

Copper Mountain Mining Corp. Announces New Life of Mine Plan, Including Proposed 65,000 tpd Mill Expansion

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VANCOUVER, Nov. 30, 2020 - [Copper Mountain Mining Corp.](#) (TSX: CMMC) (ASX: C6C) (the "Company" or "Copper Mountain") is pleased to announce a new life of mine plan, which includes a proposed mill expansion to 65,000 tonnes per day ("65ktpd Expansion"), for its 75% owned Copper Mountain Mine, located in southern British Columbia. The new life of mine plan increases Copper Mountain's after-tax Net Present Value (NPV) by over 60% to US\$1.0 billion, on higher annual production and lower costs, when compared to the previously published 2019 Technical Report. The 65ktpd Expansion builds upon the 45ktpd mill expansion currently underway.

Copper Mountain has filed a NI 43-101 Technical Report ("2020 Technical Report") for the new life of mine plan for the Copper Mountain Mine on SEDAR (www.sedar.com). The 2020 Technical Report work was completed at a Pre-feasibility Study level. All Dollars in this press release are United States Dollars. All metrics are shown on a 100% basis.

Highlights:

Metric	Unit	2020 Technical Report
After-tax NPV (8%) ⁽¹⁾	\$M	\$1,010
Average Annual Copper Equivalent Production ^(1,2)	Mlbs	139
Average Annual Copper Production ⁽²⁾	lbs	106
Average Annual Gold Production ⁽²⁾	koz	60
C1 Cash Costs ^(1,2)	(\$/lb)	1.19

(1) Based on \$3.15 per pound copper, \$1,700 per ounce gold and \$22 per ounce silver and a C\$1.30 to US\$1.00 exchange rate.

(2) For the first ten years, starting in 2021

"The 65ktpd Expansion, which moves the Copper Mountain Mine to about a billion dollars of asset value, clearly underscores the mine's quality, and our team's ability to potentially grow reserves and value further," stated Gil Clausen, Copper Mountain's President and CEO. "This mill expansion study builds upon the growth projects that are already underway and illustrates the immense potential that the Copper Mountain Mine provides. In two years, we have more than doubled the mine life, grown the mine's productive capacity, increased net asset value and significantly decreased cash costs. Following the completion of this 2020 Technical Report, we will further refine the capital estimates of this project in preparation for a development decision."

Mr. Clausen added, "All of the deposits at the Copper Mountain Mine remain open and have significant exploration potential to add to our reserve and resource. We are steadily working to unlock the unrealized value and low risk growth potential at the Copper Mountain Mine and we expect to fund this production growth with the mine's internal cash flow."

Mining & Processing

The Copper Mountain mill flowsheet is currently a conventional two-stage crushing, SAG, pebble crusher, ball milling, and sulphide flotation circuit design. The current capacity supports 40,000 tonnes per day of ore processing. The 45ktpd Expansion that is currently underway will add a third ball mill in parallel with the two existing ball mills. The 65ktpd Expansion Plan includes the installation of a High Pressure Grinding Roll (HPGR) circuit, the addition of a fourth ball mill, a regrind verti-mill, additional rougher and cleaner flotation circuit capacity, and electrical system upgrades. The existing SAG mill will be retired. The fourth ball mill, a 22 ft by 38 ft mill, will be installed adjacent to the third ball mill within the existing building. With the addition of the fourth ball mill, the ball milling line will comprise four mills operating in parallel. Two identical 24 ft x 30 ft mills, and two identical 22 ft x 38 ft mills. (See Appendix 2 for the Proposed 65ktpd Process Flowsheet). This work will allow for increased throughput and a grind size P80 of 165 µm. The 65ktpd Expansion Technical Report assumes construction to be completed at the end of 2023 for commissioning in the beginning of 2024.

The 65ktpd Expansion is a planned plant-wide improvement that increases throughput in addition to:

- Reducing operating costs using newer but proven technologies and equipment;
- Reducing energy consumption through more efficient grinding unit operations;
- Improving flotation performance with substantially more capacity at the rougher and cleaner stages; and
- De-bottleneck concentrate dewatering, allowing for more flexibility at high tonnage during high head grade periods.

The 65ktpd Expansion will not require any additional mining fleet, as the existing fleet already produces sufficient ore supply to feed the concentrator at the planned milling rates.

The mine life is estimated to be 21 years, including three years of processing stockpiled ore. The production plan is based on Mineral Reserves only and does not include any other Mineral Resource categories. The Company believes that the potential exists to increase life of mine production further by converting Resources to Reserves as well as increasing resources through further exploration.

Total ore mined is expected to be 400 million tonnes and total waste mined is expected to be 671 million tonnes, with a strip ratio of 1.68. Using average recoveries of 85.4% for copper, 66.1% for gold and 66.2% for silver, total production is expected to be 2.0 billion pounds of copper, 978,000 ounces of gold and 6.7 million ounces of silver. A summary of mining, processing and production metrics is provided below. A more detailed life of mine production schedule is available in the 2020 Technical Report on SEDAR.

Parameter ⁽¹⁾	Unit	Value
Total Ore Mined	kt	400,377
Total Waste	kt	670,802
Strip Ratio	w:o	1.68
Processing Rate (after year 2024)	t/d	65,000
Total Copper Produced	Mlbs	1,979
Total Gold Produced	koz	978
Total Silver Produced	koz	6,715
Average Annual Copper Produced ⁽²⁾	Mlbs	106
Average Annual Gold Produced ⁽²⁾	koz	60
Average Annual Silver Produced ⁽²⁾	koz	316
Average Cu Head Grade ⁽²⁾	%	0.26%
Average Au Head Grade ⁽²⁾	g/t	0.13
Average Ag Head Grade ⁽²⁾	g/t	0.70
Cu Recoveries	%	85.4
Au Recoveries	%	66.1
Ag Recoveries	%	66.2
Mine Life (including stockpile years)	years	21

(1) All parameters do not include 2020.

(2) For the first ten years, starting in 2021

Capital Costs

The initial capital cost required to increase throughput to 65,000 tonnes per day is estimated to be approximately \$123 million, plus a \$25 million contingency for a total of \$148 million. This includes the installation of the HPGR circuit, fourth ball mill, regrind circuit, verti-mill, additional rougher and cleaner flotation circuits and electrical system upgrades. A breakdown of the initial capital cost items for the 65ktpd Expansion is provided below.

Initial 65ktpd Expansion CAPEX Breakdown	\$M
Direct Costs	
Crushing, Ore Storage and Conveying	50.0
Flotation and Re grind	22.2
Grinding	16.3
Buildings	12.6
Main Substation	7.8
Reagents	0.1
Direct Subtotal	109.0
Indirect Costs	
EPCM	9.8
Project Indirects	4.7
Indirect Total	14.5
Sub-total	123.4
Contingency	24.9
TOTAL Initial CAPEX	148.3

Total life of mine expansionary capital, including the capital for the 45,000 tonne per day mill expansion planned for 2021 and the integration of New Ingerbelle, is estimated to be \$204 million.

Total sustaining capital for the life of mine is estimated to be \$255 million. The majority of sustaining capital is related to the replacement of mobile mining equipment.

Operating Costs

Total LOM operating unit costs are estimated to be \$7.60 per tonne milled, which includes mining cost per tonne milled of \$3.70, milling cost per tonne milled of \$3.63 and G&A per tonne milled of \$0.26. Mining cost per tonne mined is estimated to be \$1.55. Unit milling costs are estimated to be 25% lower for the 65ktpd Expansion compared to the current 45ktpd mill expansion as a result of a higher milling rate and lower operating cost of the HPGR circuit, as compared to the existing SAG mill. A unit cost breakdown is provided below.

Unit Operating Costs	\$ per tonne milled
Mine Cost per Tonne Milled	\$3.70
Mill Cost per Tonne Milled	\$3.64
G&A Cost per Tonne Milled	\$0.26
Total Operating Cost per Tonne Milled	

\$7.60

Notes: Mining costs are inclusive of costs to rehandle the existing ore stockpiles.

The above costs result in an average C1 cash cost per pound of copper of \$1.19 for the first ten years and \$1.21 over the life of mine, net of by-product credits.

Economics

The after-tax NPV for the Copper Mountain Mine assuming an 8% discount rate is estimated to be \$1.01 billion. The economics are calculated assuming a Canadian Dollar to U.S. Dollar exchange rate of 1.30 to 1 and metal pricing of \$3.15 per pound copper, \$1,700 per ounce of gold and \$22 per ounce of silver. Metal price assumptions are based on 60% bank consensus long-term prices and 40% spot prices. A sensitivity analysis on varying copper prices was completed on the after-tax NPV (8%) and the results are summarized below.

Copper prices	After-tax NPV (8%)
-10%	\$809 million
\$3.15	\$1,010 million
+10%	\$1,211 million

Mineral Reserve and Mineral Resource

The effective date of the Mineral Reserve and Mineral Resource for the Copper Mountain Mine is as of September 1, 2020 and does not include the recent drilling the Company completed in the second half of 2020. The Company plans on including these drill results in its year end Mineral Reserve and Mineral Resource estimate, which is expected to be announced in the first quarter of 2021.

A summary of the Mineral Reserve and Mineral Resource is provided below. The Mineral Resource is inclusive of the Mineral Reserve.

Copper Mountain Mine Mineral Reserve							
Category	Tonnes (kt)	Cu Grade (% Cu)	Au Grade (g/t)	Ag Grade (g/t)	Cu Pounds (Mlb)	Au Ounces (koz)	Ag Ounces (koz)
Proven							
CMM Total Pit	98,525	0.29	0.08	1.27	624	249	4,010
Ingerbelle Pit	58,040	0.25	0.16	0.51	324	296	952
Subtotal Pit Only	156,565	0.27	0.11	0.99	948	545	4,962
Stockpile	52,240	0.15	0.04	0.45	177	67	756
Total Proven	208,805	0.24	0.09	0.85	1,125	612	5,717
Probable							
CMM Total Pit	118,777	0.22	0.07	0.79	565	268	3,025
Ingerbelle Pit	134,757	0.23	0.14	0.46	683	625	1,999
Total Probable	253,534	0.22	0.11	0.62	1,248	892	5,024
Proven + Probable							
CMM Total Pit	217,302	0.25	0.07	1.01	1,189	517	7,035
Ingerbelle Pit	192,797	0.24	0.15	0.48	1,006	920	2,951
Subtotal Pit Only	410,099	0.24	0.11	0.76	2,196	1,437	9,986
Stockpile	52,240	0.15	0.04	0.45	177	67	756
Total	462,339	0.23	0.10	0.72	2,373	1,504	10,741

1. Joint Ore Reserves Committee (JORC) and CIM (2014) Definition Standards were followed for Mineral Reserves.
2. Mineral Reserves were generated using the September 1, 2020 mining surface.
3. Mineral Reserves are reported at a 0.10% Cu cut-off grade.
4. Mineral Reserves are reported using long-term copper, gold, and silver prices of \$2.75/lb, \$1,500/oz, and \$18.50/oz, respectively.
5. An average CMM copper process recovery at block model domain recovery, gold process recovery of 65%, and silver process recovery of 70% is based on geo-metallurgical domains and actual plant values.
6. An average Ingerbelle copper process recovery of 88.5%, gold process recovery of 71%, and silver process recovery of 65% is based on geo-metallurgical domains, historical recoveries, and recent testwork.
7. Average bulk density is 2.78 t/m³.
8. Stockpile tonnes and grade based on production grade control process.
9. Totals may not add due to rounding.

Copper Mountain Mine Mineral Resource							
Category	Tonnes kt	Copper (%)	Gold (g/t)	Silver (g/t)	Copper (Mlb)	Gold (Moz)	Silver (Moz)
Measured	168,166	0.25	0.10	0.83	940	0.56	4.49
Indicated	433,989	0.22	0.10	0.66	2,097	1.39	9.14
Measured and Indicated	654,395	0.22	0.10	0.68	3,214	2.02	14.39
Inferred	323,502	0.20	0.10	0.50	1,420	1.01	5.21

1. Mineral Resources were estimated using the September 1, 2020 mining surface for Copper Mountain Mine.
2. Mineral Resources are constrained by a \$3.50/lb Cu pit shell.
3. Cut-off grade is based on copper grade only.
4. Mineral Resources are inclusive of Mineral Reserves, but do not include stockpiled material.
5. Cut-off grades applied at 0.10% Cu.
6. Totals may not add due to rounding.

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Peter Holbek, B.Sc (Hons), M.Sc., P. Geo. Mr. Holbek is a full time employee of the Company and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Holbek does consent to the inclusion in this news release of the matters based on their information in the form and context in which it appears.

Qualified Persons

The Mineral Resource estimate for the Copper Mountain mine was prepared by Mr. Peter Holbek, B.Sc (Hons), M.Sc., P. Geo, who is the Vice President, Exploration of [Copper Mountain Mining Corp.](#) Mr. Holbek serves as the Qualified Person as defined by National Instrument 43-101. Mr. Holbek consents to the inclusion of the mineral resource in this news release, and has approved the mineral resource information included in this news release.

Mr. Stuart Collins, P.E., serves as the Qualified Person as defined by National Instrument 43-101 and is the Qualified Person for information regarding the Copper Mountain Mine's Technical Information and Mineral Reserve. Mr. Collins is Mine Technical Services Director of [Copper Mountain Mining Corp.](#), and has reviewed and approved the contents of this news release.

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 90 million pounds of copper equivalent. Copper Mountain also has the development-stage Eva Copper Project in Queensland, Australia and an extensive 2,100 km² 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.

On behalf of the Board of

[Copper Mountain Mining Corp.](#)

"Gil Clausen"

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

Cautionary Note Regarding Forward-Looking Statements

This news release may contain forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance 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 the successful exploration of the Company's properties in Canada and Australia, the reliability of the historical data referenced in this press release and risks set out in Copper Mountain's public documents, including in each management discussion and analysis, filed on SEDAR at www.sedar.com. Although Copper Mountain 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. Except where required by applicable law, Copper Mountain disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

APPENDIX 1: LIFE OF MINE PRODUCTION PLAN (Excluding Stockpile Years)

	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Ore mined	kt	21,929	17,816	30,243	33,076	14,552	20,293	23,011	31,299	29,837	30,532	25,000
Tonnes mined - waste	kt	48,483	70,437	51,782	29,539	38,883	39,744	37,275	33,818	34,973	30,170	30,000
Total material mined (excl. rehandle)	kt	70,412	88,252	82,025	62,615	53,435	60,036	60,286	65,117	64,810	60,702	55,000
Stripping ratio	w:o	2.21	3.95	1.71	0.89	2.67	1.96	1.62	1.08	1.17	0.99	1.20
Tonnes milled per day	TPD	42,016	45,000	45,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Head Grades Milled:												
Copper	%	0.34%	0.31%	0.26%	0.28%	0.29%	0.20%	0.23%	0.25%	0.24%	0.25%	0.20%
Gold	g/t	0.09	0.07	0.15	0.17	0.13	0.10	0.12	0.14	0.12	0.14	0.11
Silver	g/t	1.62	1.49	0.67	0.67	0.85	0.41	0.46	0.48	0.43	0.44	0.41
Recoveries:												
Copper	%	81.6%	84.5%	88.1%	88.0%	86.6%	85.7%	85.2%	87.7%	87.3%	88.0%	87.0%
Gold	%	63.0%	63.1%	70.1%	70.0%	66.9%	68.7%	69.7%	71.0%	70.2%	69.7%	69.0%
Silver	%	67.0%	67.0%	65.2%	65.3%	66.0%	65.6%	65.3%	65.0%	65.2%	65.3%	65.0%
Recovered Metal:												
Copper	Mlbs	92.6	93.6	84.1	129.1	129.3	90.4	103.5	114.1	111.7	114.8	102.0
Gold	Koz	28	24	56	92	68	54	65	76	66	73	66
Silver	Koz	534	528	232	332	427	207	228	237	215	221	220

APPENDIX 2: Proposed Flowsheet for 65ktpd Mill Expansion

SOURCE [Copper Mountain Mining Corp.](#)

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