

## **Copper Mountain Mining Reacts to Covid-19 Related Market Uncertainty, Revises Mine Plan and Project Schedule to Lower Cost and Risk**

**Vancouver, B.C., March 10, 2020 – Copper Mountain Mining Corporation (TSX:CMMC | ASX:C6C)** (“Copper Mountain” or the “Company”) has revised its mine plan and project schedule at its Copper Mountain Mine, located in Southern British Columbia, with the objective of maintaining solid positive margins and cash flow in response to current market conditions and near-term copper price uncertainty as a result of the Coronavirus impact to metal prices. A summary of changes includes:

- Deferral of Ball Mill #3 installation capital expenditures, saving US\$22 million in 2020.
- Reducing operating costs by re-sequencing short term production to lower cost mine phases.
- Preserving high grade ore in Pit #3 scheduled for mining in 2020 to now be mined in 2021 for the benefit of expected higher metal prices in future and to match deferred Ball Mill #3 expansion capital expenditures.

These actions allow the Company to maintain solid cash flow margins at the mine and run sustainably in the current low copper price environment, without any sacrifice to the long term mine plan. In addition, the revised mine plan also allows the Company to continue to be able to fund the mill expansion project internally. Saving the high-grade ore originally planned to be mined in 2020 for 2021 also better matches potential higher copper prices, thereby maximizing cash flow generation. As a result of these actions, the Company has revised its 2020 production and cost guidance as outlined below.

*“We are committed to protecting our cash flow and minimizing costs given the low and volatile copper price environment that we are currently operating in as a result of the Coronavirus impact,” said Gil Clausen, Copper Mountain’s President and CEO. “We have revised our mine plan to protect and grow cash margin so that we are able to comfortably meet all our obligations, including debt service, while continuing with key projects including the installation of the Direct Flotation Reactors. This project requires minimal capital and has a fast payback and high return. We have deferred the major discretionary capital for the installation of Ball Mill # 3 until we see more certainty and stability in the copper price. These initiatives demonstrate our flexibility and ability to react quickly in response to changing market conditions and metal prices.”*

*Mr. Clausen added, “In periods of low metal prices such as today, we will be disciplined and orderly in our development and take a prudent approach to cash management. We will not sacrifice the future of our mine by high-grading and deferring stripping that builds a liability in the future. Our operation is well positioned with mining phases that can be readily re-sequenced without negatively impacting the intermediate and long term. While the mine plan we have currently implemented is sustainable longer term at these low copper prices, we believe this market uncertainty is short term and fully anticipate the copper price to recover.”*

### **Revised Mine Plan**

The Company has modified the Copper Mountain mine plan for the current low copper price environment. Copper Mountain is cutting the mining rate by approximately 25% to 120,000 to 160,000 tonnes per day for the remainder of 2020 from approximately 200,000 tonnes per day. The Company is focusing on mining the lower cost areas in the central and north phases of the main pit in order to maintain positive margins. These areas are closer to the primary crusher and waste dumps, which result in lower mining costs.

The Company will reschedule the mining of the higher grade ore originally planned in 2020 for 2021, which should better match higher copper prices and therefore support the funding of the mill expansion project.

These initiatives allow the Company to maintain solid positive margins at lower metal prices in 2020 and maximize cash flow in 2021 when prices are expected to recover.

### **Project Update**

The mill expansion project at the Copper Mountain Mine is planned to bring plant capacity to 45,000 tonnes per day from 40,000 tonnes per day. The project will be completed in two stages: The first stage includes the cleaner circuit upgrade, which involves the installation of Direct Flotation Reactors (DFRs). The installation of the DFRs will increase the efficiency and the capacity of the current cleaner circuit, which is expected to increase copper concentrate grade from about 25% to 28%, resulting in lower concentrate transportation, smelting and refining costs. The installation of the DFRs is a low capital, high return project, and the timing for commissioning remains unchanged for June 2020. The remaining capital required to complete the installation of the DFRs is approximately US\$2.3 million.

The second stage of the mill expansion project includes the installation of the third ball mill. The Company has slowed down this stage of the project to defer approximately US\$22 million capital originally planned for 2020. The Company has maintained long lead item expenditures that are critical to the project to allow for rapid restart. The Company will manage project advancement dependent on market conditions and has the flexibility to accelerate and decelerate the project as necessary.

### **Updated Guidance**

The Company's revised 2020 production and cost guidance is provided below. The Company intends on providing updated 2021 and 2022 production guidance once markets stabilize and there is more visibility into global conditions.

2020	Revised Guidance	Former Guidance
<b>Production</b>		
CuEq Production	86 to 94M lbs <sup>(1,2)</sup>	100 to 113M lbs <sup>(3)</sup>

Copper Production	70 to 75M lbs	86 to 96M lbs
<b>Unit Costs<sup>(4)</sup></b>		
C1 Cash Costs (US\$/lb)	\$1.40 to \$1.55	\$1.30 to \$1.45
All-in Sustaining Costs (US\$/lb) <sup>(5)</sup>	\$1.55 to \$1.70	\$1.40 to \$1.60
All-in Costs (US\$/lb) <sup>(6)</sup>	\$2.20 to \$2.35	\$1.95 to \$2.20

1. Copper equivalent assumes: US\$2.60/lb of copper, US\$1,600/oz of gold and US\$17.00/oz silver
2. Gold production is expected to be 24 to 28,000 ounces and silver production is expected to be 260 to 300,000 ounces
3. Former guidance for copper equivalent assumed: US\$3.00/lb of copper, US\$1,400/oz of gold and US\$16.50/oz silver
4. Unit Costs are net of precious metal credits and assumes the same metal pricing as footnote (1) for the calculation
5. Sustaining capital includes sustaining capital, lease payments and applicable administration
6. All-in costs include sustaining capital, deferred stripping, low-grade stockpile inventory expense and administration

#### About Copper Mountain Mining Corporation:

Copper Mountain's flagship asset is the 75% owned Copper Mountain mine located in southern British Columbia near the town of Princeton. The Copper Mountain mine produces on average approximately 100 million pounds of copper equivalent per year with a large resource that remains open laterally and at depth. Copper Mountain also has the permitted, development-stage Eva Copper Project in Queensland, Australia and an extensive 4,000 km<sup>2</sup> highly prospective land package in the Mount Isa area. Copper Mountain trades on the Toronto Stock Exchange under the symbol "CMMC" and Australian Stock Exchange under the symbol "C6C".

Additional information is available on the Company's web page at [www.CuMtn.com](http://www.CuMtn.com).

On behalf of the Board of

COPPER MOUNTAIN MINING CORPORATION

**"Gil Clausen"**

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Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Guidance is based on a number of assumptions and estimates as of December 31, 2019, including, among other things, assumptions about metal prices and anticipated costs and expenditures. Guidance involves estimates of known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different. Readers are referred to the documents, filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com), specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. The Company undertakes no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statement.