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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2022

May 16, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
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INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of Nevada Copper Corp. (the "Company" or "Nevada Copper") has been prepared by management as of May 16, 2022. Information herein is provided as of March 31, 2022, unless otherwise noted. The following discussion of performance, financial condition and outlook should be read in conjunction with the unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2022 and 2021 ("consolidated interim financial statements") and the notes thereto, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and International Accounting Standard 34 – Interim Financial Reporting.

Additional information relevant to the Company's activities, including the Company's Annual Information Form dated March 31, 2022 (the "AIF"), can be found on SEDAR at www.sedar.com. All amounts expressed herein are in US Dollars unless otherwise indicated.

Greg French, CPG, VP Head of Exploration of the Company, Steven Newman, VP Technical Services of the Company, and Neil Schunke P.Eng., a consultant to the Company, are non-independent Qualified Persons under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, and approved the scientific and technical information in this MD&A.

Readers are cautioned that this MD&A contains forward-looking statements and that actual results may vary from management's expectations. See "Forward-Looking Statements" at the end of this MD&A and the various risk factors and other matters discussed in the Company's public disclosure at www.sedar.com.

HIGHLIGHTS, RECENT DEVELOPMENTS, AND OUTLOOK

Q1 2022 Highlights

Set out below are highlights for the quarter ended March 31, 2022 ("Q1 2022") relating to the Company's operations including the production ramp-up for the Company's Pumpkin Hollow Underground Mine ("the Underground Mine"), and activities related to its Pumpkin Hollow Open Pit Project (the "Open Pit Project") and broader exploration properties.

The consolidated financial and operational results discussed below and throughout this MD&A reflect the adjustments from the adoption of "Amendments to International Accounting Standards 16 , Property, Plant & Equipment, Proceeds before Intended Use" ("Amendments to IAS 16") as discussed in detail in the section " New Accounting Pronouncements" and "Financial Results" sections of this MD&A. As required by the Amendments to IAS 16, these adjustments were applied retrospectively and the comparatives have been restated.

An overview of certain key events that occurred subsequent to March 31, 2022 are also discussed below.

Underground Mine Operations

- **Underground Mining Operations** – During Q1 2022, the Company hoisted approximately 97,518 tons of material, a 66% improvement over Q4 2021. Included in the material hoisted was approximately 32,025 tons of stope ore at an average grade of 1.3% copper mined from 3 stopes including ore mined from stopes in the Sugar Cube zone.

- **Lateral Development** – Lateral development rates continue to improve. During Q1 2022, 3,126 ft were developed, a 31% improvement over Q4 2021. Two additional loaders were lowered underground in April 2022, further increasing mucking capacity, and an additional haul truck is scheduled to be lowered underground in May 2022. Ore tons mined from development during Q1 2022 were 65,493 tons, at an average grade of 0.7% copper.
- **Capital Projects** – During Q1 2022, the installation of the paste fill reticulation was advanced to the Alphabet and Sugar Cube stopes and the commissioning of the paste fill system is expected to be complete in Q2 2022. The dry commissioning of the surface ventilation fans were completed in early April. Initial excavation of the third ore pass is complete with construction activities scheduled for completion in Q3 2022.
- **Processing Plant** – During Q1 2022, 96,414 tons of ore were processed, a 76% increase over Q4 2021. Processing plant recovery improved by 5% to 84% from Q4 2021. Copper concentrate sales increased by 50% to approximately 2,099 tons of concentrate at an average copper grade of 23%, compared to 1,403 tons of concentrate at an average copper grade of 23% in Q4 2021. The Company continued to batch process ore during Q1 2022, however the number of operating days improved by 112% from 17 operating days in Q4 2021 to 36 operating days in Q1 2022.

Corporate

- **Additional Funding** – Subsequent to the end of Q1 2022, in April and May 2022, the Company drew $5.5 million under the accordion feature ("Accordion") of its amended and restated credit facility with Pala Investments Limited ("Pala") entered into November 30, 2021 ("the 2021 Credit Facility"). The Accordion allows the Company to draw up to $15 million subject to customary conditions precedent, including consent of Pala. The Company has also been progressing discussions for potential concentrate sale prepay arrangements and other financing agreements.

Recent Developments and Outlook

Underground Mine

Mine Development

Development rates improved in Q1 2022. Approximately 3,126 ft of lateral development was achieved in Q1 2022, a 31% improvement over the 2,390 ft of development during Q4 2021.

During Q1 2022, mine development continued on multiple headings. With advance rates improving, development continued to advance closer to the larger stoping areas in East North orebody. During the quarter the Company mined 3 stopes. A number of improvements were made in the stope mining process reducing over break and improving fragmentation in stopes mined later in the quarter. In January 2022, the remote loader was damaged beyond repair a result of the side wall failure of the stope it was mining at the time. As a result, the Company was not able to process the ore expected in the quarter. This impacted productivity, required the rental of a replacement and necessitated a larger than expected make-whole payment under the working capital facility with Concord Resources Limited (the "Working Capital Facility"). Two additional loaders were lowered underground to add additional mucking capacity at the end of April 2022. In addition, another haulage truck is scheduled to be lowered underground in May 2022.

During Q1 2022, the installation of the paste fill reticulation was advanced to the Alphabet and Sugar Cube stopes and the commissioning of the paste fill system is expected to be complete during Q2 2022. Once complete the Company will be ready to backfill mined out stopes with paste which will allow for quicker turnaround of stope mining. Further paste reticulation will continue to advance to new areas as mining continues.

Mining rates are expected to increase as a result of the ongoing installation of incremental underground power and ventilation upgrades, the construction of the third ore pass, the installation of the main pumping station and the underground deployment of additional mobile fleet equipment. Initial excavation of the third ore pass is complete with construction activities scheduled for completion in Q3 2022. The main pumping station construction continues to advance with expected completion in Q3 2022.

The dry commissioning of the surface ventilation fans was completed in early April. The timing for the completion of the installation of the surface ventilation fans is being reviewed with reference to the mine plan to minimize the impact on the ramp-up of production. The timing of completion of the installation is currently scheduled for Q3 2022. Current installed ventilation infrastructure is sufficient to support the ramp-up to 3,000 tons per day ("tpd").

As previously disclosed, the Company has been working to complete multiple crossings of a water-bearing dike structure. While the first crossing has been completed, two other planned crossings have not yet been successfully completed due to challenging and highly variable ground conditions. Coordinated efforts between operations, geology, engineering and geotechnical departments continue daily for the dike crossing. Currently, grouting activities are underway which will be followed by advancing development under steel sets through the dike. The Company expects to have advanced an additional crossing through the dike by the end of Q2 2022. The additional efforts to successfully develop the second dike crossing has delayed the progress of development towards the East North stoping area, which is currently proceeding through the first dike crossing. Since development has previously commenced on the other side of the dike, Q3 2022 and Q4 2022 production is not expected to be impacted the completion of the additional dike crossing. Before future dike crossings, the Company intends to perform targeted in-fill drilling to better understand the hydro-geological setting which will allow the Company to de-risk future dike crossings and to optimize the development rate.

Equipment utilization improved during the quarter and the Company continues to review the planned maintenance schedule and process to improve overall equipment availability.

During Q1 2022, the bolter and truck availability continued to be lower than expected due to unplanned maintenance requirements and a lack of spares due to supply chain delays. The Company commenced the execution of the bolter refurbishment program and is renting two bolters from its main underground mining contractor, Redpath Mining Inc., to support both the legacy bolting and underground production requirements. An additional haul truck is planned to be available in Q2 2022. The Company continues to review the planned maintenance schedule and process to improve overall equipment utilization.

Mine Planning

As part of standard on-going underground mine planning practices, the Company is in the process of updating the geological model with the latest drilling and geotechnical information. The model will be used to continue to optimize the stope sequencing, underground development and the overall mine plan. The revised mine plan is intended to reflect the recent experiences during mine development, including the geotechnical conditions of the East South area, the impact of the water-bearing dike structure, expected equipment utilization rates, and the remaining infrastructure projects to be completed (see "*Mine Planning*" in the Risk Factors section of this MD&A).

Processing Plant

During Q1 2022, 96,414 tons of ore was processed with an average feed grade of 0.7% copper, compared to 54,793 tons of ore with an average feed grade of 0.8% copper in Q4 2021. The processing plant achieved a recovery rate of 84% in Q1 2022, compared to a recovery rate of 80% in Q4 2021. In Q1 2022 approximately 2,099 tons of concentrate was sold at an average copper grade of 23%, compared to 1,403 tons of concentrate sold at a 23% average copper grade in Q4 2021.

Although the mill continued to run on a batch processing basis during Q1 2022, the number of operating days improved by 112% over Q4 2021 to 36 days. During the quarter the mill experienced a number of filter press failures due to blow outs of filter cloths and plate gouging. Since these incidents, improvements to the filter press maintenance procedures were implemented and contractors were hired to perform the maintenance. In Q1 2022 the Company started using a new talc depressant which reduces the frother requirement and eliminates lime usage, which ultimately reduces the operating cost for the processing plant. In addition, the SAG mill is achieving the required grind size for the flotation circuit and in consequence, eliminated the requirement to run the verti-mill resulting in further cost savings. In April 2022, the number of operating days continued to improve to 20 operating days for the month.

Open Pit Project

During Q4 2021, the Company completed the planning and preparation for the Open Pit Project drilling program scheduled for Q2 2022. The in-fill drilling will follow-up the last Open Pit Project drilling program, which identified significant additional mineralization and indicated the orebody extends beyond the original pit boundary and remains open in multiple directions. In addition to further defining the extent of the orebody, drilling is also planned to convert inferred resources within the pit shell to a minimum of an indicated resource category. Drilling is expected to start in Q2 2022 and will provide updated geological information for advancing the Open Pit Project into feasibility evaluation.

The Open Pit pre-feasibility study ("PFS"), with an effective date of January 21, 2019, demonstrated enhanced economics for the Open Pit Project. An update to the 2019 PFS is underway to provide updated resources, reserves, and economics based on current metals prices, costs, and project development strategy. The updated PFS is expected in Q3 2022. The Open Pit Project has all the material permits required at this time for mine construction and operations. The Open Pit Project reserves currently stand at 3,590 million pounds proven and probable from 385.7 million tons grading 0.47% copper.

The Company has also progressed the planned studies for a potential solar project, and this work will be incorporated into the Open Pit PFS update. Further updates on the solar studies will be provided upon completion of the next phase of study work and further updates on Open Pit Project advancement plans will be communicated in due course.

Exploration

The Company continues to evaluate its extensive mineral landholdings at and around Pumpkin Hollow. Review of the detailed aeromagnetic surveys and continued surface reconnaissance will provide a broader understanding of the geologic model and targeting across Nevada Copper's land package.

The review will help direct exploration activities in 2022 on newly acquired lands and targets around the existing deposits subject to cash availability. The work on the new ground will include surface mapping, sampling, trenching and follow up drilling. The areas of work include the Porphyry, Tedeboy, Mountain View and Black Mountain targets. Geophysical and structural targets around the existing deposits are expected to be followed up with drilling.

The Company expects to continue to advance its high-priority targets in accordance with cash availability.

COVID-19 and Global Supply Chain

After an initial increase in the number of COVID-19 cases affecting the Company's employees and contractors during Q4 2021 and January 2022, the number of COVID-19 cases decreased for the remainder of Q1 2022 and had minimal impact on operations during the remainder of Q1 2022.

Supply shortages extended lead times for parts and supplies due to global supply chain challenges continue to impact the Company's operation. The Company is also experiencing inflationary pressures on various commodities including, steel and fuel.

SUBSEQUENT EVENTS

Subsequent to the end of Q1 2022, in April and May 2022 the Company drew $5.5 million under the Accordion of the 2021 Credit Facility. The Accordion allows the Company to draw up to $15 million subject to customary conditions precedent, including consent of Pala.

DESCRIPTION OF BUSINESS

Nevada Copper is a mining company whose principal asset is the 100%-owned Pumpkin Hollow Copper Property (the "Property"). The Property is in northwestern Nevada and primarily consists of approximately 24,300 acres of contiguous mineral rights including approximately 10,800 acres of owned private land and leased patented claims. See "Description of Business" in the AIF.

Past exploration on the Property defined two adjacent but unconnected copper, gold and silver deposits separated by approximately two miles. The two deposits are referred to separately as the "Underground Mine" and the "Open Pit Project" (collectively, the "Project").

The Company has obtained all material permits and approvals for the development and operation of both the Underground Mine and the Open Pit Project that are required at this time. Certain of those permits and approvals may need to be renewed as a result of the passage of time and certain of those permits and approvals may need to be modified in order to accommodate design changes and other optimizations. See "Risk Factors" in the AIF.

The Company has completed construction of the processing plant for the Underground Mine. Completion of the ramp-up of the Underground Mine is continuing during 2022 with the hoisting rate of a combination of stope ore and development material expected to increase to approximately 3,000 tpd in Q2 2022 and then further to 4,500 to 5,000 tpd during Q3 2022.

MANAGEMENT CHANGES

In April 2022, Tracey Thom joined the Company as Vice President, Investor Relations and Community Relations. Tracey's primary roles include implementing and managing the ongoing investor and community relations strategy that aligns all stakeholder engagement with the Company's vision and goals.

Tracey brings over 25 years of senior management and investor relations experience in the mining industry and joins Nevada Copper from Hycroft Mining Holding Corporation where she was Vice President, Investor Relations and Corporate Communication for over 13 years. Prior to that she held senior executive roles in single and dually listed companies ranging from exploration and development to multi-national operations including Andina Minerals, Kinross Gold Corporation, and TVX Gold Inc.

Effective May 23, 2022, Kris Sims will assume the role of Interim Chief Financial Officer ("CFO") following the departure of André van Niekerk as Executive Vice President and CFO, who is leaving for personal reasons. Kris is a seasoned financial professional with over 30 years of experience in the mining industry in executive leadership roles with large operating and development companies in the precious and base metals sectors including Phelps Dodge Mining Company, Freeport McMoRan Copper and Gold and Kinross Gold Corporation. He focuses on establishing fiscal transparency and accountability, operational excellence, profitability, and sustainability for the companies he works with. He has also been an advocate for mining in Nevada and led the Nevada Mining Association as Chairman in 2015. Kris was previously employed with Nevada Copper as Project Manager and has a strong base of institutional knowledge that will be key to moving forward and transitioning the CFO role.

FINANCIAL RESULTS

(Expressed in thousands of USD, except per share amounts)	Quarter Ended	
	Q1 2022	**Q1 2021 (Restated)**
Revenue	$5,092	$4,385
Cost of Sales		
Production costs	15,543	9,762
Transportation	987	564
Royalty and stream	155	758
Total cost of sales	16,685	11,084
Gross loss	(11,593)	(6,699)
Operating Expenses		
General and administrative expenses	1,236	1,193
Stock-based compensation	88	1,405
Loss on fixed asset disposal	280	—
Loss from operations	(13,197)	(9,297)
Interest income	—	11
Interest and finance expenses	(3)	(5)
Derivative fair value gain (loss)	4,551	(1,145)
Foreign exchange loss	(176)	(159)
Loss and comprehensive loss	($8,825)	($10,595)
Loss per share		
Basic and diluted	($0.02)	($0.06)

For the quarter ended March 31, 2022, the Company reported a net loss of $8.8 million (or $0.02 basic and diluted loss per common share, compared to a net loss of $10.6 million for the quarter ended March 31, 2021(or $0.06 basic and diluted loss per common share). The change in the net loss is primarily due to the following:

- **Revenue -** The Company recognized net pre-operational revenue of $5.1 million for the quarter ended March 31, 2022, compared to $4.4 million during the quarter ended March 31, 2021. Concentrate sales totaled 2,099 tons in Q1 2022 compared to 3,291 tons of copper concentrate sold in Q1 2021. Concentrate production was higher in Q1 2021 due to higher grade ore processed during Q1 2021. The average realized copper price (Revenue divided by pounds of copper sold during the period) for Q1 2022 was $4.60 per pound of copper compared to $2.90 per pound of copper realized on sales in Q1 2021. During Q1 2021, copper sales were subject to a forward sales contract at approximately $2.90 per pound of copper; whereas in Q1 2022, concentrate sales were based on the prevailing market price of the metal.
- **Cost of sales** - Cost of sales totaled $16.7 million for the quarter ended March 31, 2022 compared to $11 million for the quarter ended March 31, 2021. The higher cost of sales were primarily due to higher mining costs incurred in Q1 2022 due to more material being mined during Q1 2022 and higher mining contractor and labor costs.

- **General and administrative expenses** - General and administrative expenses totaled $1.2 million for the quarter ended March 31, 2022, similar to the quarter ended March 31, 2021.
- **Share-based compensation** - Share-based compensation reduced by $1.3 million from Q1 2021, due to the timing of the issuance of share-based compensation to the Company's management and directors.
- **Derivative fair value gain (loss)** - A non-cash mark to market fair value gain of $4.6 million was recorded for the quarter ended March 31, 2022 (Q1 2021 - loss of $1.1 million), related to the derivative liability of the Company's warrants. The decrease in the fair market value of the warrants at March 31, 2022 was primarily driven by the decrease in the Company's share price as at March 31, 2022 and the expiration of the warrants issued in July 2020, which resulted in the decrease in the warrant liability and the corresponding recognition of the mark to market fair value gain.

Pumpkin Hollow Project Expenditures

Project costs capitalised for the quarter ended March 31, 2022, on the Project consisted of the following (expressed in $'000):

	March 31, 2022	**Q1 2022 Additions**	**December 31, 2021 (Restated)**	**2021 Additions (Restated)**	**December 31, 2020 (Restated)**
Property payments	$1,961	$—	$1,961	—	$1,961
Advance royalty payments	6,576	150	6,426	600	5,826
Water rights	3,002	47	2,955	188	2,767
Drilling	42,302	—	42,302	—	42,302
Geological consulting, exploration & related	8,459	—	8,459	—	8,459
Feasibility, engineering & related studies	27,605	—	27,605	—	27,605
Permits/environmental	14,245	—	14,245	516	13,729
Underground access, hoist, head frame, power & related	366,553	23,353	343,200	72,587	270,613
Processing plant – engineering procurement	134,819	—	134,819	—	134,819
Surface infrastructure	33,887	2,043	31,844	2,127	29,717
Site costs	64,183	2,532	61,651	20,759	40,892
	703,592	**28,125**	**675,467**	**96,777**	**578,690**
Depreciation	19,973	1,804	18,169	7,768	10,401
Asset retirement obligation	4,501	(556)	5,057	(248)	5,305
Capitalised interest	102,464	3,125	99,339	16,101	83,238
Stock-based compensation	5,786	24	5,762	(309)	6,071
Stream accretion	34,129	2,855	31,274	11,085	20,189
Total	**$870,445**	**$35,377**	**$835,068**	**131,174**	**$703,894**

During the first quarter of 2022, Nevada Copper adopted Amendments to International Accounting Standards ("IAS") 16, Property, Plant & Equipment, Proceeds Before Intended Use. The Company adopted the accounting policy retrospectively. The amended standard prohibits the Company from deducting any proceeds from selling items produced from the cost of building an item of mineral interest, plant and equipment, while bringing that asset to be capable of operating in the manner intended by management. With the adoption of the amended standard, revenue from sales of copper concentrate recovered and related costs while bringing a mine in a condition necessary for it to be capable of operating in the manner intended by management are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 - Inventories. The restated amounts in the table above reflect the impact of the adjustments required by the Amendments to IAS 16.

For the quarter ended March 31, 2022, the Company incurred $35.4 million of Project-related expenditures compared to $31.4 million in 2021. The Company's focus during the quarter was further advancement of the underground development, ramp-up of production and further advancement of construction and implementation of critical infrastructure, as well as ramp-up of production.

During the quarter ended March 31, 2022, the primary capital projects that were advanced included the procurement of the remaining items for the commissioning of the surface ventilation fans, the installation of paste plant reticulation, the excavation of the third ore pass, procurement related to the main pumping station, and advanced lateral development.

LIQUIDITY, CASH FLOW AND FINANCIAL RESOURCES

Liquidity

Working capital deficit

(Expressed in thousands of US dollars, except per share amounts)	**As at March 31, 2022**	**As at December 31, 2021 (Restated)**
Current assets		
Cash and cash equivalents	$12,325	$51,616
Accounts receivable	36	72
Prepaid expenses	1,113	58
Material and supply inventory	574	3,713
Total Current Assets	14,048	55,459
Current liabilities		
Accounts payable and accrued liabilities	$50,256	$45,650
Related party payable	619	38
Share-based compensation liabilities – current portion	1,955	1,817
Warrant derivative	18,823	23,374
Current portion of stream and royalty deferral	11,179	6,138
Working capital facility	18,705	20,095
Current portion of long-term debt	8,003	8,307
Total Current Liabilities	109,540	105,419
Working capital deficit	($95,492)	($49,960)

As at March 31, 2022, the Company had cash and cash equivalents of $12.3 million. The Company's working capital (current assets less current liabilities) as at March 31, 2022 was negative $95.5 million compared to negative $50.0 million as at December 31, 2021. The working capital deficit increased from December 31, 2021 primarily due to the decrease in cash and cash equivalents used for the development of the Underground Mine.

The negative working capital at March 31, 2022 includes $50.3 million of accounts payable and accruals, $0.6 million in related party payables, $18.8 million of non-cash warrant derivative liability, and $11.2 million of deferred consideration related to estimated stream deliveries in the next 12 months, which are conditional on concentrate deliveries.

As at March 31, 2022, capital commitments due in the next twelve months are $5.8 million.

The Company's liquidity during the quarter ended March 31, 2022 was impacted by several factors, including:

- Reduced concentrate production and sales (compared to expectations) as a result of lower than expected development rates achieved; and
- Requirement to repay draws under the Working Capital Facility primarily in cash rather than in concentrate deliveries.

During the quarter ended March 31, 2022, the Company delivered 2,099 tons of concentrate at an average grade of 23% copper under the Working Capital Facility and made cash repayments of $10.4 million in lieu of concentrate deliveries. The Company drew down $13.4 million under the Working Capital Facility based on expected future deliveries during 2022.

While the Company has achieved acceleration of the Underground Mine ramp up, a number of events have occurred since the beginning of the year, which have prevented the Company from achieving its intended growth in levels of development progress and concentrate production. These include lower than planned productivity from its mining contractor, lower than expected equipment availability, the loss of a remote loader caused by the side wall failure of a stope (which has now been replaced), a continued delay with respect to the completion of the second dike crossing, and continued supplier delivery issues. The loss of the remote loader both reduced expected revenue in January 2022 and constrained productivity during Q1 2022, and resulted in additional maintenance and rental costs. Due to the cumulative impact of these factors, management is assessing the financing alternatives that may be available to the Company in order to complete the ramp up of the Underground Mine, such as utilizing the $15 million Accordion under the 2021 Credit Facility (subject to customary conditions precedent, including consent of Pala) and potential concentrate sale prepay arrangements. The Company continues to advance further mine planning analysis, taking into account the factors referred to above as well as the timing of the final installation of the surface ventilation fans, which is expected to provide an indication of the amount and timing of the required funding.

The ability of the Company to complete the ramp-up is dependent on, among other things, results from operations, the ability to complete the ramp-up process in accordance with the Company's timing and cost expectations, an increase in concentrate production and sales, favourable copper market conditions and the ability to obtain additional required financing. There can be no assurance that these requirements will be achieved. In addition, there can be no assurance that the actual costs to complete the ramp-up will not be greater than expected by the Company or that further significant ramp-up delays will not occur. If the above requirements are not achieved or other material adverse events or delays occur then, in the absence of sufficient financing being arranged, the Company may not be able to continue operations. This may result in, among other things, its secured lenders becoming able to enforce their security over the Company's assets.

Cash Flow

During the quarter ended March 31, 2022, cash used in operating activities was $15.6 million compared to $8.5 million during the quarter ended March 31, 2021.

Cash outflow from investing activities during the quarter ended March 31, 2022, was $22.5 million compared to an outflow of $27.5 million in the quarter ended March 31, 2021. The Company incurred $22.0 million in Underground Mine development costs during the first three months of 2022. This compares to the $25.7 million of Underground Mine development costs in the quarter ended March 31, 2021.

Financing activities during the quarter ended March 31, 2022 used $1.2 million, compared to an inflow of $23.8 million for the quarter ended March 31, 2021. During Q1 2022, the Company drew $13.4 million under the Working Capital Facility and repaid $10.4 million of the balance. During the quarter ended March 31, 2021, financing activities consisted of the following transactions:

- The Company received aggregate net proceeds of $27.7 million from its public offering of units in January 2021 (the "the January 2021 Offering").
- Funds advanced under the 2021 Credit Facility in Q1 2021 were $15 million.
- The Company drew $23.1 million under the Working Capital Facility and repaid $23.1 million in cash.
- The Company repaid certain promissory notes owing to Pala in the aggregate amount of approximately $25.3 million, $15.7 million of which was paid in cash from the proceeds of the January 2021 Offering and the remainder of which was repaid through the private placement of units to Pala completed concurrently with the January 2021 Offering.

Positive cash flows from operations are not expected until the Company has significantly advanced the ramp-up in production rates. The Company anticipates that it will have negative cash flow from operating activities until completion of the ramp-up to a sufficient level at the Underground Mine and the generation of the associated revenues from concentrate sales.

Financial Transactions and Financial Resources

Credit Facility Warrants

In connection with entering into the amended and restated 2021 Credit Facility, the Company issued 15,000,000 common share purchase warrants (the "the Credit Facility Warrants") to Pala, with each Credit Facility Warrant entitling Pala to purchase, on or before January 31, 2026, one common share at an exercise price of C$0.8553, which represented a 25% premium to the 5-day volume weighted average price of the common shares on the Toronto Stock Exchange (the "TSX") ending on November 29, 2021, the trading day immediately prior to the date of entry into the amended and restated 2021 Credit Facility. Pursuant to the requirements of the TSX, the Company obtained disinterested shareholder approval authorizing the exercise of the Credit Facility Warrants at a special meeting of shareholders held on January 25, 2022.

SUMMARY OF QUARTERLY RESULTS

The summary of the prior periods' selected unaudited quarterly financial information has been restated as a result of the adoption of the amendment to IAS 16 (See the "New Accounting Pronouncements" section below for more information on the impact of the restatement). The tables below show the selected unaudited quarterly information both prior to, and subsequent to, the restatement.

The following table sets forth selected unaudited quarterly financial information for each of the eight most recently completed quarters prior to the restatement as a result of the adoption of IAS 16. Expressed in thousands of United States dollars, except per share amounts:

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Working Capital (Deficiency)	($95,492)	($49,960)	($260,271)	($255,706)	($109,399)	($117,251)	($103,162)	($101,317)
Total Assets	$906,019	$948,338	$858,458	$831,393	$796,175	$767,849	$721,326	$686,557
Development Property (Project expenditure)	$891,592	$892,500	$828,562	$789,844	$747,020	$708,895	$683,129	$647,159
Total non-current liabilities	$290,839	$294,649	$172,856	$174,909	$274,403	$269,586	$239,050	$270,760
Shareholders' Equity	$505,640	$548,270	$421,368	$391,112	$402,482	$370,793	$377,154	$311,406
Revenue	$5,092	$—	$—	$—	$—	$—	$—	$—
Net (Loss) Income	($8,825)	($9,313)	$28,102	($14,054)	($3,896)	($3,313)	($2,582)	($2,457)
Net (Loss) Income per share	$(0.02)	$(0.04)	$0.15	$(0.08)	$(0.02)	$(0.02)	$(0.02)	$(0.03)
Net (Loss) Income per share (diluted basis)	$(0.02)	$(0.04)	$0.15	$(0.08)	$(0.02)	$(0.02)	$(0.02)	$(0.03)

The following table sets forth selected unaudited quarterly financial information for the quarter ending March 31, 2022 and the prior seven most recently completed quarters subsequent to the restatement as a result of the adoption of the Amendments IAS 16 (Expressed in thousands of United States dollars, except per share amounts):

		Selected unaudited quarterly information restated for the adoption of the amendment to IAS 16						
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Working Capital (Deficiency)	($95,492)	($49,960)	($260,271)	($255,706)	($109,400)	($118,203)	($103,162)	($101,317)
Total Assets	$906,019	$914,623	$831,646	$810,050	$784,476	$762,848	$715,365	$686,557
Development Property (Project expenditure)	$891,592	$858,785	$827,304	$796,693	$765,894	$733,760	$677,186	$647,159
Total non-current liabilities	$290,839	$294,649	$172,856	$174,909	$274,402	$256,838	$239,050	$270,760
Shareholders' Equity	$505,640	$514,555	$394,556	$369,769	$390,783	$365,792	$374,726	$311,406
Revenue	$5,092	$2,701	$1,990	$2,063	$4,386	$4,194	$1,441	$—
Net (Loss) Income	($8,825)	($16,216)	$22,633	($23,697)	($10,595)	($2,352)	($4,974)	($2,457)
Net (Loss) Income per share	$(0.02)	$(0.06)	$0.12	$(0.13)	$(0.06)	$(0.02)	$(0.04)	$(0.03)
Net (Loss) Income per share (diluted basis)	$(0.02)	$(0.06)	$0.12	$(0.13)	$(0.06)	$(0.02)	$(0.04)	$(0.03)

Financial results of the last eight quarters include the impact of the timing of previous financing transactions, the variability of copper concentrate sales and capital expenditures incurred.

For the quarters ended June 30, 2021 and September 30, 2021, the KfW-IPEX Bank Facility was classified as a current liability. During Q4 2021 certain terms of the KfW-IPEX Bank Facility was amended resulting in the liability being classified as long term debt from December 31, 2021 onwards.

The Company's total assets increased throughout these quarters as development property expenditures were incurred. The Company's non-current liabilities and shareholder's equity increased as a result of debt and equity financings undertaken during the last eight quarters.

RELATED PARTY TRANSACTIONS

Pala is a related party to the Company because of its approximate 37% (Q1 2021 - 38%) shareholding in Nevada Copper as of March 31, 2022. Additionally, three of the seven directors of the Company are Pala executives. The Company has an independent directors committee to review and approve Pala related transactions.

During the three months ended March 31, 2022 and March 31, 2021, the following related party transactions were incurred with Pala:

- Guarantee fee totaling $0.3 million (2021 - $0.3 million);
- Interest charges incurred on the 2021 Credit facility and capitalized to the 2021 Credit Facility totaling $0.9 million (2021 - $0.1 million).
- Technical and other services fees of $36 thousand (Q1 2021 - $36 thousand).
- Indemnity fees totaling nil (2021 - $0.5 million)

As at March 31, 2022, the Company owed Pala $0.4 million for accrued fees for technical and other services (December 31, 2021 - $0.9 million) relating to fees accrued in connection with the indemnity agreements relating to bonding arrangements, the guarantee provided by Pala in connection with the KfW IPEX-Bank Facility, and accrued fees for technical and other services. Related party transactions are recorded at the amount paid or received as established by contract or as agreed upon by the Company and the related party.

Subsequent to the end of Q1 2022, in April and May 2022 the Company drew $5.5 million under the Accordion of the 2021 Credit Facility. The Accordion allows the Company to draw up to $15 million subject to customary conditions precedent, including consent of Pala.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

As at March 31, 2022, capital commitments due in the next twelve months are $5.8 million.

As at March 31, 2022, the Company had the following consolidated contractual obligations (expressed in thousands of United States dollars):

	Payments due by period				
Contractual obligations	**Total**	**1 year**	**2-3 years**	**4-5 years**	**5 years+**
Accounts payable, accrued liabilities and related party payables	$50,256	$50,256	$—	$—	$—
Construction contractual obligations	$5,802	$5,802	$—	$—	$—
Working Capital Facility	$18,705	$18,705	$—	$—	$—
KfW IPEX-Bank Facility	$149,524	$3,953	$17,767	$61,346	$66,458
Equipment leases	$22,149	$8,076	$12,656	$1,417	$—
2021 Credit Facility	$51,339	$5,757	$6,730	$38,852	$—
Asset retirement obligation	$5,415	$—	$—	$—	$5,415
Total contractual obligations	**$303,190**	**$92,549**	**$37,153**	**$101,615**	**$71,873**

LEGAL

There were no changes to the settlement agreements reached with Sedgman and Cementation during the quarter. There were no new material legal disputes during the period.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer (the "CEO"), and the Chief Financial Officer (the "CFO") of the Company are responsible for establishing and maintaining the Company's disclosure controls and procedures ("DCP") including adherence to the Disclosure Policy adopted by the Company. The Disclosure Policy requires all staff to keep senior management fully apprised of all material information affecting the Company so that they may evaluate and discuss this information and determine the appropriateness and timing for public release.

The CEO and the CFO are also responsible for the design of internal controls over financial reporting ("ICFR"). The fundamental goal is ensuring all transactions are properly authorised and identified and entered into a well-designed, robust and clearly understood accounting system on a timely basis and to minimise risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, and failure to detect unauthorised receipts, expenditures, and unauthorised acquisitions or dispositions of assets. The relatively small size of the Company makes the identification and authorisation process relatively efficient and a process for reviewing ICFR has been developed. To the extent possible given the Company's small size, the internal control procedures provide for separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing checks and wire requests and also require two signers on all payments.

The Company continually reviews and enhances its systems of controls and procedures. However, because of the inherent limitation in all control systems, management cautions that ICFR will not prevent or detect all misstatements due to error or fraud. There have been no significant changes in the Company's internal control over financial reporting during the three months ended March 31, 2022, that materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not currently have any off-balance sheet arrangements.

NEW ACCOUNTING PRONOUNCEMENTS

Adoption of New Accounting Pronouncement (Amendments to IAS 16)

During the first quarter of 2022, Nevada Copper adopted the Amendments to IAS 16. The Company adopted this accounting policy retrospectively. The amended standard prohibits the Company from deducting any proceeds from selling items produced from the cost of building an item of mineral interest, plant and equipment, while bringing that asset to a condition to be capable of operating in the manner intended by management. With the adoption of the amended standard, revenue from sales of copper concentrate recovered and related costs while bringing a mine in a condition necessary for it to be capable of operating in the manner intended by management are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of IAS 2.

The comparative numbers and the opening balance of the deficit for 2021 were restated to reflect the impact of the Amendments to IAS 16. Accordingly, numbers for the three months ended March 31, 2021 are restated as follows:

	Amount previously disclosed for the three months ended March 31, 2021	**Impact of adoption of IAS 16 Amendment**	**Restated balance for the three months ended March 31, 2021, following the adoption of IAS 16**
Revenue	$—	$4,385	$4,385
Cost of Sales	$—	$11,084	$11,084
Mineral, Property Plant and Equipment	$777,593	($11,699)	$765,894
Deficit	($166,477)	($11,699)	($178,176)
Shareholder’s Equity	$402,482	($11,699)	$390,783
Net Income (loss)	($3,896)	($6,699)	($10,595)
Earnings (loss) per share	$(0.02)	$(0.04)	$(0.06)
Cash provided from operating activities	($1,767)	($6,699)	($8,466)
Cash used in investing activities	($34,233)	$6,699	($27,534)

The comparative numbers and the opening balance of the deficit for 2021 were restated to reflect the impact of the Amendments to IAS 16. Accordingly, numbers for the three months ended December 31, 2021 are restated as follows:

	Amount previously disclosed for the year ended December 31, 2021	**Impact of adoption of IAS 16 Amendment**	**Restated balance for the year-ended December 31, 2021, following the adoption of IAS 16**
Revenue	$—	$11,139	$11,139
Cost of Sales	$—	($39,853)	($39,853)
Mineral, Property Plant and Equipment	$892,500	($33,715)	$858,785
Deficit	($161,742)	($33,715)	($195,457)
Shareholder’s Equity	$548,270	($33,715)	$514,555
Net Income (loss)	$839	($28,714)	($27,875)
Earnings (loss) per share	$0.00	$(0.14)	$(0.14)
Cash used in operating activities	($7,862)	($28,714)	($36,576)
Cash used in investing activities	($127,271)	$28,714	($98,557)

CRITICAL ACCOUNTING ESTIMATES

The Company’s significant accounting policies are presented in Note 2 of the Company’s audited consolidated financial statements for the year ended December 31, 2021. The preparation of consolidated financial statements in accordance with IFRS requires management to establish accounting policies and to make judgements, estimates and assumptions that affect both the amount and timing of assets, liabilities, income and expenses. Some of these estimates require judgments about matters that are inherently uncertain.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the significant judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- Mineral reserve and resource estimates
- Provision for reclamation and remediation
- Recoverable amount of mineral properties, plant and equipment
- Going concern
- Achievement of Commercial Production

New Accounting Policies

Revenue recognition

Under IFRS 15, Revenue from Contracts with Customers, revenue is recognized when a customer obtains control of the goods or services and the Company has satisfied its performance obligations. Determining the timing of the transfer of control, at a point in time or over time, requires judgment.

Cash received in advance of meeting these conditions is recorded as advance payments on product sales. In the case of Pumpkin Hollow's copper concentrate, control is generally transferred upon shipment of the product as product is loaded and released in railcars, is placed over the ship's rails at the port of loading, or in limited circumstances, upon delivery to the concentrate shed at the shipping port or when delivered to the port of discharge. Under the terms of the Company's concentrate sales contracts, the final sales amount is based on final assay results and quoted market prices which may be in a period subsequent to the date of sale. Revenues for these sales, net of treatment and refining charges are recorded when the customer obtains control of the concentrate, based on an estimate of metal contained using initial assay results and forward market prices for the expected date that final sales prices will be fixed.

The period between provisional pricing and final settlement can be up to four months. This settlement receivable is recorded at fair value each reporting period by reference to forward market prices until the date of final pricing, with the changes in fair value recorded as an adjustment to revenue.

Inventory

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes direct labour and materials; non-capitalized development costs; freight; and overhead costs. Net realizable value is determined with reference to relevant market prices, less applicable variable selling costs and estimated remaining costs of completion to bring the inventories into saleable form.

Ore stockpiles represent stockpiled ore that have not yet completed the production process, and are not yet in a saleable form. Finished goods inventories represent metal concentrates in saleable form that have not yet been sold. Materials and supplies inventories represent consumables used in the production process, as well as spare parts and other maintenance supplies that are not classified as capital items.

The quantity of recoverable metal in stockpiled ore and in the processing circuits is an estimate which is based on the tons of ore added and removed, expected grade and recovery. The quantity of recoverable metal in concentrate is an estimate using initial assay results.

RISKS AND UNCERTAINTIES

The Company and its future business, operations and financial condition are subject to various risks and uncertainties, including due to the nature of its business and the present stage of development of its mineral properties. Risks and uncertainties are described in this MD&A and under the heading "Risk Factors" in the Company's AIF, which is available on SEDAR at www.sedar.com.

Ramp-up of operations at the Underground Mine

The ramp-up process is by its nature subject to a variety of operational and technical risks associated with mining projects, including with respect to mine planning as described below. See "Risk Factors – Mine Planning". These activities may also be subject to COVID-19 impacts as described in the section below. As a result, there can be no assurance that the ramp-up process will progress on the currently expected timeline or within expected cost parameters. It is common for projects in the ramp-up phase to experience unanticipated problems and for there to be unexpected costs associated with delays. Delays in ramp-up will likely impact the Company's revenue and cash flow. There are a number of risks and challenges associated with ramp-up, including unforeseen geological formations, the implementation of new mining and recovery processes, unexpected geotechnical conditions, and the underlying characteristics and quality of mineralogy of deposits. In addition, any delay in performance by the Company's contractor will delay the completion of ramp-up at the Underground Mine and may result in additional costs being incurred by the Company beyond those already incurred and budgeted.

The Company has to date experienced negative cash flow from operating activities and has a significant working capital deficiency. Positive operating cash flows are not expected to be achieved until the Company has advanced its ramp-up to a sufficient level at the Underground Mine. The inability to successfully ramp-up production at the Underground Mine on time and within budget expectations is likely to have a material adverse effect on the Company.

The Company has been working to complete multiple crossings of a water-bearing dike structure. While the first crossing has been completed, two other planned crossings have not yet been successfully completed due to challenging and highly variable ground conditions. The Company is performing additional work, including drilling, to improve the understanding of the geological structure and ground conditions in order to successfully complete these crossings. This has delayed the progress of development towards the East North stoping area, which is currently proceeding through the first dike crossing. The delay in and additional work required to complete the dike crossings has resulted in increased costs and delayed development progress.

As previously disclosed, the timetable and costs for the development of the Underground Mine have been significantly adversely impacted by a series of geotechnical and operational issues. Since the beginning of December 2021, the Company experienced reduced productivity as result of lower than planned productivity from its mining contractor, lower than expected equipment availability, including due to the loss of the remote loader (which has now been resolved), a continued delay with respect to the completion of the second dike crossing, and continued supplier delivery issues. The loss of the remote loader both reduced expected revenue in January 2022 and constrained productivity during Q1 2022 and resulted in additional maintenance and rental costs. Due to the cumulative impact of these factors, management is assessing the financing alternatives that may be available to the Company in order to complete the ramp of the Underground Mine, such as utilizing the $15 million Accordion under the 2021 Credit Facility (subject to customary conditions precedent, including Pala's consent) and potential concentrate sale prepay arrangements. The Company is currently working to complete further mine planning analysis, taking into account the factors referred to above, which is expected to provide an indication of the amount and timing of the required funding.

The ability of the Company to complete the ramp-up is dependent on, among other things, results from operations, progress in accordance with the Company's timing and cost expectations, an increase in concentrate production and sales, favourable copper market conditions and the ability to obtain additional required financing. There can be no assurance that these requirements will be achieved. In addition, there can be no assurance that the actual costs to complete the ramp-up will not be greater than expected by the Company or that further significant ramp-up delays will not occur. If the above requirements are not achieved or other material adverse events or delays occur then, in the absence of sufficient financing being arranged, the Company may not be able to continue operations. This may result in, among other things, its secured lenders becoming able to enforce their security over the Company's assets.

Mine Planning

As previously disclosed, through the geotechnical analysis that the Company has completed at the Underground Mine, it elected to reduce the size of certain early stopes in a localized area where initial ramp-up ore is planned. This reduction in early stopes resulted in an increase to the cost estimates required to complete the ramp-up at the Underground Mine and delayed the ramp-up process. In addition, delays in completing the necessary dike crossing and associated geotechnical conditions indicate that re-sequencing stope extraction near the dike will be required which may require changes to the mine plan and impact ore delivery. The Company also believes that there will not be mineralized material in the dike structure, contrary to previous expectations. The Company is in the process of reviewing and revising the mine plan to most efficiently address these issues and those identified in the section above. Further significant delays in completing the necessary dike crossings may further delay planned mining sequences and may necessitate further mine plan changes.

The Company continues to advance its mine planning analysis, including related costs and timing implications. It is possible that the cost parameters may change over the course of the ramp-up and mine planning process for various reasons, including results relating to geotechnical analysis and further changes to the mine planning. If the Company requires additional funding in the future in light of revised cost projections, such funding may not be available on terms favourable to the Company or at all. In the absence of any required financing, the Company may not be able to continue operations.

COVID-19

COVID-19 has caused severe disruptions in regional economies and the world economy and financial and commodity markets in general. The transmission of COVID-19 and efforts to contain its spread resulted in international, national and local border closings, travel restrictions, significant disruptions to business operations, supply chains and customer activity and demand, service cancellations, workforce reductions and other changes, significant challenges in healthcare service provision and delivery, mandated closures and quarantines, as well as considerable general concern and uncertainty, all of which have negatively affected the Company's operations and the economic environment in general and may in the future have further impacts.

The circumstances relating to the virus are dynamic and its impacts on the Company's business operations, including the timing, duration and extent of the impact on the Company's mine development and ramp-up process at the Underground Mine and future production, cannot be reasonably estimated at this time. The future impacts of COVID-19 may adversely affect the Company's ability to complete the ramp-up and operation of the Underground Mine and to comply with its covenants under its contracts, including under the KfW IPEX-Bank Facility, the Working Capital Facility, the 2021 Credit Facility and other credit facilities/financing arrangements.

The Company has had localized workplace COVID-19 incidents at the Underground Mine affecting its employees and its contractors. While those incidents have been addressed pursuant to the Company's policies, the continued spread of the virus and further infections of COVID-19 may lead to work-stoppages and/or additional protocols and work restrictions at the Underground Mine, which could potentially delay the Company's ramp-up process and lead to suspensions of operations, depending on the nature of any future outbreaks. The Company has also been experiencing labour availability constraints and supply chain issues as a result of the pandemic

OUTSTANDING SHARE DATA

As of May 16, 2022, there were 448,452,759 common shares of the Company issued and outstanding, 5,483,224 share options outstanding, 5,608,042 deferred share units outstanding, and warrants outstanding as per the table below:

Warrant Tranche	**Number outstanding**
November 2021 Offering Warrants[1]	132,374,442
Credit Facility Warrants[1]	15,000,000
January 2021 Offering Warrants[2]	154,818,585
Triple Flag Warrants[2]	15,000,000

On September 17, 2021, the Company completed a share consolidation (the "Share Consolidation") of its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares. The common shares began trading on the TSX on a post-consolidation basis on September 21, 2021. The common shares, units, per share and per unit amounts have been restated in this MD&A (other than as noted herein) to reflect the Share Consolidation for comparative purposes.

[1] – These warrants were issued after the Share Consolidation. One warrant is required to be exercised to purchase one common share.

[2] – These warrants were issued prior to the Share Consolidation. The number of warrants outstanding following the Share Consolidation did not change. However, as a result of the Share Consolidation, the respective exercise prices of the warrants increased by a factor of 10, and ten (10) warrants are now required to be exercised to purchase one (1) common share (rather than the one (1) for one (1) exchange before the Share Consolidation).

FORWARD-LOOKING STATEMENTS

This MD&A contains “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian securities laws. All statements in this MD&A, 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 and information that relate to: Nevada Copper’s plans for the Project; the Company’s mine development, production and ramp-up plans (including as may be affected by ongoing future technical work) and the expected timing, costs and results thereof; the need for additional funding; expected commencement of positive cash flow from operating activities; the ongoing exploration activities and the objectives and results thereof; the impacts of the COVID-19 pandemic on the global economy and the Company; future ore and concentrate production rates; and the other plans of Nevada Copper with respect to the exploration, development, construction and commercial production at the Project.

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: 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 the COVID-19 pandemic 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; 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 AIF and in the section “Risk Factors” of this MD&A and the Company's Management's Discussion and Analysis in respect of the year ended December 31, 2021. The forward-looking statements and information contained herein 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; impacts of COVID-19 going forward; 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 (or as otherwise indicated). 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” herein, and in the Company's Management's Discussion and Analysis in respect of the year ended December 31, 2021 and “Risk Factors” in the AIF 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. 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.