US Copper Corp Files PEA for Moonlight-Superior Project: US$1.075 Billion NPV

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Highlights of the Moonlight-Superior PEA (Base Case @US$4.15/lb Cu) include:

- After-tax NPV @ 7% of US$1.075 billion
- After-tax IRR of 23%
- Initial Capital of US$956 million
- All-in Sustaining Cost (per lb Cu produced) of US$2.51
- Life of Mine Copper Production of 1.8 billion pounds, Silver Production of 12,000,000 ounces, and Gold Production of 63,000 ounces

Toronto, January 6, 2025 - US Copper Corp. (TSXV: USCU) (OTCQB: USCUF) (FSE: C730) ("US Copper" or the "Company") is pleased to announce the results of a Preliminary Economic Assessment ("PEA") on its entire 100% controlled Moonlight-Superior Copper Project in Northeast California (the "Project" or the "Property"). The technical report has also been filed with Canadian Securities regulators and can be found at www.uscoppercorp.com and SEDAR+ at sedarplus.ca under the US Copper Corp profile. All figures are expressed in United States dollars, unless otherwise indicated.

Management Commentary

Stephen Dunn, CEO of US Copper, commented: "We are extremely pleased with the results of this PEA which utilized our recently updated Mineral Resource Estimate (Press Release November 25, 2024). The Moonlight-Superior PEA confirms the substantial economic opportunity at current copper prices that can be realized through the development of a series of open pit mines on the Property. Additionally, the Project offers considerable leverage to increasing copper prices and the potential available from resource expansion drilling."

"This PEA is the culmination of several years of planning, drilling, metallurgical testing and engineering studies that build on our previously published 2018 PEA. Moonlight-Superior is one of only a few large-scale undeveloped copper deposits in the United States that is wholly owned by a junior exploration company, and our intention is to use these results to attract a Joint Venture partner as we proceed to the pre-feasibility stage."

Mr. Dunn continued: "Copper industry experts highlight a growing worldwide shortfall in production of this critical mineral. These forecasts support our strong belief that our important asset should become a core component of the United States' critical minerals development strategy that aims to ensure essential metals for the energy transition and national security and ongoing demand growth from many economic sectors such as Artificial Intelligence. There will also be significant benefits for the community and local economy with the development of this Project. Life of mine taxes are estimated at over $600 million and beyond the capital and labour intensive construction phase, we anticipate that there will be more than 300 full time jobs created at the minesite with a peak annual payroll in the range of $35 million."

Preliminary Economic Assessment

Global Resource Engineering Ltd. ("GRE") was retained by US Copper to complete a PEA Technical Report on the Moonlight-Superior Mine Project in early 2024. Moonlight-Superior is located within the Lights Creek District approximately 10 miles northeast of Greenville, California and approximately 100 miles northwest of Reno, Nevada (see Figure 1).

Figure 1 - Moonlight Superior Property Location

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_8408822ca486c813_001full.jpg

Mineral Resource Estimate Summary

GRE initially calculated a new mineral resource for the property that included three different drill programs over the past three years. This resource was disclosed in our News Release of November 25, 2024 and is summarized below:

Table 1: Moonlight Superior Mineral Resource Estimate

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_table1.jpg

Notes:

1. The effective date of the Mineral Resource is December 16, 2024.
2. The Qualified Person for the Mineral Resource Estimate is Terre Lane of GRE.
3. Mineral resources are reported at a 0.16% Cu cutoff for oxide and transition material and at a 10.45 NSR cutoff for sulfide material. The oxide and transition cutoff is calculated based on a long-term copper price of US$4.00/lb; assumed combined operating costs of US$7.50/ton (process and G&A); metallurgical recovery of 75% for copper. The sulfide cutoff is calculated as the breakeven NSR, which is equal to the combined process and G&A costs for the sulfide material.
4. Mineral resources are captured within an optimized pit shell and meet the test of reasonable prospects for economic extraction by open pit. The optimization used the same mining costs of US$2.35/ton mined and a 45º pit slope.
5. Rounding may result in apparent differences when summing tons, grade, and contained metal content.

Based on the current resource estimates for the Property, the study envisions a mine life of 14 years, producing 903,000 short tons of copper (Cu), 12,000,000 oz of silver (Ag), and 63,000 oz of gold (Au). The oxide and transition mineralization would produce 81,500 short tons of Cu from the heap leach facilities, and the sulfide mineralization would produce 822,000 short tons of Cu and all of the Ag and Au from the flotation facilities. The distribution of mineralization by resource area is summarized in Table 2.

Table 2: Moonlight-Superior Project Distribution of Mineralization by Resource Area

Pit	Mineralized Tons	Cu Tons Recovered Sulfide	Cu Tons Recovered Oxide	Cu Tons Recovered Transiti
Engels	18,410,546	44,174	14,588	23,325
Moonlight	169,941,219	429,401	3,093	40,510
Superior	116,015,916	321,272	-	-
Lamb's Ridge	1,018,666	3,346	-	-
Copper Mountain	9,226,645	23,734	-	-
Total	314,612,992	821,926	17,681	63,834

Mining Methods

Mine Plans for the resource areas were designed and planned using conventional open pit mining methods. The open pit areas are suitable for phased designs.

The mine plan is designed to deliver an average of 60,000 tons of sulfide material to the mill per day and 10,000 tons of oxide and transition material to the heap leach per day. The average daily waste production rate over the life of the mine would be 73,000 tons per day. Waste rock would be placed in waste rock

storage facilities near each pit area. This study contemplates constructing flotation facilities for sulfide mineralization and heap leach facilities for oxide mineralization.

As is required under United States environmental laws, full site remediation is integral to the Mine Plan.

Key Economic Results

The project economics shown in the PEA are favorable, providing positive Net Present Value (NPV) values as tested over a range of copper grades, copper prices, capital costs, and operating costs.

Table 3: Moonlight-Superior Copper Project Key Economic Results

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_uscoppertable3.jpg

Key Cost and Price Assumptions

Table 4: Moonlight-Superior Copper Project Capital Cost Summary

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_uscoppertable4.jpg

Table 5: Moonlight-Superior Copper Project Operating Cost Summary

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_uscoppertable5.jpg

Commodity price and recovery assumptions:

- Copper price of $4.15/lb, based on using a weighted average of the 3-year trailing average copper price and the 1-year futures price, calculated as: 60% x 3-year trailing average price of $4.06/lb + 40% x 1-year futures price of $4.30/lb
- Silver price of $27.40/oz, based on using a weighted average of the 3-year trailing average silver price and the 1-year futures price, calculated as: 60% x 3-year trailing average price of $24.19/oz + 40% x 1-year futures price of $32.26/oz
- Gold price of $2,320/oz, based on using a weighted average of the 3-year trailing average gold price and the 1-year futures price, calculated as: 60% x 3-year trailing average price of $2,015/oz + 40% x 1-year futures price of $2,779/oz
- Sulfide material mineral recoveries of: 90.2% for copper, 80.4% for silver, and 71.0% for gold
- Heap leach mineral recoveries of: 75% for oxide material copper and 60% for transition material copper
- Leach recovery delay as follows: 60% of the final recovery during the first year on the heap, 30% recovered in the second year on the heap, and 10% recovered during the third year on the heap

Sensitivity Analysis

GRE evaluated the after-tax NPV@7% sensitivity to changes in copper price, copper grade, capital costs,

and operating costs. The results indicate that the after-tax NPV@7% is most sensitive to copper price and copper grade and moderately sensitive to operating cost and capital cost (see Figure 2).

Figure 2 - Moonlight-Superior Project NPV@7% Sensitivity to Varying Copper Price, Copper Grade, Capital Costs, and Operating Costs

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_8408822ca486c813_006full.jpg

Table 6: NPV @7% and IRR at Specific Copper Prices

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_uscoppertable6.jpg

Conclusions and Next Steps

GRE concluded that the project economics in the PEA are favorable, providing positive NPV values at varying copper prices, copper grade, capital costs, and operating costs.

The QPs recommend the following Phase 1 items and budget (inclusive of contingency) to advance the Moonlight-Superior Copper project towards production.

Table 7: Estimated Costs to Complete Phase 1 Work Program

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/1768/236136_uscoppertable7.jpg

A comprehensive metallurgical test program is recommended to fully evaluate the potential of heap leach treatment for oxide and transition materials. This program should include bottle roll leach tests in conjunction with column leach tests. The variables that should be examined include grade, resource spatial distribution, mineralogy, and particle size. Additionally, these tests should include both conventional acid leaching and bioleaching. Additionally, flotation testing should be conducted on the sulfide materials examining variables including grade, resource spatial distribution, mineralogy, grind size and locked cycle flotation cleaning tests.

For exploration, the QPs recommend a drilling program on the order of 5,000 to 10,000 feet to outline additional resources.

The scope and objectives of a Phase 2 program would be contingent upon positive results from the Phase 1 program. For the purposes of conceptual level planning, it is assumed that a Phase 2 program would consist of a nominal $25 million program that would include an expanded exploration drill program to upgrade resources to reserves and engineering and economics studies that would result in a Pre-feasibility Study.

The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves under CIM Definition Standards. Readers are advised that there is no certainty that the results projected in this preliminary economic assessment will be realized.

Further details of the Preliminary Economic Assessment NI43-101 Technical Report on the Moonlight-Superior Project, Plumas County, California, USA with an effective date of December 16, 2024 can be found on Sedar+ at sedarplus.ca or at the Company's website at www.uscoppercorp.com.

Qualified Persons

The scientific and technical content of this press release has been reviewed and approved by George Cole, M.Sc., Director of US Copper who is a "Qualified Person" as defined in NI 43-101 Standards of Disclosure for Mineral Projects. George Cole is a Registered Professional Geologist through AIPG (CPG-11687).

Terre Lane, Principal Mining Engineer, Global Resource Engineering, is an independent Qualified Person as defined by NI43-101 and has reviewed and approved the contents of this news release that relate to the Mineral Resource estimate, mine plan, mine capital and operating cost estimation, and financial analysis.

About US Copper Corp

US Copper controls approximately 10 square miles of patented and unpatented federal mining claims in the Light's Creek Copper District in Plumas County, NE California; essentially, the entire District. The District contains substantial copper (silver) sulfide and copper oxide resources in three deposits - Moonlight, Superior and Engels, as well as several partially tested and untested exploration targets.

The Superior and Engels Mines operated from about 1915 to 1930 producing over 161 million pounds of copper from over 4 million tons of rock containing 2.2% copper with silver and gold credits.

The Moonlight deposit was discovered by Placer Amex during the 1960s and a resource was calculated after the drilling of over 400 holes. A development decision was made but then put on hold in 1972 when copper prices were weak. US Copper has owned the project since 2013 and has advanced the project with three different drill programs and a number of engineering studies. Further details can be found on both the Company's website at www.uscoppercorp.com and SEDAR+ at sedarplus.ca under the US Copper Corp profile.

For Further Information Contact:

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This press release contains forward-looking statements within the meaning of applicable Canadian and U.S. securities laws and regulations, including statements regarding the future activities of the Company. Forward-looking statements reflect the current beliefs and expectations of management and are identified by the use of words including "will", "hopes", "anticipates", "expected to", "plans", "planned", "intends" and other similar words. Actual results may differ significantly. The achievement of the results expressed in forward-looking statements is subject to a number of risks, including those described in the Company's management discussion and analysis as filed with the Canadian securities regulatory authorities which are available at www.sedarplus.ca. Investors are cautioned not to place undue reliance upon forward-looking statements.

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