

"FINAL"

COPPER MOUNTAIN MINING CORPORATION

**DIRECTORS
DEFERRED SHARE
UNIT PLAN**

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Approved by the Board of
Directors on September 17, 2010

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DEFERRED SHARE UNIT PLAN

SECTION 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "Administrator" means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) "Affiliate" means an affiliate company as defined in the Securities Act and includes issuers that are similarly related, whether or not any of the issuers are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities.
- (c) "Associate" means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (d) "Black-Out" means a restriction imposed by the Company on all or any of its Insiders or persons in a special relationship, whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (e) "Board" means the board of Directors of the Company.
- (f) "Business Day" means a day other than a Saturday, Sunday or a day when banks in the City of Vancouver, British Columbia are not generally open for business.
- (g) "Change of Control" means:
 - (i) any merger or consolidation in which voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction and the composition of the Board following such transaction is such that the directors of the Company prior to the transaction constitute less than fifty percent (50%) of the Board membership following the transaction;
 - (ii) any acquisition, directly or indirectly, by a person or Related Group of Persons (other than a person that is a registered dealer as described in clause (iii) of the definition of

Related Group of Persons and other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership of voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities;

- (iii) any acquisition, directly or indirectly, by a person or Related Group of Persons of the right to appoint a majority of the directors of the Company or otherwise directly or indirectly control the management, affairs and business of the Company;
- (iv) any sale, transfer or other disposition of all or substantially all of the assets of the Company; and
- (v) a complete liquidation or dissolution of the Company,

provided however, that a Change in Control shall not be deemed to have occurred if such Change in Control results solely from the issuance, in connection with a bona fide financing or series of financings by the Company or any of its Affiliates, of voting securities of the Company or any of its Affiliates or any rights to acquire voting securities of the Company or any of its Affiliates which are convertible into voting securities;

- (h) "Committee" means the Governance Committee of the Board; or such other committee as designated by the Board.
- (i) "Common Shares" means the common shares of the Company.
- (j) "Company" means Copper Mountain Mining Corporation.
- (k) "Director" means any director of the Company.
- (l) "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (m) "Dividend" means a dividend paid by the Company in respect of the Common Shares, whether of cash, Common Shares or other securities or other property, expressed as an amount per Common Share.
- (n) "Dividend Payment Date" means any date that a Dividend is distributed to Shareholders.
- (o) "Dividend Record Date" means the applicable record date in respect of any Dividend used to determine the Shareholders entitled to receive such Dividend.
- (p) "Eligible Participant" means any Director.
- (q) "Exercise Date" means the Business Day on which the Company receives a duly executed and completed Exercise Notice.
- (r) "Exercise Notice" means the written notice of the exercise of Grant, in the form required by the Company, duly executed by the Participant.
- (s) "Exercise Period" means the period during which a particular Grant may be exercised and is the period from and including the later of the Grant Date or the date which any Share Units Vest, as the case may be, through to and including the Expiry Time on the Expiry Date.

- (t) "Expiry Date" means the date determined by the Committee (not to exceed ten (10) years from the Grant Date), subject to extension in the event the Expiry Date occurs during a Black-Out Period in which case the Expiry Date shall be extended to the Business Day that is ten (10) days after the expiry of the Black-Out Period, in connection with each Grant made pursuant to the Plan with respect to Share Units granted hereunder that expire during any Exercise Period but for such extension.
- (u) "Expiry Time" means the time the Grant expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (v) "Grant" means a grant of Share Units made pursuant to Section 4.1.
- (w) "Grant Agreement" means an agreement between the Company and a Participant under which a Grant is made, as contemplated by Section 3.3, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.
- (x) "Grant Date" means a grant of the Share Units made pursuant to Section 4.1.
- (y) "Insider" means an insider as that term is defined in the *Securities Act* or in the policies thereto.
- (z) "Market Price" means, with respect to any particular date the closing price of the Common Shares on the TSX on the date preceding the applicable date.
- (aa) "Participant" means an Eligible Participant who has received a Grant hereunder and holds an unexpired Grant or, where applicable, the Personal Representative of such Person or Entity.
- (bb) "Person or Entity" means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (cc) "Personal Representative" means:
 - (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of a Participant who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Participant.
- (dd) "Plan" means this Directors deferred share unit plan as from time to time amended.
- (ee) "Regulatory Approvals" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the issuance of Common Shares from treasury pursuant to this Plan, if applicable.
- (ff) "Regulatory Authorities" means all organized trading facilities on which the Common Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the issuance of Common Shares from treasury from time to time hereunder.

- (gg) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan, the issue of Common Shares from treasury, or the Grants from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (hh) "Related Group of Persons" means:
- (i) Persons and any one or more of their Associates and Affiliates; and
 - (ii) any two or more Persons who have an agreement, commitment or understanding, whether formal or informal, with respect to:
 - (A) the acquisition of or the intention to acquire, directly or indirectly, beneficial ownership of, or control and direction over, voting securities of the Company; or
 - (B) the exercise of voting rights attached to the securities of the Company beneficially owned by such Persons, or over which such Persons have control and direction, on matters regarding the appointment of directors or control of the management, affairs and business of the Company;
 - (iii) despite the above (ii)(A), a registered dealer acting solely in an agency capacity for a Person or Related Group of Persons in connection with the acquisition of beneficial ownership of, or control and direction over, securities of the Company, and not executing principal transactions for its own account or performing services beyond customary dealer's functions, shall not be deemed solely by reason of such agency relationship to be a related person for the purposes of the definition of Related Group of Persons;
- (ii) "*Securities Act*" means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (jj) "Shareholder" means a holder of Common Shares.
- (kk) "Share Unit" means a deferred share unit granted to an Eligible Participant in accordance with Section 4.
- (ll) "Stock Dividend" means a Dividend paid by the Company in respect of the Common Shares, paid in Common Shares or other securities or other property, expressed as an amount per Common Share.
- (mm) "Subsidiary" means a corporation or other entity, the majority of the voting shares or voting equity interests of which are owned directly or indirectly by the Company.
- (nn) "Trading Date" means any date on which the Exchange is open for trading of Common Shares and on which Common Shares are actually traded.
- (oo) "Triggering Event" means:
- (i) a proposed Change of Control of the Company; or
 - (ii) a proposed material alteration of the capital structure of the Company which, in the opinion of the Board, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Grants hereunder to permit the Plan and the Grants hereunder to stay in effect.
- (pp) "TSX" means the Toronto Stock Exchange.
- (qq) "Vest" or "Vesting" means a portion of the Share Units vest and are exercisable.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Participant hereby attorns to the jurisdiction of the Courts of British Columbia.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

SECTION 2 GRANTS OF SHARE UNITS

2.1 Grant of Share Units

The Board, on recommendation from the Committee shall, from time to time in its discretion, make Grants of Share Units to such Eligible Participants on such terms and conditions as are permitted under this Plan.

2.2 Record of Grants

The Committee shall be responsible to maintain a record of all Grants made granted under this Plan and such record shall contain, in respect of each Grant:

- (a) the name and address of the Participant;
- (b) the number of Share Units, the Market Price on the Grant Date, the Exercise Price and Expiry Date of each Grant;
- (c) the Vesting and other additional terms, if any, attached to the a Grant; and
- (d) the particulars of each and every time a Grant is exercised and the method of satisfaction of the exercise.

2.3 Effect of Plan

All Grants made pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that any Grant Agreement in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. In the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in any Grant Agreement, save and except as noted below. Each Grant will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Grant Agreement for such Grant. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

SECTION 3 PURPOSE AND PARTICIPATION

3.1 Purpose of Plan

The purpose of the Plan as follows:

- (a) to promote a further alignment of interests between Directors and Shareholders;
- (b) to associate a portion of the Directors' fees with the returns achieved by Shareholders; and

- (c) to attract and retain Directors with the knowledge, experience and expertise required by the Company.

3.2 Participation in Plan

The Committee shall, from time to time and in its discretion, determine those Eligible Participants, if any, to whom Grants may be made, for approval by the Board.

3.3 Notification of Grant and Grant Agreement

Following the making of a Grant, the Administrator shall, within a reasonable period of time, notify the Participant in writing of the Grant and the Company and the Participant will enter into a Grant Agreement with respect to the Grant.

3.4 Copy of Plan

Each Participant, concurrently with the notice of a Grant, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Participant.

3.5 Limitations on Service or on Grants

The Plan does not give any Participant that is Director the right to be nominated, proposed for election, elected or appointed as director of the Company. For greater certainty and without limiting the discretion conferred on the Board pursuant to this Article, the Board's decision to approve a Grant in any period, based on the recommendations of the Committee, shall not require the Board to approve a Grant to any Eligible Participant in any other period; nor shall the decision with respect to the number of Share Units in any Grant or the terms and conditions of a Grant in any period require the Committee to recommend to the Board, or the Board, to approve a Grant of the same or similar number of Share Units or with the same or similar terms and conditions to any Eligible Participant or Participant in any other period. No Eligible Participant has any claim or right to receive a Grant.

3.6 No Obligation to Exercise

Participants shall be under no obligation to exercise any Grants made under this Plan.

3.7 Agreement

The Company and every Participant hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting a Grant hereunder, the Participant has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Participant receives his, her or its Grant pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Participant acknowledges that in the event of any inconsistency between the terms relating to the Grant in that agreement and the terms attaching to the Grant as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

3.8 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Participant will be deemed to have been provided if provided to the last home address, fax number or email address of the Participant in the records of the Company or a Subsidiary, and the Company shall be under no obligation to confirm receipt or delivery.

SECTION 4 TERMS AND CONDITIONS OF GRANTS

4.1 Grants

The Committee will recommend to the Board and the Board will make the Grants to Participants, as provided hereunder.

4.2 Number of Share Units

The number of Share Units under each Grant shall be determined by the Board on recommendation of the Committee, and shall be set out in the Grant Agreement issued with respect thereto. Unless otherwise determined, the number of Share Units to be granted to a Participant will be determined by dividing the dollar amount of the Director's fees to be satisfied by the Grant of Share Units by the Market Price on the Grant Date.

4.3 Exercise Period

The Grant Date and the Expiry Date of any Grants shall be the dates fixed by the Board on recommendation of the Committee at the time the Grant is made and shall be set out in the Grant Agreement with respect thereto. Grants made must be exercised no later than 10 years after the Grant Date subject to extension for any Black-Out Period, or such lesser period as may be determined by the Board on recommendation of the Committee.

4.4 Vesting of Grants

The Board on recommendation of the Committee, shall establish for each Grant, if so determined, the terms and conditions, or the date or dates on which Vesting shall occur with respect to any Share Units under any Grant and such provision with respect to Vesting shall be included in each Grant Agreement. If a Vesting schedule shall not be determined for any Grant, the Share Units under any Grant will Vest automatically on the Grant Date. Notwithstanding any other provision of this Plan, the Board may, in its discretion or on the recommendation of the Committee, determine that a Grant is Vested in relation to all or a percentage of the Share Units covered thereby for all or any Grants at any time and from time to time. The Board may in its discretion, on the recommendation of the Committee, elect, at any time, to accelerate the Vesting schedule of one or more Grants to a Participant and such acceleration will not be considered an amendment to the Grants in question requiring the consent of the Participant under paragraph 8.1(b) of this Plan.

4.5 Accounts, Dividend Equivalent and Reorganization

- (a) *Share Unit Account* – An account, called a “Share Unit Account”, shall be maintained by the Company, for each Participant and will be credited with such grants of Share Units as are received by Participants from time to time pursuant to any Grant and any dividend equivalent Share Units made pursuant to (b) below. Share Units that are paid out or satisfied to the Participant on exercise thereof, as herein provided, shall be cancelled and shall cease to be recorded in the Participant's Share Unit Account as of the date on which such Share Units are paid out or satisfied.
- (b) *Dividend Equivalent Share Units* – A Grant Agreement relating to a grant of a Share Unit will provide for the accrual of Dividend equivalent amounts for the account of a Participant hereinafter provided. If and when cash Dividends are paid with respect to Common Shares (other than any extraordinary Dividend) to Shareholders of record as of a record date occurring during the period from the Grant Date under the Grant Agreement to the date of payment or satisfaction of the Share Units granted thereunder, a number of additional Share Units shall be granted to the Participant who is a party to such Grant Agreement equal to the greatest number of whole Common Shares having a Market Price, as of the payment or satisfaction date for such Dividend, equal to the product of (i) the cash Dividend paid with respect to a Common Share multiplied by (ii) the number of Share Units subject to such Grant as of the record date for the Dividend. The additional

Share Units granted to a Participant shall be subject to the same terms and conditions, including Vesting and settlement terms, as the corresponding Share Units, as the case may be. The Exercise Price for Share Units issued for Dividends will be \$0.01.

- (c) *Adjustments* – In the event of any Stock Dividend, stock split, combination or exchange of shares, capital reorganization, consolidation, spin off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other similar changes affecting the Common Shares, a proportionate adjustment to reflect such change or changes shall be made with respect to the number of Share Units outstanding under the Plan, or securities into which the Common Shares are changed or are convertible or exchangeable may be substituted for Common Shares under this Plan, on a basis proportionate to the number of Share Units in the Participant's Share Unit Account or some other appropriate basis, all as determined by the Board on the recommendation of the Committee, in its sole discretion.

4.6 Termination of Grants

Subject to such other terms or conditions that may be attached to any Grant hereunder, a Participant may exercise a Grant with respect to any Share Units that are Vested in whole or in part at any time and from time to time during the Exercise Period. Any Vested Share Units not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of a Grant shall be the earlier of the date so set out in the Grant Agreement and the date established, if applicable, in paragraphs (a) or (b) below or otherwise pursuant to the terms of this Plan:

- (a) *Ceasing to be a Director* - If a Participant ceases to be a director of the Company or a Subsidiary, other than by reason of death or Disability, the Expiry Date of the Share Units shall be, unless otherwise expressly provided for in the Grant Agreement, the 90th day following the date the Participant ceases to be a director, unless the Participant ceases to hold such position as a result of:
- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company; or
 - (ii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Participant ceases to be a director.

4.7 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Board, on the recommendation of the Committee may attach additional terms and conditions to the making of a particular Grant, such terms and conditions to be set out in the Grant Agreement. In the case of a dispute with regard to any matter in respect of any Grant, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Grant Agreement, save and except as noted below. Each Grant will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Grant Agreement for such Grant. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

SECTION 5 TRANSFERABILITY OF GRANTS

5.1 Non-transferable

Except as provided otherwise in this Section 5, Grants are non-assignable and non-transferable.

5.2 Death of Participant

In the event of the Participant's death, any Share Units under any Grant held by such Participant shall pass to the Personal Representative of the Participant and shall be exercisable by the Personal Representative on or before the date which is the earlier of six (6) months following the date of death and the applicable Expiry Date.

5.3 Disability of Participant

If the position of an Participant as a Director is terminated by the Company or a Subsidiary by reason of such Participant's Disability, any Share Units under any Grant held by such Participant shall be exercisable by such Participant or by the Personal Representative on or before the date which is the earlier of six (6) months following the termination of appointment as a director and the applicable Expiry Date.

5.4 Disability and Death of Participant

If a Participant has ceased to be a director by reason of such Participant's Disability and such Participant dies within six (6) months after the termination of such engagement, any Share Units under any Grant held by such Participant that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Participant and shall be exercisable by the Personal Representative on or before the date which is the earlier of six (6) months following the death of such Participant and the applicable Expiry Date.

5.5 Vesting

Unless the Committee determines otherwise, Share Units held by or exercisable by a Personal Representative shall, during the period prior to their termination as provided in Section 5.2, 5.3 or 5.4, continue to Vest in accordance with any Vesting schedule to which such Share Units are subject.

SECTION 6 EXERCISE OF SHARE UNITS

6.1 Exercise of Share Units

A Grant of Share Units may be exercised only by the Participant or the Personal Representative of any Participant. Grants may only be exercised, in whole with respect to any Grant on the day prior to the Expiry Date of that Grant, or, in whole with respect to all Grants held by a Participant, if a Director ceases to be a director as provided in Section 4.6, 5.2, 5.3 or 5.4, on or prior to the applicable expiry time as set forth therein. Share Units Vested by delivering to the Company, to the attention of the Administrator, the required Exercise Notice, and by electing with respect to any Share Units so exercised, one or both of:

- (a) to acquire the number of Common Shares as is equal to the number of Share Units being exercised (the "**Exercised Share Units**"), (the "**Total Share Election**"); or
- (b) to sell to the Company the number of Exercised Share Units and in consideration receive an amount in cash equal to the product of the Market Price on the Exercise Date multiplied by the number of Exercised Share Units (the "**Cash Election**")

and as set for in the Exercise Notice. Notwithstanding the foregoing, if a Participant elects the Total Share Election, upon receipt of the Exercise Notice, the Company may determine whether to satisfy the Exercise Notice by deeming the Participant to have elected the Cash Election with respect to the Share Units with respect to which the Total Share Election was elected. Notwithstanding anything else contained herein, Grants may not be exercised during a Black-Out Period unless the Committee determines otherwise.

6.2 Satisfaction of Payout of Exercise

As soon as reasonably practicable following the receipt of the Exercise Notice and subject to the Company's determination as provided in Section 6.1, the Administrator shall cause to be delivered to the Participant a certificate for the Common Shares so purchased and unless otherwise determined by the Company, a cheque for the amount payable under the Cash Election less if the Cash Election is applicable, the amount to be withheld as provided in Section 6.4 or if the Total Share Election is applicable, such number of Common Shares that have an aggregate Market Price at the Exercise Date equal to the amount that has to be withheld as provided in Section 6.4. Subject to the Company complying with Section 6.3, the Common Shares to be delivered to the Participant shall be purchased in the market over the TSX by a trustee for the Participant, and in such event the Administrator shall provide to the trustee the funds required to purchase the number of Common Shares to be acquired pursuant to the Total Share Election.

6.3 No Rights as Shareholder

Until the date of the issuance or delivery of the certificate for the Common Shares acquired pursuant to the exercise of any Share Units, no right to vote or any other rights as a Shareholder shall exist with respect to such Common Shares, except as provided herein, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance or delivery of the certificates, the decision of the Committee shall be final, conclusive and binding.

6.4 Withholdings

The Company shall make all required withholdings of tax and other amounts as required under the *Income Tax Act* (Canada) or other applicable legislation in respect of any payment under the Plan, and to remit to the Participant the net amount, including the number of Common Shares purchased, after such withholding. The Company may make this remittance (a) by causing or requiring the sale on behalf of the exercising Participant, or by not purchasing for or issuing a portion of the number of Common Shares to be received by the Participant on the sale of Share Units to the Company pursuant to any exercise, as is equal to the number of Common Shares not delivered multiplied by the Market Price on that Exercise Date, the sale proceeds of which or the amounts withheld, will be used satisfy any withholding amounts or (b) withholding from any Cash Election the amount required to satisfy any withholding amount.

SECTION 7 ADMINISTRATION

7.1 Board or Committee

The Plan shall be administered by the Committee unless otherwise determined by the Board, or by an Administrator appointed in accordance with Section 7.2.

7.2 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Common Shares, any Exercise Notice, any election by a Participant, and the number of Common Shares deliverable to a Participant and any amount to be withheld for the purposes of the *Income Tax Act* (Canada);

- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;
- (g) recommend to the Board the acceleration of the Vesting of any Share Units previously granted; and
- (h) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

7.3 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

7.4 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by the Committee or the Board pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Participant. No member of the Committee or the Board or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

SECTION 8 AMENDMENT AND TERMINATION

8.1 Amendment and Termination

- (a) The Board on the recommendation of the Committee may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable Regulatory Rules, and subject to obtaining any required Regulatory Approvals. No such amendment, suspension or termination shall impair any rights or increase any obligations under any Grants made previously to any Participant without the consent of such Participant, subject to paragraphs 8.1(b) or (c) below. If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan shall continue in effect during such time as any Share Units or Grants remain outstanding.
- (b) With the consent of the affected Participants, the Committee or the Board may amend or modify any outstanding Grant in any manner.
- (c) The Board may, at any time, without further approval by the Participants, amend the Plan or any Grant made hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to:
 - (i) amend typographical, clerical and grammatical errors;
 - (ii) reflect changes to applicable securities laws;
 - (iii) change the termination provisions of any Grant or the Plan which do not entail an extension beyond the original expiry date;

- (i) ensure that the Grants made granted under the Plan will comply with any provisions respecting the income tax and other laws in force in any country or jurisdiction of which an Participant to whom an Grant has been made may from time to time be resident or a citizen; and
- (ii) make such other amendments that do not modify, affect, alter or impair the rights of a Participant to the Grants previously made to the Participant.

8.2 No Grant During Suspension of Plan

No Grants may be made during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Participant, alter or impair any rights or obligations under any Grants previously made.

8.3 Extension of Expiry Date of Share Units Expiring During a Black-Out Period

The Expiry Date of outstanding Grants or Share Units held by Participants which may expire during a Black-Out Period will be extended for a period of ten (10) Business Days commencing on the first business day after the expiry date of the Black-Out Period to provide such Participants with an extension to the right to exercise any Vested Share Units.

SECTION 9 CONDITIONS PRECEDENT TO MAKING OF GRANTS AND SHARE UNITS

9.1 Compliance with Laws

A Grant shall not be made or exercised, and Common Shares shall not be delivered or issued pursuant to the exercise of any Share Units, unless the grant and exercise of such Share Unit and the issuance and delivery of such Common Shares comply with all applicable Regulatory Rules, and such Common Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules.

9.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Common Shares to be issued from treasury without first obtaining the necessary Regulatory Approvals. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each Grant made hereunder. The Committee or the Board shall be entitled to amend this Plan and the Grants made hereunder in order to secure any necessary Regulatory Approvals to the Plan, or the issuance of Common Shares from treasury, and such amendments will not require the consent of the Participants under Section 8.1 of this Plan.

SECTION 10 TRIGGERING EVENTS

10.1 Triggering Events

Subject to the Company complying with any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Grant Agreement all Grants made under the Plan will terminate upon the occurrence of a Triggering Event, unless the Board, on the recommendation of the Committee determines, without the consent of the Participant in question:

- (a) that all or any portion of the Grants made under the Plan do not terminate upon the occurrence of a Triggering Event; or

- (b) cause all or a portion of any of the Grants made under the Plan to be exchanged for incentive stock options or incentives similar to the Grant of another Company upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Board deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Participant's consent for the purpose of Section 8.1 of the Plan. The Committee shall give notice to the Participant of any determination made pursuant to this Section 10.1.

10.2 Notice of Termination by Triggering Event

In the event that the Grants made under this Plan are to terminate on the occurrence of a Triggering Event and a period of time is required for any Participant to tender any Common Share acquired on exercise of any Grant, to the transaction which give rise to the Triggering Event, the Committee must give written notice to the Participants in question not less than ten (10) days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested Share Units prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Share Units granted under the Plan which terminate shall become Vested and immediately exercisable notwithstanding any contingent Vesting provision to which such Share Units may have otherwise been subject. Notwithstanding the foregoing, if a Triggering Event shall occur, and the Company shall determine to satisfy the Exercise Notice by electing to pay cash to Participants, such payment shall be made prior to or on completion of the Triggering Event and the notice in the foregoing sentence will not be required to be made by the Company.

10.3 Determinations to be Made By Committee

Adjustments and determinations under this Article 10 shall be made by the Committee or the Board, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

SCHEDULE "A"

COPPER MOUNTAIN MINING CORPORATION

DIRECTORS DEFERRED SHARE UNIT PLAN – GRANT AGREEMENT

This Grant Agreement is entered into pursuant to the provisions of the Directors Deferred Share Unit Plan (the "Plan") of Copper Mountain Mining Corporation (the "Company") and evidences that ●[Name of Participant] is the holder (the "Participant") of a Grant of the number of Share Units as set forth below. Any Share Units may be exercised in accordance with the terms of the Plan, subject to such Share Units having Vested, if applicable, any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia (the "Expiry Time") on the Expiry Date.

- (a) _____ Share Units;
- (b) _____ Exercise Price;
- (c) _____ Grant Date; and
- (d) _____ Expiry Date.

To exercise any Vested Share Units, the Participant must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Grant Agreement. The Participant acknowledges that on any exercise, a withholding shall be required to be made by the Company pursuant to the *Income Tax Act* (Canada) as provided in the Plan.

This Grant Agreement and the Share Units evidenced hereby are not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Grant Agreement is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. The Grant of Share Units will be adjusted for any Dividend declared on Common Shares as provided in the Plan. The terms as used herein shall have the meaning as specified in the Plan unless otherwise herein defined. This Grant is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

This Grant was made to the Participant in his, her or its capacity as a Director of the Company or a Subsidiary.

COPPER MOUNTAIN MINING CORPORATION

Per:

(Title)

The Participant acknowledges receipt of a copy of the Plan and represents to the Company that the Participant is familiar with the terms and conditions of the Plan, and hereby acknowledges the terms of this Grant Agreement and this Grant subject to all of the terms and conditions of the Plan. The Participant agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Grant and exercise of the Share Units as may be required by the Regulatory Authorities.

Signature of Participant:

Signature

Date signed: _____

Print Name

Address

GRANT AGREEMENT - SCHEDULE

The additional terms and conditions attached to the Grant represented by this Grant Agreement are as follows:

The Share Units will not be exercisable unless and until they have Vested and then only to the extent that they have Vested. The Share Units will Vest [immediately upon the Grant thereof] or [in accordance with the following:

- (a) ● Share Units (●%) will vest and be exercisable on or after the Grant Date;
- (b) ● additional Share Units (●%) will vest and be exercisable on or after ● [date];
- (c) ● additional Share Units (●%) will vest and be exercisable on or after ● [date];
- (d) ● additional Share Units (●%) will vest and be exercisable on or after ● [date];]

[use appropriate description]

SCHEDULE "B"

**COPPER MOUNTAIN MINING CORPORATION
DIRECTORS DEFERRED SHARE UNIT PLAN**

NOTICE OF EXERCISE OF SHARE UNITS

TO: The Administrator, Directors Deferred Share Unit Plan
Copper Mountain Mining Corporation
1700 – 700 West Pender Street
Vancouver, BC V6C 1G8

(or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Directors Deferred Share Unit Plan (the "Plan") of Copper Mountain Mining Corporation (the "Company"), of the exercise of _____ Share Units being all of the Share Units under a Grant, and hereby elects:

- (a) with respect to _____ Share Units, the Total Share Election; and/or
- (b) with respect to _____ Share Units, the Cash Election.

which are the subject of the Grant Agreement attached hereto (**attach your original Grant Agreement**).

The undersigned directs the Company to deliver or issue (a) the certificate evidencing Common Shares elected pursuant to the Total Share Election unless otherwise determined by the Company) less the number of Common Shares represented by the amount to be withheld and remitted by the Company under the *Income Tax Act* (Canada) and (b) any cheques for the Cash Election (unless otherwise elected by the Company) in the name of the undersigned to be mailed to the undersigned at the following address (**provide full complete address**):

The undersigned acknowledges Share Units are not validly exercised unless the Share Units may be exercised pursuant to the terms of the Plan and this Notice is completed in strict compliance with this form and delivered to the required address with the required payment, if any, prior to 5:00 p.m. local time in Vancouver, B.C. on the Expiry Date of the Grant.

DATED the _____ day of _____, 20____.

Signature of Participant