

VANCOUVER, Nov. 13, 2015 /CNW/ - [Yellowhead Mining Inc.](#) ("Yellowhead" or the "Company") (TSX: YMI) reports its results of operations for the nine months ended September 30, 2015.

For the full condensed consolidated interim financial statements and management discussion & analysis for the third financial quarter ended September 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 third quarter ended September 30, 2015, together with the nine months ended September 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 "EA Review") 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 EA Review
- 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 for the Company
- On August 21, 2015, the Company announced it would be offering rights to holders of its common shares of record at the close of business September 1, 2015
- On October 1, 2015, the Company announced the completion of its rights offering. The Company issued a total of 24,751,431 shares under the rights offering at a price of \$0.045 per share for gross proceeds of \$1,113,814. A total of 14,035,706 common shares were issued under the basic subscription privilege and a total of 10,715,725 common shares were issued under the additional subscription privilege
- Also on October 1, 2015, the Company announced that it would be deferring all expenditures on the Project due to weakness in the commodity and capital markets
- The Company is currently investigating additional sources of financing with a view to moving forward with the EA Review in order to obtain the EA Certificate for the Project in 2016

Summary of Third Quarter Results

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

	Three months ended September 30, 2015	Three months ended September 30, 2015 September 2014	Nine months ended September 30, 2014
Administrative expenses	\$ 285	\$ 1,321	\$ 1,462
Exploration and evaluation expenses	35	3,012	3,984
Other expense/(income)	1	(12) 435	(65)
Net loss and comprehensive loss for the period	321	2,028	5,381
Basic and diluted loss per share for the period	\$ 0.00	\$ 0.02	\$ 0.05

0.02

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 Q3 2015 was \$321K compared to \$2.03M in Q3 2014. This decrease in loss of \$1.71M was mainly due to a decrease in exploration and evaluation expenses. Exploration and evaluation expenses were \$35K for Q3 2015, as compared

to \$1.61M for Q3 2014. In Q3 2014 the Company incurred costs related to the update of both the feasibility study and the EA Application for the Project. In Q3 2015 the Company incurred costs related primarily to the EA Application. Expenditures on the EA Application were lower in Q3 2015 as compared to Q3 2014 as the Company utilized fewer technical consultants in order to preserve cash. Environmental assessment costs decreased from \$1.41M in Q3 2014 to \$18K in Q3 2015. Administration costs in Q3 2015 were \$285K compared to \$435K in Q3 2014. The decrease in administration costs is due to lower wages and benefits, lower travel and investor relations and lower professional fees as the Company reduced expenditures to conserve cash.

Review of Year to Date Results (Nine months ended September 30, 2015 ("YTD 2015") compared to the nine months ended September 30, 2014 ("YTD 2014"))

The loss in YTD 2015 was \$2.11M as compared to \$5.38M in YTD 2014. This decrease in loss of \$3.27M was primarily due to a decrease in exploration and evaluation expenses of \$3.18M. 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. In 2015 the Company also reduced expenditures on the EA Application in order to conserve cash. YTD 2015 administration costs were \$1.32M compared \$1.46M in 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 wages and benefits, lower share based compensation, lower travel and investor relations and lower professional fees.

Cash and Cash Equivalents

The Company had cash and cash equivalents of \$1.88M as at September 30, 2015, as compared to cash and cash equivalents of \$3.68M as at December 31, 2014. As at September 30, 2015, the Company had working capital of \$1.72M, as compared to working capital of \$2.69M as at December 31, 2014.

Outlook

On October 1, 2015, the Company announced the Board of Directors had concluded that, in light of current conditions in the commodity markets and the international capital markets, it was in the best interests of all of the shareholders to defer any additional expenditures on the Project until such time as more favourable commodity and capital markets presented themselves.

The Company is currently investigating additional sources of financing with a view to moving forward with the EA Review in order to obtain the EA Certificate for the Project in 2016.

Notwithstanding efforts to source additional financing, work on the EA Application is currently on hold, and all environmental baseline monitoring activities have also been suspended, until further notice. Continuation of environmental monitoring was a condition to continuing with the EA Review imposed by the BC EAO, and cessation of all such activities will increase the risk that the BC EAO will require the collection of fresh environmental baseline data to be analyzed and incorporated into an updated EA Application prior to continuing with the EA Review. If a prolonged hiatus occurs during the EA Review, then there is also an increased risk that the information in the EA Application will become stale dated, and as a result, the EA Application will have to be re-done and the EA Application process re-started.

About the Harper Creek Project

Harper Creek 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. Harper Creek 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, Harper Creek 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 Harper Creek Project, located in the North Thompson - Nicola region of British Columbia, Canada.

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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