

## **Copper Mountain Mining Announces Q4 2021 Financial Results and Provides Annual Guidance**

**Vancouver, British Columbia – February 14, 2022 – Copper Mountain Mining Corporation (TSX: CMMC | ASX:C6C)** (the “Company” or “Copper Mountain”) announces fourth quarter and full year 2021 financial and operating results. All currency is in Canadian dollars, unless otherwise stated. All results are reported on a 100% basis. The Company’s Financial Statements and Management’s Discussion & Analysis (“MD&A”) are available at [www.CuMtn.com](http://www.CuMtn.com) and [www.sedar.com](http://www.sedar.com).

### **HIGHLIGHTS**

- Sales in Q4 2021 were 19.4 million pounds of copper, 6,285 ounces of gold, and 108,020 ounces of silver, bringing sales for the year to 93 million pounds of copper, 29,691 ounces of gold, and 533,096 ounces of silver.
- Production in Q4 2021 was 16.7 million pounds of copper, 5,472 ounces of gold, and 80,377 ounces of silver.
- Full year 2021 production was 90.1 million pounds of copper, 28,736 ounces of gold, and 523,821 ounces of silver, achieving the Company’s upward revised 2021 copper production guidance range.
- C1 cash cost<sup>(1)</sup> per pound of copper produced in Q4 2021 was US\$2.17, all-in sustaining cost (“AISC”) <sup>(1)</sup> per pound of copper was US\$2.54, and all-in cost (“AIC”) <sup>(1)</sup> per pound of copper was US\$2.76.
- Full year 2021 C1 cash cost<sup>(1)</sup> per pound of copper produced was US\$1.49, AISC<sup>(1)</sup> per pound of copper was US\$1.84, and AIC<sup>(1)</sup> per pound of copper was US\$2.12.
- Revenue for Q4 2021 was \$136.8 million and for the full year was \$578.2 million.
- Net income for Q4 2021 was \$31.5 million, or \$0.11 on a per-share basis, and for the full year was \$148.1 million, or \$0.50 on a per-share basis.
- Cash flow from operations for Q4 2021 was \$50.4 million, or \$0.24 on a per-share basis<sup>(1)</sup> and for the full year was \$315.5 million, or \$1.50 on a per-share basis<sup>(1)</sup>.
- Cash, cash equivalents and restricted cash at the end of 2021 was \$178.4 million.
- The third ball mill at the Copper Mountain Mine was commissioned in Q4 2021, increasing plant milling capacity to 45,000 tonnes per day from 40,000 tonnes per day.
- Exploration success continued with the Company extending mineralization to depth and to the west at New Ingerbelle and extended three major mineralized zones at Cameron Copper.

- Construction plan for the Eva Copper Project was approved, contingent on advancing detailed engineering to 80%, the lifting of COVID-19 restrictions in Queensland and obtaining committed project financing, and capital and operating costs were also updated, confirming positive economics.
- 2021 sustainability targets were met or exceeded, achieving at least an “A” or “Yes” rating on each of the Mining Association of Canada’s Towards Sustainable Mining protocols.
- Subsequent to the year-end, zero-cost collar options were purchased for 3.3 million pounds of copper per month through 2022 with a floor price of US\$4.00 per pound and an average ceiling price of US\$4.91 per pound.
- Annual guidance for 2022:
  - Production of 80 to 90 million pounds of copper in 2022 and 90 to 105 million pounds of copper in 2023.
  - AIC<sup>(1)</sup> of US\$2.00 to US\$2.50 per pound of copper in 2022.

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

*Gil Clausen, Copper Mountain’s President and CEO, stated, “The fourth quarter of 2021 was very demanding, and I am proud of our team for coming together and getting us through this period. Production was impacted late in the fourth quarter by severe weather including heavy rains and flooding in British Columbia followed by unprecedented cold temperatures which caused extremely difficult operating conditions, in addition to damage sustained to our secondary crusher. Despite these events, we met our sale targets for the quarter and achieved our upwardly revised annual production guidance, which we had increased earlier in the year. We came in right at the mid-point of our original guidance. Further, we have commissioned our new third ball mill, which completes the 45,000 tonnes per day mill expansion project.”*

*Mr. Clausen added, “The Company is providing two-year production guidance as we expect our life of mine plan to change materially beyond that period with the results of our major drilling program. We plan on updating the life of mine plan mid-2022, which will be based on an anticipated larger mineral reserve and mineral resource estimate at the Copper Mountain Mine, with a mine/mill expansion study. We firmly believe there is potential to substantially increase annual production at the Copper Mountain Mine.”*

## **SUMMARY OF OPERATING RESULTS**

### **Mine Production Information**

<b>Copper Mountain Mine (100% Basis)</b>	<b>Q4 2021</b>	<b>Q4 2020</b>	<b>Annual 2021</b>	<b>Annual 2020</b>
<b>Mine</b>				
Total tonnes mined (000s)	11,368	15,499	56,897	55,045
Ore tonnes mined (000s)	3,023	3,785	13,358	14,173
Waste tonnes (000s)	8,346	11,713	43,540	40,872
Stripping ratio	2.76	3.09	3.26	2.88

**Mill**

Tonnes milled (000s)	3,124	3,408	13,406	14,336
Feed Grade (Cu%)	0.30	0.40	0.38	0.32
Recovery (%)	80.4	77.3	79.8	78.0
Operating time (%)	87.5	94.1	91.9	92.4
Tonnes milled (TPD)	33,957	37,043	36,729	39,169

**Production**

Copper (000s lb)	16,693	23,053	90,140	77,551
Gold (oz)	5,472	8,959	28,736	29,227
Silver (oz)	80,377	144,934	523,821	392,494

**Sales**

Copper (000s lb)	19,391	18,712	93,004	73,277
Gold (oz)	6,285	7,253	29,691	26,137
Silver (oz)	108,020	96,509	533,096	323,276

C1 cash cost per pound of copper produced (US\$) <sup>(1)</sup>	2.17	1.43	1.49	1.53
AISC per pound of copper produced (US\$) <sup>(1)</sup>	2.54	1.58	1.84	1.69
AIC per pound of copper produced (US\$) <sup>(1)</sup>	2.76	1.82	2.12	1.90

Average realized copper price (US\$/lb)	\$4.44	\$3.35	\$4.21	\$2.84
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(1) The Company reports the non-GAAP financial measures of C1 cash costs, AISC and AIC per pound of copper produced to manage and evaluate its operating performance. For further information, see "Cautionary Note Regarding Non-GAAP Performance Measures" in this press release.

**Fourth Quarter 2021**

**Production**

The Copper Mountain Mine produced 16.7 million pounds of copper, 5,472 ounces of gold, and 80,377 ounces of silver in Q4 2021, as compared to 23.1 million pounds of copper, 8,959 ounces of gold, and 144,934 ounces of silver in Q4 2020. Lower production in the quarter was a result of lower grade and reduced mill throughput. The average mill feed grade was 0.30% Cu during Q4 2021, as compared to average feed grade of 0.40% Cu in Q4 2020. This was due to ore being mined predominantly from the lower grade Phase 2 area for most of the quarter. This was planned for the commissioning of Ball Mill 3, however, the severe weather that brought significant flooding and then immediately after extreme cold temperatures to the area prevented the mine from accessing higher-grade ore from Phase 3 of the Main Pit later in the quarter. This severe cold weather also created more difficult operating conditions, including frozen bins and conveyor belt rips due to frost chunks in feeders, particularly for the feeder belt to the SAG mill.

The mill processed a total of 3.1 million tonnes of ore during the quarter as compared to 3.4 million tonnes in Q4 2020. Lower throughput was mainly a result of commissioning Ball Mill 3, severe weather in the quarter, and

damage to the secondary crusher's main shaft, shaft assembly and bushing in the second half of November. The main shaft was temporarily weld repaired by early December, but the temporary nature of the fix required the Company to reduce crushing power to sustain operation, thereby increasing the crusher product size of the ore feed going to the SAG mill, which resulted in lower SAG throughput. A new main shaft is expected to be installed in April 2022 at a cost of approximately \$0.5 million. Mill throughput is therefore expected to remain at reduced levels of 35,000 to 38,000 TPD through to mid Q2 2022. Copper recovery was 80.4% in Q4 2021 as compared to 77.3% in Q4 2020. Mill availability averaged 87.5% for Q4 2021 as compared to 94.1% in Q4 2020.

The Company continues to advance the plant improvement and optimization projects currently underway at the mine. Both the installation of additional cleaner circuit capacity to support maximizing recovery on slower kinetic ore types and the installation of additional filtration capacity are expected to be completed during the first half of 2022. An expansion of the rougher flotation circuit commenced in Q4 2021 to further enhance rougher recovery and construction is planned to be completed by the end of Q2 2022. With the completion of these projects, the replacement of the new main shaft for the secondary crusher, and as Copper Mountain begins to mine higher grade ore from the Phase 4 area, production is expected to be higher in the second half of 2022.

To date there have been no material interruptions to the Company's operations, logistics and supply chains due to the COVID-19 pandemic. However, the severe flooding and extreme cold temperatures affected normal supplier material flow during the quarter. Operations were also modestly impacted as staff and employees assisted the Town of Princeton and its residents respond to the major flooding event in town and the surrounding area.

#### *Costs*

C1 cash cost per pound of copper produced, net of precious metal credits, for Q4 2021 was US\$2.17, as compared to US\$1.43 in Q4 2020. The increase in cost per pound in Q4 2021 was primarily a result of lower production during the quarter as well as slightly higher operating costs.

AISC per pound of copper produced for Q4 2021 was US\$2.54, as compared to US\$1.58 in Q4 2020. AISC carries forward from C1 cash costs with the addition of \$7.7 million in sustaining capital, lease and applicable administration expenditures in Q4 2021 as compared to \$4.7 million in Q4 2020. The increase is primarily due to higher sustaining capital of \$4.9 million in Q4 2021 as compared to sustaining capital of \$2.2 million in Q4 2020 as the Company completed the installation of additional new contact water management systems.

AIC per pound of copper produced, for Q4 2021 was US\$2.76, as compared to US\$1.82 in Q4 2020. AIC carries forward from AISC with the addition of \$4.7 million in deferred stripping as compared to \$7.2 million deferred stripping in Q4 2020. Deferred stripping costs in Q4 2021 were from regular development activities as the Company continued to advance development of the Phase 4 pushback of the Copper Mountain Main Pit, which will continue into the first half of 2022.

#### Full Year 2021

#### *Production*

During the year ended December 31, 2021, the Copper Mountain Mine produced 90.1 million pounds of copper, 28,736 ounces of gold, and 523,821 ounces of silver compared to 77.6 million pounds of copper, 29,227 ounces of gold, and 392,494 ounces of silver for the year ended 2020. The Company achieved its 2021 copper production guidance range of 90 to 100 million pounds of copper, which was increased within the year. Higher mill feed grades are the primary driver of significantly higher production for the 2021 year as compared to 2020. Average feed grade was 0.38% Cu during the year ended December 31, 2021, compared to average feed grade of 0.32% Cu for the year ended 2020.

Copper recovery was 79.8% for the year ended December 31, 2021 as compared to 78.0% for the year ended 2020. The mill processed a total of 13.4 million tonnes of ore for the year ended December 31, 2021, as compared to 14.3 million tonnes for the year ended December 31, 2020. Mill tonnage was intentionally reduced in 2021 to manage the volume of copper concentrate being produced and to maintain recovery while processing the higher head grade of Phase 3 ore. Also contributing to slightly lower mill tonnage was the commissioning of Ball Mill 3 and the maintenance issue with the secondary crusher in the fourth quarter of 2021. The Company is advancing the installation of additional cleaner and filtration capacity to maintain full throughput during periods of high-grade production. These projects are expected to be completed in the first half of 2022. The Company is also advancing additional rougher flotation to maintain high recovery with slower kinetic ores. The rougher flotation expansion project is estimated to be complete by the end of the first half of 2022. Mill availability averaged 91.9% for the year ended December 31, 2021 as compared to 92.4% for the year ended December 31, 2020.

### *Costs*

C1 cash cost per pound of copper produced, net of precious metals credits, for the year ended December 31, 2021 was US\$1.49, as compared to US\$1.53 for the year ended December 31, 2020. The decrease in cost per pound in 2021 was due to higher production and larger by-product credits for the gold and silver produced as compared to 2020. Higher by-product credits were due to greater silver production and higher metal prices in 2021 as compared to 2020. The decrease is also due to \$31.2 million in deferred stripping costs capitalized in 2021, compared to \$21.0 million that were capitalized in 2020.

AISC per pound of copper produced for the year ended December 31, 2021 was US\$1.84 and was higher than AISC for the year ended December 31, 2020 of US\$1.69. AISC carries forward from C1 cash cost with the addition of \$39.6 million in sustaining capital, lease and applicable administration expenditures in the year as compared to \$16.6 million for the year ended December 31, 2020. The increase is largely due to higher sustaining capital of \$23.0 million and lease payments of \$14.0 million in 2021 as compared to \$7.1 million and \$6.9 million, respectively, in 2020. Higher lease costs were a result of four new haul truck leases contracted in the first half of 2021, in addition to four new haul truck leases entered into in late 2020. All of the new trucks are electric Trolley Assist capable.

Total AIC per pound of copper produced, for the year ended December 31, 2021 was US\$2.12, as compared to US\$1.90 for the year ended December 31, 2020. AIC carries forward from AISC with the addition of \$31.2 million in deferred stripping as compared to \$21.0 million for the year ended December 31, 2020. No low-grade stockpile mining costs were incurred for the year ended December 31, 2021, as compared to \$0.3 million of low-grade stockpile costs for the year ended December 31, 2020.

## **SUMMARY OF FINANCIAL RESULTS**

<b>Results and Highlights (100%)</b>	<b>Three months ended December 31,</b>		<b>Year ended December 31,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<i>(In thousands of CDN\$, except for per share amounts)</i>				
<b>Financial</b>				
Revenue	136,755	106,103	578,202	341,748
Gross profit	72,175	47,314	320,882	104,643
Gross profit before depreciation <sup>(1)</sup>	74,441	52,872	344,419	127,344
Net income	31,535	28,540	148,139	50,264
Income per share – basic	0.11	0.10	0.50	0.18
Adjusted earnings <sup>(1)</sup>	23,293	5,502	130,262	20,569
Adjusted earnings per share – basic <sup>(1)</sup>	0.11	0.03	0.62	0.11
EBITDA <sup>(1)</sup>	67,724	57,205	306,217	117,836
Adjusted EBITDA <sup>(1)</sup>	59,482	34,167	288,340	88,141
Cash flow from operations	50,420	50,990	315,456	121,610
Cash flow from operations per share – basic <sup>(1)</sup>	0.24	0.26	1.50	0.63
Cash and cash equivalents – end of period			171,902	85,571

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

### **Fourth Quarter 2021**

In Q4 2021, revenue was \$136.7 million, net of pricing adjustments and treatment charges, compared to \$106.1 million in Q4 2020. Revenue in Q4 2021 is based on the sale of 19.4 million pounds of copper, 6,285 ounces of gold, and 108,020 ounces of silver. This compares to 18.7 million pounds of copper, 7,253 ounces of gold and 96,509 ounces of silver sold in Q4 2020. The increase in revenue is due to a higher copper price and higher copper and silver sales which were somewhat offset by lower United States to Canadian dollar foreign exchange rates and a smaller positive mark to market and final adjustment on concentrate sales of \$7.7 million as compared to a positive mark to market and final adjustment of \$11.9 million for Q4 2020.

Cost of sales in Q4 2021 was \$64.6 million as compared to \$58.8 million for Q4 2020. The increase in cost of sales can largely be attributed to the increase in volume of copper sold in Q4 2021 as compared to Q4 2020. Cost of sales is also affected by the allocation of mine operating costs to deferred stripping with \$5.3 million, inclusive of \$0.6 million in depreciation, allocated to deferred stripping in Q4 2021, compared to \$8.4 million, inclusive of \$1.2 million in depreciation, in Q4 2020.

The Company generated gross profit of \$72.2 million in Q4 2021 compared to \$47.3 million in Q4 2020. Net income was \$31.5 million in Q4 2021 compared to net income of \$28.5 million in Q4 2020. The variance in net income was due to several items, including:

- Higher revenue in Q4 2021 due to more pounds sold at a higher average price as compared to Q4 2020.
- Q4 2021 included a \$7.7 million positive mark to market and final adjustment from provisional pricing on concentrate sales, as compared to an \$11.9 million positive mark to market and final adjustment from provisional pricing on concentrate sales for Q4 2020.
- Q4 2021 included a non-cash unrealized foreign exchange gain of \$1.2 million as compared to a gain of \$13.9 million in Q4 2020, which was primarily related to the Company's debt that is denominated in US dollars.
- Q4 2021 included a non-cash deferred tax expense of \$26.2 million as compared to \$19.2 million for Q4 2020.

On an adjusted basis, the Company recorded a net income of \$23.3 million in Q4 2021, or \$0.11 per share, compared to \$5.5 million in Q4 2020, or \$0.03 per share.

#### Full Year 2021

For the year ended December 31, 2021, revenue was \$578.2 million, net of pricing adjustments and treatment charges, compared to \$341.7 million for the year ended December 31, 2020. Revenue for the year ended December 31, 2021 is based on the sale of 93.0 million pounds of copper, 29,691 ounces of gold, and 533,096 ounces of silver. This compares to 73.3 million pounds of copper, 26,137 ounces of gold and 323,276 ounces of silver sold in the year ended December 31, 2020. The increase in revenue was due to higher copper prices during the period as well as more pounds of copper sold.

Cost of sales for the year ended December 31, 2021, was \$257.3 million as compared to \$237.1 million for the year ended December 31, 2020. Cost of sales is net of \$35.5 million of mining costs, inclusive of \$4.3 million in depreciation, allocated to deferred stripping in the year ended December 31, 2021 as compared to \$23.8 million in the year ended December 31, 2020. The lower deferred stripping costs in the year ended December 31, 2020 were due to lower deferred stripping activity in response to the Company adjusting its operating plan to decrease costs in reaction to market conditions associated with COVID-19.

During 2021, the Company generated gross profit of \$320.9 million as compared to a gross profit of \$104.6 million for the year ended December 31, 2020. The Company reported net income of \$148.1 million for the year ended December 31, 2021, as compared to net income of \$50.3 million for the year ended December 31, 2020. The variance in the net income for 2021, as compared to 2020, was a result of higher realized metal prices and higher quantities of metal sold.

On an adjusted basis, the Company recorded a net income of \$130.3 million for the year ended December 31, 2021, or \$0.62 per share, compared to \$20.6 million in Q4 2020, or \$0.11 per share.



## PROJECT DEVELOPMENT UPDATE

### *Copper Mountain Mine, Canada*

The Company successfully installed and commissioned Ball Mill 3 in the fourth quarter of 2021. The Ball Mill 3 expansion project was designed to increase mill throughput to 45,000 tonnes per day from 40,000 tonnes per day and improve copper recovery as a result of achieving a finer grind of ore.

Other project improvements at the mine site are progressing. The foundation pedestal for the cleaner column expansion project is set to be poured in mid Q1 2022. The concrete installation work for the additional filter press is advancing and the delivery of the filter press is expected in Q1 2022. Excavation for the rougher expansion project is in progress. The cleaner column expansion project, the filter press project, and the rougher expansion project are expected to be completed by mid-year. The Trolley Assist project is also advancing with the installation of the 25kV double circuit cable along the 1 km haul road and delivery of the E-house to site. The Company is targeting to commission the first four Trolley Assist haul trucks by the end of Q1 2022.

### *Eva Copper Project, Australia*

The Company announced updated economics for the Eva Copper Project, including capital and operating costs, during the quarter. Eva's project economics remain strong and have improved compared to the May 2020 feasibility study. The Company also formally approved the construction plan for the Eva Copper Project subject to advancing detailed engineering to 80%, obtaining committed projecting financing and the lifting of COVID-19 restrictions in Queensland, Australia. The Company continues to advance project financing discussions and has engaged Ausenco Projects Australia Pty Ltd to complete detailed engineering on the project.

## Exploration Update

### *Canada*

The exploration drilling program, which was initiated in March 2021 with the objective of expanding resources and reserves at the Copper Mountain Main Pit, North Pit and New Ingerbelle, continued in the fourth quarter of 2021. Following on favourable results, a third diamond drill rig was added in November and drilling is planned to continue into the first quarter of 2022.

Subsequent to the year end, the Company announced continued positive results from drilling at New Ingerbelle, extending mineralization at depth and to the west, with significant copper intersections below the current reserve pits. For details, please see the Company's January 20, 2022 and September 9, 2021 press releases. The Company plans to incorporate the results of the 2021-2022 drilling program into an updated mineral reserves and mineral resources estimate, along with a new "Life of Mine Plan" based on a mine/mill expansion, which is expected to be published in mid-2022.



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*Australia*

The 2021 exploration program designed to discover additional copper, copper-gold or gold deposits at the Company's Cameron Copper Project, which is situated 40 kilometres south of its Eva Copper Project, was completed in the fourth quarter. The program, which consisted of detailed geophysical, geochemical and geological surveys followed by drill testing, produced encouraging results with multiple mineralized zones identified.

The drill program encountered intercepts of high-grade mineralization, within long, low-grade mineralized envelopes, with lateral continuity between intercepts of up to 1 kilometre. For drill hole results, please see Copper Mountain's October 12, 2021 press release. Analysis and interpretation of the drilling results is ongoing and will guide further target definition and drilling in 2022.

**OUTLOOK**

*Production Guidance*

Copper production in 2022 is expected to be in the range of 80 to 90 million pounds, as the Company focuses on advancing Phase 4 of the Copper Mountain Main Pit and North Pit development. The Company expects production to be stronger in the second half of 2022 and into 2023 due to higher head grades, the commissioning of the mill improvement projects and the installation of the new main shaft for the secondary crusher scheduled for April 2022. The secondary crusher issues will result in tonnage reductions through to mid-Q2 2022. The Company expects 2023 production to increase to between 90 million and 105 million pounds of copper.

Gold production is expected to be approximately 18,000 to 25,000 ounces in 2022, and silver production is expected to be approximately 315,000 to 335,000 ounces in 2022.

*Cost Guidance*

The Company expects 2022 AIC to be between US\$2.00 and US\$2.50 per pound of copper. The range for costs is higher and wider compared to 2021 due to inflationary pressures as well as uncertainties surrounding COVID-19 and its continued impacts on labour and the supply chain. AIC includes sustaining capital, lease payments and applicable administration, in addition to deferred stripping and low-grade stockpile inventory expense. Sustaining capital in 2022 is expected to be approximately US\$10 million and deferred stripping is expected to be approximately US\$27 million.

Total growth or expansionary capital in 2022 is expected to be approximately US\$60 million. The majority of the growth capital is primarily for advancing the Eva Copper Project and the improvement and optimization projects at Copper Mountain Mine (including the cleaner circuit expansion project, the rougher expansion project and the installation of an additional filter press).

Capitalized exploration in 2022 is expected to be approximately US\$4 million, with the focus on continued reserve expansion at the Copper Mountain Mine (approximately US\$2 million) and exploration in Australia (approximately US\$2 million).

Exchange rates assume a CAD to USD exchange rate of 1.3 to 1 and an AUD to USD exchange rate of 1.37 to 1.

*Please see “Cautionary Note Regarding Forward-Looking Statements.”*

#### **Q4 2021 FINANCIAL AND OPERATING RESULTS CONFERENCE CALL AND WEBCAST**

Copper Mountain will host a conference call on Monday, February 14, 2022 at 7:30 am (Pacific Time) for senior management to discuss fourth quarter and full year 2021 results.

##### *Dial-in information:*

Toronto and international: 1 (416) 764 8650

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

Webcast: [https://produceredition.webcasts.com/starthere.jsp?ei=1522823&tp\\_key=d295f8c194](https://produceredition.webcasts.com/starthere.jsp?ei=1522823&tp_key=d295f8c194)

##### *Replay information:*

Toronto and international: 1 (416) 764 8677, Passcode: 140242#

North America (toll-free): 1 (888) 390 0541, Passcode: 140242#

The conference call replay will be available until 8:59 pm (Pacific Time) on February 28, 2022. An archive of the audio webcast will also be available on the company’s website at <http://www.cumtn.com>.

#### **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 currently produces approximately 100 million pounds of copper equivalent per year, with average annual production expected to increase to approximately 140 million pounds of copper equivalent. Copper Mountain also has the 100% owned development-stage Eva Copper Project in Queensland, Australia and an extensive 2,100 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”*

Gil Clausen, P.Eng.  
President and Chief Executive Officer

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**Cautionary Note Regarding Forward-Looking Statements**

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

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

In certain circumstances, forward-looking statements can be identified, but are not limited to, statements which use terminology such as “plans”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, “forecasts”, “guidance”, “scheduled”, “target” or variations of such words, or statements that certain actions, events or results “may”, “could”, “would”, “might”, “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified, including production and cost guidance, anticipated production at the Copper Mountain Mine, expectations regarding the impact of the COVID-19 pandemic on operations, financial condition and prospects, anticipated metals prices and the anticipated sensitivity of the Company’s financial performance to metals prices, the timing and results of the Company’s exploration and development programs, the timing of the Company’s plant improvement and optimization projects at the Copper Mountain Mine, the timing of commissioning the first four Trolley Assist haul trucks at the Copper Mountain Mine, the timing of the Company’s updated mineral reserves and mineral resources estimate and new life of mine plan for the Copper Mountain Mine, the timing for the completion of detailed engineering for the Eva Project, the timing of studies, announcements, and analysis, events that may affect its operations and development projects, anticipated cash flows from operations and related liquidity requirements, the anticipated effect of external factors on revenue, such as commodity prices, estimation of mineral reserves and resources, mine life projections, reclamation costs, economic outlook, the impact of inflation, government regulation of mining operations, and business and acquisition strategies. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results, performance, achievements and opportunities to differ materially from those implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, among others, the successful exploration of the Company’s properties in Canada and Australia, market price, continued availability of capital and financing and general economic, market or business conditions, extreme weather events, material and labour shortages, the reliability of the historical data referenced in this document and risks set out in Copper Mountain’s public documents, including in each management’s discussion and analysis, filed on SEDAR at [www.sedar.com](http://www.sedar.com). The potential effects of the COVID-19 pandemic on Copper Mountain’s business and operations are unknown at this time, including Copper Mountain’s ability to manage challenges and restrictions arising from COVID-19 in the communities in which Copper Mountain operates and its ability to continue to safely operate and to safely return the business to normal operations. The impact of COVID-19 is dependent on a number of factors outside of the Company’s control and knowledge, including the effectiveness of the measures taken by public health and governmental authorities to combat the spread of the disease, global economic uncertainties and outlook due to the disease, and the evolving restrictions relating to mining activities and to travel in certain jurisdictions in which Copper Mountain operates. Although Copper Mountain has attempted to identify important factors that could cause the Company’s

actual results, performance, achievements and opportunities to differ materially from those described in its forward looking statements, there may be other factors that cause the Company's results, performance, achievements and opportunities not to be as anticipated, estimated or intended. While the Company believes that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Accordingly, readers should not place undue reliance on the Company's forward-looking statements.

**Cautionary Note Regarding Non-GAAP Performance Measures**

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

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

	December 31, 2021 \$	December 31, 2020 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	171,902	85,571
Restricted cash	6,512	-
Accounts receivable and prepaid expenses	31,624	30,413
Inventory	32,635	38,038
	242,673	154,022
<b>Reclamation bonds and security deposits</b>	5,783	4,162
<b>Deferred tax assets</b>	-	473
<b>Property, plant and equipment</b>	710,583	552,648
<b>Low grade stockpile</b>	64,879	64,836
	<b>1,023,918</b>	<b>776,141</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	60,482	44,400
Amounts payable to related parties	-	3,644
Current portion of lease liabilities	10,403	12,003
Current portion of long-term debt	12,678	67,556
Taxes payable	2,143	1,578
	85,706	129,181
<b>Provisions and other liabilities</b>	23,961	18,371
<b>Due to related parties</b>	-	145,918
<b>Lease liabilities</b>	50,669	35,248
<b>Long-term debt</b>	284,829	93,905
<b>Deferred tax liability</b>	99,314	4,465
	544,479	427,088
<b>Equity</b>		
<b>Attributable to shareholders of the Company:</b>		
<b>Share capital</b>	287,724	283,926
<b>Contributed surplus</b>	18,973	19,611
<b>Accumulated other comprehensive loss</b>	(3,929)	(520)
<b>Retained earnings (accumulated deficit)</b>	68,940	(35,153)
	371,708	267,864
<b>Non-controlling interest</b>	107,731	81,189
<b>Total equity</b>	479,439	349,053
	<b>1,023,918</b>	<b>776,141</b>

**Copper Mountain Mining Corporation**

**Condensed Consolidated Statements of Income and Comprehensive Income**

*(In thousands of Canadian dollars, except for number of and earnings per share)*

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>	578,202	341,748
<b>Cost of sales</b>	(257,320)	(237,105)
<b>Gross profit</b>	320,882	104,643
General and administration	(14,680)	(8,476)
Share based compensation	(16,993)	(5,568)
<b>Income from operations</b>	289,209	90,599
Finance income	177	632
Finance expense	(31,577)	(14,221)
Loss on derivative	(3,368)	(1,021)
Foreign exchange (loss) gain	(3,161)	8,424
Loss on disposal of fixed assets	-	(2,867)
<b>Income before tax</b>	251,280	81,546
Current income and resource tax expense	(7,803)	(1,022)
Deferred income and resource tax expense	(95,338)	(30,260)
<b>Net Income</b>	<b>148,139</b>	<b>50,264</b>
<b>Other comprehensive income (loss)</b>		
<b>Items that may be reclassified subsequently to net income</b>		
Foreign currency translation adjustment	(3,409)	3,638
<b>Total comprehensive income</b>	<b>144,730</b>	<b>53,902</b>
<b>Net income and comprehensive income attributable to:</b>		
Shareholders of the Company	104,093	35,363
Non-controlling interest	44,046	14,901
	<b>148,139</b>	<b>50,264</b>
<b>Earnings per share:</b>		
Basic	\$0.50	\$0.18
Diluted	\$0.48	\$0.18
<b>Weighted average shares outstanding, basic</b>	<b>209,320,144</b>	<b>193,118,813</b>
<b>Weighted average shares outstanding, diluted</b>	<b>218,621,886</b>	<b>197,663,540</b>
<b>Shares outstanding at end of the year</b>	<b>210,363,573</b>	<b>207,653,732</b>

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

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Net income for the year	148,139	50,264
Adjustments for:		
Depreciation	23,823	22,745
Loss on disposal of fixed assets	-	2,867
Unrealized foreign exchange loss (gain)	95	(8,755)
Loss on derivatives	3,368	1,021
Deferred income and resource tax expense	95,338	30,260
Finance expense	31,577	14,071
Share based compensation	16,993	5,568
	<b>319,333</b>	<b>118,041</b>
Net changes in working capital items	(3,877)	3,569
<b>Net cash from operating activities</b>	<b>315,456</b>	<b>121,610</b>
<b>Cash flows from investing activities</b>		
Deferred stripping costs	(31,161)	(21,031)
Development of property, plant and equipment	(117,313)	(34,859)
Purchase of copper puts	(3,397)	-
Purchase of reclamation bonds and security deposits	(1,621)	(422)
<b>Net cash used in investing activities</b>	<b>(153,492)</b>	<b>(56,312)</b>
<b>Cash flows from financing activities</b>		
Proceeds on the issuance of common shares	1,931	16,518
Net proceeds from bond issuance	287,785	-
Contributions from related party	20,393	46,536
Repayment to related party	(150,815)	-
Payments made to non-controlling interest	(17,504)	(1,001)
Restricted cash	(6,512)	-
Loan principal payments	(160,293)	(56,299)
Interest paid	(36,351)	(9,902)
Lease payments	(14,029)	(6,866)
<b>Net cash used in financing activities</b>	<b>(75,395)</b>	<b>(11,014)</b>
<b>Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>(238)</b>	<b>(839)</b>
Increase in cash and cash equivalents	86,331	53,445
<b>Cash and cash equivalents - Beginning of year</b>	<b>85,571</b>	<b>32,126</b>
<b>Cash and cash equivalents - End of year</b>	<b>171,902</b>	<b>85,571</b>