

TORONTO, ONTARIO--(Marketwired - Feb 23, 2016) - [Nautilus Minerals Inc.](#) (TSX:NUS)(OTCQX:NUSMF) (the "Company" or "Nautilus") has today filed a final short form prospectus in each province of Canada, other than Quebec, in respect of its previously announced rights offering to raise up to gross proceeds of C\$103 million, through the issuance of rights to subscribe for an aggregate of 686,666,666 common shares at a subscription price of C\$0.15 per common share.

The rights offering includes an additional subscription privilege under which holders of rights who fully exercise their rights will be entitled to subscribe for additional common shares of the Company, if available, that were not otherwise subscribed for under the rights offering.

The Company has also registered the offer and sale of the shares issuable on exercise of the rights within the United States with the United States Securities and Exchange Commission on a registration statement on Form F-7 under the U.S. Securities Act of 1933, as amended.

The offering is being made to all existing shareholders in eligible jurisdictions, as disclosed in the final prospectus.

The Company's two largest shareholders, MB Holding Company LLC and Metalloinvest Holding (Cyprus) Limited, which, together with their affiliates, collectively hold approximately 48% of the outstanding common shares of the Company, have each indicated to the board of directors of the Company their present intention to participate in the offering by exercising all or a portion of their basic subscription privilege. Pursuant to applicable regulatory requirements, completion of the rights offering is not subject to raising a minimum amount of proceeds.

The net proceeds from the offering will be used by the Company to advance the construction and development of the Company's Seafloor Production System and for general working capital requirements. In order to complete the entire Seafloor Production System for initial deployment and testing operations at the Company's Solwara 1 Project, Nautilus will need to obtain additional funding in excess of the maximum proceeds that can be raised under the rights offering (refer to "Use of Proceeds" in the final prospectus).

Nautilus' CEO, Mike Johnston, commented, "We have made significant progress in the construction of our Seafloor Production System over the last 12 months. The rights offering, supported by our two largest shareholders who have each indicated their intention to participate, will enable the Company to continue to build momentum as we move closer to our goal of commencing seafloor operations by end of Q1 2018."

The offering is being made to the holders of Nautilus' common shares of record at the close of business (Vancouver time) on March 1, 2016. The rights available under the offering will be eligible for exercise from March 7, 2016 until 2:00 p.m. (Vancouver time) on April 6, 2016.

The Company will issue one right for each outstanding common share. Each right will be exercisable to acquire 1.541329 common shares of the Company, upon payment of the subscription price per common share. Fractional shares will not be issued and any fractions will be rounded down to the nearest whole number. To illustrate: an eligible holder of 10,000 shares as of the record date would be issued 10,000 rights, which would entitle the holder to subscribe for 15,413 shares (10,000 x 1.541329) for an aggregate price of \$2,311.95 (15,413 x \$0.15).

The prospectus and a rights certificate will be mailed on March 7, 2016 to each shareholder of record, subject to applicable law. The rights will be posted for trading on the Toronto Stock Exchange (on a "when issued" basis), and the Company's common shares will commence trading on the Toronto Stock Exchange on an ex-rights basis on February 26, 2016, and will continue trading until 9:00 a.m. (Vancouver time) on April 6, 2016.

The offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the acceptance of the Toronto Stock Exchange.

The preliminary prospectus is available electronically by visiting SEDAR at www.sedar.com and the Form F-7 registration statement is available electronically by visiting EDGAR at www.sec.gov.

For more information please refer to www.nautilusminerals.com.

Neither the TSX nor the OTCQX accepts responsibility for the adequacy or accuracy of this press release.

Certain of the statements made in this news release may contain forward-looking statements within the meaning of the United States Securities Exchange Act of 1934 and forward-looking information within the meaning of applicable Canadian securities law. Forward-looking statements and forward-looking information include, but are not limited to statements or information with respect to the completion of the rights offering, the use of proceeds of the offering and plans to commence seafloor operations

in Q1 2018. We have made numerous assumptions about the material forward-looking statements and information contained herein. Even though our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statement or information will prove to be accurate. Forward-looking statements and information by their nature involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking statements or information. Such risks, uncertainties and other factors include, among others, the risk that the rights offering is not successfully concluded or that only nominal proceeds are raised, that various regulatory approvals in respect of the rights offering are not received and that actual costs of and the anticipated timeline for completing the Seafloor Production System may differ significantly from the estimates of management. Refer to the final prospectus, including the sections entitled "Risk Factors" and "Use of Proceeds". Should one or more of these risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements and information. Although we have attempted to identify factors that would cause actual results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performances, achievements or events to not be as anticipated, estimated or intended. Also, many of the factors are beyond our control. Accordingly you should not place undue reliance on forward-looking statements or information. As the Company has not completed an economic study in respect of the Solwara 1 Project, there can be no assurance that the Company's production plans will, if fully funded and implemented, successfully demonstrate that seafloor resource production is commercially viable. Except as required by law, we do not expect to update forward-looking statements and information as conditions change and you are referred to the full discussion of Nautilus' business contained in Nautilus' reports filed with the securities regulatory authorities in Canada.

With respect to the United Kingdom, the securities being offered under the short form prospectus are only available to: (i) persons outside the United Kingdom; or (ii) persons in the United Kingdom who are: (a) a "qualified investor" within the meaning of Section 86(7) of United Kingdom Financial Services and Markets Act 2000, as amended ("FSMA"), acting as principal or in circumstances where Section 86(2) FSMA applies; and (b) also: (1) within the categories of persons referred to in Article 19 (investment professionals) or Article 49 (high net worth companies, unincorporated associations, etc.) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"); or (2) are otherwise lawfully permitted to receive them (all such persons together being referred to as "relevant persons"). Such securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the short form prospectus or any of its contents. The short form prospectus contains no offer of transferable securities to the public in the United Kingdom within the meaning of Sections 85(1) and 102B FSMA. The short form prospectus is not a prospectus for the purposes of Section 85(1) FSMA. Accordingly, the short form prospectus has not been examined or approved as a prospectus by the United Kingdom Financial Conduct Authority ("FCA") under Section 87A FSMA or by the London Stock Exchange and has not been filed with the FCA pursuant to the rules published by the FCA implementing Prospectus Directive 2003/71/EC) nor has it been approved by a person authorized under FSMA, for the purposes of Section 21 FSMA.

About Nautilus Minerals Inc.

Nautilus is the first company to explore the ocean floor for polymetallic seafloor massive sulphide deposits. Nautilus was granted the first mining lease for such deposits at the prospect known as Solwara 1, in the territorial waters of Papua New Guinea, where it is aiming to produce copper, gold and silver. The Company has also been granted its environmental permit for this site.

Nautilus also holds highly prospective exploration acreage in the western Pacific (granted and under application), as well as in international waters in the Central Pacific.

A Canadian registered company, Nautilus is listed on the TSX:NUS stock exchange and trades on the OTCQX:NUSMF, and is also a member of the Nasdaq International Designation program. Its corporate office is in Brisbane, Australia. Its major shareholders include MB Holding Company LLC, an Oman based group with interests in mining, oil & gas, which holds a 28.14% interest, Metalloinvest, the largest iron ore producer in Europe and the CIS, which has a 20.89% holding and global mining group Anglo American, which holds a 5.99% interest (each on a non-diluted basis, excluding loan shares outstanding under the Company's share loan plan).

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