COPPER MOUNTAIN
MINING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2009 AND 2008
(UNAUDITED)

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FORM 51-102F1
COPPER MOUNTAIN MINING CORPORATION
(The "Company")

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A") OF FINANCIAL CONDITION & THE RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009

November 12, 2009

Introduction

Management's discussion and analysis ("MD&A") focuses on significant factors that affected Copper Mountain Mining Corporation's performance and factors that may affect its future performance. In order to better understand the MD&A, it should be read in conjunction with the Company's interim consolidated financial statements and the related notes contained therein for the nine months ended September 30, 2009 and the Company's audited consolidated financial statements with the related notes contained therein for the year ended December 31, 2008. The Company's auditors have not reviewed these interim consolidated financial statements. The Company reports its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The Company's significant accounting policies are set out in Note 2 of the consolidated financial statements for the year ended December 31, 2008. The Company's financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate the Company's development and financial situation.

Forward-Looking Statements

The MD&A contains certain statements that may be deemed "forward-looking statements." All statements in this MD&A, other than statements of historical fact, that address exploration drilling, exploitation activities, and events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "targets" and similar expressions , or that events or conditions "will", "would", "may", "could", or "should" occur. Information inferred from the interpretation of drilling results and information concerning mineral resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, government policy decisions, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources

This discussion uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves**

Cautionary Note Investors Concerning Estimates of Inferred Resources

This discussion uses the term "inferred resources". The Company advises investors that while this term is recognized and required by Canadian regulations, the US Securities and Exchange Commission does not recognize it. Inferred resources have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of a mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of economic studies, except in rare cases. **Investors are cautioned not to assume that any part or all of an inferred resource exists, or is economically or legally mineable.**

1.2 Overview

The Company was incorporated under the provisions of the British Columbia *Company Act* on April 20, 2006, as Copper Mountain Mining Corporation. On December 22, 2006, the Company acquired all of the issued and outstanding common shares of Similco Mines Ltd. ("Similco"), a private company also incorporated under the provisions of the British Columbia *Company Act*, which owns the Similco Mine. On August 19, 2009, Mitsubishi Materials Corporation ("MMC") acquired a 25% non-controlling interest in Similco.

The Company is engaged in the business of mineral exploration and development in the province of British Columbia and has one project at this time, the Copper Mountain Project. The Copper Mountain Project involves the re-development of the Similco mine, a past producer of approximately 1.7 billion pounds of copper. The Company's development plans for the Copper Mountain Project are based on the construction of a new 35,000 tonne per day concentrator to produce approximately 100 million pounds of copper per year, in a copper concentrate with gold and silver credits, by mid 2011.

In the nine months ending September 30, 2009, the Company has continued to focus on the development of the Copper Mountain Project. Definitive agreements between the Company and MMC were completed during the quarter and on August 19, 2009, MMC , and the Company closed the transaction. Under the terms of the definitive agreements MMC has now:

1) purchased a 25% interest in the Copper Mountain Project for $28.75 million;
2) agreed to use commercially reasonable efforts to arrange or provide a $250 million project loan for the Copper Mountain Project;
3) agreed to provide for 25% of the required equity for the project; and,
4) entered into a life of mine concentrate off-take agreement.

As of September 30, 2009, the Company spent $36.8 million on development activities on the Copper Mountain Project. These expenditures included progress payments on the sag mill and ball mills, detailed engineering, funding of the rough cut site geotechnical excavations, as well as initial concrete foundation work for the concentrator. Near the end of the quarter, the Company awarded Gisborne Industrial Construction Ltd the contract as general contractor and mill foundation worked started immediately. The schedule provides for the mill foundations to be completed this fall with steel being erected early next spring. With the preliminary work completed this fall, the mill building will be fully enclosed by mid 2010 to allow equipment installations to proceed to meet the planned mid 2011 production start.

Funding for these expenditures was provided in part by the capital contribution of $28.75 million by MMC for their 25% interest in the Copper Mountain Project.

The Company trades on the Toronto Stock Exchange under the trading symbol CUM.

1.2.1 Copper Mountain Project

The Copper Mountain Project is situated 15 km south of Princeton, British Columbia and 180 km east of the port of Vancouver. Prior to 1996, the mine operated as an open pit copper mine. The Company has conducted an extensive exploration drill program on the property over the last two years that confirmed the continuity of mineralization between the existing open pit mines. The Company has made a development decision for the project and is on track for full production by mid 2011. The development consists of the construction of a 35,000 tonne per day concentrator and is expected to produce 105 million pounds of copper per year in the first 12 years. Based on present reserves, the mine has a life of 17 years. The property consists of 135 Crown granted mineral claims, 132 located mineral claims, 14 mining leases, and 12 fee simple properties covering an area of 6,702.1 hectares or 67 square kilometers.

During the quarter, manufacturing of the sag mill and ball mills continued to progress and is on schedule. Detailed engineering and rough cut site excavations for the concentrator were completed and mill foundation worked started by the end of the quarter. The Company's contractor Gisborne Industrial Construction Ltd. completed the first pour of concrete for the mill foundation just after the end of the quarter. The current plan calls for concrete to continue to be poured through to mid December 2009, to complete the building foundations in preparation for the erection of the building steel in the spring of 2010. The office and warehouse complex has been refurbished and is being used by mine and construction personnel. The Company currently has approximately 16 employees and 78 contractors engaged at the site on construction activities. It is estimated that the project will provide employment for 200 construction workers at its peak and the ongoing operations will create 274 full time positions. A total of $22.7 million in project expenditures on the Copper Mountain Project was deferred during the nine months ended, September 30, 2009, bringing the total to $36.8 million. Of this, $10.4 million was spent on instalment payments for the SAG and Ball mills, $7 million was spent on engineering and construction, $1.5 million on mill site preparation activities, and the balance on various support activities on site in preparation for the development.

1.4 Summary of Quarterly Results

The following table is selected quarterly financial information derived from the Company's financial statements and should be read in conjunction with the consolidated quarterly financial statements.

Quarter	Revenue	Net Income (Loss)	Basic Income (Loss) per Share	Fully Diluted Income (Loss) Per Share
September 30, 2009	-	($407,267)	($0.01)	($0.01)
June 30, 2009		($306,917)	($0.01)	$(0.01)
March 31, 2009	-	($204,055)	($0.01)	$(0.01)
December 31, 2008	-	($277,693)	($0.01)	($0.01)
September 30, 2008	-	($390,666)	($0.02)	($0.01)
June 30, 2008	-	($293,196)[(1)]	($0.01)	($0.01)
March 31, 2008	-	$2,020,341[(2)]	$0.09	$0.08
December 31, 2007	-	($1,111,872) [(3)]	($0.06)	($0.05)

(1) After adjustment of financing costs that were capitalized.

(2) After adjustment for change in tax rate used in calculation

(3) After adjustment for deferred costs during the period

1.5 Results of Operations

For the Three Months Ended September 30, 2009

The Company recorded a loss of $407,267 or $0.01 per share for the three months ended September 30, 2009, compared to a loss of $390,666 for the three months ended September 30, 2008, as shown in the table below:

	Three months ended September 30, 2009	Three months ended September 30, 2008
EXPENSES		
Amortization	$ 5,240	$ 3,394
Advertising & promotion	43,012	26,769
Bank charges & interest	1,818	6,928
Consulting fees	71,632	49,120
General and administration	49,045	41,050
Meals and entertainment	5,372	3,690
Professional fees	33,667	48,877
Shareholder communications	21,490	15,734
Stock-based compensation	84,529	168,242
Transfer agent	3,945	3,607
Travel expenses	20,908	26,274
Wages and salaries	57,823	45,106
Loss before other items	**(398,481)**	**(438,791)**
OTHER ITEMS		
Future income tax recovery	-	-
Interest and other income	6,896	48,125
Non-controlling interest (note 3)	(15,656)	-
Total other items	(8,787)	48,125
INCOME (LOSS) FOR THE PERIOD	**(407,267)**	**(390,666)**

Advertising and promotion was $43,012 for the three months ended September 30, 2009, compared to $26,769 for the three months ended September 30, 2008, as a result of increased investor relations activity during the quarter, relating to announcing the MMC transaction closing, as well as an increase to other areas of investor relations. Consulting fees were $71,632 for the three months ended September 30, 2009, compared to $49,120 for the three months ended September 30, 2008, as a result of hiring a media relations consultant for a short term contract during the quarter. Stock-based compensation was $84,529 for the three months ended September 30, 2009, compared to $168,242 for the three months ended September 30, 2008, and is directly attributable to the number of options issued during the period.

Other items include interest income which was $6,896 for the three months ended September 30, 2009, compared to $48,125 for the three months ended September 30, 2008. This decrease is a result of the Company holding smaller amounts of cash on hand during the 2009 quarter. For the first time this quarter, the Company has recorded a non-controlling interest of $15,656 which represents MMC's share of the operating income of Similco, since MMC's acquisition of its interest in Similco. (See also note 3)

For the Nine Months Ended September 30, 2009

The Company recorded a loss of $918,239 or $0.03 per share for the nine months ended September 30, 2009 as compared to income of $1,561,587 for the nine months ended September 30, 2008 as shown in the table below:

	Nine months ended September 30, 2009	Nine months ended September 30, 2008
EXPENSES		
Amortization	$ 13,577	$ 10,067
Advertising & promotion	67,920	58,103
Bank charges & interest	6,540	21,492
Consulting fees	182,595	194,321
General and administration	130,624	186,112
Meals and entertainment	15,077	13,660
Professional fees	121,777	125,178
Shareholder communications	76,378	68,962
Stock-based compensation	169,058	218,764
Transfer agent	8,257	10,892
Travel expenses	40,151	60,873
Wages and salaries	161,876	161,957
Loss before other items	**(993,830)**	**(1,130,381)**
OTHER ITEMS:		
Future income tax recovery	-	2,461,758
Interest and other income	91,247	230,210
Non-controlling interest (note 3)	(15,656)	-
Total other items	75,591	2,691,968
INCOME (LOSS) FOR THE PERIOD	**(918,239)**	**1,561,587**

Advertising and promotion was $67,920 for the nine months ended September 30, 2009, compared to $58,103 for the nine months ended September 30, 2008, as a result of increased investor relations activity during the period, principally as a result of the closing of the MMC transaction. Consulting fees were $182,595 for the nine months ended September 30, 2009, compared to $194,321 for the nine months ended September 30, 2008. The decrease in consulting fees is attributable to some one time consulting fees incurred during the 2008 period. General and administrative expenses were $130,625 for the nine months ended September 30, 2009, compared to $186,112 for the nine months ended September 30, 2008. The decrease in 2009 is primarily a result of the Company incurring listing fees charges in 2008 as a result of graduating to the TSX exchange. Stock-based compensation was $169,058 for the nine months ended September 30, 2009, compared to $218,764 for the nine months ended September 30, 2008, and is directly attributable to the number of options issued during the period.

The Company recorded interest income of $91,247 for the nine months ended September 30, 2009, compared to $230,210 for the nine months ended September 30, 2008. The reduction in interest income is as a result of the Company holding smaller amounts of cash on hand during the nine months ended September 30, 2009, as funding for the development of the Copper Mountain Project was received in instalments from MMC. For the first time the Company has recorded a non-controlling interest of $15,656 which represents MMC's share of the operating income of Similco since MMC's acquisition of its interest in Similco. (See also note 3)

All of the expenditures relating to the acquisition, exploration, and development of the Copper Mountain Project have been deferred. A total of $22.7 million in project expenditures on the Copper Mountain Project was deferred during the nine months ended, September 30, 2009, compared to $20.2 million in exploration costs for the nine months ended September 30, 2008.

1.6 Liquidity and Capital Resources

As at September 30, 2009, the Company had working capital of $52.4 million (comprised of $54.2 million of cash, $0.3 million of receivables, partly offset by $2.0 million of accounts payable and $0.1 million of capital lease obligations, compared with a working capital deficiency of $3.5 million at December 31, 2008, (comprised of $11.3 million of cash, $1.0 million of receivables, prepaid expenses and amounts due from a related party offset by $1.7 million of accounts payable and $14.1 million of short term mortgage and loan payables).

During the quarter the Company finalized and closed all agreements with respect to MMC purchasing a 25% ownership interest in the Copper Mountain Project for $28.75 million. These proceeds were used to retire the short term loan from MMC. In addition, MMC will be responsible for 25% of the project equity as provided under the terms of the definitive agreements and is in the process of arranging a $250 million project loan with a Japanese banking syndicate. The Company holds excess cash in an interest bearing account or in cashable Guaranteed Investment Certificates at a major Canadian chartered bank.

During the quarter the Company closed a $50 million equity offering consisting of institutional and retail investors. The offering consisted of 43.5 million common shares at a price of Cdn $1.15 per share, resulting in Cdn $50,025,000 in gross proceeds to the Company. The Company also granted the underwriters a 5% over-allotment option, which was exercised by the underwriters subsequent to year end, which raised an additional $2.5 million. Net proceeds from the financing will be used to further the development of the Copper Mountain Project, to fund exploration on the Company's property, to fund general and administrative expenses, and for working capital.

With this equity now raised, and the project debt financing well advanced, the Company is currently forecasting that it will not require additional money to fund its share of the capital requirements of the Copper Mountain Project, however, in the event that it does require additional money, the Company will have to continue to rely on equity and debt financing. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time.The Company's ability to continue as a going concern is dependent upon management's ability to sufficiently fund and manage the Project's development program, manage its foreign currency exposures, and develop the Project on time and on budget that allows it to generate positive cash flows from future operations. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations.

1.7 Capital Resources

Other than those obligations disclosed in the notes to its financial statements for the quarter ended September 30, 2009, and the year ended December 31, 2008, the Company had no material commitments for capital expenditures as of September 30, 2009.

The total costs of the Copper Mountain Project, as estimated in the feasibility study released in September of 2008, are $437 million (including a contingency amount of $35 million). MMC have agreed to use commercially reasonable efforts to arrange a $250 million project loan. The balance of the required funding will be made up of approximately $80 million in equipment loans and approximately $110 million in equity (excluding working capital requirements) to be funded by the partners according to their ownership interests. Copper Mountain is responsible for 75% or approximately $82.5 million. Approximately $38 million of the Company's equity requirement has been satisfied with the completion of Mitsubishi's purchase of 25% ownership of Similco and the Company's prior expenditures on the project. The balance of the Company equity requirements will come from the recently completed equity financing. As at September 30, 2009, the Company had incurred approximately $36.8 million in project expenditures, primarily related to securing long lead equipment items for the project, detailed engineering, site excavations for the concentrator, initial foundation work and rehabilitation of the office and warehouse complex.

1.8 Off-Balance Sheet Arrangements

None

1.9 Transactions with Related Parties

During 2008, the Company advanced $600,000 to Compliance Energy Corporation ("Compliance") as a demand loan secured by the equivalent value of common shares of the Company owned by Compliance, with the loan bearing an interest rate of prime plus 1%. Compliance is a public company, listed on the TSX Venture Exchange and related by common directors and officers. On February 13, 2009 the final outstanding balance of $400,000 plus interest totaling $41,803 was repaid.

During the year period ended September 30, 2009, the Company paid three of its officers consulting, management and geological fees aggregating $306,160 (2008-$281,947).

1.10 Fourth Quarter

Not applicable

1.11 Proposed Transactions

None

1.12 Critical Accounting Estimates

The Company's significant accounting policies are presented in note 2 of the audited consolidated financial statements for the year ended December 31, 2008. The preparation of consolidated financial statements in accordance with generally accepted accounting principles requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the consolidated financial statements. These estimates include:

- mineral resources and reserves,
- the carrying value of mineral properties,
- the carrying value of property, plant and equipment,
- rates of amortization of property, plant and equipment,
- the carrying values of the reclamation liability,
- the valuation allowances for future income taxes
- the assumptions used in determining the reclamation obligation, and
- the valuation of stock-based compensation expense.

Actual amounts could differ from the estimates used and, accordingly, affect the results of operations once the mine is back in production.

1.13 Change in Accounting Policies including Initial Adoption

Effective January 1, 2011, Canadian publicly listed entities will be required to prepare their financial statements in accordance with International Financial Reporting Standards ("IFRS"), instead of current Canadian GAAP. This mandate is first applicable to interim reporting periods in 2011 and includes the requirement to present comparative financial information for the 2010 year, also based on IFRS. Accordingly, although we will first report our result under IFRS in 2011, the underlying conversion will be based on an effective transition date of January 1, 2010.

In mid 2009, management began reviewing IFRS material as a first step in developing an IFRS conversion plan for the transition from Canadian GAAP to IFRS. Management has initially identified four phases to a potential conversion: scoping and planning, detailed assessment, implementation and post implementation.

The scoping and planning phase involves establishing a project team and organizational structure, including oversight of the process by the audit committee; this phase also entails an initial assessment of the key areas where IFRS transition may have a significant impact and present significant challenges. This scoping and planning phase has just begun and this work will continue throughout the remainder of the year. The second phase, detailed assessment, involves in-depth technical analysis that will result in understanding potential impacts, decisions on accounting policy choices and the drafting of accounting policies and preparing a detailed transition plan, as well as identifying any potential IT system requirements. This phase is expected to be complete in the first quarter of 2010. During the implementation phase, management will identify and carry out the implementation requirements to effect management's accounting choices, develop sample financial statements, implement business and internal control requirements, calculate the opening balance sheet at January 1, 2010 and other transitional reconciliations and disclosure requirements. The implementation phase of the conversion will continue through 2010. The last phase of post implementation will involve continuous monitoring through 2011 of changes in IFRS throughout the implementation process.

1.14 Financial Instruments and Other Instruments

Please refer to note 2 of the audited financial statements for the year ended December 31, 2008.

1.15 Other MD&A Requirements

Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

Risks and Uncertainties

The Company's success depends on a number of factors, most of which are beyond the control of the Company. Typical risk factors include copper, gold and silver price fluctuations, foreign currency fluctuations, and operating uncertainties encountered in the mining business. Future government, legal or regulatory changes could affect any aspect of the Company's business, including, among other things, environmental, land claims, permitting and taxation costs which could impact the ability of the Company to develop the Copper Mountain Project. These risks and uncertainties are managed in part, by experienced managers, advisors and consultants, maintaining adequate liquidity, and by cost control initiatives.

Disclosure Controls

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to permit timely discussions regarding public disclosures. Management, including the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures. There has been no change in the Company's Internal Control Framework ("ICFR") during the period beginning on July 1, 2009 and ended on September 30, 2009 that has materially affected, or is reasonably likely to materially affect, the Company's ICFR. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*, are effective to ensure that information required to be disclosed in reports that we file or submit under Canadian securities legislation are recorded, processed and reported within the time period specified in those rules

The Company's internet web site is www.CuMtn.com

COPPER MOUNTAIN MINING CORPORATION
CONSOLIDATED BALANCE SHEETS

	(Unaudited) September 30, 2009	(Audited) December 31, 2008
ASSETS		
Current assets		
Cash and cash equivalents	$ 54,159,446	$ 11,255,709
Accounts receivable	297,933	532,323
Due from related party (note 10)	-	438,187
	54,457,379	12,226,219
Reclamation bonds (note 8)	3,546,000	2,089,000
Property, plant and equipment (note 4)	38,178,229	15,112,291
Resource property (note 5)	22,492,692	22,359,580
TOTAL ASSETS	$ 118,674,300	$ 51,787,090
LIABILITIES:		
Accounts payable	$ 1,992,115	$ 1,710,054
Short term mortgage payable (note 6)	-	12,010,796
Short term loan payable (note 6)	-	2,000,000
Current portion of capital lease obligation (note 7)	126,494	101,315
	2,118,609	15,822,165
Long-term liabilities		
Capital lease obligation (note 7)	192,753	-
Asset retirement obligations (note 8)	3,546,000	2,189,000
Non-controlling interest (note 3)	32,415,656	-
	36,154,409	2,189,000
SHAREHOLDERS' EQUITY		
Share capital (note 9)	79,181,104	31,806,566
Contributed surplus (note 9)	2,153,784	1,984,726
Deficit	(933,606)	(15,367)
	80,401,282	33,775,925
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 118,674,300	$ 51,787,090

Nature of operations and going concern (note 1)
Subsequent event (note 13)

Approved by:

"John Graf"	**Director**	**"Jim O'Rourke"**	**Director**
John Graf		**Jim O'Rourke**	**Director**

The accompanying notes are an integral part of this financial statement

COPPER MOUNTAIN MINING CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME AND DEFICIT (Unaudited)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
EXPENSES				
Amortization	$ 5,240	$ 3,394	$ 13,577	$ 10,067
Advertising & promotion	43,012	26,769	67,920	58,103
Bank charges & interest	1,818	6,928	6,540	21,492
Consulting fees	71,632	49,120	182,595	194,321
General and administration	49,044	41,050	130,624	186,112
Meals and entertainment	5,372	3,690	15,077	13,660
Professional fees	33,667	48,877	121,777	125,178
Shareholder communications	21,490	15,734	76,378	68,962
Stock-based compensation	84,529	168,242	169,058	218,764
Transfer agent	3,945	3,607	8,257	10,892
Travel expenses	20,908	26,274	40,151	60,873
Wages and salaries	57,823	45,106	161,876	161,957
Loss before other items	**(398,480)**	**(438,791)**	**(993,830)**	**(1,130,381)**
OTHER ITEMS:				
Future income tax recovery	-	-	-	2,461,758
Interest and other income	6,869	48,125	91,247	230,210
Non-controlling interest (note 3)	(15,656)	-	(15,656)	-
Total other items	(8,787)	48,125	75,591	2,691,968
INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	**(407,267)**	**(390,666)**	**(918,239)**	**1,561,587**
RETAINED EARNINGS (DEFICIT), BEGINNING OF THE PERIOD	(526,339)	878,100	(15,367)	(1,074,153)
RETAINED EARNINGS, END OF THE PERIOD	$ (933,606)	$ 487,434	$ (933,606)	$ 487,434
INCOME (LOSS) PER SHARE,				
BASIC	$(0.01)	$(0.01)	$(0.03)	$0.07
DILUTED	$(0.01)	$(0.02)	$(0.03)	$0.06
WEIGHTED AVERAGE SHARES OUTSTANDING,				
BASIC	**38,717,393**	**31,595,669**	**29,877,679**	**21,151,405**
DILUTED	**41,218,885**	**25,277,798**	**31,677,417**	**25,277,798**

The accompanying notes are an integral part of this financial statement

COPPER MOUNTAIN MINING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net Income (loss) for the period	$ (407,267)	$ (390,666)	$ (918,239)	$ 1,561,587
Net changes in working capital items:				
Accounts receivable	(46,933)	38,556	234,390	(12,240)
Prepaid expenses	-	40,639	-	141,514
Accounts payable	119,256	(2,011,474)	(1,530,496)	(147,121)
Due from related party	-	(10,418)	438,187	(27,538)
Non-cash expenses:				
Amortization	5,240	3,394	13,577	10,067
Future income tax recovery	-	-	-	(2,461,758)
Stock-based compensation	84,529	168,242	169,058	218,764
Non-controlling interest (note 3)	15,656	-	15,656	-
	(229,519)	(2,161,727)	(1,577,867)	(716,725)
INVESTING ACTIVITIES				
Purchase of reclamation bond	(100,000)	-	(100,000)	-
Purchase of property, plant and equipment	(5,257,686)	(62,029)	(21,266,958)	(201,148)
Resource property costs	(9,074)	(12,730,325)	(133,112)	(20,840,812)
	(5,366,760)	(12,792,354)	(21,500,070)	(21,041,960)
FINANCING ACTIVITIES				
Capital lease obligations	(80,454)	(47,859)	217,932	(149,636)
Issue of common shares, net of issue costs	47,374,538	(137,385)	47,374,538	18,712,377
Repayment of short term loan	(24,643,436)	-	(12,010,796)	-
Proceeds (Repayment) of short term mortgage	-	2,000,000	(2,000,000)	2,000,000
Proceeds from non-controlling interests	32,400,000	-	32,400,000	-
	55,050,648	1,814,756	65,981,674	20,562,741
CHANGE IN CASH	49,454,369	(13,139,325)	42,903,737	(1,195,944)
CASH – BEGINNING OF PERIOD	4,705,077	18,075,726	11,255,709	6,132,345
CASH - END OF PERIOD	$ 54,159,446	$ 4,936,401	$ 54,159,446	$ 4,936,401

The accompanying notes are an integral part of this financial statement

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the provisions of the British Columbia *Business Corporations Act* on April 20, 2006 and is a mining exploration and development company. On December 22, 2006, the Company acquired all of the issued common shares of Similco Mines Ltd. ("Similco"), a private company incorporated under a predecessor Act to the British Columbia *Business Corporations Act*. On August 19, 2009 Mitsubishi Materials Corporation ("MMC") acquired a 25% interest in Similco for $28,750,000 (See also note 3).

These consolidated financial statements have been prepared on a going concern basis, which assumes the ongoing ability of the Company to realize its assets and discharge its liabilities in the normal course of business. The Company's status as a going concern is dependent upon its ability to generate future profitable operations.

For the nine months ended September 30, 2009, the Company reported a net loss of $918,239 and an accumulated deficit of $933,606 at that date. The Company's ability to continue as a going concern is dependent upon management's ability to sufficiently fund the Project's development program and develop the Project on time and on budget allowing it to generate positive cash flows from future operations. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations.

Management is of the opinion that sufficient working capital will be obtained from external financing sources to meet the Company's liabilities as they come due. Should this going concern assumption not be appropriate, values and classifications of assets and liabilities could change and those changes could be material. It is not possible to predict the outcome of those matters at this time.

2. SIGNIFICANT ACCOUNTING POLICIES

Consolidation

These consolidated financial statements include the accounts of the company and Similco. The Company accounts for variable interest entities ("VIE") in accordance with CICA Accounting guideline 15, "Consolidation of Variable Interest Entities" ("AcG 15"). AcG 15 prescribes the application of consolidation principles for entities that meet the definition of a VIE. An enterprise holding other than a voting interest in a VIE could, subject to certain conditions, be required to consolidate the VIE if it is considered its primary beneficiary.

All significant intercompany transactions have been eliminated. (see also note 3)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

Earnings per Share

Earnings (loss) per share is calculated using the weighted average number of shares outstanding during the year. Diluted earnings (loss) per share is calculated using the treasury stock method whereby all "in the money" options and warrants are assumed to have been exercised at the beginning of the period and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the year.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and highly liquid investments with maturities of twelve months or less, when purchased, or which are readily convertible into known amounts of cash. Interest earned is recognized immediately in operations.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Mineral Properties

The Company records its interests in mineral properties and all direct expenditures incurred on them at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment in value. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production or charged to operations in the year of abandonment or sale. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of the property sold.
The recorded cost of mineral exploration interests is based on cash paid, the value of any common share consideration issued and exploration costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

Property, Plant and Equipment

Equipment and building are recorded at a cost and amortized over their estimated useful economic lives on the straight-line basis. The estimated economic lives are 5 years for automobiles, equipment and furniture and 25 years for buildings.

Financial Instruments

The Company has classified its cash as held-for-trading. The Company has classified its accounts payable, short term loan and mortgage payable as other financial liabilities. All financial instruments are to be measured at fair value on initial recognition except for those arising from certain related party transactions. Measurement in subsequent periods is made based on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables, or other financial liabilities. Financial assets and financial liabilities classified as held-for-trading are to be measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are to be measured at amortized cost using the effective interest method of amortization. Financial assets classified as available-for-sale are to be measured at fair value with unrealized gains and losses being recognized in other comprehensive income.

Credit Risk
Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions.

Interest Rate Risk
The Company has no significant interest costs (income) and therefore has no significant interest rate risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure it will have sufficient liquidity to meet liabilities when due. To the extent the Company does not believe it has sufficient liquidity to meet obligations, it will consider securing additional equity funding, or will engage in negotiations to extend terms with debtors. The Company manages liquidity by continuously monitoring and forecasting cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Flow Through Shares

The Company may issue securities referred to as flow through shares, whereby the investor may claim the tax deductions arising from the expenditure of the proceeds. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, future income tax liabilities are recognized (renounced expenditures multiplied by the effective corporate tax rate), and share capital is reduced. Previously unrecognized tax assets may then offset or eliminate the liability recorded.

Income Taxes

The Company accounts for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net assets are recognized. Such an allowance has been applied to all potential income tax assets of the Company.

Stock Based Compensation

The Company measures and records compensation expense in connection with stock options granted using the fair value method. The fair value of stock options is calculated using the Black-Scholes model, generally at the date of grant for employee options or the amendment date, and is amortized to expense over the vesting period, with the offsetting entry made to contributed surplus. If the stock options are exercised, the proceeds are added to share capital, and the applicable amounts of contributed surplus are transferred to share capital.

Impairment of Long Lived Assets

The Company assesses the possibility of impairment in the net carrying value of its long lived assets when events or circumstances indicate impairment may have occurred. Management calculates the estimated undiscounted future net cash flows relating to the asset or asset group using estimated future prices, proven and probable reserves and other mineral resources, and operating, capital and reclamation costs. When the carrying value of an asset exceeds the elated undiscounted cash flows, the asset is written down to its estimated fair value, which is usually determined using discounted cash flows.

Leases

Assets financed by leasing agreements which give rights approximating ownership (finance leases) are capitalized at fair value. The capital elements of future obligations under finance leases are included as liabilities in the balance sheet and the interest element is charged to the income statement. Annual payments under other lease arrangements, known as operating leases, are charged to the income statement on a straight-line basis.

Asset Retirement Obligations

The Company follows the recommendations of CICA Handbook Section 3110, Asset Retirement Obligations. This section requires recognition of a legal liability for obligations relating to retirement of property, plant, and equipment, arising from the acquisition, construction, development, or normal operation of those assets. Such asset retirement cost must be recognized at fair value, when a reasonable estimate of fair value can be estimated, in the period in which it is incurred, added to the carrying value of the asset, and amortized into income on the same basis as the underlying asset. Asset retirement obligations are adjusted to reflect the passage of time (accretion) calculated by applying the discount factor implicit in the initial fair value measurement to the beginning-of-period carrying amount of the obligation. The value of asset retirement obligations is evaluated on an annual basis or as new information becomes available on expected amounts and timing of cash flows required to discharge the liability. These changes are recorded in the period in which they are identified and when costs can be quantified reasonably.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Comparative Figures

Certain comparative information has been reclassified to conform to the current year's presentation.

New Accounting Standards

Goodwill and Intangible Assets – This section was issued in February 2008 and replaced CICA 3062, "Goodwill and Intangible Assets," and Section 3450, "Research and Development". This new standard became effective for fiscal year beginning January 1, 2009 and provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The adoption of this standard had no effect on the consolidated financial statements.

Section 1582 – Business Combinations, Section 1601 - Consolidations and Section 1602 – Non-controlling Interests – These sections were issued in January 2009 and are harmonized with International Financial Reporting Standards. Section 1582 specifies a number of changes, including: an expanded definition of a business combination, a requirement to measure all business acquisitions at fair value, a requirement to measure non-controlling interests at fair value, and a requirement to recognize acquisition-related costs as expenses. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that non-controlling interests be treated as a separate component of equity, not as a liability or other item outside of equity. These new standards are effective for 2011. Early adoption is permitted.

Capital Risk Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide an adequate return on investment to shareholders and to the extent possible, maintain a flexible capital structure which optimizes the cost of capital at acceptable risk. There were no changes to the Company's approach to capital management during the nine months ended September 30, 2009. The Company is not subject to externally imposed capital requirements.

3. NON-CONTROLLING INTEREST

On August 19, 2009, the Company and Mitsubishi Materials Corporation ("MMC") signed a Shareholders' Agreement and a Share Purchase Agreement ("Agreements") whereby MMC invested $28.75 million in Similco to earn a 25% interest in the Copper Mountain Project. Under the terms of the Agreements, Mitsubishi agreed to use commercially reasonable efforts to arrange or provide a $250 million project loan, and contract to purchase all the copper concentrate (approximately 150,000 dry metric tonnes per annum for the first 10 years) from the mine. Under the terms of the Agreements the Board of Directors of Similco will be composed initially of three members representing the Company and two members representing MMC. All substantive decisions related to the development and operation of the Copper Mountain Project require unanimous board approval.

The Company determined that Similco is a variable interest entity and consequently uses the principles of AcG 15 Consolidation of Variable Interest Entities to determine the accounting for its ownership interest. Management concluded that the Company is the primary beneficiary, and therefore, consolidates Similco a non-controlling interest to represent the MMC Ownership interest in the Copper Mountain Project.

The expenditures on the Copper Mountain Project have been recorded in property, plant and equipment and in resource property costs (see also note 4 and 5).

4. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2009			December 31, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Automobiles	$ 118,800	$ (41,457)	$ 77,343	$ 118,801	$ (23,635)	$ 95,166
Building & Equipment	144,825	(44,804)	100,021	107,867	(30,264)	77,603
Computer Equipment	96,197	(54,777)	41,420	96,197	(40,347)	55,850
Mining equipment	1,650,393	(551,309)	1,099,084	1,070,007	(320,882)	749,125
CM Project Costs	36,846,256	-	36,846,256	14,122,133	-	14,122,133
Other equipment	18,632	(4,527)	14,105	18,632	(6,218)	12,414
	$ 38,875,103	$ (696,874)	$ 38,178,229	$ 15,533,637	$ (421,346)	$ 15,112,291

5. RESOURCE PROPERTY

The details of the carrying amount of the Company's resource property costs are as follows:

	September 30, 2009	**December 31, 2008**
Property acquisition costs	$ 1,111,526	$ 1,111,526
Property holding costs	882,650	882,650
Property exploration expenditures		
Amortization	268,658	263,510
Assays	632,133	609,417
Consulting	107,493	107,493
Core cutting	288,795	288,232
Drilling	14,059,693	14,049,362
Feasibility study	2,713,142	2,713,142
Geological consulting	954,591	887,159
Miscellaneous	326,745	319,432
Salaries	499,574	493,339
Scoping study	121,424	121,424
Surveying	366,532	366,532
Travel	149,736	146,362
Total resource property costs	$22,492,692	$22,359,580

6. LOANS PAYABLE

(a) On November 28, 2008 the Company entered into a short term loan agreement with MMC whereby MMC agreed to advance up to $28,750,000 to assist in the initial development work on the Copper Mountain Project. The loan carried an interest rate of 8% per year, calculated monthly. During the quarter, the Company repaid MMC the full balance outstanding of $27,029,047 plus interest of $1,008,938.

(b) During 2008, the Company entered into a purchase agreement to purchase 100% of the lands known as the Smelter Tailings Area which is located within the Company's Copper Mountain Property, inclusive of a reclamation bond in the amount of $1,350,000 for $5,200,000. Under the terms of the agreement the Company paid $3,200,000 in cash towards the purchase and the balance of $2,000,000 was secured by a mortgage that was paid on June 30, 2009. The full value of $5.2 million has been capitalized as a development cost of the Copper Mountain Project. The vendor can continue to operate a biosolids waste management business on the lands until the Company requires the lands.

7. CAPITAL LEASE OBLIGATIONS

Included in property, plant and equipment is mining equipment that the Company acquired pursuant to three and four year capital lease agreements. Capital lease obligations as detailed below are secured over the equipment and are repayable in monthly instalments. Interest is charged at rates fixed at the time the lease was taken out. Future minimum lease payments are as follows:

2010	$ 120,471
2011	120,471
2012	78,306
Total minimum lease payments	319,247
Less: interest portion	-
Present value of capital lease obligations	319,247
Current portion	(126,494)
Non-current portion	$ 192,753

8. ASSET RETIREMENT OBLIGATIONS

During the quarter, the Company increased asset retirement obligation costs by $1.35 million to $3.5 million and has on deposit $3.5 million with the BC government in support of these reclamation liabilities.

9. SHARE CAPITAL

(a) Authorized
Unlimited common shares without par value

(b) Issued:

	Common Shares	Amount	Contributed Surplus
Issued at December 31, 2007	21,752,910	$ 15,492,498	$ 1,512,340
Shares issued for cash:			
Public equity placement	9,523,808	19,999,997	-
Options exercised	12,450	12,450	-
Warrants exercised	335,834	493,437	-
Share issue costs	-	(1,821,151)	-
Non cash items:			
Options exercised	-	4,835	(4,835)
Stock based compensation	-	-	338,371
Flow through renounced	-	(2,236,650)	-
Broker warrants granted	-	(157,310)	157,310
Broker warrants exercised		18,460	(18,460)
Issued at December 31, 2008	31,625,002	$ 31,806,566	$ 1,984,726
Shares issued for cash:			
Public equity placement	43,500,000	50,025,000	-
Share issue costs	-	(2,650,462)	
Non cash items:			
Stock based compensation	-	-	169,058
Issued at September 30, 2009	75,125,002	$ 79,181,104	$ 2,153,784

9. SHARE CAPITAL (Continued)

(c) Stock Options

The Company has a stock option plan whereby it can issue up to 5,500,000 stock options exercisable for a period up to five years from the grant date. The Company has issued 3,876,000 options exercisable at prices ranging from $0.60 to $2.30 per share, under the plan:

	September 30, 2009		December 31, 2008	
Stock options outstanding	**Number of shares**	**Weighted average exercise price**	**Number of shares**	**Weighted average exercise price**
Beginning of period	3,801,300	$1.29	2,623,750	$1.17
Granted during period	3,506,000	$0.61	1,190,000	$1.50
Expired in period	(3,431,000)	$1.27	-	-
Exercised during period	-	-	(12,450)	$1.00
End of period	3,876,300	$0.67	3,801,300	$1.29

(d) Warrants

As at September 30, 2009, no warrants remain outstanding to acquire shares of the Company as follows:

	September 30, 2009		December 31, 2008	
Warrants outstanding	**Number of warrants**	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
Beginning of period	5,011,904	$2.43	2,714,500	$1.66
Granted	-	-	4,761,904	2.50
Expired	(5,011,904)	$2.43	(2,201,500)	1.74
Exercised	-	-	(263,000)	1.52
End of period	-	-	5,011,904	$2.43

(e) Broker Warrants

As at September 30, 2009, 2,175,000 broker warrants remain outstanding to acquire shares of the Company as follows:

	September 30, 2009		December 31, 2008	
Broker Warrants outstanding	**Number of warrants**	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
Beginning of period	675,476	$2.28	655,582	$1.57
Granted during the period	2,175,000	$1.15	571,428	2.50
Expired	(675,476)	$2.28	(478,700)	1.71
Exercised			(72,834)	1.54
End of period	2,175,000	$1.15	675,476	$2.28

10. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of the Company's operations and have been measured at their fair value as determined by management.

- During the period ended September 30, 2009, the Company paid three of its officers consulting, management and geological fees aggregating $306,160 (2008 - $281,947).

- During 2008, the Company advanced $600,000 to Compliance Energy Corporation ("Compliance") as a demand loan secured by the equivalent value of common shares of the Company owned by Compliance, with the loan bearing an interest rate of prime plus 1%. On February 13, 2009 the final outstanding balance of $400,000 plus interest totalling $41,803 was repaid. Compliance is a public company, listed on the TSX Venture Exchange and related by common directors and officers.

11. COMMITMENTS

During 2008, the Company agreed to purchase two ball mills and one sag mill for the development of the Copper Mountain Project. The ball mills and sag mill have an estimated cost of US $39 million. At September 30, 2009, Cdn $15.0 million had been paid towards the purchase of the ball mills and sag mill. The Company's exposure to this commitment is limited to amounts incurred to date, plus 20%, if the order is cancelled, subject to a refund to the Company of any proceeds of sale realized by the manufacturer, less 10%, if the equipment is sold.

12. SUPPLEMENTARY CASH FLOW DISCLOSURES

- During the nine months ended September 30, 2009, the Company deferred $201,494 (2008 - $123,655) of amortization costs on vehicles and mining equipment.
- Also during the nine months ended September 30, 2009 the Company paid $1,025 in interest costs on leased mining equipment and vehicles
- As at September 30, 2009, there was $1,359,477 in accounts payable that related to the development of the Copper Mountain Project.

13. SUBSEQUENT EVENT

Subsequent to the end of the quarter, the Company issued an additional 2,175,000 common shares for gross proceeds of $2.5 million as a result of the underwriters exercising their 5% overallotment option granted in connection with the Company's September 2009 financing. Net proceeds from the financing will be used to further the development of the Copper Mountain Project, to fund exploration on the Company's property, to fund general and administrative expenses, and for working capital.