



TSX: ERO

**JANUARY 15, 2019**

**NR:19-1**

**Ero Copper produces 30,426 tonnes of copper in 2018 and provides 2019 production outlook**

**Vancouver, British Columbia – Ero Copper Corp. (“Ero” or the “Company”)** (TSX: ERO) is pleased to announce the production results for the three and twelve month period ended December 31, 2018 for its 99.6% owned Vale do Curaçá Property located in Bahia State, Brazil. The financial results for the full year and fourth quarter of 2018 will be published on Thursday, March 14, 2019 after the close of the Toronto Stock Exchange.

**2018 Production Highlights:**

- Total annual copper production of 30,426 tonnes compared to 20,133 tonnes produced in 2017, a 51% year-on-year increase in production, and exceeding original 2018 production guidance by 15%;
- Fourth quarter copper production of 12,104 tonnes of copper, a 55% quarter-on-quarter increase in production; and,
- Total annual gold and silver production at the Company’s 97.6% owned NX Gold Mine of 39,808 ounces gold and 24,573 ounces silver.

**2019 Outlook Highlights:**

- Annual copper production guidance of 36,000 to 38,000 tonnes;
- C1 Cash Cost guidance of US\$1.00 to US\$1.10 per pound of copper produced at USD:BRL foreign exchange rate of 3.70;
- Capital expenditure guidance of US\$62.0 million;
- An additional US\$20 million to fund the 2019 exploration program. The program is highlighted by 130,000 meters of planned exploration drilling, comprised of 112,500 meters of near-mine exploration drilling (including continued exploration of the Vermelhos East Zone and Pilar West Limb), plus an additional 17,500 meters of planned greenfields exploration drilling to test high-priority regional exploration targets identified during the Company’s airborne geophysical survey.

Commenting on the 2018 production results and 2019 outlook, David Strang, President & CEO of Ero stated, *“Our strategy for 2018 was to secure a long-term foundational copper production base*

*for the operations in the Curaçá Valley. With the ahead-of-schedule commissioning of the Vermelhos Mine in August, and consistent month on month production from the Pilar Mine, the Company has achieved that goal. In addition, the mill throughput of 777,480 tonnes in the fourth quarter, an annualized equivalent throughput of 3.1 million tonnes, demonstrates that the mill is capable of operating consistently at its current deemed capacity limits of approximately 3.2 million tonnes per annum.*

*As we look forward to 2019, we expect to build on the strong operational performance realized to date as we continue to increase total copper production, further reduce operating costs and implement several high-value optimization projects that were started during 2018. While ore production in 2019 is notionally forecast to be 2 million tonnes, we are focused on identifying opportunities to continue to increase mill throughput this year at each mining operation.*

*Further, our exploration programs are now focused on both lengthening mine life and increasing mill throughput. We intend to build on the successes made in 2018 with the discoveries of the West Limb at Pilar and the East Zone at Vermelhos, by bringing each discovery into mineral reserves through aggressive in-fill and extension drilling. In addition, we will also be evaluating and pursuing new regional targets generated from the 2018 airborne geophysical survey that will allow us to continue to grow our operational footprint in the Curaçá Valley.”*

## 2018 PRODUCTION RESULTS

### ▪ **Mining & Milling Operations** – record year and quarter

- Total of approximately 2.3 million tonnes of ore grading 1.56% copper mined and processed during the year producing 30,426 tonnes of copper in concentrate after average metallurgical recoveries of 86.3%;
- Fourth quarter mill throughput of 777,480 tonnes grading 1.77% copper producing 12,104 tonnes of copper in concentrate after metallurgical recoveries that averaged 87.8% during the period;
- Early commissioning of the Vermelhos Mine (approximately 4 months ahead of schedule) resulted in a total of 206,873 tonnes of ore grading 2.72% copper mined contributing to the annual production result, with 143,661 tonnes grading 2.77% copper mined during the fourth quarter;
- The Company’s 97.6% owned NX Gold Mine processed 117,857 tonnes of ore grading 11.55 grams per tonne gold, resulting in the production of 39,808 ounces of gold and 24,573 ounces of silver as by-product after metallurgical recoveries that averaged 91.0% during the twelve month period ended December 31, 2018.

## 2019 PRODUCTION OUTLOOK

Copper production in 2019 is expected to have a slight bias towards the first half of the year due to higher-grade stope sequencing at both the Pilar and Vermelhos underground mines as well as incremental production from the R22W open pit mine. R22W is expected to augment underground production during the first half of the year (contributing approximately 250,000 tonnes of ore grading 0.50% copper). Underground production from the Pilar Mine is expected to contribute a total of approximately 1.3 million tonnes grading 1.80% copper while underground production from the Vermelhos Mine is expected to contribute a total of approximately 500,000 tonnes grading 3.20% copper resulting in a blended head grade of approximately 2.00% copper for 2019.

	2018 Original Guidance	2018 Revised Guidance	2018 Result	2019 Guidance <sup>(1)</sup>
Tonnes Processed Sulphides	2,000,000	2,200,000	2,257,917	2,050,000
Copper Grade (% Cu)	1.50%	1.50%	1.56%	2.00%
Copper Recovery (%)	86.0%	86.0%	86.3%	88.0%
<b>Cu Production (000 tonnes)</b>	<b>25.5 – 27.5</b>	<b>28.0 – 29.0</b>	<b>30.4</b>	<b>36.0 – 38.0</b>

- (1) Guidance is based on certain estimates and assumptions, including but not limited to, mineral reserve estimates, grade and continuity of interpreted geological formations and metallurgical performance. Please refer to the Company's SEDAR filings for complete risk factors.

## 2019 CASH COST GUIDANCE

The Company's guidance for 2019 assumes a USD:BRL foreign exchange rate of 3.70, gold price of \$1,200 per ounce and silver price of \$14.50 per ounce.

	2018 Revised Guidance	2019 Guidance
<b>C1 Cash Cost Guidance (US\$/lb)<sup>(1)</sup></b>	<b>\$1.10 - \$1.20</b>	<b>\$1.00 – \$1.10</b>

- (1) C1 Cash Costs are a non-IFRS measures – see the Notes section of this news release for additional information.

## 2019 CAPITAL EXPENDITURE GUIDANCE

The Company's capital expenditure guidance for 2019 assumes a USD:BRL foreign exchange rate of 3.70 and has been presented below in USD millions.

	2018 Guidance	2019 Guidance
Pilar Mine	39.0	42.0
Vermelhos	36.0	18.0
Boa Esperança	1.0	2.0
<b>Capital Expenditure Guidance</b>	<b>76.0</b>	<b>62.0</b>
<b>Exploration<sup>(1,2)</sup></b>	<b>20.0</b>	<b>20.0</b>

- (1) Exploration capital expenditure guidance is dependent, in part, on future exploration success and subject to further review and revision.
- (2) 2018 exploration capital expenditure guidance included approximately US\$6 million related to the Company's airborne geophysical survey.



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## CONFERENCE CALL DETAILS

The financial results for the full year and fourth quarter of 2018 will be published on Thursday, March 14, 2019 after the close of the Toronto Stock Exchange. The Company will host a conference call to discuss the results on Friday, March 15, 2019.

Date: Friday, March 15, 2019  
Time: 11:30 am Eastern time (8:30 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: 2876

## 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), which is not a measure recognized under IFRS. The Company believes that the measure, 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 cash costs reported by the Company include treatment, refining charges, offsite costs, and certain tax credits relating to sales invoiced to the Company's Brazilian customer on sales. 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. C1 cash cost of copper produced per pound is a non-IFRS measure used by the Company to manage and evaluate operating performance of the Company's operating mining unit, and is widely reported in the mining industry as benchmarks for

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performance, but does not have a standardized meaning and is disclosed in addition to IFRS measures.

## 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 99.6% interest in the Brazilian copper mining company, MCSA, 100% owner of the Vale do Curaçá Property with over 39 years of operating history in the region. The Company currently mines copper ore from the Pilar underground mine, the Surubim open pit mine, the R22W open pit mine and its newly constructed 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 and 97.6% of the NX Gold Mine, an operating gold and silver mine located in Mato Grosso, Brazil. Additional information on the Company and its operations, including Technical Reports on 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, Chartered Professional – Mining, has reviewed and approved the scientific and technical information contained in this press release. Mr. Mendonça is a Qualified Person and is independent of Ero Copper Corp. as defined by National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("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, results and timing of exploration programs and projections for tonnage, grade, metallurgical recoveries, copper production, capital expenditures and operating costs and the significance of any of the Company's planned exploration and optimization programs.

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 Annual Information Form of the Company for the year ended December 31, 2017, dated March 28, 2018.

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 press release is based upon the Vale do Curaçá technical report entitled "2018 Updated Mineral Resources and Mineral Reserves Statements of Mineração Caraíba's Vale do Curaçá Mineral Assets, Curaçá Valley", dated October 17, 2018 with an effective date of August 1, 2018, prepared by Rubens Jose De Mendonça, MAUSIMM, of Planminas and Porfirio Cabaleiro Rodrigues, MAIG, Fábio Valério Câmara Xavier, MAIG, and Bernardo Horta de Cerqueira Viana, MAIG, all of GE21 Consultoria Mineral, whom 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 press 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.

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