

Copper Mountain Announces Q1 2015 Financial Results

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VANCOUVER, April 27, 2015 /CNW/ - [Copper Mountain Mining Corp.](#) (TSX: CUM) (the "Company" or "Copper Mountain") announces revenues of \$71.5 million after pricing adjustments and treatment charges for the quarter ended March 31, 2015 from the sale of 21.5 million pounds of copper, 7,600 ounces of gold, and 92,700 ounces of silver.

Q1 2015 Highlights (100% Basis)

- Copper, gold and silver production for the first quarter of 2015 at Copper Mountain Mine (100%) was 18.4 million pounds of copper, 7,800 ounces of gold and 80,300 ounces of silver. Gold production was up 44% over Q1 2014.
- Revenues for the first quarter of 2015 were \$71.5 million from metal sales.
- Gross profit for the quarter was \$6.7 million.
- Adjusted EBITDA¹ of \$18.4 million.
- Adjusted earnings per share¹ of \$4.3 million or \$0.04 per share.
- Mine production continued at a mining rate of 165,000 TPD mined.
- SAG mill throughput improved during the quarter by 13.5% over Q1 2014.
- In early April 2015 SAG mill all time daily throughput record achieved of 45,939 tonnes.
- Permanent secondary crusher is operating as planned at 3,000 tpd and delivering minus 2 inch ore to the SAG mill.
- Site cash costs for the quarter were lower than planned at US\$1.21 per pound of copper produced net of precious metal credits.
- Total cash costs for the quarter were lower than planned at US\$1.77 per pound of copper sold net of precious metal credits and after all off- site charges.
- Realized prices on metal sales for Q1 2015 was US\$2.64 per pound of copper, US\$1,220 per ounce of gold and US\$16.72 per ounce of silver.

Jim O'Rourke, President and CEO of Copper Mountain, remarked "We are very pleased with the increased SAG mill throughput being achieved with the finer feed from the new \$40 million permanent secondary crusher. Mill throughput of 37,780tpd average for the first 22 days of April is a 29% increase in tonnage over the first quarter of last year and 14% improvement over the current quarter. The steady improvements in mill throughput and reduced site operating costs achieved this quarter position the Company well going forward."

Mr. O'Rourke continued, "Looking forward, we see the next twelve months as a period of continued optimization to further strengthen our operating base. Production for 2015 will come mainly from the Pit 2 area and therefore we are anticipating higher gold production. We have a strong operating team and I am confident that the mine will meet our production goals".

Summary Financial Results

	Three Months ended	
	March 31,	
	2015	2014
(CDN\$, except for cash cost data in US\$)		
	\$	\$
Revenues	71,456,666	61,182,272
Gross profit		

6,749,992

1,096,076

Operating income (loss)	4,474,419	(1,938,146)
Adjusted earnings ²	4,312,351	6,724,129
Adjusted earnings (loss) per share ³	0.04	0.07
Adjusted EBITDA ⁴	18,439,389	17,103,192
Cash and cash equivalents	14,792,127	41,151,517
Accounts receivable	19,185,894	6,886,175
Working capital	17,922,998	31,541,865
Equity	248,685,597	273,740,178
Copper produced (lbs)	18,400,000	19,100,000
Gold produced (oz)	7,800	5,400
Silver produced (oz)	80,300	105,300
Copper sold (lbs)	21,500,000	19,800,000
Gold sold (oz)	7,600	6,500
Silver sold (oz)	92,700	98,700
Site cash costs per pound of copper produced (net of gold, silver credits) (US\$)	1.21	1.62
Total cash costs per pound of copper sold (net of gold, silver credits) (US\$)	1.77	2.08
Average realized copper price (US\$)	2.64	3.19

Copper Mountain Mine

During the quarter, the company completed four shipments of concentrate containing approximately 21.5 million pounds of copper to Japan for smelting and recorded revenues, net of smelter charges and pricing adjustments, of \$71.5 million, realizing a gross profit of \$6.7 million. The total cash cost of copper sold for the quarter ended March 31, 2015 were lower than planned at US\$1.77 per pound of copper net of gold and silver by-product credits as a result of cost cutting measures taken at the mine site.

Mining activities continued in the Pit 2 and Pit 3 areas throughout the quarter. Phase 2 of Pit #3 was completed during the quarter and the start of the Phase 3 pushback on the west side of Pit #3 commenced. Mining in Pit #2 area is progressing well and the majority of ore will be supplied from the Pit 2 area for the balance of 2015. Copper head grade for the year is forecasted to be on average 0.33% copper, but because of the higher gold content in the Pit 2 ore the copper equivalent grade is approximately 0.41% copper. The recently installed mine dispatch system continues to be a valuable tool to maximize haulage truck load factors and improve mining efficiencies. During the quarter a total of 14.7 million tonnes of material was mined, including 5.6 million tonnes of ore and 9.1 million tonnes of waste. The mining rate at the end of the period was in the range of 165,000 tonnes per day moved. As a result of cost cutting measures taken early in the quarter site cash costs were lower than planned at US\$1.21 per pound of copper after gold and silver by-product credits.

Mill throughput from the concentrator improved approximately 13.5% during the quarter as compared to the first quarter of 2014. During the first quarter of 2015 the SAG mill throughput averaged 33,200 tpd as compared to 29,300 tpd for the first quarter of 2014. The increase in throughput is directly attributable to the installation of the new \$40 million secondary crusher that is operating at its designed rate and crushing ore to minus two inches which allows the SAG mill to operate at rates above its designed capacity.

During the quarter the mill processed a total of 2.9 million tonnes of ore at an average grade of 0.35%

copper to produce 18.4 million pounds of copper, 7,800 ounces of gold, and 80,300 ounces of silver. SAG Mill availability was 93.2% during the first quarter, slightly above our 92% target. Copper recovery averaged 80.6% which was lower than plan, primarily due to outages of the regrind and one ball mill during part of the period. Once these limitations to processing were rectified in late March, the mill achieved an all time throughput record of 45,939 tpd in early April, thus providing management with the confidence that the budget rate of 37,500 tpd is achievable.

Listed below is a summarized balance sheet and income statement as well as details for our conference call schedule:

Summarized Balance Sheet

	March 31,	December 31,
	2015	2014
	\$	\$
Assets		
Cash	14,792,127	21,600,228
Accounts Receivable and prepaids	19,185,894	6,886,175
Inventory	40,202,204	44,420,673
Property, plant and equipment	551,180,731	559,118,221
Other Assets	66,771,384	60,637,691
	692,132,340	692,662,988
Liabilities		
Current liabilities	56,257,227	54,876,398
Decommissioning and restoration provision	8,061,344	7,797,154
Interest rate swap liability	9,499,377	7,180,836
Long-term debt	360,217,690	332,902,291
Deferred tax liability	9,411,105	9,766,301
	443,446,743	412,522,980
Equity		
Share capital	188,306,341	188,306,341
Contributed surplus	12,166,867	11,818,044
Retained earnings (deficit)	(26,896,219)	(2,928,184)
Non-controlling interest	75,108,608	82,943,807
Total equity	248,685,597	280,140,008
	692,132,340	692,662,988

Summarized Income Statement

	Three months ended	
	March 31,	
	2015	2014
(CDN\$)	\$	\$
Revenues	71,456,666	61,182,272
Cost of sales ⁵	(64,706,674)	(60,086,196)
Gross profit	6,749,992	1,096,076
Other income and expenses		
General and administration	(1,950,832)	(1,627,662)
Share based compensation	(324,741)	(1,406,560)
Operating income	4,474,419	(1,938,146)
Pricing adjustments on concentrate and metal sales	1,880,440	9,864,933
Finance income	113,222	22,711
Finance expense	(2,510,926)	(2,058,711)
Current resource tax expense	(364,826)	(124,345)
Deferred income and resource tax recovery	720,022	957,687
Adjusted earnings ⁶	4,312,351	6,724,129
Pricing adjustments on concentrate and metal sales	(1,880,440)	(9,864,933)
Unrealized gain (loss) on interest rate swap	(1,991,188)	(931,894)
Unrealized gain (loss) on foreign exchange	(32,243,957)	(11,547,094)
Net income (loss) and comprehensive income (loss) for the period	(31,803,234)	(15,619,792)
Net income (loss) and comprehensive income (loss) attributable to:		
Shareholders of the company	(23,968,035)	(12,154,340)
Non-controlling interest	(7,835,199)	(3,465,452)
	(31,803,234)	(15,619,792)
Earnings (loss) per share	(0.20)	(0.10)
Adjusted earnings per share	0.04	0.07

The full set of financial statements and accompanying MD&A are posted on Sedar.com.

Exploration Update:

At the Copper Mountain site the Company completed a detailed helicopter-borne magnetics and radiometric geophysical survey over most of the mine property. Three dimensional inversions of the magnetic data have recently been completed and this data is being compiled together with new geological mapping and the existing Titan 24 3-D chargeability data. The inversion technology is being used to provide a three dimensional model of various rock units and alteration zones in order to help define and prioritize drill targets, particularly those targeting mineralization at depth. Additionally, petrographic and geochemical studies in conjunction with the Mineral Deposits Research Unit at The University of British Columbia have been carried out examining the mineralogical changes associated with mineralization and alteration. It is anticipated that this research will contribute to a better understanding of the both the geophysical and comminution characteristics of rocks within the ore zones.

During the fourth quarter, 2014 a 1,650m fifty-five hole, shallow percussion drilling program was carried out in the Virginia pit area with results being received early in the first quarter, 2015. The drilling program was undertaken in order to: confirm resource estimation using a different drill orientation; test for surface oxidation; and obtain material for metallurgical testing in preparation for potential mining activities in this area. Drill-holes were spaced on approximate 20m centers, inclined to the north and drilled on three different benches. Results confirm the resource estimation and indicate minimal levels of oxidation within the central pit area.

Conversion of inferred resources to reserve status is the major goal of the long-term exploration plan for the potential extension of the mine life. Discovery of new mineralized areas, both open pit and underground, is also a focus of the on-going exploration program and a requirement for long term mine planning.

2015 Guidance:

The 2015 guidance remains unchanged for the balance of 2015. It is based on mining at a rate of 180,000 tonnes per day to mine a total of 16.6 million tonnes of high grade material, 13.8 million tonnes of low grade material, 37 million tonnes of waste at a strip ratio of 1.22 to 1. Mining costs are estimated to be \$1.75 per tonne mined. Mill production is based on achieving 37,500 tpd through the mill at an average head grade of 0.33% Cu (0.41% CuEq) and recoveries of 82% to produce about 100 million pounds of copper equivalent which includes about 80 million pounds of copper, 35,000 ounces of gold, and 290,000 ounces of silver.

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 Company has a strategic alliance with Mitsubishi Materials Corporation who owns the remaining 25%. The Copper Mountain mine commenced production in the latter half of 2011, and has continued to improve its operations. The key development for 2014 was the installation of the secondary crusher as a permanent solution to maximize concentrator throughput and improve overall efficiencies for the company. Secondary crusher construction was completed by the end of July 2014 on budget and on schedule. The 18,000 acre site has a large resource of copper that remains open laterally and at depth. The mine has significant exploration potential that will need to be explored over the next few years to fully appreciate the property's full development potential. Additional information is available on the Company's web page at www.CuMtn.com.

The Conference call has been changed by one business day from the original scheduled date to accommodate management's travel schedule. A conference call and audio webcast will now be held on Monday April 27th, 2015 at 7:30 am (Pacific Standard Time) for management to discuss the Q1 2015 results. This discussion will be followed by a question-and-answer period with investors.

Live Dial-in information

Toronto and international: 416-764-8688

North America (toll-free): 888-390-0546

To participate in the webcast live via your computer go to:
<http://www.newswire.ca/en/webcast/detail/1510689/1684089>

Replay call information

Toronto and international: 416-764-8677, passcode 898630

North America (toll-free): 888-390-0541, passcode 898630

The conference call replay will be available from 10:00 am (PST) on April 27, 2015 until 11:59 pm PST on May 11, 2015.

Participant audio webcast will also be available on the Company's website at <http://www.cumtn.com>

On behalf of the Board of COPPER MOUNTAIN MINING CORPORATION

"Rod Shier"
Rodney A. Shier, CA., Chief Financial Officer

Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents, filed by the Company on SEDAR at 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.

_____ ¹ Adjusted EBITDA and adjusted earnings per share are non-GAAP financial measurements which remove unrealized gains/losses on derivative instruments and foreign exchange gains/losses

² Adjusted earnings (loss) and adjusted earnings (loss) per share are non-GAAP financial measures which remove unrealized gains/losses on interest rate swaps and unrealized foreign currency gains/losses.

³ Calculated based on weighted average number of shares outstanding under the basic method based on adjusted earnings.

⁴ Adjusted EBITDA is a non-GAAP financial measures that removes unrealized gains/losses on interest rate swaps and unrealized foreign currency gains/losses

⁵ Cost of sales consists of direct mining and milling costs (which include mine site employee compensation and benefits, mine site general and administrative costs, non-capitalized stripping costs, maintenance and repair costs, operating supplies and external services), depreciation and offsite transportation costs.

⁶ Adjusted earnings (loss) is a non-GAAP financial measure which excludes unrealized gains/losses on derivative instruments, changes in fair value of financial instruments, foreign currency gains/losses, pricing adjustments related to metal sales and non-recurring transactions.

This release should be read with the unaudited financial statements and management's discussion and analysis available at www.cumtn.com and filed on www.sedar.com. Our financial results are prepared in accordance with IFRS and expressed in Canadian dollars, unless otherwise noted. Sales and production volumes for the Company's 75%-owned Copper Mountain mine are presented on a 100% basis unless otherwise indicated.

Contact

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