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TSX: ERO

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## **Ero Copper Corp Reports Third Quarter 2017 Results**

*(all amounts in US dollars, unless otherwise noted)*

**Vancouver, British Columbia – Ero Copper Corp. (TSX: ERO)** (“Ero” or the “Company”) today announced its financial results for the three and nine months ended September 30, 2017. Management will host a call tomorrow, Wednesday November 15, 2017, at 7:00 a.m. Eastern time to discuss the quarterly results. Dial in details for the conference call can be found near the end of this news release.

### HIGHLIGHTS

- Third quarter copper production of 5,793 tonnes at a C1 cash cost of \$1.37 per pound of copper; and,
- During the nine month period ended September 30, 2017, total copper production of 14,799 tonnes at a C1 cash cost of \$1.42 per pound of copper.
- Third quarter net income attributable to owners of the Company of \$18.3 million (\$0.29 per share on a diluted basis). Results include an extraordinary \$14.8 million gain related to deferred income tax recovery.
- Expect to exceed 2017 production forecast of 19,022 tonnes of copper by year end.

*“This was a good quarter for Ero Copper as we continued to achieve our production, safety and development goals while maintaining our focus on aggressive exploration throughout the Curaçá Valley”* commented David Strang, President & CEO of Ero Copper.

*“At Pilar and Suçuarana Norte mines and the Caraíba Mill, the successful execution from the restart of operations in the first quarter of 2017 through to these third quarter results is a true testament to the quality of our operating team in Brazil. At the Vermelhos Mine – a key value driver for the Company in the near-term – the continued ramp development at significantly faster rates than previously envisioned should result in an improvement in our 2018 outlook as we hope to bring Vermelhos into production ahead of schedule.”*

*On exploration, the results achieved to date within the Pilar and Vermelhos mines, including recent intercepts that rank among the top-five intercepts ever drilled at Vermelhos on a grade-*

*meter basis, reinforce the Company's focus on targeting high-grade mineralization throughout the Curaçá Valley. In addition, the continued success of the near-mine exploration programs at Pilar, including in the Deepening Zone, gives us confidence in the longer-term production potential from the Pilar Mine."*

*"The successful completion of our Initial Public Offering and listing of the Company's common shares on the Toronto Stock Exchange in October 2017 provides us with sufficient capital to complete the development of the Vermelhos Mine and effect our organic growth strategy with continued aggressive exploration programs in 2018," Mr. Strang concluded.*

## OPERATIONS, EXPLORATION & CORPORATE HIGHLIGHTS

- **Mining & Milling Operations – high-grade production growth**
  - During the third quarter 2017, 534.0 thousand tonnes (“**kt**”) of ore was mined at a combined grade of 1.23% copper, comprised of 227.6 kt of ore grading 2.08% copper from underground operations and 306.3 kt of ore grading 0.60% from open pit operations;
  - During the third quarter of 2017, 540.9 kt of ore was processed at an average grade of 1.23% copper resulting in 5,793 tonnes of copper production after metallurgical recoveries that averaged 87.1% over the period;
  - During the nine month period ended September 30, 2017, 1.3 million tonnes of ore was mined and processed at a combined grade of 1.29% copper, comprised of 579.8 kt of ore grading 2.21% copper from underground operations and 775.5 kt of ore grading 0.58% copper from open pit operations, at average metallurgical recoveries of 86.8%, to produce 14,799 tonnes of copper in concentrate;
  - 5,642 and 14,271 tonnes of copper in concentrate sold during the third quarter 2017 and during the nine month period ending September 30, 2017, respectively;
  - During the third quarter of 2017, waste stripping and ore stockpiling operations for the restart of the Surubim open pit mine commenced in preparation for mining and ore transport, expected to begin during the fourth quarter of 2017;
  - At Suçuarana North, mineralization has continued beyond the previously envisioned pit limits, allowing open pit mining operations to continue while Surubim prepares for full restart of operations.

- **Vermelhos Mine Development** – *advancing key development milestones*
  - During the third quarter 2017, total development of 645 meters completed, including 310 meters of primary ramp development, 253 meters of secondary development and 83 meters of auxiliary ramp development to access the UG1 Target;
  - Total development completed during the nine month period ending September 30, 2017 of 895 meters, including 535 meters of primary ramp development since May at an average rate of 107 meters per month, well ahead of the ramp development rate envisioned in the NI 43-101 Technical Report of 75 meters per month;
  - 28 kilometer powerline to the mine site completed;
  - Completion of Phase 1 surface infrastructure with Phase 2 advancing on schedule;
  - Orders placed for long-lead time equipment.
- **Exploration Activities** – *advancing “Super Pods”*
  - Pilar District
    - Exploration activities focused on the South Extension and the high-grade infill drilling program including a newly discovered lens within the “Deepening Zone” located in the Pilar underground mine, where several significant intercepts were previously reported.
  - Vermelhos District
    - Exploration activities focused on infill drilling required for stope definition and detailed mine planning, with several significant intercepts including 20.0 meters grading 12.21% copper and 22.0 meters grading 9.60% copper, among the top-five intercepts on a grade-meter basis drilled at the Vermelhos mine to date.
- **Corporate Highlights** – *Successful completion of the Company’s Initial Public Offering and listing on the Toronto Stock Exchange (“TSX”)*
  - Issued an aggregate of 13,492,317 common shares (including 3,492,317 shares issued in connection with the full exercise of the over-allotment option by the underwriters) at C\$4.75 per common share, for total proceeds of approximately \$50.9 million. Proceeds were subject to a 6% fee paid to the underwriters;
  - The common shares commenced trading on the TSX under the symbol “ERO” on October 19, 2017;

- Working capital deficit decreased to \$4.1 million in third quarter 2017 from \$23.1 million in the second quarter of 2017 primarily as a result of a tax amnesty program in Brazil that allows for the deferral of certain taxes payable, which has resulted in the classification of current taxes payable to non-current taxes payable. In addition, the government program allows companies to offset part of taxes payable with the use of tax non-capital loss carry-forward balances. As of September 30, 2017, \$14.8 million was utilized to reduce taxes payable.



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## OPERATING AND FINANCIAL HIGHLIGHTS

	3 months ended September 30, 2017	3 months ended September 30, 2016 <sup>[1]</sup>	9 months ended September 30, 2017	Period ended September 30, 2016 <sup>[1]</sup>
<b>Operating Highlights (MCSA Operations)</b>				
Ore Processed (tonnes)	540,882	n/a	1,318,838	n/a
Grade (% Cu)	1.23	n/a	1.29	n/a
Cu Production (tonnes)	5,793	n/a	14,799	n/a
Cu Production (lbs)	12,770,807	n/a	32,625,130	n/a
Concentrate Grade (% Cu)	35.0	n/a	35.2	n/a
Recovery (%)	87.1	n/a	86.8	n/a
Concentrate Sales (tonnes)	16,118	n/a	40,774	n/a
Cu Sold in Concentrate (tonnes)	5,642	n/a	14,271	n/a
Cu Sold in Concentrate (lbs)	12,438,466	n/a	31,462,132	n/a
C1 Cash cost of copper produced (per lb) <sup>[2]</sup>	1.37	n/a	1.42	n/a
<b>Financial Highlights (\$millions, except per share amounts)</b>				
Revenues	\$33.0	n/a	\$77.6	n/a
Gross profit (loss)	\$6.4	n/a	\$9.3	n/a
Net income (loss) attributable to owners of the Company	\$18.3	(\$0.2)	\$2.9	(\$0.3)
Net income (loss) per share attributable to owners of the Company				
- Basic	\$ 0.32	\$ (0.08)	\$ 0.06	\$ (0.17)
- Diluted	\$ 0.29	\$ (0.08)	\$ 0.05	\$ (0.17)
Cash and Cash Equivalents	\$14.9	\$18.6	\$14.9	\$18.6
Working Capital (Deficit) <sup>[2]</sup>	(\$4.1)	(\$0.2)	(\$4.1)	(\$0.2)

### Footnotes

<sup>[1]</sup> ERO was incorporated on May 16, 2016. MCSA was acquired December 12, 2016. Operations did not commence until the first quarter of 2017

<sup>[2]</sup> Working Capital and C1 cash cost of copper produced (per lb) are non-IFRS measures – see the Notes section of this press release for a discussion on non-IFRS Measures

## OUTLOOK

**Production:** Ero expects to exceed its 2017 production forecast of 19,022 tonnes of copper as outlined in the Vale do Curaçá NI 43-101 Technical Report dated September 7, 2017.

## NOTES

### Non IFRS measures

Financial results of the Company are prepared in accordance with IFRS. The Company utilizes certain non-IFRS measures, including C1 cash cost of copper produced (per lb.) and working capital, which are not measures recognized under IFRS. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

### C1 Cash Cost of Copper Produced (per lb.)

C1 cash cost of copper produced (per lb.) is the sum of production costs, net of capital expenditure development costs and by-product credits, divided by the copper pounds produced. C1 costs reported by the Company exclude treatment, refining charges and offsite costs. By-product credits are calculated based on actual precious metal sales (net of treatment costs) during the period divided by the total pounds of copper produced during the period.



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## CONFERENCE CALL DETAILS

The Company will hold a conference call on Wednesday, November 15, 2017 at 7:00am Eastern time (4:00am Pacific time) to discuss these results.

Date: Wednesday, November 15, 2017  
Time: 7:00 am Eastern time (4:00 am Pacific time)  
Dial in: North America: 1-800-319-4610, International: +1-604-638-5340  
*please dial in 5-10 minutes prior and ask to join the call*

Replay North America: 1-800-319-6413, International: +1-604-638-9010  
Replay Passcode: 1884

This release should be read in conjunction with the complete unaudited consolidated financial statements and management's discussion and analysis ("MD&A") for the three months ended September 30, 2017 available on the Company's website [www.ero-copper.com](http://www.ero-copper.com)

## ABOUT ERO COPPER CORP

Ero Copper Corp, 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 99.5% interest in the Brazilian copper mining company, Mineração Caraíba S.A. ("MCSA"), 100% owner of the Vale do Curaçá Property with over 37 years of operating history in the region. The Company currently mines copper ore from the Pilar underground and the Surubim open pit mines and is currently developing the Vermelhos underground mine. In addition to the Vale do Curaçá Property, MCSA owns 100% of the Boa Esperança development project, an IOCG-type copper project located in Pará, Brazil. Additional information on the Company and its operations, including Technical Reports on both the Vale do Curaçá and Boa Esperança 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)).

Rubens Mendonça, MAusIMM, has reviewed and approved the scientific and technical information contained in this news release. Mr. Mendonça is a Qualified Person and is independent of Ero Copper Corp. as defined by NI 43-101.



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## ERO COPPER CORP.

Signed: "David Strang"

For further information contact:

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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, statements with respect to the Company's expected operations at the Pilar Mine, timing of production at the Vermelhos Mine, drilling plans, plans for the Company's exploration program, the Company's ability to service its ongoing obligations, the Company's future capital resources and the impact of new accounting standards and amendments on the Company's financial statements.

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 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 Prospectus.

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.

GENERAL Information of a scientific or technical nature in respect of the Vale do Curaçá Property included in this news release is based upon the Vale do Curaçá Technical Report, dated September 7, 2017 with an effective date of June 1, 2017, prepared by Rubens Mendonça, MAusIMM, of SRK Brazil, and Porfirio Cabaleiro Rodrigues, MAIG, Mário Conrado Reinhardt, MAIG, Fábio Valério Xavier, MAIG and Bernardo H.C. Viana, MAIG, all of GE21, who are independent qualified persons under NI 43-101.

Please see the Vale do Curaçá Technical Report filed on the Company's profile at [www.sedar.com](http://www.sedar.com), for details regarding the data verification undertaken with respect to the scientific and technical information included in this news release regarding the Vale do Curaçá Property for additional details regarding the related exploration information, including interpretations, the QA/QC employed, sample, analytical and testing results and for additional details regarding the Mineral Resource and Mineral Reserve estimates discussed herein.

**Ero Copper Corp**

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