

VANCOUVER, Aug. 5, 2015 /CNW/ - [Yellowhead Mining Inc.](#) ("Yellowhead" or the "Company") (TSX: YMI) reports its results of operations for the six months ended June 30, 2015.

For the full condensed consolidated interim financial statements and management discussion & analysis for the second financial quarter ended June 30, 2015, please see SEDAR at www.sedar.com or the Company's website at www.yellowheadmining.com.

Highlights

Key highlights for the for the second quarter ended June 30, 2015, together with the six months ended June 30, 2015 and subsequent weeks, include:

- Acceptance of the EA Application for the Harper Creek Project (the "Project") for review, with the 180 day application review period (the "Review Period") commencing on January 28, 2015
- Release of the Mount Polley Tailings Facility Storage Breach Report ("Report") on January 30, 2015
- As a result of the Report, the Ministry of Energy and Mines and the British Columbia Environmental Assessment Office ("BC EAO") have requested the Company provide additional information and undertake additional work on the EA Application to address the results of and recommendations contained in the Report
- In order to allow time to provide the additional information and undertake the additional work required as a consequence of the Report, on June 30, 2015 the Company requested and received a timeline suspension from the BC EAO to the Review Period
- On August 4, 2015, the Company announced that its board of directors, subject to regulatory and legal approvals, approved a secured bridge loan of \$500,000 and the undertaking of a rights offering to provide working capital and to advance the environmental permitting for the Project.

Summary of Second Quarter Results

(Amounts are expressed in thousands of Canadian dollars, except per-share amounts)

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Administrative expenses	\$ 438	\$ 502	\$ 1,036	\$ 1,027
Exploration and evaluation expenses	309	1,454	765	2,372
Other income	(6)	(18)	(13)	(46)
Net loss and comprehensive loss for the period	742	1,937	1,788	3,353
Basic and diluted loss per share for the period	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.03

Yellowhead has no revenue from operations. Results can fluctuate significantly from period to period due to the level of development activities on the Project.

Review of Quarterly Results

The loss in Q2 2015 was \$742K compared to \$1.94M in Q2 2014. This decrease in loss of \$1.20M was mainly due to a decrease in exploration and evaluation expenses. Exploration and evaluation expenses were \$309K for Q2 2015, as compared to \$1.45M for Q2 2014. In Q2 2014 the Company incurred costs related to the initiation of the update of both the feasibility study and the EA Application for the Project. In Q2 2015 the Company incurred costs related primarily to the EA Application. Expenditures on the EA Application were lower in Q2 2015 as compared to Q2 2014 as the Company reviewed and responded to comments from the EAO, CEA Agency, First Nations and the Public, and utilized fewer technical consultants than in the initial

preparation of the EA Application. Environmental assessment costs decreased from \$1.02M in Q2 2014 to \$223K in Q2 2015. Administration costs in Q2 2015 were \$438K compared to \$502K in Q2 2014. The decrease in administration costs is due to lower share based compensation, lower wages and benefits, lower professional fees and lower travel and investor relations.

Review of Year to Date Results (Six months ended June 30, 2015 ("YTD 2015") compared to the six months ended June 30, 2014 ("YTD 2014"))

The loss in YTD 2015 was \$1.79M as compared to \$3.35M in YTD 2014. This decrease in loss of \$1.57M was primarily due to a decrease in exploration and evaluation expenses of \$1.61M. The YTD 2014 exploration and evaluation expenses related to the update of both the feasibility study and the EA Application for the Project while the YTD 2015 costs primarily related to the EA Application. Environmental assessment costs were lower in YTD 2015 as compared to YTD 2014 as the Company entered the review phase and reviewed and responded to comments from the EAO, CEA Agency, First Nations and the Public, and utilized fewer technical consultants than in the initial preparation of the EA Application. YTD 2015 administration costs were in-line with YTD 2014 as higher consulting costs in YTD 2015 related to costs incurred in connection with ongoing consultation and discussions with the First Nations were offset by lower share based compensation, lower wages and benefits, lower professional fees and lower travel and investor relations.

Cash and Cash Equivalents

The Company had cash and cash equivalents of \$1.33M as at June 30, 2015, as compared to cash and cash equivalents of \$3.68M as at December 31, 2014. As at June 30, 2015, the Company had working capital of \$931K, as compared to working capital of \$2.69M as at December 31, 2014.

Outlook

The Company's focus going forward is continuing the development of the Project. Major activities include completing the review of the EA Application and receiving the EA Certificate, commencing the construction permitting process and pursuing funding activities to increase its working capital to fund the continued development of the Project. In order to complete the review of the EA Application and receive the EA Certificate, have working capital for twelve months of general and administrative expenses and to continue as a going concern, additional funding will be required by the Company. Upon receipt of the EA Certificate for the Project, the Company will require additional funding to proceed with the next phase of development of the Project, including the mine permitting process.

About the Harper Creek Project

The Project is a proposed 70,000 tonnes-per-day open pit copper mine with a 28 year mine life, located in the Thompson & Nicola region of British Columbia near Vavenby. The Project has a four year development period, with the initial two years focused on environmental and construction permitting, and the second two years dedicated to construction. When developed, the Project will provide up to 600 jobs during construction and up to 450 permanent jobs during operations.

About Yellowhead Mining Inc.

[Yellowhead Mining Inc.](#) is a development stage company with a 100% interest in the Project, located in the North Thompson - Nicola region of British Columbia, Canada. The proposed Project will be a large scale, long life, low cost open pit copper mine, has a NI 43-101 compliant feasibility study, and is currently in the environmental permitting phase of development.

Forward Looking Statements

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities laws. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements, including, among others, the accuracy of mineral grades and related assumptions, inherent operating risks, planned expenditures, proposed exploration and development at the Harper Creek Project, operating and economic aspects of the Harper Creek Project, as well as those risk factors identified in the Company's Annual Information Form filed under the Company's SEDAR profile. Yellowhead undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. More detailed information about potential factors that could affect projected results is included in the documents filed from time to time with the Canadian securities regulatory authorities by Yellowhead.

SOURCE [Yellowhead Mining Inc.](#)

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