TSX: ERO

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Ero Copper Reports Second 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 and six months ended June 30, 2018. Management will host a conference call tomorrow, Tuesday, August 14, 2018, 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

- Second quarter copper production of 5,684 tonnes of copper;
- Second quarter C1 Cash Costs* of $1.49 per pound of copper produced;
- Generated $23.6 million in Adjusted EBITDA* during the three month period ended June 30, 2018;
- Cash flow from operations of $22.7 million during the three month period ended June 30, 2018;
- Adjusted net income* attributable to owners of the Company of $2.6 million, $0.03 per share on a diluted basis during the three month period ended June 30, 2018;
- Ended the second quarter with cash position of $19.3 million; and,
- Reiterated full year production, capital and operating cost guidance for 2018.

"Our operational results from the second quarter of 2018 continue to be in line with our expectations. Overall, we saw quarter-on-quarter increases in production volumes from both our Pilar underground and Surubim open pit operations. Continued effort on optimizing production including the completion of underground maintenance and support facilities in the lower levels of the Pilar mine resulted in an increase in productivity and improved our per tonne operating cost metrics from underground mining during the quarter.

Open pit production was significantly higher quarter-on-quarter as Phase II production resumed to normalized levels following the completion of waste stripping at the Surubim Mine during the first quarter of 2018.

At Vermelhos, our newest mine, underground development has continued to outpace forecast development rates with 1,261 meters of total development completed during the quarter. Underground infrastructure, including ventilation raises, have now been completed to the first four production levels of the main Vermelhos ore body and gallery development has commenced in those areas. Blast-hole drilling in preparation for first production has commenced in the UG1 production area. While we are maintaining our outlook for start-up of Vermelhos in the fourth quarter of 2018, we are advancing several opportunities to further accelerate this timeline.

On exploration, we substantively concluded our resource upgrade programs in preparation for our mid-year resource update, and our exploration programs are now shifting focus to previously announced targets in and around each of the mining operations – including the West Limb of the Pilar Mine. In addition, our district-wide airborne geophysical survey designed to target high-grade mineralization throughout the Curaçá Valley made excellent progress during the quarter and data collection for the program is nearing completion. Data processing commenced contemporaneously with the start of the program and priority targeting in preparation for drill testing is well underway." commented David Strang, President & CEO of Ero Copper.

The Company's financial statements for the period were impacted by non-cash adjustments related to movements of the Brazilian Real ("BRL") against the US dollar during the period, particularly as it relates to the translation of US dollar debt held by the Company's subsidiary, Mineração Caraíba ("MCSA") into BRL – its functional currency. Accordingly, the Company believes that Adjusted EBITDA and Adjusted net gain (loss) are better reflections of the Company's underlying performance.

*EBITDA, Adjusted net income (loss), 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

OPERATIONS & EXPLORATION HIGHLIGHTS

- **Mining & Milling Operations –** *in line with expectations*
  - Quarter-on-quarter increase in total tonnes mined totalling 495.5 thousand tonnes ("kt") grading 1.35% copper compared to 318.7kt grading 1.74% copper mined during the first quarter of 2018;

- During the quarter, 501.0 kt of ore was processed at an average grade of 1.35% copper resulting in 5,684 tonnes of copper production after metallurgical recoveries that averaged 84.1% over the period; and,
- 6,569 tonnes of copper in concentrate sold during the quarter.

▪ **Vermelhos Mine Development** – *advancing first production*

- During the second quarter, total development of 1,261 meters was completed, including 238 meters of primary ramp development, 953 meters of secondary development and 70 meters of auxiliary ramp development accessing the UG1 production area; and,
- As at the end of July, the coarse-ore development stockpile at Vermelhos had reached 15,941 tonnes grading 4.24% copper.

▪ **Exploration Activities** – *shifting to regional exploration*

- Pilar District
  - Exploration activities continue to be focused on extensions to the Deepening as well as extensions and infill of the recently announced West Limb Discovery between the R22 Underground target and the mining area of P1P2W (see the Company's press release dated May 17, 2018 for additional detail on the West Limb Discovery). All Pilar exploration targets are within or adjacent to existing Pilar underground mine infrastructure. Currently, seven underground and three surface drill rigs are operating at Pilar.
- Surubim District
  - Drilling activities are focused on evaluating new target areas adjacent to the Surubim open pit mine. Currently two exploration drill rigs are operating within the District.
- Vermelhos District
  - Exploration activity continues to focus on new targets as well as down-dip extensions of the main Vermelhos ore bodies to the south and at depth. The copper oxide exploration program also remains ongoing. Currently five exploration drill rigs are operating at Vermelhos.
- Regional Programs
  - The Company's airborne geophysical survey, comprised of both electromagnetic and gravity components had been flown over approximately

50% and 80% of the planned survey area at the end of the period, respectively. Data processing commenced contemporaneously with the start of the program and priority targeting in preparation for drill testing is underway.

OPERATING AND FINANCIAL HIGHLIGHTS

	3 months ended June 30, 2018	3 months ended March 31, 2018	6 months ended June 30, 2018	3 months ended June 30, 2017	6 months ended June 30, 2017[1]
Operating Highlights (MCSA Operations)					
Ore Processed (tonnes)	**500,952**	316,126	**817,078**	502,216	777,956
Grade (% Cu)	**1.35**	1.76	**1.51**	1.30	1.34
Cu Production (tonnes)	**5,684**	4,845	**10,530**	5,651	9,006
Cu Production (000 lbs)	**12,532**	10,682	**23,214**	12,459	19,855
Cu Sold in Concentrate (tonnes)	**6,569**	4,096	**10,665**	6,233	8,378
Cu Sold in Concentrate (000 lbs)	**14,482**	9,030	**23,512**	13,741	18,470
C1 Cash cost of copper produced (per lb)(2)(3)	**1.49**	1.63	**1.55**	1.25	1.45
Financial Highlights ($millions, except per share amounts)					
Revenues	**$47.3**	$28.2	**$75.5**	$32.5	$44.7
Gross profit (loss)	**$11.6**	$5.0	**$16.6**	$4.9	$2.1
EBITDA(2)	**($2.6)**	$7.1	**$4.5**	$1.4	$5.8
Adjusted EBITDA(2)	**$23.6**	$6.2	**$29.9**	$9.4	$7.9
Cash flow from (used in) operations	**$22.7**	$1.0	**$23.7**	$4.7	$3.2
Net loss attributable to owners of the Company	**($16.9)**	($4.1)	**($21.0)**	($10.5)	($15.4)
Net loss per share attributable to owners of the Company – Basic & diluted	**($0.20)**	($0.05)	**($0.25)**	($0.19)	($0.32)
Adjusted net income (loss) attributable to owners of the Company(2)	**$2.6**	($4.8)	**($2.2)**	($3.2)	($13.4)
Adjusted net earnings (loss) per share attributable to owners of the Company(2) – Basic & diluted	**$0.03**	($0.06)	**($0.03)**	($0.06)	($0.28)
Cash and Cash Equivalents	**$17.1**	$27.1	**$17.1**	$24.8	$24.8
Working Capital (Deficit)(2)	**($7.3)**	$22.2	**($7.3)**	($23.1)	($23.1)
Net Debt(2)	**($121.9)**	($110.7)	**($121.9)**	($138.6)	($138.6)

Footnotes

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

[2] EBITDA, Adjusted EBITDA, Adjusted net income (loss), Adjusted net earnings (loss) per share, Net Debt, 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

[3] Starting in 2018, the Company included the costs of treatment, refining and sales costs and credits related to the sale of copper concentrate in its C1 Cash Cost calculation

ADJUSTED EBITDA & NET INCOME (LOSS) RECONCILIATION

While the reporting currency of the Company is US dollars, and the majority of the Company's debt is denominated in US dollars, the US dollar denominated debt is held by MCSA whose functional currency is BRL. On consolidation, the quarter-on-quarter translation of the US dollar debt into BRL results in a significant non-cash adjustment to the income statement, as detailed below:

		2018 - Q2
Adjusted EBITDA	**$**	**23,632**
Adjustments:		
Unrealized foreign exchange loss on USD denominated debt in MCSA	$	(12,234)
Unrealized Foreign exchange loss on derivative contracts		(7,356)
Realized Foreign exchange loss on derivative contracts		(4,044)
Other		(2,550)
EBITDA	$	(2,552)
Adjusted net income (loss)	**$**	**2,572**
Adjustments for non-cash items (attributable to owners of the Company):		
Unrealized foreign exchange loss on USD denominated debt in MCSA		(12,137)
Unrealized foreign exchange loss on derivative contracts		(7,327)
Reported net loss attributable to owners of the Company	$	(16,892)

OUTLOOK

The Company's production, cash cost and capital expenditure guidance for 2018 remains unchanged. Additional information is outlined below and further detailed in the Company's press release dated January 9, 2018.

Production & Cash Costs:

	2018[1]
Tonnes Processed Sulphides	2,000,000
Copper Grade (% Cu)	1.50%
Copper Recovery (%)	86.0%
Cu Production Guidance (tonnes)	**25,500 – 27,500**
C1 Cash Cost Guidance (US$/lb)[1]	**$1.30 – $1.40**

Footnotes:
[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.
[2] 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.

Production for the year is weighted towards the second half of the year in part due to the commissioning of the Vermelhos Mine, currently anticipated during the fourth quarter, as well as Pilar and Surubim mine resequencing. Cash cost 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. C1 Cash Cost guidance for 2018 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 prior C1 Cash Cost disclosure.

Capital Expenditures:

The Company's capital expenditure guidance for 2018 reflects an acceleration of the Vermelhos mine and a significant expansion of the Company's 2017 exploration programs. 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.

($US millions)	**2018**
Pilar Mine	39.0
Vermelhos	36.0
Exploration & Drilling[1]	20.0
Boa Esperança	1.0
Capital Expenditure Guidance	**96.0**

Footnotes:
[1] 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), 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 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)

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)

Adjusted Net Income (Loss)

The Company uses the financial measure "Adjusted net income (loss)" and "Adjusted earnings 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

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.

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.

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CONFERENCE CALL DETAILS

The Company will hold a conference call on Tuesday, August 14, 2018 at 11:30am Eastern time (8:30am Pacific time) to discuss these results.

Date:	Tuesday, August 14, 2018
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:	2493

This release should be read in conjunction with the complete condensed consolidated interim financial statements for the three and six month periods ended June 30, 2018 and 2017 and the management's discussion and analysis ("MD&A") for the three month period ended June 30, 2018, available on the Company's website www.erocopper.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, 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 new high-grade Vermelhos copper 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.erocopper.com) and on SEDAR (www.sedar.com).

Rubens Mendonça, MAusIMM, Chartered Professional – Mining, 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 National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101").

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Signed: *"David Strang"*

David Strang, President & CEO

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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 and Surubim mines, 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 expenditures 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 Annual Information Circular 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 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 as at the date of the report (now with Planaminas), 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, 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.