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**MAY 7, 2019**

**NR:19-6**

**Ero Copper Reports First Quarter Results**

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

**Vancouver, British Columbia – Ero Copper Corp. (TSX: ERO)** (“Ero” or the “Company”) today is pleased to announce its financial results for the three months ended March 31, 2019. Management will host a conference call tomorrow, Wednesday, May 8, 2019, at 11:30 a.m. Eastern to discuss the results. Dial in details for the call can be found near the end of this press release.

**HIGHLIGHTS**

- First quarter copper production of 10,645 tonnes of copper;
- First quarter C1 Cash Costs\* of \$0.91 per pound of copper produced;
- First quarter gold and silver production at the NX Gold Mine of 10,119 ounces of gold and 6,359 ounces of silver at C1 Cash Costs\* of \$486 per ounce of gold produced;
- Generated \$39.3 million in Adjusted EBITDA\* and \$25.1 million in cash flow from operations during the three month period ended March 31, 2019;
- Adjusted net income attributable to owners of the Company\* of \$15.7 million (\$0.17 per share on a diluted basis) during the three month period ended March 31, 2019;
- Ended the first quarter with cash position of \$22.1 million; and,
- Reiterated full year production, capital and operating cost guidance for 2019.

*“Our operational results from the first quarter of 2019 are in line with our expectations and demonstrate strong overall performance during the period. The results are highlighted by a significant quarter-on-quarter increase in grades mined and processed as we started to mine the main orebodies of the Vermelhos Mine during the period. The increase in mill head-grade, paired with several recently completed low-cost and high-value milling and flotation improvement initiatives resulted in increased metallurgical recoveries which contributed to the 8% improvement in C1 Cash Costs per pound of copper produced when compared to the fourth quarter of 2018 and reflects the continued great work by our team at Mineração Caraíba.*”

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*At Vermelhos, production from the first operating stopes of the main orebodies commenced during the period, resulting in a 34% quarter-on-quarter improvement in grades mined. With two quarters of production at Vermelhos now complete, we are extremely pleased with the operational performance of the mine. At Pilar, a decline in grades was anticipated due to planned stope sequencing, and we expect grades to improve through the balance of the year. During the period, we also repositioned our open pit mining fleet and commenced operations at R22W, which we expect will continue to ramp up production through the second quarter.*

*Now that production from Pilar and Vermelhos is on stable footing, we have continued to increase our exploration efforts throughout the Curaçá Valley where we now have 24 drill rigs operating. While the majority of the ongoing exploration programs are focused in and around our existing mines in preparation of our updated National Instrument 43-101 compliant technical report, expected to be completed towards the end of the third quarter or early fourth quarter, we have now commenced drilling targets within the Vermelhos and Pilar Districts identified during the Company's regional airborne survey and subsequent data compilation and prioritization work.*

*At our high-grade NX Gold Mine, production of 10,119 ounces of gold and 6,359 ounces of silver during the period was in line with 2018 production levels. Mill improvements completed during the period combined with an increase in mill head-grades contributed to a 10% overall improvement in C1 Cash Costs to \$486 per ounce of gold produced – a fantastic achievement for our NX Gold team” commented David Strang, President & CEO of Ero.*

\*EBITDA, Adjusted EBITDA, Adjusted net income (loss), C1 Cash Cost of copper produced (per lb) and C1 Cash Costs of gold produced (per ounce) are non-IFRS measures – see the Notes section of this press release for a discussion on non-IFRS Measures

## OPERATIONS & EXPLORATION HIGHLIGHTS

- **Mining & Milling Operations – strong start to 2019**
  - 530,133 tonnes of ore grading 2.19% copper processed during the first quarter producing 10,645 tonnes of copper in concentrate after average metallurgical recoveries of 91.8%;
  - Commenced mining of the Vermelhos main orebodies, with 139,143 tonnes mined grading 3.71% copper mined during the period contributing to a significant increase in total grades mined and processed;

- The Company's 97.6% owned NX Gold Mine processed 38,717 tonnes of ore grading 8.76 grams per tonne gold, resulting in the production of 10,119 ounces of gold and 6,359 ounces of silver as by-product after metallurgical recoveries that averaged 92.8% during the first quarter of 2019.
- **Exploration Activities** – *advancing new discoveries*
  - Vermelhos District
    - Exploration in the Vermelhos District, where 11 drill rigs are currently operating, is focused on in and near-mine expansion as well as drilling a north-northeast mineralized trend encompassing the Vermelhos Mine, East Zone, N8 Deposit and several high-priority regional targets located south and to the north of the Vermelhos Mine – a combined strike length of approximately 5.5 kilometers.
  - Pilar District
    - Exploration activity within the Pilar District, where 13 drill rigs are currently operating, continues to focus on previously announced discoveries of the West Limb and Deepening Extension zones. Recent drilling has identified a high-grade zone of mineralization within the southern portion of the West Limb and newly identified and now digitized data continues to augment exploration activities at Pilar. In addition, the Company continues to drill test several regional targets within the Pilar District south of the Pilar Mine identified during the Company's data compilation and targeting work.
  - NX Gold Mine
    - At the NX Gold Mine, where 6 drill rigs are currently operating, exploration efforts are focused on a recently announced new zone of mineralization. This new zone of mineralization is located between and on-trend of the Bras and Buracão veins. To-date, mineralization has been delineated over approximately 400 meters in strike-length and approximately 200 meters down-dip and remains open to depth.
  - Regional Programs
    - With the Company's regional data compilation and targeting work now substantively completed, the Company has prioritized and is currently drilling regional exploration targets proximate to the existing operations. An order for a mobile truck-mounted reverse-circulation drill rig has been placed with our



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primary drill contractor that will be used to expedite testing of regional targets distal to the Pilar and Vermelhos mines.



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## OPERATING AND FINANCIAL HIGHLIGHTS

	3 months ended Mar. 31, 2019	3 months ended Dec. 31, 2018	3 months ended Mar. 31, 2018
<b>Operating Highlights (MCSA Operations)</b>			
Ore Processed (tonnes)	530,133	777,480	316,126
Grade (% Cu)	2.19	1.77	1.76
Cu Production (tonnes)	10,645	12,104	4,845
Cu Production (000 lbs)	23,468	26,685	10,682
Cu Sold in Concentrate (tonnes)	10,033	12,900	4,096
Cu Sold in Concentrate (000 lbs)	22,118	28,440	9,030
C1 Cash cost of copper produced (per lb) <sup>(1)</sup>	0.91	0.99	1.63
<b>Gold (NX Gold Operations)</b>			
Au Production (ounces)	10,119	10,008	9,418
C1 Cash cost of gold produced (per ounce) <sup>(1)</sup>	486	540	555
<b>Financial Highlights (\$millions, except per share amounts)</b>			
Revenues	\$72.0	\$85.1	\$39.7
Gross profit (loss)	\$32.6	\$39.0	\$8.5
EBITDA <sup>(1)</sup>	\$37.2	\$40.2	\$13.6
Adjusted EBITDA <sup>(1)</sup>	\$39.3	\$39.0	\$13.6
Cash flow from (used in) operations	\$25.1	\$24.0	\$2.9
Net income (loss) attributable to owners of the Company	\$15.3	\$11.2	(\$1.4)
Net income (loss) per share attributable to owners of the Company – Basic	\$0.18	\$0.13	(\$0.02)
Net income (loss) per share attributable to owners of the Company – Diluted	\$0.17	\$0.13	(\$0.02)
Adjusted net income (loss) attributable to owners of the Company <sup>(1)</sup>	\$15.7	\$7.9	(\$1.9)
Adjusted net earnings (loss) per share attributable to owners of the Company <sup>(1)</sup> – Basic	\$0.19	\$0.09	(\$0.02)
Adjusted net earnings (loss) per share attributable to owners of the Company <sup>(1)</sup> – Diluted	\$0.17	\$0.09	(\$0.02)
Cash and Cash Equivalents	\$19.5	\$18.9	\$27.1
Working Capital (Deficit) <sup>(1)</sup>	(\$0.7)	(\$9.3)	(\$22.2)
Net Debt <sup>(1)</sup>	(\$133.1)	(\$130.3)	(\$110.7)

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#### Footnotes

<sup>(1)</sup> EBITDA, Adjusted EBITDA, Adjusted net income (loss) attributable to owners of the Company, Adjusted earnings (loss) per share, Net Debt, Working Capital, C1 Cash Cost of copper produced (per lb) and C1 Cash Cost of gold produced (per ounce) are non-IFRS measures – see the Notes section of this press release for a discussion on non-IFRS Measures

### ADJUSTED EBITDA & NET INCOME (LOSS) RECONCILIATION

	2019 – Q1
<b>Adjusted EBITDA</b>	<b>\$ 39,294</b>
Adjustments:	
Unrealized foreign exchange loss on USD denominated debt in MCSA	(136)
Unrealized foreign exchange loss on derivative contracts	(265)
Realized foreign exchange gain on derivative contracts	723
Share based compensation and other	(2,453)
<b>EBITDA</b>	<b>\$ 37,163</b>
<b>Adjusted net income (loss)</b>	<b>\$ 15,722</b>
Adjustments for non-cash items (attributable to owners of the Company):	
Unrealized foreign exchange loss on USD denominated debt in MCSA	(135)
Unrealized foreign exchange loss on derivative contracts	(264)
<b>Reported net income attributable to owners of the Company</b>	<b>\$ 15,323</b>

### OUTLOOK

The Company's production, cash cost and capital expenditure guidance for 2019 remains unchanged. Additional information is outlined below and further detailed in the Company's press release dated January 15, 2019.

#### Production & Cash Costs:

	2019 <sup>(1)</sup>
Tonnes Processed Sulphides	2,050,000
Copper Grade (% Cu)	2.00%
Copper Recovery (%)	88.0%
<b>Cu Production Guidance (tonnes)</b>	<b>36.0 – 38.0</b>
<b>C1 Cash Cost Guidance (US\$/lb)<sup>(2)</sup></b>	<b>\$1.00 – \$1.10</b>

#### Footnotes:

<sup>(1)</sup> 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.

<sup>(2)</sup> C1 Cash Costs of copper produced (per lb.) is a non-IFRS measures – see the Notes section of this press release for a discussion of non-IFRS measures.

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## Capital Expenditures:

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.

	2019
Pilar Mine	42.0
Vermelhos	18.0
Boa Esperança	2.0
<b>Capital Expenditure Guidance</b>	<b>62.0</b>
<b>Exploration<sup>[1]</sup></b>	<b>20.0</b>

### Footnotes:

<sup>[1]</sup> Exploration capital expenditure guidance is dependent, in part, on future exploration success and subject to further review and revision

## 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), C1 cash costs of gold produced (per ounce), EBITDA, Adjusted EBITDA, Adjusted net income (loss), Adjusted earnings (loss) per share, net debt 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 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

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operating mining unit, and is widely reported in the mining industry as benchmarks for performance, but does not have a standardized meaning and is disclosed in addition to IFRS measures.

### **C1 Cash Cost of gold produced (per ounce)**

C1 Cash cost of gold produced (per ounce) is the sum of production costs, net of capital expenditure development costs and silver by-product credits, divided by the gold ounces produced. By-product credits are calculated based on actual precious metal sales during the period divided by the total ounces of gold produced during the period. C1 cash cost of gold 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 performance but does not have a standardized meaning and is disclosed in addition to IFRS measures.

### **Earnings before interest, taxes, depreciation and amortization (EBITDA) and Adjusted EBITDA**

EBITDA represents earnings before interest expense, income taxes, depreciation, and amortization. Adjusted EBITDA includes further adjustments for non-recurring items and items not indicative to the future operating performance of the Company. The Company believes EBITDA and adjusted EBITDA are appropriate supplemental measures of debt service capacity and performance of its operations.

Adjusted EBITDA is calculated by removing the following income statement items:

- Gain on debt settlement
- Foreign exchange gain (loss)
- Share based compensation

### **Adjusted Net Income (Loss) and Adjusted Earnings (Loss) Per Share**

The Company uses the financial measure "Adjusted net income (loss)" and "Adjusted earnings (loss) per share" to supplement information in its consolidated financial statements. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information to evaluate the Company's performance. The Company excludes non-cash and unusual



items from net earnings to provide a measure which allows the Company and investors to evaluate the operating results of the underlying core operations.

During the period, the following non-cash or unusual adjustments to calculated adjusted net income (loss):

- Unrealized foreign exchange gain (loss) on USD denominated debt in MCSA
- Unrealized foreign exchange gain (loss) on derivatives contract

### **Net Debt**

Net debt is determined based on cash and cash equivalents, restricted cash and loans and borrowings as reported in the Company's consolidated financial statements. The Company uses net debt as a measure of the Company's ability to pay down its debt.

### **Working capital**

Working capital is determined based on current assets and current liabilities as reported in the Company's consolidated financial statements. The Company uses working capital as a measure of the Company's short-term financial health and operating efficiency.



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## CONFERENCE CALL DETAILS

The Company will hold a conference call on Wednesday, May 8, 2019 at 11:30am Eastern time (8:30am Pacific time) to discuss these results.

Date: Wednesday, May 8, 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: 3200

This press release should be read in conjunction with the complete condensed consolidated interim financial statements and management's discussion and analysis ("MD&A") for the three month period ended March 31, 2019 available on the Company's website [www.ero-copper.com](http://www.ero-copper.com) and on SEDAR ([www.sedar.com](http://www.sedar.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 99.6% interest in the Brazilian copper mining company, Mineração Caraíba S.A. ("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 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 the Company, directly and indirectly, owns 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 the Vale do Curaçá, Boa Esperança and NX Gold 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 as defined by National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101").



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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 estimation of mineral reserves and mineral resources, production, operating costs, capital expenditures the significance of any particular exploration program or result and the Company's expectations for current and future exploration plans including, but not limited to, planned areas of additional exploration, timing of any updated technical reports and further extensions and expansion of mineralization near the Company's existing operations and throughout the Curaçá Valley and NX Gold Mine.

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, NX Gold Mine 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, 2018, dated March 14, 2019.

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. Information of a scientific or technical nature in respect of the NX Gold Mine included in this press release is based upon the Vale do Curaçá technical report entitled "Mineral Resource and Mineral Reserve Estimate of the NX Gold Mine, Nova Xavantina", dated January 21, 2019 with an effective date of August 31, 2018, prepared by Porfirio Cabaleiro Rodrigues, MAIG, Leonardo Apparicio da Silva, MAIG, and Leonardo de Moraes Soares, MAIG, all of GE21 Consultoria Mineral, whom are independent qualified persons under NI 43-101.

Please see the relevant Technical Reports 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 and the NX Gold Mine 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.

Cautionary Notes Regarding Mineral Resource and Reserve Estimates In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of the Company disclosed or incorporated by reference in this press release have been prepared in accordance with NI 43-101 and are classified in accordance with the CIM Standards.

Mineral resources which are not mineral reserves do not have demonstrated economic viability. Pursuant to the CIM Standards, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with Measured or Indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an Inferred mineral resource will be upgraded to an Indicated or Measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, Inferred mineral resources may not form the basis of any economic analysis. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered.

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