

# Ero Copper Provides Corporate Update

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VANCOUVER, March 31, 2020 - [Ero Copper Corp.](#) (TSX: ERO) (“Ero” or the “Company”) wishes to provide an update on the current status of its operations in Brazil and an overview of the response measures undertaken by the Company and its subsidiaries in response to COVID-19. The Company has not experienced any disruption to its operations, supply chains or sales channels as a result of the COVID-19 pandemic. To date, there are no known cases of COVID-19 at any of the Company’s operations, neighboring communities, or at its corporate offices in São Paulo and Vancouver.

Despite the recent decline in copper prices, the Company remains well positioned and fully funded to continue to execute its strategy. Highlighting this:

- Operations have operated at planned production rates and below-budget costs during the first quarter, aided by the depreciation of the Brazilian Real (“BRL”) during the period;
- As at December 31, 2019, the Company had US\$22.9 million in cash and approximately US\$30 million in available credit lines. These lines were fully drawn at the end of the first quarter of 2020, bolstering cash on hand as a precautionary measure; and,
- The Company is currently maintaining full-year production, capital and operating cost guidance for 2020; however, the situation related to the COVID-19 pandemic remains dynamic and the Company will provide further updates if required.

Additionally, as part of its ongoing corporate strategy and unrelated to the COVID-19 pandemic, the Company has amended its existing US\$150 million credit Facilities (as further defined below). Benefits of the amendment include the reduction in the Company’s overall cost of borrowing and deferral of scheduled principal payments for two years, now commencing March 2022.

Commenting on the corporate update, David Strang, President and CEO, stated, “*We, as an industry, are operating in unprecedented and challenging times. While the Company remains well positioned and fully funded at the prevailing copper price and foreign exchange rate, we recognize the continued uncertainty with respect to the COVID-19 pandemic and have several contingency plans in place to continue to manage our business under a variety of scenarios.*”

*We have taken extraordinary measures to mitigate the possible impacts of COVID-19 on our workforce, the Company and our operations. Some of the measures that have been implemented since late February include:*

- 1. eliminated all non-essential travel to and from our mining operations;*
- 2. weekly engagement with all suppliers and active stockpiling of key consumables to protect against any supply chain disruptions;*
- 3. reduced human interaction throughout the organization as much as possible by closing administrative offices and moving to a work-from-home format, increasing social distancing by limiting the number of employees travelling on provided buses between our mining communities and our mines, limiting the number of employees in the cafeteria at any given time, cancelling all group meetings, eliminating line-out meetings and encouraging work-from-home and video/telephone conferencing where feasible;*
- 4. established COVID-19 committees with senior leadership and local health administrators for the regions in which we operate;*
- 5. ordered 3,000 COVID-19 testing kits for our operations and will be donating a portion of these test kits, as well as other personal protective equipment, to our local municipalities to facilitate rapid testing throughout our communities if required; and,*

6. *implemented wellness education, health screenings and self-isolation protocols along with enhanced sanitization throughout our operations.*

*Our priority continues to be focused on the health and well being of our employees, their families living in Pilar and Nova Xavantina, contractors and local communities. This is a dynamic situation and we continue to monitor and adapt our mitigation measures as the situation develops.*

*The successful amendment of our existing credit facilities concludes a process that commenced in 2019 as part of our ongoing corporate strategy. The extension of maturity dates and decreased borrowing costs of the Company reflect the underlying strength of our business and provides increased flexibility to continue to invest in growing our operations, maximizing the near-term return on invested capital for our shareholders and stakeholders alike.”*

#### Credit Facilities Amendment Details

The Company has amended its existing US\$80 million senior secured amortizing non-revolving credit facility (the “Term Facility”) and its US\$70 million senior secured revolving credit facility (the “Revolving Credit Facility”) (collectively the “Facilities”) previously entered into with The Bank of Nova Scotia (“Scotiabank”) and Bank of Montreal (“BMO”). Benefits of the amendment include a 25 to 50 basis point reduction in the Company’s cost of borrowing, depending on consolidated leverage ratio, and the deferral of scheduled principal payments for two years, now commencing March 2022.

The Term Facility (now US\$75 million) features a 4-year term with principal payments beginning two years after closing (March 31, 2022) and with equal quarterly installments thereafter, while the Revolving Credit Facility (now US\$75 million) is payable in a bullet at maturity, four years from closing (March 31, 2024). The Facilities will bear interest on a sliding scale at a rate of LIBOR plus 2.50% to 4.25% depending on the Company’s consolidated leverage ratio at the time. Commitment fees for any undrawn portion of the Revolving Credit Facility will also be on a sliding scale between 0.63% to 1.06%.

The Facilities include standard and customary terms and conditions with respect to fees, representations, warranties, and financial covenants that remain unchanged from prior amendments. Scotiabank is Joint Lead Arranger, Sole Bookrunner and Administrative Agent and BMO is Joint Lead Arranger and Syndication Agent.

A copy of the Facilities amendment will be filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

#### ABOUT ERO COPPER CORP

Ero, headquartered in Vancouver, B.C., is focused on copper production growth from the Vale do Curaçá Property, located in Bahia, Brazil. The Company’s primary asset is a 99.6% interest in the Brazilian copper mining company, Mineração Caraíba S.A. (“MCSA”), 100% owner of the Vale do Curaçá Property with over 40 years of operating history in the region. The Company currently mines copper ore from the Pilar and Vermelhos underground mines. In addition to the Vale do Curaçá Property, MCSA owns 100% of the Boa Esperan?a development project, an IOCG-type copper project located in Pará, Brazil and the Company, directly and indirectly, owns 97.6% of the NX Gold Mine, an operating gold and silver mine located in Mato Grosso, Brazil. Additional information on the Company and its operations, including technical reports on the Vale do Curaçá, Boa Esperan?a and NX Gold properties, can be found on the Company’s website ([www.ero-copper.com](http://www.ero-copper.com)) and on SEDAR ([www.sedar.com](http://www.sedar.com)).

[Ero Copper Corp.](http://www.ero-copper.com)

Signed: “David Strang”

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CAUTION REGARDING FORWARD LOOKING INFORMATION AND STATEMENTS This Press Release

contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information includes statements that use forward-looking terminology such as "may", "could", "would", "will", "should", "intend", "target", "plan", "expect", "budget", "estimate", "forecast", "schedule", "anticipate", "believe", "continue", "potential", "view" or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Such forward-looking information includes, without limitation, the interest rate of the Facilities, future cost of borrowing, any implied improvement in the Company's operational and financial flexibility, any projected improvement to the Company's balance sheet or working capital position, the Company's continued ability to service its ongoing debt service obligations, the Company's future capital resources and expenditures and the potential impact of new accounting standards and amendments on the Company's financial statements related to the Facilities, statements with respect to the Company's operational performance, benefit from changes in the US dollar BRL exchange rate, the Company's future production outlook, capital resources required to successfully complete the Company's plans for 2020 and the effectiveness of any measure put in place by the Company to mitigate the impact of COVID-19 on the Company or its operations.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Press Release including, without limitation, assumptions about; favourable equity and debt capital markets; the ability to raise any necessary additional capital on reasonable terms to advance the production, development and exploration of the Company's properties and assets; future prices of copper and other metal prices; the timing and results of exploration and drilling programs; the accuracy of any mineral reserve and mineral resource estimates; the geology of the Vale do Curaçá Property, NX Gold Mine and the Boa Esperança Property being as described in the technical reports for these properties; production costs; the accuracy of budgeted exploration and development costs and expenditures; the price of other commodities such as fuel; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental, regulatory and third party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; availability of equipment; positive relations with local groups and the Company's ability to meet its obligations under its agreements with such groups; and satisfying the terms and conditions of the Company's current loan arrangements. While the Company considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. Such risks include, without limitation the risk factors listed under the heading "Risk Factors" in the Annual Information Form of the Company for the year ended December 31, 2019, dated March 12, 2020.

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking information, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

Forward-looking information contained herein is made as of the date of this press release and the Company disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable

securities laws.

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