds through the sale of equity securities, shareholders may have their investment further diluted.

### ***Operations Dependent on Revenues and Financings***

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the shares purchased would be diminished.

### ***Tax***

No assurance can be given that the Company's tax positions will not be successfully challenged by tax authorities, new taxation rules will not be enacted, existing rules will not be changed, or existing rules will not be applied in a manner which could result in the Company being subject to additional taxation or liability, or which could otherwise have a material adverse effect on the Company's results from operations and financial condition.

### ***Price Volatility of Publicly Traded Securities***

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Company's common shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, exploration, development and operation of mining properties. The risks noted in this

AIF are not the only ones facing the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial may also impair the Company's operations. The order in which the following risk factors appear does not necessarily reflect management's opinion of their order or priority.

### ***Securities or Industry Research and Reports***

The trading market for the Company's common shares could be influenced by the research and reports that industry or securities analysts publish about the Company. If one or more of these analysts cease coverage or fail to regularly publish reports, the Company could lose visibility in the financial markets, which in turn could cause the trading price or volume of its common shares to decline. Moreover, if one or more of the analysts downgrade the Company or its common shares or if the Company's operating results do not meet their expectations, the trading price of its common shares could decline.

### ***Fraudulent or Illegal Activity by Employees, Contractors, and Consultants***

The Company is exposed to the risk that its employees, independent contractors, and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: government regulations; federal and provincial fraud and abuse laws and regulations; environmental or health and safety laws, regulations or standards; or laws that require the true, complete, and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal, and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits, and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, and results of operations.

### ***Cyber Attacks or Other Breaches of Information Technology Security***

Cyber-attacks or other breaches of information technology security could have an adverse impact on the Company's business. The Company was subject to a ransomware attack late on December 27, 2022 that affected the Company's internal IT systems at its Copper Mountain Mine and corporate office. As a result, the Company isolated operations, switched to manual processes, where possible, and the mill was preventatively shut-down to determine the effect on its control system. On January 1, 2023, the Company resumed operations of the primary crusher at the Copper Mountain Mine 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 relies on certain internal processes, infrastructure and information technology systems, including infrastructure and systems operated by third parties, to efficiently operate the Company's business in a secure manner. The inability to continue to enhance or prevent a failure of these internal processes, infrastructure or information technology systems could negatively impact the ability to operate the Company's business.

Cyber-attacks or other breaches of network or IT systems security may in the future cause disruptions to the Company's operations. The prevalence and sophistication of these types of threats are increasing and

the Company's frequently evolving security measures may not be sufficient to prevent the damage that such threats can inflict on assets and information. The theft, unauthorized use or publication of confidential business information could harm the Company's competitive position and/or otherwise adversely affect the Company's business. The Company's security measures may also be breached due to employee error, malfeasance, system errors or vulnerabilities, including vulnerabilities of vendors, suppliers, their products or otherwise. To the extent that any security breach results in inappropriate disclosure of customers' confidential information, the loss, theft or unauthorized processing of personal information, or disruption of operations, the Company may incur liability, be subject to legal action and suffer damage to its reputation.

The Company relies on secure and adequate operations of information technology systems in the conduct of its operations. Access to and security of the information technology systems are critical to the Company's operations. Disruptions to the Company's information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber-attacks, natural disasters, and non-compliance by third-party service providers and inadequate levels of cybersecurity expertise and safeguards of third-party information technology service providers, may adversely affect the operations of the Company as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third-party data, material adverse effect on its financial performance, compliance with its contractual obligations, compliance with applicable laws, damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny.

### ***Climate Change, Natural and Other Disasters***

The Company's financial and/or operating performance could be adversely affected by climate change and the impact of natural or other disasters, such as earthquakes, fires, floods, epidemics or pandemics. This is due to volatility and disruption to global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions and other factors relevant to the Company.

Global climate change could exacerbate certain of the threats facing the Company's business, including the frequency and severity of weather-related events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, rising water levels and changing temperatures which can disrupt the operations, damage infrastructure or properties, create financial risk or otherwise have a material adverse effect on financial position or liquidity. These threats may result in substantial costs to respond during the event, to recover from the event and possibly to modify existing or future infrastructure requirements to prevent recurrence. Global climate change also results in regulatory risks, which creates economic and regulatory uncertainty.

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks, and the Company may decide not to insure such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company's common shares.

Both Canada and British Columbia have established regulations to control greenhouse gas emissions, including carbon taxation. The Government of Canada introduced the *Greenhouse Gas Pollution Pricing Act* in 2019, which establishes a federal carbon levy for any province or territory without a similar carbon-pricing regime. The federal carbon tax rate was initially set at \$20 per tonne of CO<sub>2</sub> equivalent ("tCO<sub>2</sub>e") in 2019, increasing \$10 per year to \$50/tCO<sub>2</sub>e by 2022. British Columbia's *Carbon Tax Act* is considered sufficiently similar to the federal requirements that the Company's project will not be subject to the federal

*Greenhouse Gas Pollution Pricing Act*. On April 1, 2022, British Columbia's carbon tax rate, under the *Carbon Tax Act*, rose from \$45 to \$50/tCO<sub>2</sub>e.

In 2020, the Government of Canada introduced Bill C-12, the Canadian Net-Zero Emissions Accountability Act, and released the A Healthy Environment and a Healthy Economy climate plan to achieve Canada's climate goals, including net zero greenhouse gas emissions by 2050. This plan includes a proposal to increase the price of carbon by \$15/tCO<sub>2</sub>e per year from 2023 to \$170/tCO<sub>2</sub>e by 2030. British Columbia has announced its intention to follow, or exceed, these commitments. Both British Columbia and Canada also provide industrial incentive programs to support operations transitioning to a net zero carbon emissions pathway.

## Dividend Record and Policy

The Company has not paid any dividends since incorporation and does not anticipate declaring any dividends on its common shares in the foreseeable future. The payment of future cash dividends, if any, will be reviewed periodically by the Company's Board of Directors and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions, and other factors.

## Description of Capital Structure

The Company's authorized share capital consists of an unlimited number of common shares, without par value, of which 213,841,261 common shares were issued and outstanding as at December 31, 2022. In addition, the Company had 4,239,219 common shares reserved for issuance pursuant to outstanding stock options, which were exercisable at a weighted average price of \$0.87 per share, as at December 31, 2022.

The Company's other share-based payments consist of performance share units ("**PSUs**") and restricted share units ("**RSUs**") issued and issuable under the Long-Term Incentive Plan for Employees of Copper Mountain Mining Corporation approved by shareholders in 2022 and the prior plans, and deferred share units ("**DSUs**") issued and issuable under and the Company's Deferred Share Unit Plan effective January 1, 2019, as amended from time to time. As at December 31, 2022, 2,664,380 RSUs were outstanding, 2,035,787 PSUs were outstanding and 624,006 DSUs were outstanding.

In 2021, the Company completed the Bonds offering. The Bonds mature on April 9, 2026 and bear interest at an annual rate of 8.0%.

## Common Shares

All of the Company's common shares rank equally as to voting rights, participation in a distribution of the Company's assets on a liquidation, dissolution or winding-up and the entitlement to dividends. The holders of the Company's common shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each common share carries with it the right to one vote.

In the event of the Company's liquidation, dissolution or winding-up or other distribution of the Company's assets, the holders of the Company's common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out the Company's liabilities. Distributions in the form of dividends, if any, will be set by the Company's Board of Directors. See "*Dividend Record and Policy*".

Any alteration of the rights attached to the Company's common shares must be approved by at least two-thirds of the common shares voted at a meeting of the Company's shareholders.

The last equity financing completed by Copper Mountain was in the fourth quarter of 2020, when the Company closed a \$17.25 million bought deal financing on November 26, 2020. The offering consisted of the issue of 15,000,002 common shares at a price of \$1.15 per share, resulting in \$17,250,002 in gross proceeds to the Company.

## ***Bonds***

On April 9, 2021, the Company completed the Bonds offering. The Bonds mature on April 9, 2026 and bear interest at an annual rate of 8.0%, payable semi-annually on April 9 and October 9. Semi-annual principal installments in the amount of US\$5 million are payable on each interest payment date. Semi-annual principal installments of US\$10 million and interest payments of US\$19.4 million were made in 2022.

The Bonds are secured by a general security agreement on the assets of the Company. The Company may redeem all or part of the principal amount of the outstanding Bonds at any time from October 2023, at redemption prices ranging from 104% to 100%, plus accrued and unpaid interest to the date of redemption. The prepayment options are not closely related to the host debt instrument and are separately accounted for as embedded derivatives. At December 31, 2022, the value of the prepayment options was nominal.

The Bonds require the Company to maintain a minimum cash amount of: (a) US\$10 million, on an unconsolidated basis, subject to the Liquidity Covenant Step-up; and (b) \$10 million at the Copper Mountain Mine. If, at the end of a quarter, the Leverage Ratio (defined as net debt to trailing twelve months adjusted EBITDA) exceeds 4.00 : 1.00, the Company is required to, on an unconsolidated basis, maintain a minimum cash balance of an amount equal to (i) US\$25 million less (ii) an amount equal to the amount deposited in the debt service account.

In connection with the sale of the Eva Copper Project, the Company was required to offer to repurchase US\$87 million principal amount of the Bonds at an offer price of 103% of the nominal amount with accrued interest. In January 2023, the Company repurchased US\$87 million principal amount of the Bonds for US\$89.6 million plus accrued interest of US\$2.0 million, thereby reducing the Company's total nominal value of bonds outstanding to US\$148 million.

## **Market for Securities**

### ***Trading Price and Volume***

The common shares are currently listed on the TSX under the trading symbol CMMC and on the ASX under the trading symbol C6C. The following table lists the price ranges (high and low) and the total traded volume on a monthly basis for the periods indicated for the common shares as quoted on the TSX, where the Company's common shares primarily trade.

Period	Price		Monthly Volume
	High	Low	
December 2022	\$1.94	\$1.67	18,109,724
November 2022	\$1.95	\$1.43	50,052,682
October 2022	\$2.17	\$1.52	30,333,131
September 2022	\$1.67	\$1.26	19,922,756
August 2022	\$1.78	\$1.41	18,856,245
July 2022	\$1.82	\$1.23	29,647,728
June 2022	\$3.00	\$1.64	24,918,707
May 2022	\$2.96	\$2.02	33,488,448
April 2022	\$3.92	\$2.76	27,748,402
March 2022	\$3.99	\$3.20	27,681,407
February 2022	\$4.38	\$3.23	24,682,033
January 2022	\$4.17	\$3.24	27,285,048

## Prior Sales

The following table summarizes the issuances of stock options, PSUs, RSUs and DSUs by the Company for the year ended December 31, 2022:

Date of Issue	Number of Securities	Price of Security	Type of Security
February 10, 2022	593,265	\$3.76	RSUs
February 10, 2022	751,519	\$3.76	PSUs
February 10, 2022	199,522	\$3.76	DSUs
June 6, 2022	16,079	\$2.76	RSUs
June 6, 2022	16,079	\$2.76	PSUs
July 18, 2022	7,084	\$1.53	RSUs
July 18, 2022	7,084	\$1.53	PSUs
September 1, 2022	31,398	\$1.60	RSUs
November 24, 2022	46,012	\$1.63	RSUs

## Directors and Officers

The names, positions or offices held with the Company, province/state and country of residence, and principal occupation of the Company's directors and executive officers as at March 27, 2023 are set out below. In addition, the principal occupations of each of the Company's directors and executive officers within the past five years are disclosed in their brief biographies.

As at December 31, 2022, the Company's directors and executive officers as a group beneficially owned, directly or indirectly, or exercised control or direction over approximately 8,106,088 of the Company's common shares, representing approximately 3.79% of the Company's issued and outstanding common

shares before giving effect to the exercise of options to purchase common shares held by such directors and executive officers.

The term of the Company's directors expires at the annual general meeting of shareholders where they can be nominated for re-election. The officers hold their office at the discretion of the Board of Directors, but typically on an annual basis, after the annual general meeting, the directors pass resolutions to appoint officers and committees.

## ***Directors***

<b>Name and Province/State and Country of Residence</b>	<b>Position and Term with the Company</b>
Michele Buchignani, BA (Hons), J.D., ICD.D British Columbia, Canada	Director since March 18, 2019.
Gilmour Clausen Colorado, United States	Director, President and Chief Executive Officer since June 1, 2018.
Edward Dowling, B.Eng., M.Eng., Ph.D. Massachusetts, United States	Director since January 14, 2021.
M. Stephen Enders, B.Sc., M.Sc., Ph.D. Colorado, United States	Director since June 10, 2021.
Jeane Hull, B.Sc., MBA South Dakota, United States	Director since April 15, 2022.
Paula Rogers, B.Com, CPA, CA British Columbia, Canada	Director since March 5, 2021.
Peter Sullivan, B.Eng., M.B.A. Western Australia, Australia	Director since October 29, 2020.
Bill Washington, B.A. Sc., MBA, ICD.D Ontario, Canada	Director since June 20, 2018.

### ***Michele Buchignani***

Ms. Buchignani has 30 years of experience in private equity, law, finance, compensation and business consulting. Ms. Buchignani served as a Director with Teachers' Private Capital, the private equity division of the Ontario Teachers' Pension Plan. Prior positions also include Managing Director at CIBC World Markets and CIBC Capital Partners, as well as Partner at Stikeman Elliott, where she practiced corporate law in Toronto and London. She is currently the CEO of McLean Drive Consulting Ltd. and the Managing Partner of a U.S.-based property holding company. Ms. Buchignani also has 20 years of corporate board experience and has served on executive, audit, governance, compensation and human resource committees. She currently serves on the advisory board of CAI Capital Partners V. L.P., the Investment Committee of RCF Jolimont Innovation Fund, and the boards of TSX Trust Company, Dane Creek Capital Corp. and Westport Fuel Systems Inc.

Ms. Buchignani graduated from the University of British Columbia with a B.A. (Honours) in English and the University of Toronto Faculty of Law with a J.D. She has completed the Stanford Executive Program at the Graduate School of Business at Stanford University as well as the director education program at the Institute for Corporate Directors. She holds the designation ICD.D.



### *Gilmour (Gil) Clausen*

Mr. Clausen is a mining executive with more than 30 years' experience in the areas of management, finance, development and operations in the base metals and precious metals industry. Prior to becoming President and Chief Executive Officer of Copper Mountain, Mr. Clausen was the President and Chief Executive Officer of Brio Gold Inc. since its inception in 2014 until its acquisition in May 2018 by Leagold Mining Corporation. Prior positions include being President, Chief Executive Officer and a director of Augusta Resource Corporation from its inception in 2005 until its acquisition by HudBay Minerals Inc. in July 2014. Mr. Clausen was Executive Vice President, Mining at Washington Group International, Inc. from 2001 to 2005 and served as the Vice President of Operations of Stillwater Mining Company from 1995 to 1999. Prior to 1995, Mr. Clausen was a mine general manager at several precious and base metals operations of Placer Dome Inc in British Columbia and Ontario.

Mr. Clausen graduated with Bachelors and Masters degrees in Mining Engineering from Queen's University. He is a graduate of Queen's University's executive business program and the Harvard University Business School's program in corporate board governance.

### *Edward Dowling*

Mr. Dowling has over 30 years of mining experience including senior executive and board governance positions with both domestic and international companies. Mr. Dowling is currently on the Board of Teck Resources Ltd., Compass Minerals, and was recently Chair of Alacer Gold Corp. until its merger with SSR Mining Inc. in 2020. He was previously Chair of Polyus Joint Stock company until early March 2022, President and CEO of Alacer Gold Corp., President and CEO of Anatolia Minerals Development Limited, President and CEO of Meridian Gold Inc., Executive Director (Mining and Exploration) of De Beers SA, Executive Vice-President of Operations of Cleveland-Cliffs and held a variety of operational roles in a leadership capacity at Phelps Dodge Corporation and Cyprus Amax.

Mr. Dowling holds a Bachelor's Degree in Mining Engineering and Mineral Processing, and a Master's Degree and Doctor of Philosophy in Mineral Processing, all granted from Pennsylvania State University.

### *M. Stephen Enders*

Mr. Enders has over 45 years of mining technical experience, focused on geology and exploration and has a strong track record of exploration success. Mr. Enders is a co-founder and has been director and technical advisory committee member of Cupric Canyon Capital LLC. He is the senior technical advisor and has been executive chair and COO of EMX Royalty Corp. He is also the Department Head of Mining Engineering at the Colorado School of Mines, where he was previously Department Head of Geology and Geological Engineering. Mr. Enders was previously Senior Vice President of Worldwide Exploration at Newmont Mining Corporation and President of Phelps Dodge Exploration Corporation. Prior to that, Mr. Enders worked as a geologist and exploration manager in numerous projects and mines across the United States. Mr. Enders has been awarded the Ralph W. Marsden Award by the Society of Economic Geologists, the Ben F. Dickerson Award by the Society of Mining, Metallurgy and Exploration and the Distinguished Achievement Medal from the Colorado School of Mines.

Mr. Enders holds a B.Sc. in Geological Engineering from the Colorado School of Mines and a M.Sc. in Geological Engineering and a Ph.D. in Geosciences, both from the University of Arizona. Mr. Enders also has completed a Certificate in Executive Leadership from the University of Denver.

### *Jeane Hull*

Ms. Hull has over 35 years of operational leadership and engineering experience, most notably holding the positions of Chief Operating Officer for Rio Tinto plc at the Kennecott Utah Copper Mine and Executive Vice President and Chief Technical Officer of Peabody Energy Corporation. She also has held numerous management engineering and operations positions with Rio Tinto and affiliates. Prior to joining Rio Tinto,

she held positions with Mobil Mining and Minerals, and has additional engineering, environmental and regulatory affairs experience in the public and private sector. Ms. Hull is currently a director of Interfor Corporation, Epiroc AB and Coeur Mining, Inc., and previously served on the boards of Trevali Mining Corporation, Pretium Resources Inc. and Cloud Peak Energy Inc.

Ms. Hull holds a Bachelor of Science (Civil Eng.) from South Dakota School of Mines and Technology and a Master of Business Administration degree from Nova Southeastern University. She also serves on the Advisory Board for South Dakota School of Mines and Technology. She is a retired Registered Professional Engineer.

#### *Paula Rogers*

Ms. Rogers has over 25 years of experience working with international public companies in the areas of corporate governance, treasury, mergers and acquisitions, financial reporting and tax. Ms. Rogers has been an officer of several public companies including Chief Financial Officer of Castle Peak Mining Ltd., Vice President and Treasurer of Goldcorp Inc. and Treasurer of Wheaton River Minerals Ltd. She also held various senior finance positions in corporate reporting, tax and treasury at Finning International Inc. Ms. Rogers is also currently on the Board of each of Argonaut Gold Inc. and Entrée Resources Ltd, and Diversified Royalty Corp. as Chair.

Ms. Rogers holds a Bachelor of Commerce degree from the University of British Columbia and is a Chartered Professional Accountant.

#### *Peter Sullivan*

Mr. Sullivan is an engineer with extensive experience as a non-executive director and in senior executive roles, including in chief executive officer and operational roles. He has valuable insight and experience in engineering and construction, investment banking and capital markets and managing mining operations in Australia and internationally. Mr. Sullivan is currently a nonexecutive director of Panoramic Resources Limited, Alliance Nickel Limited, and Horizon Gold Limited. Mr. Sullivan is also non-executive Chairman of Zeta Resources Limited, an ASX-listed resource investment company. He was previously Managing Director and CEO of Resolute Mining Limited.

Mr. Sullivan has a Bachelor of Engineering (Electrical) from the University of Western Australia and a Master of Business Administration from the Australian Graduate School of Management at the University of New South Wales.

#### *William (Bill) Washington*

Mr. Washington is currently a Partner at Hydra Capital Partners Inc. Mr. Washington was previously Head of Global Mining & Metals at National Bank Financial Markets from July 2011 until his retirement from the firm at the end of 2015. Mr. Washington joined National Bank as part of the acquisition of Wellington West Capital Markets where he had served as Head of Investment Banking since August 2004. Prior to joining Wellington West, and always focused exclusively on the mining sector, he worked as an investment banker at National Bank Financial/First Marathon, Gordon Capital and Lancaster Financial/TD Securities from 1994. Prior to entering investment banking, Mr. Washington worked as a civil engineer on major infrastructure projects in the U.K., Spain and Hong Kong for six years. Mr. Washington is also a director of Wesdome Gold Mines Ltd.

Mr. Washington holds a Bachelor of Applied Science (Civil Engineering) from the University of British Columbia and has an MBA from the University of Western Ontario (Ivey). Mr. Washington has been awarded the ICD.D certification by the Institute of Corporate Directors.

## Officers

Name and Province/State and Country of Residence	Position and Term with the Company
Gilmour Clausen Colorado, United States	Director, President and Chief Executive Officer since June 1, 2018.
Donald Strickland, B.Sc. (Hons), P.Eng. Newfoundland, Canada	Executive Vice President, Chief Operating Officer since May 5, 2022. Previously, Mr. Strickland was the Executive Vice President, Sustainability (July 1, 2021 to May 5, 2022), Chief Operating Officer (2018-2021) and Copper Mountain Mine's General Manager (2013-2018).
Letitia Wong, B.Com, CFA Ontario, Canada	Executive Vice President, Chief Financial Officer since October 1, 2022. Previously, Ms. Wong was the Executive Vice President, Strategy and Corporate Development (November 1, 2020 to October 1, 2022) and Vice President, Corporate Development and Investor Relations (2018 to 2020).
Brad Bolger, BBA, LLM, CPA, CA British Columbia, Canada	Senior Vice President, Finance since October 1, 2022. Previously, Mr. Bolger was the interim Chief Financial Officer (August 23, 2022 to October 1, 2022), Vice President, Finance (March 21, 2019 to August 23, 2022), Director, Finance (2016-2019) and Corporate Controller (2013-2016).
Lance Newman, B.Sc.(Hons) Colorado, United States	Senior Vice President, Project Development since May 5, 2022. Previously, Mr. Newman was the Vice President, Project Development (July 16, 2018 to May 5, 2022).
Patrick Redmond, Ph.D. British Columbia, Canada	Senior Vice President, Exploration & Geoscience since November 1, 2021.
Alberto Chang, P.Eng. British Columbia, Canada	Vice President, Mining since June 6, 2022.
Richard Klue, FSAIMM, Ext.Met, B.Com. British Columbia, Canada	Vice President, Technical Services since May 1, 2018.
Matthew B. Langford, B. Comm, LL.B. British Columbia, Canada	Vice President, General Counsel and Corporate Secretary since June 7, 2021.
Bryony White, BA (Hons) British Columbia, Canada	Vice President, People since June 7, 2021.

### *Gilmour (Gil) Clausen—President and Chief Executive Officer*

Mr. Clausen is the Company's President and Chief Executive Officer and a member of its Board of Directors. See "Directors and Officers – Directors" for additional information on Mr. Clausen's experience.

### *Don Strickland—Executive Vice President, Chief Operating Officer*

Mr. Strickland has over 25 years of Canadian and international mining experience, specifically in mineral processing, project development, mine management and sustainability programs. Prior to joining the Company, Mr. Strickland held various senior operating positions at Placer Dome, Barrick Gold Corp and Yukon Zinc.

Mr. Strickland is a Professional Engineer and graduated from Queen's University with a Bachelor of Science degree (Hons) in Materials Science and Metallurgical Engineering.

***Letitia Wong—Executive Vice President, Chief Financial Officer***

Ms. Wong has nearly 20 years of experience in strategy, corporate development, strategic transactions including mergers & acquisitions, finance and investor relations in the mining industry. She was most recently Vice President, Corporate Development at Brio Gold Inc., which was acquired in May 2018. Ms. Wong has also been Vice President, Investor Relations at Augusta Resource Corporation, which was acquired in July 2014, Arizona Mining, and Ventana Gold, which was acquired in March 2011. Ms. Wong was also formerly Director of Investor Relations at Yamana Gold.

Ms. Wong holds a Bachelor of Commerce degree in Finance from the Sauder School of Business at the University of British Columbia and is a CFA Charterholder.

***Brad Bolger—Senior Vice President, Finance***

Brad Bolger is a Chartered Professional Accountant with over 15 years of progressive public accounting, finance, and corporate governance experience, joining the Company in June 2013. Prior to joining Copper Mountain, he was most recently the Controller for Yukon Zinc and previously worked with a Vancouver-based gold producer. Brad also brings public company auditing and assurance experience with PricewaterhouseCoopers, working in the Vancouver mining practice until 2010.

Brad has a Bachelors of Business Administration from Thompson Rivers University and holds a Master of Laws in International Mineral Law and Policy from Centre for Energy, Petroleum and Mineral Law and Policy at the University of Dundee, Scotland and earned his Chartered Accountant designation in 2010.

***Lance Newman—Senior Vice President, Project Development***

Mr. Newman has more than 30 years of experience in project management and development, concentrating, smelting and refining operations in base and precious metals. He was most recently Senior Vice President, Technical Services at Brio Gold Inc. until its acquisition in May 2018. Previously, he was Vice President, Project Development at Augusta Resource Corporation until its acquisition in 2014 and previously he held various senior technical positions in operations at Stillwater Mining Company and Gold Fields Limited.

Mr. Newman holds a Bachelor of Science in Chemistry (Honours) from Rhodes University and is a graduate of the Management Advancement Program at the University of Witwatersrand Graduate School of Business.

***Patrick Redmond—Senior Vice President, Exploration and Geoscience***

Dr. Redmond has over 25 years of experience in international mineral exploration and the mining industry. He has a track record of value creation through exploration and discovery in multiple jurisdictions and across a range of commodities. He has in-depth technical expertise in ore-forming hydrothermal systems across a range of ore deposit styles and has particular expertise in porphyry copper deposits. Dr. Redmond was previously Vice President of Exploration at KoBold Metals, where he led an integrated team of geoscientists and data scientists in developing innovative data-science supported tools and machine learning to assist in the discovery of materials critical for the electric vehicle and renewable energy revolution. Previously, he worked for Teck Resources for over 12 years in various senior exploration roles, including General Manager Exploration, The Americas and Technical Director of Geoscience Services. Prior to joining Teck he was Chief Geologist for QGX Ltd.

Dr. Redmond received his Ph.D. in Geological and Environmental Sciences from Stanford University, his M.Sc. in Geology, and B.A. (Hons) in Earth Sciences from Dublin University, Trinity College. Dr. Redmond is a member of AusIMM and a Fellow of the Society of Economic Geologists.

*Alberto Chang—Vice President, Mining*

Mr. Chang is an experienced mining professional with over 30 years of experience in mine production and mine engineering in open pit and underground mining operations and projects. Mr. Chang joined Copper Mountain from Galiano Gold where he held the position of VP, Mining and was a member of the technical management team providing mining technical leadership. Mr. Chang has also held positions at Mining Plus, Wood, 3E Mining, Goldcorp, NOVAGOLD, Minera Yanacocha and Placer Dome. Over his career, Mr. Chang has worked in Chile, Mexico, Peru, USA, Canada and Ghana, and is fluent in both English and Spanish.

Mr. Chang has a Master of Science in Mining Engineering from Queen's University and a Bachelor of Science in Mining Engineering from the National University of Engineering in Lima, Perú.

*Richard Klue—Vice President, Technical Services*

Mr. Klue has more than 35 years in the mining minerals and metals industry. He has developed and implemented new technologies in Canada, USA, Africa, India, Iran, Russia, Europe, Australia and China. Prior to Copper Mountain, Mr. Klue held positions of Senior Vice President, Metallurgical Manager and Plant Superintendent for Tetra Tech, Hatch and Messina Copper.

Mr. Klue has an NHD Ext.Met, is a Fellow of the South African Institute of Mining & Metallurgy (SAIMM) and a Metallurgical Engineer by profession who also holds a Bachelor of Commerce degree.

*Matthew Langford—Vice President, General Counsel and Corporate Secretary*

Mr. Langford has over 15 years of legal and management experience primarily in the mining industry. He was previously Corporate Counsel and Compliance Officer at SSR Mining until March 2021, following the successful merger and integration with Alacer Gold. During his time at SSR Mining, he was a member of the Senior Leadership Team with responsibility for the global legal, governance and compliance functions, and also acted as Corporate Secretary. Previously, Mr. Langford was an associate at McMillan LLP in the firm's Toronto and Vancouver offices focused on business law and capital markets.

Mr. Langford obtained his Bachelor of Laws from the University of Western Ontario and a Bachelor of Commerce degree from the Smith School of Business at Queen's University. He has also completed the Canadian Corporate Counsel Association Leadership Program for In-House Counsel at the Rotman School of Management.

*Bryony White—Vice President, People*

Ms. White has over 20 years of experience in human resources primarily in the natural resources sector. Most recently, Ms. White was an independent Human Resources consultant focused solely in the mining industry. Prior to creating her consulting company, she was Director of Human Resources at Capstone Mining Corp. and Alterra Power Corp. She also held various HR positions at Hatch Ltd., Barrick Gold of Australia Ltd. and Placer Dome Inc.

Ms. White graduated from Queen's University with a B.A. (Honours) in Political Studies.

## ***Standing Committees of the Board***

There are currently five standing committees of the Company's Board of Directors, which include the Audit Committee, the Compensation and People Committee, the Corporate Governance Committee, the CSR Committee and the Technical Committee. The following table identifies the members of each of these committees:

<b>Board Committee</b>	<b>Committee Members</b>	<b>Status</b>
Audit Committee	Paula Rogers (Chair) Michele Buchignani Bill Washington	Independent Independent Independent
Compensation and People Committee	Bill Washington (Chair) Michele Buchignani Peter Sullivan	Independent Independent Independent
Corporate Governance Committee	Jeane Hull (Chair) Paula Rogers Peter Sullivan	Independent Independent Independent
CSR Committee	Michele Buchignani (Chair) M. Stephen Enders Jeane Hull	Independent Independent Independent
Technical Committee	M. Stephen Enders (Chair) Ed Dowling Jeane Hull	Independent Independent Independent

## ***Code of Ethics***

The Company has adopted a code of ethics that applies to all personnel of the Company. A copy of the Code of Ethics is available on the Company's website at [www.CuMtn.com](http://www.CuMtn.com) or by writing to the Corporate Secretary.

## ***Cease Trade Orders or Bankruptcies***

No director or executive officer of Copper Mountain is, as at the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of subsection (a) above, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, and in each case that was in effect for a period of more than 30 consecutive days.



Other than as disclosed below, no director or executive officer of Copper Mountain, or a shareholder holding a sufficient number of the Company's securities to affect materially the control of Copper Mountain:

- (a) is, as at the date of this AIF, or has been within the ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including Copper Mountain) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Clausen, a director of the Company, served as a director of Jaguar Mining Inc. ("**Jaguar**"), a publicly listed mining company, from September 2005 to June 2013. On December 23, 2013, approximately nine months after Mr. Clausen notified the board of directors of Jaguar that he would not stand for re-election at its annual shareholders' meeting in June 2013, Jaguar commenced proceedings under the *Companies' Creditors Arrangement Act* (Canada) in respect of a restructuring of its debt (the "**CCAA Proceedings**"). In December 2014, the Ontario Superior Court of Justice ordered that the CCAA Proceedings be terminated.

Ms. Hull, a director of the Company, was the Executive Vice President and Chief Technical Officer of Peabody Energy Corporation ("**Peabody**") from April 2011 until her retirement on July 31, 2015. Peabody filed for Chapter 11 bankruptcy protection on April 13, 2016 and emerged from Chapter 11 protection on April 2, 2017. Ms. Hull was also a director of Cloud Peak Energy Inc. ("**Cloud Peak**") from July 6, 2016 to October 24, 2019. Cloud Peak filed for Chapter 11 bankruptcy protection on May 10, 2019 and received court approval for its plan to exit bankruptcy on December 5, 2019. In addition, Ms. Hull served as a director of Trevali Mining Corporation ("**Trevali**") from February 1, 2021 to September 29, 2022. On August 19, 2022, Trevali received an Initial Order for creditor protection from the British Columbia Supreme Court under the *Companies' Creditors Arrangement Act* (Canada).

## ***Penalties or Sanctions***

No director or executive officer of Copper Mountain, or a shareholder holding a sufficient number of the Company's securities to affect materially the control of Copper Mountain, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision regarding Copper Mountain.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors, officers and shareholders holding a sufficient number of securities of the Company to affect materially the control of the Company.



## ***Conflicts of Interest***

Certain of the Company's directors are directors or officers of other natural resource or mining-related companies. These associations may give rise to conflicts of interest from time to time. The Company is not aware of any existing or potential conflicts of interest between Copper Mountain or any of its subsidiaries and any of the Company's directors or officers. If a director or officer has any conflict of interest or potential conflict of interest, the interested director or officer is required to disclose such conflict pursuant to and is expected to govern themselves in accordance with the British Columbia *Business Corporations Act* and the Code of Conduct. In particular, an interested director or officer will not participate in deliberations where he or she has a conflict or potential conflict of interest and, in the case of an interested director, will not vote on any such matter. See "*Risks and Uncertainties—Conflicts of Interest*" for further details.

## **Audit Committee**

The Audit Committee has the responsibility of, among other things: overseeing financial reporting, internal controls, the audit process and the establishment of "whistleblower" and related policies; recommending the appointment of the independent auditor and reviewing the annual audit plan and auditor compensation; pre-approving audit, audit-related and tax services to be provided by the independent auditor; and reviewing and recommending approval to the Board of Directors of the Company's annual and quarterly financial statements and management's discussion and analysis and the Company's annual information form. The full text of the Audit Committee Charter is attached hereto as Schedule "A".

## ***Composition of Audit Committee***

All members of the Audit Committee are independent and considered to be financially literate within the meaning of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). The members of the Audit Committee are: Paula Rogers (Chair), Michele Buchignani and Bill Washington. Ms. Rogers is the Company's Audit Committee financial expert.

## ***Relevant Education and Experience***

For more information regarding relevant education and experience for Mses. Rogers and Buchignani and Mr. Washington, see "*Directors and Executive Officers – Directors*". As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- reviewing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements; and
- internal controls and procedures for financial reporting.

## ***Audit Committee Oversight***

At no time since the commencement of the Company's most recently-completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's Board of Directors.

## Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year have the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## Pre-Approval Policies and Procedures for Non-Audit Services

The Audit Committee's policy regarding the pre-approval of non-audit services to be provided to the Company by its independent auditor is that all such services shall be pre-approved by the Audit Committee. All non-audit services performed by the Company's auditor for the fiscal year ended December 31, 2022 have been pre-approved by the Company's Audit Committee or the Audit Committee Chair, pursuant to delegated authority. No non-audit services were approved pursuant to the *de minimis* exemption to the pre-approval requirement.

## Principal Accountant Fees and Services

The following table discloses the aggregate fees billed for each of the last two fiscal years for professional services rendered by the Company's audit firm for various services.

Services:	Year ended December 31, 2022	Year ended December 31, 2021
Audit Fees	\$171,555	\$362,900
Tax Fees	\$114,902	\$122,800
Other Fees <sup>(1)</sup>	\$-	\$30,000
Total	\$286,457	\$515,700

**Note:** (1) Other fees in 2021 related to non-audit work assisting with the Bond offering.

## Interest of Management and Others in Material Transactions

No director, executive officer or shareholder holding on record or beneficially, directly or indirectly, more than 10% of the Company's issued shares, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any transaction in which the Company has participated within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

## Transfer Agent and Registrar

The Company's transfer agent and registrar is Computershare Investor Services Inc., 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada.

## Material Contracts

Except for contracts entered into in the ordinary course of business, the only material contracts that the Company has entered in the financial year ended December 31, 2022, or before the last financial year but still in effect, are as follows:

1. Amended and restated Bond terms, replacing the Bond terms originally dated April 8, 2021, as amended and restated by the amendment and restatement agreement dated December 8, 2022, and made between Copper Mountain and Nordic Trustee AS;
2. Share sale deed dated October 6, 2022 between Copper Mountain, Harmony Gold (Australia) Pty Limited and Harmony;
3. Management agreement made as of July 31, 2009 between Copper Mountain and CMML;
4. Concentrates sale and purchase agreement made as of July 31, 2009 between CMML and MMC; and
5. Shareholders' agreement made as of July 31, 2009 among MMC, Copper Mountain and CMML.

Copies of each of the above material contracts are available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## Interests of Experts

The following persons have been named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under NI 51-102 during, or relating to, the Company's financial year ended December 31, 2022: Mr. Peter Holbek, B.Sc (Hons), M.Sc. P. Geo; Dr. Patrick Redmond, Ph.D., P.Geo.; and Mr. Alberto Chang, P.Eng. None of the foregoing persons received a direct or indirect interest in the Company's property or the property of any of the Company's associates or affiliates. The foregoing persons held an interest in either less than 1% or none of the Company's securities or the securities of any associate or affiliate of the Company when they prepared the reports, the Mineral Reserves estimates and the Mineral Resources estimates referred to herein and after the preparation of such reports and estimates, and they did not receive any direct or indirect interest in any of the Company's securities or the securities of any associate or affiliate of the Company in connection with the preparation of such reports or estimates. Neither the aforementioned persons, other than Dr. Patrick Redmond and Mr. Alberto Chang (each of whom is a Copper Mountain employee) is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

PricewaterhouseCoopers LLP ("**PwC**"), Chartered Professional Accountants, is the Company's auditor and has prepared an opinion with respect to the Company's audited consolidated financial statements as at and for the year ended December 31, 2022. PwC report that they are independent of the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

## Additional Information

Additional information, including that relating to directors' and officers' remuneration, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, and corporate governance practices, is contained in the Company's management information circular for the annual general and special meeting of shareholders held on June 9, 2022.

Additional financial information is provided in the Company's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2022, which are available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Additional information relating to Copper Mountain is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## **Additional Disclosure Requirements of the ASX**

### ***ASX Corporate Governance Statement***

The Board of Directors of Copper Mountain is committed to adhering to the highest possible standards in its corporate governance practices. The Board is responsible for the stewardship and the general supervision of the management of the business and for acting in the best interests of the Company and its shareholders. The Board will discharge its responsibilities directly and through its committees, currently consisting of each of the Audit Committee, the Compensation and People Committee, the Corporate Governance Committee, the CSR Committee, and the Technical Committee. The Corporate Governance Committee's primary function is to assist the Board of Directors in fulfilling its oversight responsibilities which, together with the Board of Directors mandate (as set out below), the position descriptions for the Chair of the Board and the Chief Executive Officer, and the charters of the committees of the Board, provide the general framework for the governance of Copper Mountain. The Board reviews annually the charters and composition of the committees and believes that these guidelines will continue to evolve in order to comply with all applicable regulatory and stock exchange requirements relating to corporate governance and will be modified as circumstances warrant.

This report describes the corporate governance principles that the Company adheres to in accomplishing its business objectives. This statement of corporate governance practices is current as of the date thereof. Governance information on Copper Mountain is also available on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

## **Principle 1: Lay Solid Foundations for Management and Oversight**

### ***Board Mandate***

The Board is elected by the shareholders of Copper Mountain and is responsible for the stewardship of Copper Mountain. The Board has adopted a formal written charter setting out the Board's stewardship responsibilities, including each of the following:

- adopting a strategic planning process;
- understanding and monitoring the political, cultural, legal and business environments in which Copper Mountain operates;
- risk identification and ensuring that procedures are in place for the management of those risks, including but not limited to risks related to cyber attacks or other breaches of information technology security;
- reviewing and approving annual operating plans and budgets;
- corporate social responsibility, ethics and integrity;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;
- monitoring financial reporting and management;
- monitoring internal control and management information systems;
- corporate disclosure and communications;

- adopting measures for receiving feedback from stakeholders; and
- adopting key corporate policies designed to ensure that Copper Mountain, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

## ***Day-to-Day Management***

The Board delegates responsibility for the day-to-day management of Copper Mountain's business and affairs to Copper Mountain's senior officers and supervises such senior officers appropriately.

## ***Committees of the Board***

The Board has five standing committees, which includes each of the following: Audit Committee; Compensation and People Committee; Corporate Governance Committee; CSR Committee; and Technical Committee. The Board will change the Board committee structure and authorize and appoint other committees as it considers appropriate from time to time.

The Board may from time to time delegate certain matters it is responsible for to Board committees. The Board, however, retains its oversight function and ultimate responsibility for these matters and all delegated responsibilities.

The Board reviews the adequacy of the Board mandate on an annual basis and approves any proposed changes. The Board has delegated responsibility to the Corporate Governance Committee for developing Copper Mountain's approach to corporate governance, including recommending modifications to the Company's Corporate Governance Guidelines for consideration by the Board.

## ***Committee Charters***

The Board approves written charters for each committee of the Board setting forth the purpose, authority, duties and responsibilities of each committee, as discussed further below. All charters are reviewed annually. The charter for each committee is available on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

The Board has determined that all committees will be comprised of a majority of directors determined by the Board to be independent. In addition, all members of the Audit Committee will be financially literate and, if required by applicable laws, rules and regulations, at least one member will be a financial expert. Membership and independence of all committee members is contained in this AIF.

The Board appoints members of the committees annually, and as necessary to fill vacancies, and appoints the chair of each committee. Members of the committees will hold office at the pleasure of the Board.

## ***Committee Responsibilities***

The responsibilities of the Audit Committee include assisting the Board in fulfilling its oversight responsibilities with respect to each of: (a) financial reporting and disclosure requirements; (b) ensuring that an effective risk management and financial control framework has been implemented and tested by management of Copper Mountain; and (c) external and internal audit processes.

The responsibilities of the Compensation and People Committee include assisting the Board in fulfilling its oversight responsibilities with respect to each of: (a) the establishment of key human resources and compensation policies, including all incentive and equity based compensation plans; (b) the performance

evaluation of the Chief Executive Officer, and determination of the compensation for the Chief Executive Officer, the Chief Financial Officer and other senior executives of Copper Mountain; (c) the establishment of policies and procedures designed to identify and mitigate risks associated with the Company's compensation policies and practices; (d) succession planning, including the appointment, training and evaluation of senior management; and (e) the compensation of directors.

The responsibilities of the Corporate Governance Committee include assisting the Board in fulfilling its oversight responsibilities with respect to each of: (a) developing corporate governance guidelines and principles for Copper Mountain; (b) the structure and composition of Board committees; and (c) evaluating the performance and effectiveness of the Board.

The responsibilities of the CSR Committee include assisting the Board in fulfilling its oversight responsibilities with respect to the Company's safety, health and environmental, corporate social responsibility, including good community relations, and human rights programs, policies and performance and the corporate culture.

The responsibilities of the Technical Committee include assisting the Board in fulfilling its oversight responsibilities with respect to the technical aspects of the Company's exploration opportunities, project development or mining operations, as well as other such matters as may be requested by the Board.

## ***Management Performance and Compensation***

The Compensation and People Committee conducts an annual review of the performance objectives for the Chief Executive Officer, the Chief Financial Officer and the senior executives and, in the Committee's discretion, presents its conclusions and recommends any compensation changes to the Board for consideration.

## ***Diversity***

The Board has adopted a Diversity Policy that sets out the framework for the Company's approach to Board and senior leadership diversity and outlines the key criteria for the composition of the Board and senior leadership that promotes the Company's commitment to diversity and inclusion.

To support the Company's board diversity objectives, the Corporate Governance Committee will, when identifying and considering the selection of candidates for election or re-election to the Board:

- (a) consider candidates on merit, including those persons who are highly qualified based on their experience, functional expertise and personal skills and qualities, and against objective criteria having due regard to the benefits of diversity on the Board;
- (b) consider all aspects of diversity criteria including gender, age, ethnicity, disability and geographical background of the candidates;
- (c) consider the level of representation of women on the Board; and
- (d) in addition to its own searches, as and when appropriate from time to time, engage qualified independent external advisors to conduct a search for candidates who meet the Board's and the Company's expertise, skills and diversity criteria to help achieve the Company's diversity goals.

The Diversity Policy confirms and highlights the importance Copper Mountain places on maintaining an appropriate level of diversity within the Company. While the primary objectives of the Corporate Governance Committee are to ensure consideration of individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities, the Corporate Governance Committee will balance these objectives with the need to identify and promote individuals who are reflective of diversity for nomination for election to the Board. In particular, the Committee will consider the level of representation of women and other diverse candidates on the Board when making recommendations for nominees to the Board.

In April 2022, the Board committed to achieving a Board composition by the end of 2022 of at least 30% women directors and included such commitment in the Diversity Policy. Importantly, as at December 31, 2022:

- of the eight members of the Board of Directors, three are female (approximately 38%);
- of the six most senior management positions in the corporate office, one is female (approximately 17%);
- the Company's mining operations have several senior female managers, with approximately 18% of the Company's workforce identifying as female; and
- approximately 15% of the Copper Mountain Mine team self-declare as Indigenous.

## **Principle 2: Structure the Board to Add Value**

### ***Election by Shareholders***

The members of the Board are elected each year by the shareholders of Copper Mountain at the annual general meeting of shareholders. The Board proposes individual nominees to the shareholders for election to the Board at each such meeting. Between annual meetings of shareholders, the Board may appoint directors to serve until the next such meeting in accordance with Copper Mountain's articles.

### ***Selection of Chair of the Board***

The Chair of the Board is appointed by the other directors after considering the recommendation of the Corporate Governance Committee. The Board adopts and performs an annual review of the position description for the Chair of the Board.

### ***Role of Chair and Chief Executive Officer***

The roles of each of the Chair and the Chief Executive Officer of Copper Mountain are held by two different individuals. The Chair of the Company is independent.

### ***Independence; Lead Director***

The Board is comprised of a majority of independent directors.

If the Chair of the Board is not independent, the Board shall appoint an independent director as Lead Director who shall act as the de facto leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties. As the Chair of Copper Mountain is independent, the Company does not have a Lead Director at this time.



The primary responsibility of the Lead Director is to seek to ensure that appropriate structures and procedures are in place so that the Board may function independently and to lead the process by which the independent directors seek to ensure that the Board represents and protects the interests of all shareholders. In addition, the lead independent director reviews, comments and is given the opportunity to set agendas for meetings of the Board (full board or independent directors only), oversee the information made available to directors by management and manages requests from or other issues that independent directors may have.

## ***Director Selection Criteria***

The Corporate Governance Committee is required under its charter to annually review the characteristics, qualities, skills and experience which form the criteria for candidates to be considered for nomination to the Board. The objective of this review is to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of skills and experience to provide for the overall stewardship of Copper Mountain. All directors are required to possess fundamental qualities of intelligence, honesty, integrity, ethical behaviour, fairness and responsibility and be committed to representing the long-term interests of the shareholders. All directors must also have a genuine interest in Copper Mountain, the ability to be objective at all times about what is in the best interests of Copper Mountain, have independent opinions on all issues and be both willing and able to state them in a constructive manner, and be able to devote sufficient time to discharge their duties and responsibilities effectively. The Corporate Governance Committee is mandated to identify qualified candidates for nomination as directors and to make recommendations to the Board. Directors are encouraged to identify potential candidates.

## ***Board Size***

The Board has the ability to increase or decrease its size within the limits set out in Copper Mountain's articles. The Board will determine its size with regard to the best interests of Copper Mountain. The Board believes that the size of the Board should be sufficient to provide a diversity of expertise and opinions and to allow effective committee organization, yet small enough to enable efficient meetings and decision-making and maximize full Board attendance. The Board will review its size if a change is recommended by the Corporate Governance Committee.

## ***Term Limits for Directors***

The Board has determined that fixed term limits for directors should not be established at this time. The Board is of the view that it is important to have a balance between directors who have a history and organizational understanding of its business with diverse directors who bring new perspectives and ideas to the Board. The Corporate Governance Committee is mandated to annually consider recommending changes to the composition of the Board.

As part of the Corporate Governance Committee's recent review of Board renewal and succession planning in 2020 and 2021, the Corporate Governance Committee evaluated the age and tenure of existing directors. The renewal resulted in two long-tenured directors retiring in 2021 and an additional long-tenured director retiring in 2022. Eight new directors have been appointed within the last four years, all with complementary and value-added skills.

## ***Director Compensation***

The Board has determined that the directors should be compensated in a form and amount that is appropriate and which is customary for comparative companies, having regard to such matters as time

commitment, responsibility and trends in director compensation. The Compensation and People Committee is mandated to review the compensation of the directors on an annual basis. All compensation paid to directors is disclosed annually in the Company's management information circular available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## ***Attendance at Meetings***

Directors are expected to attend all Board and committee meetings either in person or by conference call. A director will notify the Chair of the Board or relevant committee or the Corporate Secretary if the director will not be able to attend or participate in a meeting. Copper Mountain publicly discloses the directors' attendance record on an annual basis in the Company's management information circular available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## ***Assessment of Board and Committee Performance***

The Corporate Governance Committee oversees the formal process for the annual assessment of the effectiveness of the Board as a whole in addition to the evaluation of the committees of the Board and the skills of individual members. A questionnaire is completed annually by each director on the Board, and on each committee.

The assessment process is designed to provide directors with an opportunity each year to examine how the Board is operating and to make any necessary recommendations to the Board for adoption regarding the process to be followed and the issues to be explored. The questionnaire is reviewed by the Chair of the Corporate Governance Committee and the Chair of the Board, and discussed with the Corporate Governance Committee and the Board.

## **Principle 3: Promote Ethical and Responsible Decision Making**

The Company has implemented a set of core values designed to act as guidelines for the standards of integrity and performance for the Board, management, employees, and other members of the Company. The Company's Code of Conduct can be found on the Company's website at [www.CuMtn.com](http://www.CuMtn.com). All details describing, prescribing and underpinning ethical conduct are contained in the values and key policies outlined therein.

Employees are responsible for their conduct which is expected to comply with Company policies and procedures, including those related to health & safety, social & environmental, equal opportunity, human rights, disclosure and trading in Company securities. Induction programs are required for each employee and contractor to ensure they are aware and kept up to date of acceptable behaviour and Company policies.

Procedures are in place to record and publicly report each director's shareholdings in the Company.

The Vice President, General Counsel and Corporate Secretary, together with management, as appropriate, is responsible for investigating any reports of unethical practices and reporting the outcomes to the Chair of the Board and/or the Chair of the Audit Committee, as appropriate.

Copper Mountain's Code of Conduct includes an equal opportunity requirement mandating that all employees are to be recruited, and to pursue their careers, free from any form of unwanted discrimination and that Copper Mountain shall not discriminate on the basis of race, religion, color, sex, sexual orientation, age, national or ethnic origin, or physical handicap (unless demands of the position are prohibitive).

## Principle 4: Safeguard Integrity in Financial Reporting

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities to shareholders with respect to financial reporting, risk management, and external and internal audit processes. Information with respect to the Audit Committee is contained in this AIF and the Company's management information circular available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

See "*Audit Committee*" for further information.

### *Composition of the Audit Committee*

The Audit Committee of the Company is currently comprised of three independent members. All members of the Audit Committee are financially literate in that they have the ability to read and understand a set of financial statements that are of the same breadth and level of complexity of accounting issues as can be reasonably expected to be raised by the Company's financial statements.

### *Relevant Education and Experience*

For summary details regarding the relevant education and experience of each member of the Audit Committee relevant to the performance of his duties as a member of the Audit Committee, please refer to "*Directors and Officers*" in this AIF and the Company's management information circular available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### *Audit Committee Oversight*

At no time since the commencement of the Company's most recently completed financial year did the Board decline to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor. The Audit Committee is chaired by an independent director who is not the Chair of the Board.

## Principle 5: Make Timely and Balanced Disclosure

Copper Mountain has adopted a Corporate Timely Disclosure and Confidentiality Policy (the "**Disclosure Policy**"). The purpose of the Disclosure Policy is to ensure that Copper Mountain and all persons to whom the Disclosure Policy applies meet their obligations under the provisions of securities laws and stock exchange rules by establishing a process for the timely disclosure of all material information. The Disclosure Policy covers disclosures in documents filed with the securities regulators and written statements made in the Company's annual and quarterly reports, press releases, letters to shareholders, presentations by senior management, discussions with analysts and information contained on the Company's web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls. The Disclosure Policy can be found on the Company's website at [www.CuMtn.com](http://www.CuMtn.com).

The Disclosure Policy states that the Company shall comply with the disclosure laws and policies of all securities laws applicable to the Company, including the rules and policies of the TSX and, so long as there are any CHESSE depository instruments of the Company listed on the ASX, the disclosure requirements of the ASX Listing Rules.

## Principle 6: Respect the Rights of Shareholders

The Company regularly engages with its shareholders and conducts regular analyst briefings. These activities are supported by the publication of the AIF, management information circular, quarterly and annual reports, public announcements and the posting of all press releases (TSX and ASX) on the Company website immediately after their public disclosure. Shareholders can elect to receive email notification of announcements by requesting addition to the Company's email distribution list.

Shareholders are encouraged to attend the Company's annual general meeting and to listen to regular conference calls which are scheduled and disclosed publicly. Replays of conference calls are available for a limited time. Details of such replays are outlined on the original conference call scheduling announcement. The external auditor typically attends the annual general meeting and is available to answer questions in relation to the audit of the financial statements.

The Board is committed to Shareholder engagement and communicating with its Shareholders. Shareholders and other interested parties can communicate directly with members of the Board, including the Chair of the Board and other independent directors. The Disclosure Policy also addresses the matters recommended under Principle 6 with respect to promoting effective communication with shareholders and the effective use of electronic communication.

Shareholders can contact the Chair of the Board or any of the directors by email to [info@CuMtn.com](mailto:info@CuMtn.com) or by mail to Corporate Secretary, Copper Mountain Mining Corporation, 1700-700 Pender Street, Vancouver, B.C., V6C 1G8.

## Principle 7: Recognize and Manage Risk

The Board has a strategic planning process to establish objectives and goals for Copper Mountain's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least annually, a strategic plan which takes into account, among other things, the opportunities and risks of Copper Mountain's business and affairs.

Management will identify the principal risks of Copper Mountain's business and the Board will oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks. In addition, the Board assesses and implements risk management policies, as it deems necessary. The Board works in conjunction with each committee to oversee the implementation of such policies and procedures.

Under applicable securities laws, Copper Mountain's Chief Executive Officer and Chief Financial Officer are required to certify, on a quarterly basis, with respect to the design and effectiveness of disclosure controls and procedures as well as internal controls over financial reporting, and to indicate any identified weaknesses.

The Board recognizes the importance of managing the risks associated with Copper Mountain's business operations and has defined a set of processes to effectively manage risk within the business. Such processes include but are not limited to the following:

- identifying risks relevant to the business to determine what can happen, when and how;
- assessing identified risks to determine their potential severity and impact on the business;
- evaluating risks;

- establishing treatment plans for risks deemed unacceptable to the business;
- communicating risk management activities and processes to employees; and
- monitoring and reviewing risks, risk mitigation strategies and actions, as well as the risk management processes and system.

## Principle 8: Remunerate Fairly and Responsibly

Copper Mountain operates in the international mining industry, which is a highly competitive market for executives. Copper Mountain has designed its compensation program to ensure it is able to both attract and retain qualified and experienced executives with the skills and experience required to execute its strategy.

### *Composition of the Compensation and People Committee*

The Compensation and People Committee is comprised of three independent directors and, while the Board determines its members, the Chief Executive Officer is not involved in the selection process for this committee. The Chair of the Compensation and People Committee is a non-executive independent director.

### *Role of the Compensation and People Committee*

The Compensation and People Committee has been established by the Board to assist the Board in fulfilling its oversight responsibilities relating to executive compensation. The Compensation and People Committee helps to ensure that Copper Mountain has a compensation program that will attract, retain, motivate and reward its executive officers for their performance and contribution in achieving Copper Mountain's long-term strategy.

The Board established a Compensation and People Committee upon the Company's incorporation. Accordingly, the Compensation and People Committee has remained an active standing committee since 2006 and has fulfilled its responsibilities (described below) on an annual basis.

The Compensation and People Committee's primary responsibilities include:

*Compensation Philosophy, Policies and Practices*—Ensuring executive compensation philosophy, policies and practices for the Chief Executive Officer, the executive officers and the directors:

- properly reflect their respective duties and responsibilities;
- are competitive in attracting, retaining and motivating people of the highest quality;
- align the interests of the directors, the Chief Executive Officer and the executive officers with shareholders as a whole;
- are based on established corporate and individual performance objectives; and
- do not encourage the taking of inappropriate or excessive risks.

*Evaluation of Performance*—Annually reviewing and evaluating the performance of the Chief Executive Officer and the executive officers and, in light of pre-established performance objectives, reporting its conclusions to the Board;

*Performance Objectives*—Annually reviewing the performance objectives for the Chief Executive Officer and the executive officers and, in the Compensation and People Committee's discretion, recommending any changes to the Board for consideration;

*Chief Executive Officer Compensation*—Annually reviewing the compensation for the Chief Executive Officer and, in the Compensation and People Committee’s discretion, recommending any changes to the Board for consideration;

*Executive Officers Compensation*—Annually reviewing the Chief Executive Officer’s recommendations for the executive officers’ compensation and, in the Compensation and People Committee’s discretion, recommending any changes to the Board for consideration;

*Succession Planning*—Annually reviewing Copper Mountain’s succession plan for the Chief Executive Officer and the executive officers, including appointment, training and evaluation;

*Directors’ Compensation*—Annually reviewing directors’ compensation and, in the Compensation and People Committee’s discretion, recommending any changes to the Board for consideration; and

*Mitigation of Compensation Risk*—Annually considering the risks associated with Copper Mountain’s compensation policies and practices, to ensure appropriate risk mitigation measures are adopted.

## ***Role of the Chief Executive Officer***

The Chief Executive Officer’s role in executive compensation matters includes making recommendations to the Compensation and People Committee regarding the Company’s annual business plan and objectives, which provide the basis for establishing both corporate objectives and individual performance objectives for all executive officers. The Chief Executive Officer reviews the performance of the other executive officers, and also makes recommendations with respect to adjustments in base salary, awarding of annual performance incentives, and awarding of long-term equity incentives to such executive officers. The Chief Executive Officer is not involved in the selection process for the Compensation and People Committee, or in making recommendations with respect to his or her own compensation package.

The Compensation and People Committee reviews with the Chief Executive Officer the basis for his recommendations. While the Compensation and People Committee takes the Chief Executive Officer’s recommendations into consideration, the Compensation and People Committee formulates its own recommendations based upon corporate and executive performance, consultation with the independent compensation consultant engaged by the Compensation and People Committee, review of comparator company practices, and a variety of other quantitative and qualitative factors in making its recommendations to the Board. The Compensation and People Committee also retains the right to exercise its sole discretion in making recommendations to the Board.

## ***Compensation Philosophy***

The objective of Copper Mountain’s compensation program is to attract, retain, motivate and reward its executive officers for their performance and contribution to executing Copper Mountain’s long-term strategy to maximize shareholder value. Copper Mountain’s compensation policy revolves around a pay for performance philosophy whereby fixed elements of pay, such as salary, are positioned at median levels for the competitive market, while short- and long-term incentives are structured to provide above-market total compensation for high levels of corporate and personal performance. The Compensation and People Committee believes it is necessary to adopt this compensation philosophy in order to attract and retain qualified executive officers with the skills and experience necessary to execute Copper Mountain’s strategy.

The achievement of corporate and individual performance is rewarded through short-term cash incentives while long-term equity incentives align executives with long-term shareholder value creation. The Board

seeks to set Company performance goals that reach across all aspects of the business and to tie individual goals to the area of the executive officer's primary responsibility.

The Compensation and People Committee will continue to review best practice developments in this regard to ensure that current practices do not create undue risk to Copper Mountain and to continue to ensure the alignment of compensation packages with the objective of enhancing shareholder value through an increased share price.

## ***Management Performance and Compensation***

The Compensation and People Committee conducts an annual review of the performance objectives for the Company's executive management group. Compensation changes may be recommended to the Board, at the Committee's discretion, based upon an executive officer's success in meeting or exceeding individual performance goals, as well as contributing to achieving Company performance goals. The Compensation and People Committee also conducts an independent review of current market standards regarding executive compensation, as well as an assessment of Copper Mountain's executive compensation relative to peer industry participants. The Company's executive compensation program is designed to be competitive with those offered by publicly traded mining companies comparable to Copper Mountain in terms of size, assets, production and region of operation.

Further detailed information on director and executive management compensation for the 2022 financial year will be disclosed in the Company's management information circular, which will be available for review under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) once filed.

## **ASX Listing Rules: Additional Disclosures**

### ***Substantial Shareholders***

As at March 27, 2023, the Company is aware of two substantial shareholders of Copper Mountain beyond 5%. The details are as follows:

Shareholder	Number of Shares	% of Issued Capital
Power Corporation of Canada	26,165,293	12.4%
ICM Ltd.	22,277,545	10.4%



## ***Distribution of CDIs and Common Shares***

The following table sets forth, as at March 17, 2023, the distribution of the Company's CDIs and common shares:

Range	CDIs			Common Shares		
	Total		% of Issued Capital	Total		% of Issued Capital
	Holders	Units		Holders	Units	
1–1,000	2,726	872,297	5.02	5	2,576	<b>0.00</b>
1,001–5,000	979	2,402,543	13.83	2	6,250	<b>0.00</b>
5,001–10,000	198	1,457,811	8.39	2	20,000	<b>0.01</b>
10,001–100,000	192	4,525,755	26.05	0	0	<b>0.00</b>
100,001–and over	11	8,114,837	46.71	3	213,962,435	<b>99.99</b>
Rounding			0.00			<b>0.00</b>
<b>Total</b>	<b>4,106</b>	<b>17,373,243</b>	<b>100.00</b>	<b>12</b>	<b>213,991,261</b>	<b>100.00</b>

## ***Distribution Schedule of Outstanding Options***

The following table sets forth, as at March 27, 2023, the schedule of the Company's outstanding options:

Range	Total Holders	Options	% of Options Outstanding
0–50,000	1	5,000	<b>0.12</b>
50,001–100,000	5	470,303	<b>11.50</b>
100,001–250,000	4	698,928	<b>17.09</b>
250,001–500,000	4	1,229,917	<b>30.08</b>
500,001–1,000,000	2	1,685,071	<b>41.21</b>
1,000,001–1,500,000	-	-	-
1,500,001–2,000,000	-	-	-
2,000,001–2,500,000	-	-	-
2,500,001–3,000,000	-	-	-
<b>Total</b>	<b>16</b>	<b>4,089,219</b>	<b>100.00</b>

**Note:** As of the date hereof, 4,089,219 incentive stock options are outstanding to the Company's directors, officers, employees, and consultants. Total options outstanding represent approximately 1.9% of the Company's issued and outstanding capital on a fully diluted basis and are held by 16 option holders. No individual held more than 20% of these unquoted equity securities.

## ***Unmarketable Parcels of Securities, Escrow, and On-Market Buyback***

As at March 17, 2023, there were 4,106 CDI holders with 17,373,243 units of unmarketable parcels of securities.

Currently, Copper Mountain only has one class of securities (common shares), none of which are the subject of escrow. There is no current on-market buy-back.

## ***Share Classes and Voting Rights***

There is only a single share class being common shares of Copper Mountain. The total amount of outstanding common shares of Copper Mountain Mining Corporation is 213,991,261 as at March 17, 2023.

Copper Mountain is authorized to issue an unlimited number of common shares with no par value. Holders of common shares are entitled to one vote for each common share on all matters to be voted on by shareholders at meetings of Copper Mountain's shareholders. All dividends which the Board of Directors may declare shall be declared and paid in equal amounts per share on all common shares at the time outstanding. There are no pre-emptive, redemption or conversion rights attaching to the common shares. All common shares, when issued, are and will be issued as fully paid and non-assessable shares without liability for further calls or to assessment.

As each CDI represents a beneficial interest in one common share, CDI holders need to provide confirmation of their voting instructions to CHESS Depositary Nominees Pty Ltd ("**CDN**"), as registered holder of the underlying common shares, in order to vote at shareholder meetings. Alternatively, if a holder of CDIs wishes to attend and vote at shareholder meetings, such holder may instruct CDN to appoint the CDI holder (or a person nominated by the CDI holder) as the holder's proxy for the purposes of attending and voting at shareholder meetings. As at March 17, 2023, 17,373,243 CDIs were outstanding and trading on the ASX. As of March 27, 2023, 4,089,219 incentive stock options were outstanding to the Company's directors, officers, employees, and consultants. Holders of options are not entitled to vote.

## ***Corporate Status***

Copper Mountain Mining Corporation (ACN 623 316 549) is a company incorporated under the laws of the Province of British Columbia, Canada.

### ***Not Subject to Chapters 6, 6a, 6B and 6c of The Corporations Act 2001 (Cth)***

Copper Mountain is not subject to chapters 6, 6A, 6B and 6C of the Australian Corporations Act 2001 dealing with the acquisition of shares in Copper Mountain in relation to substantial holdings and takeovers.

### ***Limitations on the Acquisition of Copper Mountain Securities Imposed by Canada***

In Canada, acquisitions of securities by takeover bid are regulated by provincial securities legislation, which were materially amended during 2016. Generally, under this legislation, an offer to acquire securities from a shareholder resident in a Canadian province which will result in the offeror (including joint actors) holding 20 percent or more of the issued share capital of the company constitutes a takeover bid. Subject to limited exceptions (for example the purchase at not more than a market price of up to 5 percent of outstanding shares over 12 months, private offers to no more than 5 persons at no greater than 115 percent of market price and purchases from treasury), an offeror must:

- (a) provide shareholders with a takeover bid circular describing the terms of the offer and, if securities of the offeror form part of the consideration, include prospectus level disclosure about the offeror and its business;
- (b) for all non-exempt takeover bids, meet a minimum requirement of more than 50 percent of the outstanding securities subject to the bid;
- (c) keep the bid open for at least 105 days plus an additional 10-day extension if minimum tender requirement and all other conditions are met; and

- (d) deliver the circular and extend the offer to each shareholder of the company, with the ultimate purchase of shares being pro rata amongst those shareholders who have tendered their shares under the bid.

Under federal corporate law, if a takeover bid is accepted by the holders of not less than 90 percent of the outstanding shares (excluding shares held at the date of the bid by or on behalf of the offeror), the offeror is entitled and the remaining shareholders can require the offeror to acquire the remaining shares either on the same terms of the takeover bid or at fair market value, as elected by the shareholder.

Canadian rules also provide an early warning system to notify the market of significant accumulation of securities. Under the system, an acquirer must issue a press release and file a report with provincial securities commission under the initial acquisition (whether from market purchases, treasury or otherwise) of 10 percent or more of the share capital of a public company and thereafter upon acquisition of an additional 2 percent.

The above is only a short summary of certain takeover bid and related requirements and reference must be made to applicable Canadian corporate and securities legislation, including the requirements of the TSX, for further details of takeover bid provisions and other regulated transactions such as insider bids, related party transactions and private placements, among others.

## Share Registries

### *Canada: Computershare Trust Company of Canada*

Computershare Trust Company of Canada,  
100 University, Avenue, 8<sup>th</sup> Floor,  
Toronto, Ontario, Canada, M5J 2Y1 Tel: + 1-800-564-6253

### *Australia: Computershare Investor Services*

The Registrar,  
Computershare Investor Services Pty Limited GPO Box 2975,  
Melbourne VIC 3001, Australia Tel: + 1-300-850-505

#### *Registered Office in Australia*

Brisbane Office  
c/o Corrs Chambers Westgarth  
111 Eagle Street  
Brisbane, QLD 4000  
Ph# 07-3228-9318

#### *Registered Office in Canada*

Vancouver Office  
c/o Farris LLP  
26<sup>th</sup> Floor, 700 West Georgia Street  
Vancouver, BC V7Y 1B3  
604-684-9151

## Mineral Resources and Mineral Reserves

### *Mineral Resources Summary*

The Copper Mountain Mine Mineral Reserves estimate is included in the Copper Mountain Mine Mineral Resources estimate, and the effective date of each of the Mineral Resources and Mineral Reserves estimate is December 31, 2022. A summary of each of the Mineral Resources and Mineral Reserves estimate is provided below.

### Mineral Resources Estimate (as at December 31, 2022)

Category	Tonnes (kt)	Cu Grade (%)	Au Grade (g/t)	Ag Grade (g/t)	Copper Pounds (Mlb)	Gold Ounces (koz)	Silver Ounces (koz)
<b><i>Measured</i></b>							
CM Main & North Pits Total	334,768	0.24	0.07	0.80	1,750	783	8,637
New Ingerbelle Pit	198,241	0.24	0.14	0.41	1,027	905	2,588
Subtotal Measured	533,009	0.24	0.10	0.66	2,777	1,688	11,225
Stockpile	51,765	0.154	0.04	0.45	176	67	749
<b>Total Measured</b>	<b>584,774</b>	<b>0.23</b>	<b>0.09</b>	<b>0.64</b>	<b>2,953</b>	<b>1,755</b>	<b>11,974</b>
<b><i>Indicated</i></b>							
CM Main & North Pits Total	352,917	0.19	0.07	0.59	1,459	788	6,732
New Ingerbelle Pit	165,210	0.23	0.13	0.37	845	680	1,987
<b>Total Indicated</b>	<b>518,127</b>	<b>0.20</b>	<b>0.09</b>	<b>0.52</b>	<b>2,304</b>	<b>1,468</b>	<b>8,719</b>
<b><i>Measured + Indicated</i></b>							
CM Main & North Pits Total	687,685	0.21	0.07	0.69	3,209	1,571	15,369
New Ingerbelle Pit	363,451	0.23	0.14	0.39	1,872	1,585	4,574
Subtotal Measured + Indicated	1,051,136	0.22	0.09	0.59	5,081	3,156	19,943
Stockpile	51,765	0.154	0.04	0.45	176	67	749
<b>Total Measured + Indicated</b>	<b>1,102,901</b>	<b>0.22</b>	<b>0.09</b>	<b>0.58</b>	<b>5,257</b>	<b>3,223</b>	<b>20,692</b>
<b><i>Inferred</i></b>							
CM Main & North Pits Total	271,320	0.19	0.08	0.61	1,130	673	5,315
New Ingerbelle Pit	154,800	0.20	0.11	0.32	696	567	1,603
<b>Total Inferred</b>	<b>426,120</b>	<b>0.19</b>	<b>0.09</b>	<b>0.50</b>	<b>1,826</b>	<b>1,240</b>	<b>6,918</b>

**Notes:**

1. Mineral Resources estimate was prepared by Dr. Patrick Redmond, Ph.D., P.Geo., the Company's Senior Vice President, Exploration and Geoscience and a qualified person.
2. Mineral Resources were estimated using the December 31, 2022 mining surface for the Copper Mountain Mine project.
3. Mineral Resources are constrained by a \$3.50/lb Cu pit shell.
4. Cut-off grade is based on copper grade only.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Cut-off grades applied at 0.1% Cu.
7. Totals may not add due to rounding.
8. Low grade stockpile is included in the measured category.

The above Mineral Resources estimate was disclosed in Copper Mountain's AIF dated March 27, 2023 and filed on the ASX on that same date in accordance with ASX Listing Rules. In accordance with ASX Listing Rule 5.21.4, there has been no material changes to this Mineral Resources estimate. All material assumptions and technical parameters previously disclosed continue to be applicable. Please refer to the Company's news release dated September 28, 2022 for further information, including required additional disclosures under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

### Mineral Reserves Estimate (as at December 31, 2022)

Category	Tonnes (kt)	Cu Grade (%)	Au Grade (g/t)	Ag Grade (g/t)	Copper Pounds (Mlb)	Gold Ounces (kt)	Silver Ounces (kt)
<b>Proven</b>							
CM Main & North Pits Total	227,696	0.28	0.08	0.90	1,385	608	6,552
New Ingerbelle Pit	183,003	0.23	0.14	0.41	928	824	2,412
Subtotal Pit Only	410,699	0.26	0.11	0.68	2,313	1,432	8,964
Stockpile	51,765	0.15	0.04	0.45	176	67	749
<b>Total Proven</b>	<b>462,464</b>	<b>0.24</b>	<b>0.10</b>	<b>0.65</b>	<b>2,489</b>	<b>1,499</b>	<b>9,713</b>
<b>Probable</b>							
CM Main & North Pits Total	145,493	0.22	0.08	0.63	709	388	2,928
New Ingerbelle Pit	80,154	0.22	0.12	0.37	389	309	953
<b>Total Probable</b>	<b>225,647</b>	<b>0.22</b>	<b>0.10</b>	<b>0.54</b>	<b>1,098</b>	<b>697</b>	<b>3,881</b>
<b>Proven + Probable</b>							
CM Main & North Pits Total	373,189	0.25	0.08	0.79	2,094	996	9,480
New Ingerbelle Pit	263,157	0.23	0.13	0.40	1,317	1,133	3,366
Subtotal Pit Only	636,346	0.24	0.10	0.63	3,411	2,129	12,846
Stockpile	51,765	0.15	0.04	0.45	176	67	749
<b>Total Proven + Probable</b>	<b>688,111</b>	<b>0.24</b>	<b>0.10</b>	<b>0.62</b>	<b>3,587</b>	<b>2,196</b>	<b>13,595</b>

#### Notes:

1. Mineral Reserves estimate was prepared by Mr. Alberto Chang, P.Eng., the Company's Vice President, Mining and a qualified person.
2. JORC and the CIM Standards were followed for Mineral Reserves.
3. Mineral Reserves were generated using the December 31, 2022 mining surface.
4. Mineral Reserves are reported at 0.10% and 0.13% Cu cut-off grade for New Ingerbelle and the Copper Mountain Mine, respectively.
5. Mineral Reserves are reported using long-term copper, gold, and silver prices of \$2.75/lb, \$1,500/oz, and \$18.50/oz, respectively.
6. An average CM Main & CM North copper process recovery of 80%, gold process recovery of 65%, and silver process recovery of 70% is based on geo-metallurgical domains and actual plant values.
7. An average New Ingerbelle copper process recovery of 88.5%, gold process recovery of 71%, and silver process recovery of 65% is based on geo-metallurgical domains, historical recoveries, and recent testwork.
8. Average bulk density is 2.78 t/m<sup>3</sup>.
9. Stockpile tonnes and grade based on production grade control process.
10. Totals may not add due to rounding.

The above Mineral Reserves estimates were disclosed in Copper Mountain's AIF dated March 27, 2023 and filed on the ASX on that same date in accordance with ASX Listing Rules. In accordance with ASX Listing Rule 5.21.4, there has been no material changes to this Mineral Reserves estimate. All material assumptions and technical parameters previously disclosed continue to be applicable. Please refer to the Company's news release dated September 28, 2022 for further information, including required additional disclosures under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

### ***Competent Persons Statement***

The information in this AIF that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. Patrick Redmond, Ph.D., P.Geo. Dr. Redmond is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Dr. Redmond consents to the inclusion in this AIF of the matters based on their information in the form and context in which it appears.

### ***Qualified Persons***

The Mineral Resources estimate for the Copper Mountain Mine was prepared by Dr. Patrick Redmond, Ph.D., P.Geo. who is the Senior Vice President, Exploration and Geoscience at Copper Mountain. Dr. Redmond serves as the qualified person as defined by NI 43-101 for the Mineral Resources estimate at the Copper Mountain Mine. Dr. Redmond consents to the inclusion of the Mineral Resources estimate in this AIF and has approved the Mineral Resources information included in this AIF.

Mr. Alberto Chang, P.Eng., serves as the qualified person as defined by NI 43-101 for information regarding the Copper Mountain Mine's technical information and Mineral Reserves estimate. Mr. Chang is the Vice President, Mining of Copper Mountain and has reviewed and approved the contents of this AIF that relates to the Mineral Reserves estimate for the Copper Mountain Mine.

The qualified persons have verified the information disclosed herein, including the sampling, preparation, security and analytical procedures underlying such information, and are not aware of any significant risks and uncertainties that could be expected to affect the reliability or confidence in the information discussed herein.

## Schedule “A” – Audit Committee Charter

### I. PURPOSE

The Audit Committee (the “**Committee**”) shall provide assistance to the Board of Directors (the “**Board**”) of Copper Mountain Mining Corporation (the “**Company**”) in fulfilling its financial oversight responsibilities to the shareholders of the Company and the investment community. The independent auditor will report directly to the Committee.

The Committee’s primary function is to assist the Board in fulfilling its oversight responsibilities by:

- Overseeing the accounting and financial reporting processes of the Company, and the interim reviews and audit of its financial statements, including: (a) the integrity of the Company’s financial statements; (b) the Company’s compliance with legal and regulatory requirements; and (c) the independent auditor’s qualifications and independence;
- Serving as an independent and objective party to monitor the Company’s financial reporting processes and internal control systems;
- Reviewing and appraising the activities of the Company’s independent auditor; and
- Providing open lines of communication among the independent auditor, financial and senior management, and the Board for financial reporting and control matters, and meeting periodically with management and the independent auditor.

### II. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The members of the Committee and the Chair of the Committee shall be appointed annually by the Board at the first meeting of the Board following the annual general meeting of shareholders. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
2. The Committee shall be comprised of at least three directors. Each Committee member shall be an “independent director” within the meaning of National Instrument 52-110 – *Audit Committees* (as may be amended from time to time, “**NI 52-110**”). Pursuant to NI 52-110, a member will be considered “independent” if he or she has no direct or indirect, material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. NI 52-110 sets forth certain relationships which deem one not to be independent. In addition, the composition of the Committee shall comply with the rules and regulations of the Toronto Stock Exchange and any other stock exchange on which the shares of the Company may be listed, subject to any waivers or exceptions granted by such stock exchange.
3. All members shall, to the satisfaction of the Board, be financially literate in accordance with the requirements of the NI 52-110 (i.e., have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements). At least one member shall have experience as a CPA, CFO or corporate controller of similar experience or demonstrably meaningful experience overseeing such functions as senior executive officers.
4. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.



5. The Corporate Secretary of the Company shall be the Secretary of the Committee, unless otherwise determined by the Committee.
6. The Committee shall meet at least four times annually on such dates and at such locations as may be determined by the Chair and may also meet at any other time or times on the call of the Chair, the independent auditor or any two of the other Committee members.
7. The independent auditor or any two directors may request the Chair to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to the independent auditor or such directors, and may participate in such meeting.
8. The Committee may ask members of management or others to attend meetings or to provide information as necessary. The independent auditor shall receive notice of and have the right to attend all meetings of the Committee.
9. The quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. The Committee may also act by unanimous written consent of its members.
10. Notice of the time and place of every meeting shall be given in writing or by e-mail communication to each member of the Committee at least forty-eight (48) hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
11. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management, as necessary. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
12. The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board)
13. The independent auditor shall have a direct line of communication to the Committee through the Chair and may bypass management if deemed necessary. The independent auditor shall report to the Committee and is ultimately accountable to the Board and the Committee.
14. The Committee, through its Chair, may contact directly the independent auditor and any employee of the Company as it deems necessary.

### **III. RESPONSIBILITIES AND DUTIES**

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities as outlined in the "Purpose" section of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the

Board from time to time related to the purposes of the Committee as outlined in the “Purpose” section of this Charter.

The responsibilities and duties of the Committee include:

1. Annually reviewing this Charter and submitting any recommended changes thereto for approval by the Board provided that this Charter may be amended and restated from time to time without the approval of the Board to ensure that the composition of the Committee and the responsibilities and powers of the Committee comply with applicable laws and stock exchange rules.

*Independent Auditor*

2. Making recommendations to the Board regarding the selection, appointment, evaluation, fees and compensation and, if necessary, the replacement of the independent auditor, and assisting in resolving any disagreements between management and the independent auditor regarding financial reporting.
3. Ensuring that the independent auditor reports directly to the Committee and is made accountable to the Board and the Committee, as representatives of the shareholders to whom the independent auditor is ultimately responsible.
4. Confirming the independence of the auditor, which will require receipt from the auditor of a formal written statement delineating all relationships between the auditor and the Company and any other factors that might affect the independence of the auditor and reviewing and discussing with the auditor any significant relationships and other factors identified in the statement.
5. Reporting to the Board its conclusions on the independence of the auditor and the basis for these conclusions.
6. Overseeing the work of the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services.
7. Ensuring that the independent auditor is prohibited from providing the following non-audit services and determining which other non-audit services the independent auditor is prohibited from providing:
  - (a) bookkeeping or other services related to the accounting records or financial statements of the Company;
  - (b) financial information systems design and implementation;
  - (c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
  - (d) actuarial services;
  - (e) internal audit outsourcing services;
  - (f) management functions or human resources;
  - (g) broker or dealer, investment adviser or investment banking services;
  - (h) legal services and expert services unrelated to the audit; and
  - (i) any other services which the Public Company Accounting Oversight Board determines to be impermissible.

8. Pre-approving all audit services and internal control related services and approving any permissible non-audit engagements of the independent auditor, in accordance with applicable legislation. The pre-approval of non-audit services may be delegated to one or more Committee members so long as such pre-approval decisions are presented to the full Committee at the next scheduled meeting.
9. Meeting with the independent auditor and financial management of the Company to review the scope of the proposed audit for the current year, and the audit procedures to be used.
10. Meeting annually with auditors in “in camera” sessions to discuss reasonableness of the financial reporting process, system of internal control, significant comments and recommendations and management’s performance.
11. Reviewing and approving the Company’s hiring policies for partners and employees or former partners and employees of the past and present independent auditor.

#### *Financial Reporting Processes*

12. Reviewing with management and the independent auditor:
  - (a) The Company’s annual and interim financial statements and related footnotes, management’s discussion and analysis and press release for the purpose of recommending approval by the Board prior to its release, and ensuring that:
    - (i) management has reviewed the financial statements with the Committee, including significant judgments affecting the financial statements;
    - (ii) the members of the Committee have discussed among themselves, without management or the independent auditor present, the information disclosed to the Committee; and
    - (iii) the Committee has received the assurance of both financial management and the independent auditor that the Company’s financial statements are fairly presented in conformity with Canadian GAAP or International Financial Reporting Standards (IFRS), as applicable, in all material respects;
  - (b) Any significant changes required in the independent auditor’s audit plan and any serious issues with management regarding the audit;
  - (c) The Chief Executive Officer and Chief Financial Officer certifications of interim and annual financial statements; and
  - (d) Other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards.
13. Reviewing with the independent auditor and management the adequacy and effectiveness of the financial and accounting controls of the Company.
14. Reviewing with the independent auditor any audit problems or difficulties and management’s response and resolving disagreements between management and the auditors and reviewing and discussing material written communications between management and the independent auditor, such as any management letter of schedule of unadjusted differences.
15. Satisfying itself that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and assessing the adequacy of such procedures periodically.

16. Reviewing the Company's disclosure in the Management Information Circular and Annual Information Form including the Committee's composition and on the carrying out of its responsibilities under this charter and on other matters as required by applicable securities regulatory authorities.
17. Reviewing and assessing the adequacy of the reporting systems and related internal controls developed and implemented in connection with disclosures relating to environmental, social and governance matters and other data included in the Company's Sustainability Report.

#### *Risk Management*

18. Making inquiries of management and the independent auditor to identify significant financial and control risks and exposures and assess the steps management has taken to minimize such risks to the Company.
19. Reviewing and/or investigating any financial, internal control, or risk management related issue or activity of the Company and reporting to the Board at its next regular meeting all such action it has taken since the previous report.

#### *Ethical and Legal Compliance*

20. Obtaining reports from management that the Company is in conformity with legal requirements and the Company's Code of Business Conduct and Ethics and reviewing reports and disclosures of insider and affiliated party transactions.
21. Reviewing compliance with the Company's policies on internal controls, conflicts of interest, ethics, foreign corrupt practice, etc.
22. Discussing with the Company's Chief Financial Officer and Vice President, General Counsel and Corporate Secretary on a quarterly basis any legal matters that may have a material impact on the financial statements, disclosure in management's discussion and analysis or of the Company's compliance with its policies, internal controls and applicable laws and regulations.
23. Establishing procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
24. Overseeing compliance with the Company's Code of Business Conduct and Whistleblower Policy and reporting to the Board with respect thereto.

#### **IV. OUTSIDE CONSULTANTS AND ADVISORS**

The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other retention terms for such persons.