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**TSX: CUM**

## COPPER MOUNTAIN ANNOUNCES SECOND QUARTER 2012 RESULTS

This release should be read with the unaudited financial statements and management's discussion and analysis available at [www.cumtn.com](http://www.cumtn.com) and filed on [www.sedar.com](http://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.

**Vancouver, British Columbia – August 13, 2012 – Copper Mountain Mining Corporation (TSX: CUM)** (the “Company” or “Copper Mountain”) announces gross revenues of \$75.3 million or \$60.7 million after pricing adjustments and treatment charges for the three months ended June 30, 2012.

### Second Quarter 2012 Highlights

- 31,700 dry metric tonnes of copper concentrate was delivered to Japan containing approximately 18.1 million pounds of copper, 5,600 ounces of gold, and 124,000 ounces of silver.
- Gross revenues of \$75.3 million or \$60.7 million after pricing adjustments and treatment charges.
- Gross profit was \$6.1 million.
- Adjusted<sup>1</sup> earnings were \$7.8 million or \$0.08 per share<sup>2</sup>.
- Net loss for the period was \$7.9 million or \$0.07 per share<sup>3</sup>.
- Adjusted EBITDA for the period was \$18.0 million.
- Site cash costs were US\$1.50 per pound of copper sold net of precious metal credits
- Total costs were US\$2.15 per pound of copper sold net of precious metal credits and after all off site charges.
- Provisional<sup>4</sup> pricing for concentrate shipments averaged US\$3.44 per pound of copper and the cash margin was US\$1.29 per pound sold for the second quarter of 2012.

Jim O'Rourke, President and CEO of Copper Mountain, remarked “although the concentrator operating time continued to improve early in the quarter, downtime due to SAG mill grates and tailings line wear posed challenges in the last half of the quarter resulting in lower than planned production for the quarter. Recently a planned shutdown has allowed us to complete outstanding maintenance issues and install the newly designed SAG mill grates which is an important step forward towards us achieving our production goals”.

Mr. O'Rourke continued, “Looking to the third quarter, management's efforts are fully focused on optimizing mine and mill operations to incrementally increase the daily tonnage, working towards the concentrator design capacity of 35,000 tons per day. Production during the quarter totaled 16.6 million pounds of copper, an increase of 21% over the prior quarter production. We are encouraged by continued progress in 2012 towards reaching the mill's design capacity on a consistent basis”.

<sup>1</sup> Adjusted earnings (loss) and adjusted earnings (loss) per share are non-GAAP financial measures which remove unrealized gains/losses on interest rate swaps, pricing adjustments on unsettled metal sales and unrealized foreign currency gains/losses.

<sup>2</sup> Calculated based on weighted average number of shares outstanding under the basic method based on adjusted earnings.

<sup>3</sup> Calculated based on weighted average number of shares outstanding under the basic method based on earnings attributable to shareholders.

<sup>4</sup> Provisional prices are the LME prices at the time of shipment and are subject to change at the settlement dates.

## Summary Financial Results

(CDN\$, except for cash cost data in US\$)	Three months ended June 30		Six months ended June 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Revenues	60,721,215	-	131,740,948	-
Gross profit	6,144,709	-	33,488,576	-
Operating income (loss)	4,113,156	(2,905,119)	29,987,230	(5,005,671)
Adjusted earnings (loss) <sup>5</sup>	7,811,068	(2,303,712)	29,422,127	(4,308,145)
Earnings (loss) attributable to shareholders of the Company	(6,424,989)	(3,594,072)	14,809,722	(269,919)
Adjusted earnings per share <sup>6</sup>	0.08	(0.02)	0.30	(0.04)
Earnings per share <sup>7</sup>	(0.07)	(0.04)	0.15	(0.01)
Cash and cash equivalents	27,189,047	62,849,133	27,189,047	62,849,133
Working capital	34,625,481	42,161,186	34,625,481	42,161,186
Equity	236,268,846	223,022,555	236,268,846	223,022,555
Copper produced (lbs)	16,557,000	-	30,266,000	-
Gold produced (oz)	4,500	-	8,700	-
Silver produced (oz)	113,500	-	210,000	-
Copper sold (lbs)	18,107,000	-	33,855,000	-
Gold sold (oz)	5,600	-	11,300	-
Silver sold(oz)	124,000	-	248,500	-
Site cash costs per pound of copper produced (net of gold silver credits) (US\$)	\$1.50	-	\$1.46	-
Total cash costs per pound of copper sold (net of gold silver credits) (US\$)	\$2.15	-	\$2.01	-

### Copper Mountain Mine

The Copper Mountain Mine produced 16.6 million pounds of copper during the quarter ended June 30, 2012. During the quarter, the mine completed three shipments of concentrate containing approximately 18.1 million pounds of copper to Japan for smelting and recorded revenues, net of smelter charges and pricing adjustments, of \$60.7 million, realizing a gross profit of \$6.1 million. The total cash cost of copper sold for the three months ended June 30, 2012 was US\$2.15 per pound of copper after gold and silver by-product credits. There are no comparative numbers from the prior year since the concentrator began operating in mid-2011.

Mining activities continued in the Pit 3 area with the push-backs on the western and eastern walls during the quarter averaging approximately 160,000 tonnes per day, an increase of 16% over the previous quarter. The Company mined a total of 13.5 million tonnes of material, including 2.5 million tonnes of ore and 11 million tonnes of waste during the quarter, resulting in a 4.5 to 1 strip ratio. The projected life of mine strip ratio is 2.0:1 but higher in the early years.

Mill production continued to improve early in the quarter with mill feed coming entirely from Pit#3. SAG mill operating time in April reached an average of 91.6% availability as compared to a budgeted availability of 92%. However, down time due to a scheduled SAG mill discharge liner change, ball mill motors electrical issues, tailings line maintenance, and BC Hydro power interruptions from lightning strikes that knocked the concentrator off line on four separate occasions affected operating time during the last two months of the quarter, resulting in lower than planned production for the quarter. The mill treated a total of 2.3 million tonnes of ore at an average grade of 0.404% Cu during the second quarter. The Company has resolved the outstanding issues and is confident that it will reach targeted production rates on a consistent basis in the near term. Copper concentrate production during the quarter totaled 16.6 million pounds of copper, 4,500 ounces of gold, and 113,500 ounces of silver. During the first six months of 2012 the mine completed a total of seven shipments containing approximately 33.9 million pounds of copper, 11,300 ounces of gold, and 248,500 ounces of silver generating \$131.7 million in gross revenue net of pricing adjustments as outlined in the attached summarized financial statements.

<sup>5</sup> 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.

<sup>6</sup> Calculated based on weighted average number of shares outstanding under the basic method based on adjusted earnings.

<sup>7</sup> Calculated based on weighted average number of shares outstanding under the basic method based on earnings attributable to shareholders.

## Summarized Balance Sheet

	June 30, 2012 \$	December 31, 2011 \$
<b>Assets</b>		
Current assets	\$76,388,896	\$ 68,245,867
Reclamation bonds	8,200,500	4,700,500
Property, plant and equipment	516,122,281	520,051,062
Non-current ore stockpile	14,221,871	5,540,890
	<b>614,933,548</b>	<b>598,538,319</b>
<b>Liabilities</b>		
Current liabilities	41,763,415	61,013,998
Decommissioning and restoration provision	5,479,491	5,152,382
Interest rate swap liability	12,176,914	10,610,394
Long-term debt	319,244,882	308,390,897
	<b>378,664,702</b>	<b>385,167,671</b>
<b>Equity</b>		
Share capital	157,715,207	157,596,608
Contributed surplus	8,298,789	6,602,387
Retained earnings (deficit)	3,781,844	(11,027,878)
Non-controlling interest	66,473,006	60,199,531
<b>Total equity</b>	<b>236,268,846</b>	<b>213,370,648</b>
	<b>614,933,548</b>	<b>598,538,319</b>

## Summarized Income Statement

	Three months ended		Six months ended	
	June 30, 2012 \$	June 30, 2011 \$	June 30, 2012 \$	June 30, 2011 \$
<b>Revenue</b>	60,721,215	-	131,740,948	-
<b>Cost of sales</b>	(54,576,506)	-	(98,252,372)	-
<b>Gross profit</b>	6,144,709	-	33,488,576	-
<b>Other income and expenses</b>				
General and administration	(1,191,387)	(918,576)	(2,403,371)	(1,986,622)
Share based compensation	(840,166)	(1,986,543)	(1,097,975)	(3,019,049)
<b>Operating income (loss)</b>	4,133,156	(2,905,119)	29,987,230	(5,005,671)
Finance income	736,696	610,183	945,775	709,306
Finance expense	(2,464,922)	(8,776)	(4,309,435)	(11,780)
Unrealized loss (gain) on interest rate swap	(3,331,469)	(3,439,077)	(3,331,469)	(3,380,651)
Unrealized loss (gain) on foreign exchange	(6,736,181)	1,738,976	(1,457,716)	7,418,877
<b>Income before tax</b>	(7,682,720)	(4,003,813)	21,834,385	(269,919)
<b>Income tax expense</b>	(280,393)	-	(954,761)	-
<b>Net income and comprehensive income for the period</b>	<b>(7,963,113)</b>	<b>(4,003,813)</b>	<b>20,879,624</b>	<b>(269,919)</b>
<b>Net income and comprehensive income attributable to:</b>				
Shareholders of the Company	(6,424,989)	(3,594,072)	14,809,722	(1,309,147)
Non-controlling interest	(1,538,124)	(409,741)	6,069,902	1,039,228
	<b>(7,963,113)</b>	<b>(4,003,813)</b>	<b>20,879,624</b>	<b>(269,919)</b>
<b>Earnings per share:</b>				
Basic	(0.07)	(0.04)	0.15	(0.01)
Diluted	(0.07)	(0.04)	0.14	(0.01)

**Weighted average shares outstanding**  
**Shares outstanding at end of period**

98,504,421	98,133,411	98,492,963	96,241,819
98,505,377	98,404,877	98,505,377	98,404,877

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

Copper Mountain will host a conference call on Tuesday, August 14, 2012 at 11:00 a.m. Eastern Time (8:00 a.m. Pacific Time) to discuss these results. The conference call may be accessed by dialing:

**Live Dial-in information**

Vancouver and international: (647) 427-7450

North America (toll-free): (888) 231-8191

To participate in the webcast live via your computer go to: <http://www.newswire.ca/en/webcast/detail/1020239/1102961>

**Replay call information**

Vancouver and international: 416-849-0833, passcode 21051013

North America (toll-free): 1-855-859-2056, passcode 21051013

The conference call replay will be available from 2:00 pm (ET) on August 14, 2012, until 11:59 pm ET on August 21st, 2011

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

**Exploration Update:**

The company initiated an exploration drilling program in mid-May with the objectives of: 1) converting inferred blocks to the measured and indicated categories, within and peripheral to, planned mining areas; 2) testing depth extents of known mineralization; and 3) testing mineralized areas that are currently outside of the mine plan. Approximately 9,800m of drilling has been completed in 45 holes. A majority of the drilling (6,000m in 28 drill holes), in both shallow and deep holes, was conducted around and below the Pit 2 area, primarily to infill gaps in the block model and to extend the mineralization to depth and to the north. Other drilling was conducted at depth below the south end of Pit 3 and on local geophysical targets. Additionally, close-spaced shallow percussion drilling was carried out along the north side of Pit 2 in order to complete the block model in the near surface areas for mine planning. Drill results are currently being compiled and the exploration program will continue to complete the planned 20,000 meters of drilling for the 2012 exploration program.

**About Copper Mountain Mining Corporation:**

Copper Mountain is a Canadian resource company managed by an experienced team of professionals with a solid track record of exploration and development success. The Company's shares trade on the Toronto Stock Exchange under the symbol "CUM". Copper Mountain owns 75% and Mitsubishi Materials Corporation owns 25% of the Copper Mountain Mine. The 18,000 acre mine site is located 20 km south of the town of Princeton in southern British Columbia. The Copper Mountain Mine has a current resource of approximately 5 billion pounds of copper and recently commenced production. Additional information is available on the Company's new web page at [www.CuMtn.com](http://www.CuMtn.com).

On behalf of the Board of

**COPPER MOUNTAIN MINING CORPORATION**

*"Rod Shier"*

Rodney A. Shier, CA.  
Chief Financial Officer

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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](http://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.