



---

TSX: ERO

JANUARY 9, 2018

NR:18-1

### **Ero Copper Corp. Guidance – Increasing 2018 Production Forecast**

**Vancouver, British Columbia – Ero Copper Corp. (TSX: ERO** (the “Company”)) is pleased to provide the following production and cost guidance for 2018. Key highlights are as follows:

- 2018 production guidance of 25,500 to 27,500 tonnes of contained copper, a meaningful improvement as compared to the 2018 forecast outlined in the 2017 Vale do Curaçá Technical Report dated September 7, 2017 (the “Technical Report”)
- Production start up at the Vermelhos Mine in the fourth quarter of 2018, including first production from the main Vermelhos orebody, previously expected late in the first quarter of 2019
- C1 Cash Cost guidance of US\$1.30 to US\$1.40 per pound of copper produced at updated USD:BRL foreign exchange rate assumption of 3.20 vs. Technical Report assumption of 3.60
- Capital expenditure guidance of approximately US\$96 million, includes bringing forward development capital to 2018 in support of the accelerated Vermelhos Mine start up and a significantly expanded exploration program of approximately US\$20 million focused on high-grade discovery throughout the Curaçá Valley
- 2018 exploration program highlighted by the airborne electromagnetic (“EM”) and gravity survey (expected to commence during the first quarter of 2018) and 86,000 meters of planned drilling

David Strang, President and CEO commented, “*As we close out what has been a transformational year for the Company, we are very excited about 2018 in all aspects of production, mine development and exploration. Our copper production outlook for 2018 reflects our focus on aggressively growing copper production and utilizing the operational leverage of our under-utilized mill and processing facilities. The increased production reflects the outperformance of Vermelhos development achieved to date and the expansion of Surubim operations – key initiatives undertaken and realized during 2017. We now fully expect the Vermelhos Mine to begin production during the fourth quarter.*”



TSX: ERO

*In addition to the positive developments in production, our expanded exploration and drilling program of approximately US\$20 million should position the Company to target high-grade copper mineralization throughout the Curaçá Valley using modern exploration techniques. This program includes one of the largest airborne electromagnetic and gravity surveys to be undertaken in Brazil. We expect the airborne survey to be substantively completed during the first half of 2018.*

*While capital expenditures have increased relative to the 2017 Technical Report, these increases are predominately related to the accelerated start up of the Vermelhos Mine and the expanded exploration program. In addition, we are making increased capital investments in certain areas of the Pilar Mine in preparation for a longer mine life including in advancing ventilation and development” Mr. Strang concluded.*

## PRODUCTION OUTLOOK<sup>[1]</sup>

Copper production guidance for 2018 is weighted towards the second half of the year in part due to the commissioning of the Vermelhos Mine during the fourth quarter. Production from the Pilar Mine is expected to contribute approximately 1.3 million tonnes of ore grading 1.80% copper, while the extension of Surubim Phase 2 is expected to contribute approximately 600,000 tonnes grading 0.90% copper from open pit operations. Commissioning of the Vermelhos Mine during the fourth quarter is expected to contribute an additional 90,000 tonnes of ore grading approximately 2.50% copper, resulting in a blended head grade for the full year of between 1.50% and 1.60% copper.

	<b>2018</b>
Tonnes Processed Sulphides	2,000,000
Copper Grade (% Cu)	1.50%
Copper Recovery (%)	86.0%
<b>Cu Production Guidance (tonnes)</b>	<b>25,500 – 27,500</b>

<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.

## CASH COST GUIDANCE

The Company’s guidance for 2018 assumes a USD:BRL foreign exchange rate of 3.20, gold price of US\$1,250 per ounce and silver price of US\$17.50 per ounce.

Relative to the Technical Report, full year cash costs in 2018 are expected to increase to reflect the start-up staffing requirements of the Vermelhos Mine which were previously amortized over a



TSX: ERO

full-year of Vermelhos production in 2019, a higher portion of production from open pit operations (none envisioned in the Technical Report), and an adjustment in foreign exchange rate assumptions. C1 Cash Cost guidance has been updated to include treatment and refining charges (“TC/RCs”), offsite transportation costs and certain tax benefits that are passed through to customers on invoicing. These adjustments were not included in C1 Cash Costs in the Technical Report.

	<b>2018</b>
<b>C1 Cash Cost Guidance (US\$/lb)<sup>[1]</sup></b>	<b>\$1.30 – \$1.40</b>

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

## CAPITAL EXPENDITURE GUIDANCE

The Company’s capital expenditure guidance for 2018 assumes a USD:BRL foreign exchange rate of 3.20 and has been presented below in USD millions.

Relative to the Technical Report, full year capital expenditures are expected to increase due to the acceleration of the Vermelhos Mine and a significant expansion of the exploration program. Additional investments in the Pilar underground mine and supporting infrastructure are being made during 2018 in preparation for a longer mine life than previously envisioned.

	<b>2018</b>
Pilar Mine	39.0
Vermelhos	36.0
Exploration & Drilling <sup>[1]</sup>	20.0
Boa Esperança	1.0
<b>Capital Expenditure Guidance</b>	<b>96.0</b>

<sup>(1)</sup> Exploration & drilling 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.) 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



---

TSX: ERO

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. By-product credits are calculated based on actual precious metal sales (net of TC/RCS) during the period divided by the total pounds of copper produced during the period.

### **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. 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.



TSX: ERO

## ERO COPPER CORP.

Signed: "David Strang"

For further information contact:

David Strang, President & CEO

Makko DeFilippo, Vice President, Corporate Development

(604) 429-9244

[info@erocopper.com](mailto:info@erocopper.com)

**CAUTION REGARDING FORWARD LOOKING INFORMATION AND STATEMENTS** This news release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking statements"). Forward-looking statements include 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. Forward-looking statements include, but are not limited to, statements with respect to the anticipated development timeline of the Vermelhos mine, results and timing of exploration programs and projections for tonnage, grade, metallurgical recoveries, copper production, capital expenditures and operating costs.

Forward-looking statements are not a guarantee of future performance and are 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 news release including, without limitation, assumptions about: 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 as described in the Vale do Curaçá Technical Report; 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 statements. 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 statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to general economic conditions, political conditions in Canada and Brazil, risks related to international operations, the actual results of current mining and exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of copper, gold and silver, market conditions and the availability of financing for mining companies. There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are included herein, except in accordance with 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 Porfírio 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.