

## Nevada Copper Closes Restart Financing Package and Announces Appointment of Randy Buffington to Board of Directors

**October 28, 2022 – Yerington, NV: Nevada Copper (TSX: NCU) (OTC: NEVDF) (FSE: ZYTA) (“Nevada Copper” or the “Company”)** is pleased to announce that it has closed its financing package (the “Restart Financing Package”) that was previously announced in the Company’s news release dated October 25, 2022 (the “Prior Announcement”). The Restart Financing Package provides up to US\$123 million of liquidity to the Company in order to support the restart and ramp-up of the Company’s Pumpkin Hollow underground copper mine (the “Underground Mine”), which is underway.

Additionally, in conjunction with the closing of the Restart Financing Package, the Company is pleased to announce the appointment of Randy Buffington, President and Chief Executive Officer, to the board of directors of Nevada Copper (the “Board”) effective November 1, 2022.

### *Restart Financing Package Summary*

A summary of the key components of the Restart Financing Package is as follows:

- *Equity Investments (US\$40 million):* Pala Investments Limited (“Pala”), the Company’s largest shareholder, provided US\$20 million in exchange for 125,435,185 common shares of the capital the Company (the “Shares”) at a subscription price of C\$0.2160 per Share (the “Equity Subscription Price”). Pala also received 9,558,399 Shares in satisfaction guarantee and other fees at a deemed price equal to the Equity Subscription Price. Mercuria Energy (“Mercuria”), a significant shareholder of the Company, provided US\$10 million, its first tranche of funding, in exchange for 62,717,593 Shares at a subscription price equal to the Equity Subscription Price and deposited US\$10 million, its second tranche of funding, into escrow. Mercuria’s second tranche of funding will be released upon the satisfaction or waiver of certain conditions in exchange for Shares at a subscription price equal to a 15% discount to the five-day volume weighted average price of the Shares on the Toronto Stock Exchange (the “TSX”) as of the trading day prior to the applicable closing date. Mercuria also received 127,720,000 common share purchase warrants of the Company each entitling Mercuria to, subject to satisfying certain vesting conditions (including the exercise of the Pala Warrants (as defined below)), acquire one Share at an exercise price of C\$0.2592 (the “Exercise Price”) until January 31, 2026, subject to acceleration in the event that all amounts under the Pala Debt Instrument (as defined below) are repaid at an earlier time. Pala and Mercuria received 5,330,995 Shares and 871,261 Shares, respectively, in satisfaction of their respective reimbursable expenses.
- *Stream and Royalty Financing (US\$30 million):* Triple Flag Precious Metals Corp. (“Triple Flag”) increased its existing net smelter returns royalty on the Company’s open pit project from 0.7% to 2% for a purchase price of approximately US\$26.2 million, subject to the Company’s right to fully buy back the increased royalty percentage. In addition, Triple Flag accelerated the approximately US\$3.8 million remaining to be funded under the Company’s existing metals purchase and sale agreement with Triple Flag. Triple Flag will receive Shares in satisfaction of its reimbursable expenses.
- *KfW Facility Extension (US\$15 million committed):* The Company’s senior credit facility (the “KfW Facility”) with KfW IPEX-Bank GmbH (“KfW”) was amended to provide for a new tranche of up to US\$25 million, of which Pala, Triple Flag and Mercuria have committed, in aggregate, the first US\$15 million as a backstop.

- *Deferrals under Senior Project Facility and Working Capital Facility (expected to be approximately US\$13 million):* KfW deferred three interest payments under the KfW Facility. Concord Resources Limited deferred interest and principal payments under the Company's working capital facility.
- *Pala Debt Consolidation and Warrants:* Pala consolidated approximately US\$76.5 million of the indebtedness currently owing to it by the Company into an amended debt instrument (the "Pala Debt Instrument"). Pala also received 398,723,212 common share purchase warrants of the Company (the "Pala Warrants") each entitling Pala to acquire one Share at the Exercise Price until January 31, 2026 subject to acceleration in the event that all amounts under the Pala Debt Instrument are repaid at an earlier time.
- *Additional Backstop Support (US\$25 million):* Pala provided the Company with a backstop funding commitment of up to US\$25 million in exchange for issuances of Shares, convertible and/or non-convertible debt of the Company (the "Backstop"). The amount available pursuant to the Backstop will be reduced, from time to time, by amounts raised by the Company pursuant to alternative financings after the date hereof. The Company may exercise the Backstop if, subject to other conditions, an aggregate of US\$65 million of the committed funding (excluding Pala's equity contribution, which has already been funded) under the Restart Financing Package has been made available to the Company. The issuance of any Shares and/or convertible debt of the Company upon the exercise, from time to time, of the Backstop will be subject to the approval of the TSX and the pricing of any equity component will be based on a 20% discount to the then current market price. The Backstop will expire 12 months from the date hereof. In connection with the Backstop, Pala received 6,271,759 Shares, at a deemed price equal to the Equity Subscription Price, representing a 4% commitment fee.

Please see the Prior Announcement for additional details regarding the Restart Financing Package, including the use of proceeds therefrom.

### **Board Change**

Randy Buffington, who has held the position of President and Chief Executive Officer of the Company since October 2021, has been appointed to the Board effective on November 1, 2022. In addition, the Board expects to embark on a board renewal process to ensure the optimal balance of skills, experience and attributes are represented at the board level as required in the context of the Company's business priorities.

### **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.

#### **Randy Buffington**

President & CEO

For additional information, please see the Company's website at [www.nevadacopper.com](http://www.nevadacopper.com), or contact:

**Tracey Thom** | Vice President, IR and Community Relations

[tthom@nevadacopper.com](mailto:tthom@nevadacopper.com)

+1 775 391 9029

### **Cautionary Language on Forward Looking Statements**

This news release contains "forward-looking information" and "forward-looking statements" 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 information and forward-looking statements specifically include, but are not limited to, statements that relate to the expected Board renewal process and the use of proceeds from the Restart Financing Package.

Forward-looking statements and information include statements regarding the expectations and beliefs of management. 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 should not be read as guarantees of future performance and results. They are subject to known and 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.

Such risks and uncertainties include, without limitation, those relating to: requirements for additional capital and no assurance can be given regarding the availability thereof; the outcome of discussions with creditors and vendors; potential creditor protection proceedings; the ability of the Company to complete the ramp-up of the Underground Mine within the expected cost estimates and timeframe; 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 rate increases; 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; labour 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; dependence on management information systems and cyber security risks; 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, 2021 and the quarter ended March 31, 2022 and in the section entitled "Risk Factors" in the Company's Annual Information Form dated March 31, 2022. The forward-looking statements and information contained in this news release are based upon assumptions management believes to be reasonable, including, without limitation: no adverse developments in respect of the property or operations at the project; no material changes to applicable laws; the ramp-up of operations at the Underground Mine in accordance with management's plans and expectations; no worsening of the current COVID-19 related work restrictions; reduced impacts of COVID-19 going forward; the Company will be able to obtain sufficient additional funding to complete the ramp-up, no material adverse change to the price of copper from current levels; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

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. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking information and statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. Specific reference is made to "Risk Factors" in the Company's Management's Discussion and Analysis in respect of the year ended December 31, 2021 and the quarter ended March 31, 2022 and "Risk Factors" in the Company's Annual Information Form dated March 31, 2022, for a discussion of factors that may affect forward-looking statements and information. Should one or more of these risks or uncertainties materialize, should other risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results and events may vary materially from those described in forward-looking statements and information. For more information on the Company and the risks and challenges of its business, investors should review the Company's filings that are available at [www.sedar.com](http://www.sedar.com).

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 or information. Accordingly, readers should not place undue reliance on forward-looking statements or information.