



TSX: CCU  
#2005 – 14

## **Construction Progress and Commencement of Mining at Lisbon Valley Copper Mine**

**Denver, Colorado – August 2, 2005** – Constellation Copper Corporation (TSX:CCU) is pleased to provide a progress report on the construction of the Lisbon Valley copper mine, located in San Juan County, Utah, USA. Construction commenced on the project mid-November 2004.

The company's mining fleet is on site and fully assembled and operational, consisting of four new Komatsu 200-ton trucks, a new Komatsu 26.2-yd. loader, a used CAT 994 22.5 yd. loader, two 20,000 gallon water trucks, two new Komatsu dozers, two blast-hole drills, and miscellaneous service and utility vehicles. Mining of waste material commenced in July. Overburden Mancos Shale is currently being mined from the Centennial deposit area for clay liner on the leach pad. Waste rock from the upper bench at the Sentinel deposit has been drilled and shot and used for road base in the haul road. Ore has been exposed in blast hole patterns at both the Centennial and Sentinel deposits, and is ready to be loaded and shot for commencement of full scale mining once the crushing plant is ready for start-up.

The crushing plant should be ready for initial start-up and shake-down tests the beginning of the second week of August. The 138 kv power line is currently being strung, and should be connected by August 15<sup>th</sup>. Commercial start-up of the crushing plant is scheduled for the week of August 29<sup>th</sup>, with commencement of conveying and stacking of crushed ore out onto the lined leach pad scheduled once the liner installation and protective blanket placement are completed.

Clay liner has been installed across the first half of the Phase 1 leach pad area. Synthetic liner (80 mil HDPE) over the top of the clay is roughly 50% complete, with completion scheduled for August 12. Contractor-crushed ore for the over-liner (protective blanket) is currently being placed in a 2-foot thick layer to allow placement of the conveying system out onto the leach pad by mid-August. Placement of ore onto the leach pad at full production capacity is scheduled for the end of August.

The solution ponds are completely lined. Solution pumps will be ready for installation by mid-September. The solvent extraction plant is 70% complete and scheduled for completion by the end of August. The tank farm and tank house (electrowinning plant) are approximately 50% complete and scheduled to be completed by the end of September.

Acid is scheduled to be applied to ore on the leach pad in early September. First solution to the plant is scheduled for the third week of October. First cathode copper production is anticipated in mid-November 2005, ramping up to full production capacity by February 2006.

Copper prices have continued to improve during the construction period, with November 2005

futures currently at \$1.60/lb., not including the cathode premium. The cathode premium price is currently \$0.05/lb. above COMEX. Completion of construction and start-up before year-end should allow the company to capture the above pricing on its initial production in the fourth quarter 2005. The Company's production is completely unhedged, in order to be able to take full advantage of the current high prices for copper in this bull market, although the Company has bought puts at \$0.90/lb. for 50% of its production in 2006 and 2007, to protect the project's revenue on the down side.

We are very pleased with the progress our project management team and construction managers have made during the course of construction, especially in maintaining schedule, and look forward with great anticipation to the commencement of full scale mining this month and copper production in the fourth quarter of 2005.

The Lisbon Valley mine is the first new copper mine to be built in the United States in ten years. The mine will employ +145 people, with an average annual payroll of +US\$9 million, will consume +US\$17 million in goods and services annually, and pay +US\$2.5 million in sales, property, and severance taxes and royalties annually, in addition to federal and state income taxes. The Lisbon Valley project will be the largest single non-government employer in San Juan County, Utah, if not southeastern Utah.

**Constellation Copper Corporation**

Gregory A. Hahn, President & CEO  
Michelle Hebert, Manager, Corporate Affairs  
Tel: (720) 228-0055  
Toll Free: 1-877-370-5400  
Fax: (303) 863-1736  
info@constellationcopper.com  
[www.constellationcopper.com](http://www.constellationcopper.com)

**Renmark Financial Communications Inc.**

Neil Murray-Lyon  
[nmurraylyon@renmarkfinancial.com](mailto:nmurraylyon@renmarkfinancial.com)  
Tina Cameron  
[tcameron@renmarkfinancial.com](mailto:tcameron@renmarkfinancial.com)  
Media - Cynthia Lane  
[clane@renmarkfinancial.com](mailto:clane@renmarkfinancial.com)  
Tel.: (514) 939-3989 Fax: (514) 939-3717  
[www.renmarkfinancial.com](http://www.renmarkfinancial.com)

*The Toronto Stock Exchange does not accept responsibility  
for the adequacy or accuracy of this press release.*