

Nevada Copper Announces Further Progress With Underground Operations and Strategic Project Development

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YERINGTON, July 12, 2021 - [Nevada Copper Corp.](#) (TSX: NCU) (OTC: NEVDF) ("Nevada Copper" or the "Company") is pleased to provide an update regarding the ramp-up of the Underground Mine and development activities for the Open Pit project at its 100%-owned, fully-permitted Pumpkin Hollow Project in Nevada.

Production Ramp-Up Update

- Safe and effective penetration of dike structure: The Company is in the process of safely completing the dike crossing. As reported on May 17, 2021, ground and hydrological conditions associated with the dike reduced development rates for a temporary period while traversing the dike to allow for grouting and ground control. With the completion of the dike crossing within the next two weeks, the Company expects to see lateral development rates increase back to planned rates this month.
- Underground ventilation commissioned on-schedule: All underground ventilation fans were installed and commissioned during May, as planned. The final surface fans continue to be planned for delivery in Q3 2021 and commissioning in Q4 2021. Consequently, achievement of steady-state production continues to be expected in Q4 2021.
- Successful completion of process plant C5 Testing: During June, Sedgman successfully completed C5 testing of the processing plant for grind size and moisture.

Mike Ciricillo, Nevada Copper's Chief Executive Officer, stated:

"I am pleased with the continued progress with the ramp-up from Pumpkin Hollow. The safe penetration of the dike and commissioning of the underground ventilation system are significant de-risking steps and facilitate increasing development and production rates, as we progress to steady-state. The longer-term mine planning work being advanced indicates future potential upside for both Underground and Open Pit projects."

Project Development

- Underground Mine Planning supports potential for higher long-term production rates: As part of its project development objectives reported on March 1, 2021, the Company has progressed its life-of-mine planning aimed at operating its underground mine at an ultimate production rate in excess of the originally contemplated 5,000 tons per day rate. Mine planning work during Q2 2021 further supports the potential for the mine, once ramped-up to steady-state, to operate at higher long-term rates of 6,500 tons per day milled, increasing long-term annual copper production. This additional production capacity would also support accelerated mining of the significant additional underground copper resources that exist over and above the current underground reserve. Further engineering work will be undertaken during H2 2021 to support the potential for a higher long-term production rate from the underground operation.
- Open Pit Solar Power Study indicates potential to further reduce Open Pit power costs: The Company has also progressed the planned feasibility studies for a potential solar project, with renewables consulting group Sprout Associates, with the following initial conclusions. Further updates will be provided upon completion of the next phase of study work:
 - Pumpkin Hollow benefits from ample sun and land to support a large solar project with the capacity to meet a significant portion of the Open Pit project's power requirements;
 - The solar potential at the site is up to 200MW;
 - Already low grid power costs in Nevada could be materially further reduced through an on-site solar plant; and
 - A third-party solar project provides an option to remove upfront power infrastructure costs from the Open Pit project.

Balance Sheet Update

- Further to the Company's announcement on May 17, 2021, Pala Investments Limited has agreed to provide additional financing of US\$25 million through a promissory note (in addition to the fully drawn existing US\$30 million credit facility), providing additional liquidity for the ramp-up and addressing the reduced development rates associated with the dike grouting program. The Company has drawn US\$15 million under the promissory note, with subsequent draws available at the Company's option, subject to agreed use of proceeds. The promissory note has a maturity date of June 30, 2022 and bears interest at 8% per annum on amounts drawn. The promissory note was reviewed and approved by the independent members of the Company's board of directors. In addition, US\$9 million remains available to draw under the Company's working capital facility with its offtake partner, Concord Resources Limited.
- The Company has received proceeds of CAD\$1.4 million for exercise of warrants so far in 2021. The Company has the potential to receive a further CAD\$65 million of warrant proceeds should all the outstanding warrants expiring in January 2022 with an exercise price of CAD\$0.20 (the "January 2022 Warrants") be exercised prior to maturity. In addition to the January 2022 Warrants, a further CAD\$34 million of warrant exercise proceeds may be received should the outstanding warrants expiring in July 2022 with an exercise price of CAD\$0.22 be exercised in full prior to maturity.
- The Company's senior lender, KfW IPEX-Bank ("KfW"), has provided the Company with a 60-day extension to the project completion longstop date from June 30, 2021 to August 31, 2021, while the parties agree on a revised completion test and longstop date for the project. The Company will provide a further update once a revised project completion test and longstop date has been agreed with KfW. While the Company expects to agree on an appropriate revised date with KfW, there can be no assurance this will be achieved.
- The Company continues to undertake near-term mine planning to incorporate the recent impact of the dike on development rates and other factors that have slowed the production ramp-up. It is possible that such mine plan updates may indicate higher operating costs and additional development capital and working capital requirements for the ramp-up than previously contemplated.

Qualified Persons

The information and data in this news release was reviewed by Greg French, C.P.G., and Norm Bisson, P.Eng., for Nevada Copper, who are non-independent Qualified Persons within the meaning of NI 43-101.

About Nevada Copper

Nevada Copper (TSX: NCU) is a copper producer and owner of the Pumpkin Hollow copper project. Located in Nevada, USA, Pumpkin Hollow has substantial reserves and resources including copper, gold and silver. Its two fully permitted projects include the high-grade Underground Mine and processing facility, which is now in the production stage, and a large-scale Open Pit project, which is advancing towards feasibility status.

[Nevada Copper Corp.](http://www.nevadacopper.com)
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Cautionary Language

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and

forward-looking information specifically include, but are not limited to, statements that relate to mine development plans, production and ramp-up plans and the expected timing and results thereof, equipment installation, and further discussions with KfW.

Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "potential", "is expected", "anticipated", "is targeted", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements or information are subject to known or unknown risks, uncertainties and other factors which may cause the actual results and events to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information.

Forward-looking statements or information are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks and uncertainties relating to: the ability of the Company to complete the ramp-up of the Underground Mine within the expected cost estimates and timeframe; requirements for additional capital and no assurance can be given regarding the availability thereof; the impact of COVID-19 on the business and operations of the Company; the state of financial markets; history of losses; dilution; adverse events relating to milling operations, construction, development and ramp-up, including the ability of the Company to address underground development and process plant issues; ground conditions; cost overruns relating to development, construction and ramp-up of the Underground Mine; loss of material properties; interest rates increase; global economy; limited history of production; future metals price fluctuations; speculative nature of exploration activities; periodic interruptions to exploration, development and mining activities; environmental hazards and liability; industrial accidents; failure of processing and mining equipment to perform as expected; labor disputes; supply problems; uncertainty of production and cost estimates; the interpretation of drill results and the estimation of mineral resources and reserves; changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade of mineralization or recovery rates from management's expectations and the difference may be material; legal and regulatory proceedings and community actions; accidents; title matters; regulatory approvals and restrictions; increased costs and physical risks relating to climate change, including extreme weather events, and new or revised regulations relating to climate change; permitting and licensing; volatility of the market price of the Company's securities; insurance; competition; hedging activities; currency fluctuations; loss of key employees; other risks of the mining industry as well as those risks discussed in the Company's Management's Discussion and Analysis in respect of the year ended December 31, 2020 and in the section entitled "Risk Factors" in the Company's Annual Information Form dated March 18, 2021. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. The forward-looking information and statements are stated as of the date hereof. The Company disclaims any intent or obligation to update forward-looking statements or information except as required by law.

The Company provides no assurance that forward-looking statements and information 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 and information.

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