

# NEVADA COPPER

## NEWS RELEASE

TSX: NCU

### **NEVADA COPPER ANNOUNCES POSITIVE FEASIBILITY STUDY RESULTS**

**May 28, 2015 - Nevada Copper Corp. (TSX: NCU) ("Nevada Copper") (the "Company")** is pleased to announce the results of its National Instrument 43-101 ("NI 43-101") Technical Report Integrated Feasibility Study ("IFS") for its 100% owned Pumpkin Hollow Copper Project located near Yerington, Nevada.

The IFS was prepared under the direction of Tetra Tech, Inc. ("Tetra Tech") with Stantec Consulting Services Inc. ("Stantec") having responsibility for the detailed underground mine design and underground capital cost estimation. Tetra Tech and Stantec are both industry-leading international engineering firms.

#### **Highlights of the Integrated Feasibility Study** (All dollar amounts are stated in United States currency):

- Long mine life of 23 years with low-risk profile located in an ideal mining jurisdiction close to existing infrastructure, an increase of 5 years from the first published integrated feasibility study, with production ramp-up targeted for 2018;
- Assuming the Base Case of US\$3.15 copper, US\$1,200 gold and US\$18 silver, the Integrated Project generates Life-of-Mine ("LOM") after-tax net cash flow of US\$2.6 billion, NPV@5% of US\$1.1 billion, an after-tax IRR of 15.5% with 4.9 year payback;
- Significant LOM metal production of 4.5 billion pounds (2.05 million tonnes) of copper, 512,000 ounces of gold and 15.6 million ounces of silver in a quality copper concentrate. Average annual copper production of 275 million pounds in years 1 to 5;
- The project development consists of a 63,500 tons/day open pit mine and 6,500 tons/day underground mine, feeding a single 70,000 tons/day concentrator, generating substantial annual cash flow over LOM;
- Proven and Probable Mineral Reserves, including open pit and underground mineable, are 572 million tons of ore grading 0.47% copper equivalent<sup>1</sup>, containing 5.05 billion pounds of copper, 761,000 ounces of gold and 27.6 million ounces of silver;
- Initial capital costs are estimated to be \$1.07 billion including contingencies, excluding working capital of \$34 million. Sustaining LOM capital is \$0.64 billion;
- Low LOM site operating costs of \$11.59 per ton of ore-milled (Year 1 to 5 - C1 Production Costs at \$1.49/lb. payable copper);

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<sup>1</sup> The copper grade equivalency was determined using Base Case metals prices and metallurgical recoveries of 89.3%, 67.3% and 56.3% for copper, gold and silver respectively

- The IFS includes drilling data to 2011 for the underground deposits and 2013 for the open pit deposits. Further upside and optimization potential exists from current planned drilling in 2015 which is not included in the current IFS;
- The IFS confirms the technical and financial viability of constructing and operating a 70,000 tons/day copper mining and processing operation at Pumpkin Hollow comprising a single large concentrator with mill feed from both open pit and underground operation.

**Annual copper production in concentrates and C1 operating costs:**

	Units	Years 1-5*	Years 1-10*	LOM (Average)
Copper in Concentrates	000s lbs./yr.	274,700	246,300	198,200
Copper in Concentrates	Tonnes/yr.	124,600	111,700	89,900
C1 Production Costs	\$/lb payable copper	\$1.49	\$1.68	\$1.73

\* Note starting post ramp-up

**Summary of Economic Results:**

		Low Case	Base Case	High Case
Copper Price	\$/lb	\$2.85	\$3.15	\$3.75
Gold Price	\$/oz	\$1,200	\$1,200	\$1,200
Silver Price	\$/oz	\$18	\$18	\$18
<b>(In Millions of US Dollars)</b>				
Net Smelter Revenue, after royalty		\$10,768	<b>\$11,990</b>	\$14,434
Net Cash Flow	Pre-tax	\$1,917	<b>\$3,079</b>	\$5,402
Net Cash Flow	After-tax	\$1,654	<b>\$2,583</b>	\$4,309
Annual Net Cash Flow	Yr. 1-5 avg.	\$191	<b>\$248</b>	\$353
Pre-tax Operating Margin*	Yr. 1-5 avg.	\$319	<b>\$393</b>	\$542
NPV 5%	Pre-tax	\$695	<b>\$1,398</b>	\$2,804
NPV 5%	After-tax	\$560	<b>\$1,129</b>	\$2,178
IRR	Pre-tax	11.4%	<b>17.3%</b>	28.1%
IRR	After-tax	10.4%	<b>15.5%</b>	24.1%
Payback - years	Pre-tax	7.6	<b>4.4</b>	2.9
Payback - years	After-tax	8.1	<b>4.9</b>	3.3

\* Note: Net revenues less smelter charges, concentrate transport and site operating costs.

Giulio Bonifacio, President & CEO commented: *“The updated Integrated Feasibility Study reported today encompasses a project that has over the last number of years been de-risked significantly with: permits for the larger operation expected shortly by way of the passage of the land bill by the United States Congress, substantial value added engineering and optimization, a fully commissioned head frame, hoist and, a 24 foot diameter concrete lined production sized shaft which has been sunk to the 1,900 foot primary production level.*

*We are also very pleased that, while incorporating significant engineering and design changes since 2012, the Pumpkin Hollow project maintains positive economics at forecast copper prices, with further upside potential based on results from our current drilling campaign and the open extent of both the open pit and underground deposits.*

*Our base case feasibility results provides cumulative after-tax net cash flow of \$2.6 billion demonstrating that the Pumpkin Hollow project provides investors with a low-risk copper mine with an initial mine life of 23 years with further upside. With the closing of the land transfer conveyance and receipt of modified state permits expected in the next few months, Nevada Copper will be very well positioned as a fully permitted large copper project located in an ideal mining jurisdiction close to existing infrastructure.*

*With the Integrated Feasibility Study results in hand, and permits expected shortly, we will move to assess project financing alternatives and advance discussions currently underway. We will continue to assess our financing options with respect to both the Integrated Project as well as the fully-permitted Stage 1 underground operation and will determine the optimal development strategy upon receipt the final permits for the Integrated Project, which are expected in Q3 2015.”*

### **Project Upside**

Project upside and opportunities include the following:

#### **Resource expansion**

Drilling in 2012 and more recently in 2015 has demonstrated the potential for material extensions to the known mineral inventories at Pumpkin Hollow, particularly the North open pit deposit. Updating the mineral resource inventory to reflect this drilling, along with updated mining plans, is expected to expand the mineral resources at the project.

#### **North Pit Expansion**

Recent drilling in the connector zone between the North and South deposits continues to produce positive results and is expected to produce future mine designs where the North and South pits will continue to merge. A merged pit configuration can be expected to have a positive effect on the strip ratio, as well as improvements in pit scheduling, overburden placement and equipment utilization.

#### **Underground Resource Expansion**

Drilling has commenced from underground drill stations. This drilling will better define the higher grade areas targeted for first production and will test the boundaries of the underground resources in the East deposit. The JK34 zone which is located between the East and E2 deposits will be drilled later when the ramp between the deposits is completed.

#### **Metallurgy**

Metallurgical test work and optimization is continuing with a view to increasing copper recoveries particularly in the years of higher copper grades in the mill feed. Initial test results reflect increased recovery levels and will be followed up.

## Iron

Work has been initiated to assess the metallurgy and marketability of the Pumpkin Hollow iron magnetite resources under a Memorandum of Understanding with a major international steel producer. The benefits of existing infrastructure and power costs further support the possible future benefit of processing our copper tailings to produce a byproduct iron magnetite revenue stream.

## Background

The IFS builds upon the results of three previous feasibility studies, beginning with an integrated feasibility study published in January 2012 that considered open pit and underground deposits feeding a single 67,500 tons/day copper concentrator.

In 2012, the Company determined that a standalone 6,500 tons/day underground mine could be permitted under State regulations on private lands within a shorter timeline. As a result the Company commissioned a second feasibility study to support a stand-alone underground operation (“Stage 1”) with results published in November 2012. All State permits were received for the underground operation in September 2013.

A third feasibility study evaluated the open pit operation as a separate standalone 70,000 tons/day open pit mine and concentrator (“Stage 2”) with results published in October 2013.

In late 2014 the Yerington land bill (“Land Bill”) was passed by the United States Congress and signed into law by President Obama. The passage of the Land Bill represented a very significant milestone for the Company as it accelerated the permitting timeline for a 70,000 tons/day open pit and underground operation with all permits and land transfer targeted for completion in Q3-2015. As a result the Company commissioned and updated its integrated feasibility study to include the information from additional open pit drilling, optimized resource modelling and engineering work completed between 2011 and 2015. New capital and operating cost estimates were also developed to reflect current market conditions resulting from the recent slowdown in the mining sector.

## Project Description Summary

The proposed Pumpkin Hollow project development will consist of a single nominal 70,000 tons/day (63,500 tonnes/day) copper concentrator with dual sources of mill feed from adjacent open pit 63,500 tons/day (57,600 tonnes/day) and underground operations 6,500 tons/day (5,900 tonnes/day).

Existing underground infrastructure includes a 12 foot diameter Nordberg double drum hoist, a production sized head frame, maintenance shop, warehouse, dry, and a 24 foot diameter concrete lined shaft. The shaft is sunk to the 1,900 foot primary production level from which lateral development is progressing towards the East ore zone. Definition drilling is underway from underground cutouts. This drilling will provide better definition of the higher grade stopes targeted for early mining and will also test ore body boundaries for expansion. Mining from underground will commence initially from the East deposit while horizontal access is established to the E2 deposit via 3,500 foot (1,067 meter) long drift. Ore mined from both East and E2 stopes will be delivered to an underground jaw crusher located near the East shaft. Crushed ore will be hoisted to surface via the existing shaft. Once at surface, the high grade underground ore will be trucked approximately 3 miles (4 kilometers) west to the flotation mill. The mill is located adjacent to the North and South open pit deposits. Mining will continue underground for approximately 15 years, when the currently-known reserves will be exhausted, after which 100% of the mill feed will be from the open pits.

The open pit ore zones comprise the North and South deposits. Mining will commence with pre-stripping of the North Deposit. Mining will continue at the North Deposit for approximately 13 years then transition to the South Deposit. Mining is a conventional truck-and-shovel operation with electric cable shovels and 400 ton class haul trucks. Ore is mined and delivered to a primary gyratory crusher located adjacent to the North pit and then conveyed to the mill.

Open pit and underground ore is fed from the stockpile reclaim system to a copper process facility consisting of a conventional semi-autogenous (SAG)/ball mill grinding circuit incorporating cyclones for classification, rougher flotation circuit, rougher concentrate regrinding circuit, cleaners, and cleaner scavenger flotation circuits, concentrate thickening and filtration circuits, including a concentrate holding and dispatch area. Tailings are thickened and then pass through five parallel pressure filtration circuits for disposal at a dry-stack storage facility. A paste-backfill tailings processing facility, including a paste thickener, provides for underground backfill when needed.

The project's copper concentrates containing gold and silver are considered clean and marketable. They will be trucked approximately 20 miles (30 kilometers) to a new rail loading facility on Union Pacific tracks. The truck route is via a new mine access road north to State Highway 95A and on to the train loading facility. Concentrates will be railed to a west coast bulk port for shipping to smelters.

Power will be delivered to the project substation by a new 5 mile (8 kilometer) 120kV transmission line connecting to Nevada Energy's existing line to the east. Currently the project is serviced by a smaller 20kV line accessing the grid to the west. Project water requirements are fully met by water rights held by the Company and a water supply agreement with the City of Yerington as an industrial user. The incorporation of dry stack tailings storage permits a high percentage of water recycling and minimizes makeup water requirements.

### **Ownership and Permits**

The Pumpkin Hollow project currently encompasses private land and unpatented mining claims controlled by Nevada Copper. The claims are located on Bureau of Land Management ("BLM") administered Federal lands. This mixed land ownership will change to 100% private land, owned by Nevada Copper, on closing of the land acquisition between the BLM and the City of Yerington targeted in Q3-2015. The legislation directing the sale of this land was signed into law by President Obama in December 2014.

In parallel with the land acquisition now in progress, Nevada Copper is completing the modifications required of our current State permits to allow for full construction and operations of the 70,000 tons/day concentrator and associated mining. This permitting is expected to be completed in Q3-2015.

### **Development Schedule**

At the East underground zone, a production sized hoist is operational along with the permanent head frame. A 24 foot diameter concrete lined production/service shaft has been completed to the 1,900 main haulage level and lateral development sufficient to provide drill stations is underway. Sinking of a ventilation shaft is a critical path activity for the underground development and would start immediately upon securing of financing.

Assuming project financing is secured by Q3-2015, critical activities such as engagement of an EPCM contractor, start of detailed engineering, ordering of key long-lead-time mining and process equipment, and establishment of a high voltage power line connection would commence in the second half of 2015. Pre-stripping the North deposit would be scheduled for 2016 once the equipment fleet has been delivered. Site preparation for the surface facilities would start in early 2016. Under the schedule assumptions above, mill ramp up would commence in early 2018.

### **Mineral Reserve**

Proven and Probable mineral reserves are the economically-mineable portions of the Measured and Indicated mineral resources, respectively, as disclosed in the IFS.

The Proven and Probable mineral reserves at Pumpkin Hollow are summarized below:

Mineral Reserves Western Open Pit Deposits								
Classification	Ore	Copper	Gold	Silver	Contained Copper	Contained Gold	Contained Silver	Cu Equiv
	000's tons	%	Oz./ton	Oz./ton	000s lbs.	Ozs.	Ozs.	%
<b>North Deposit</b>								
Proven	122,403	0.479	0.001	0.056	1,172,749	174,708	6,861,605	0.51
Probable	178,241	0.422	0.001	0.051	1,504,814	178,241	9,096,741	0.45
<b>Total</b>	<b>300,644</b>	<b>0.445</b>	<b>0.001</b>	<b>0.053</b>	<b>2,677,563</b>	<b>352,949</b>	<b>15,958,346</b>	<b>0.47</b>
<b>South Deposit</b>								
Proven	143,117	0.328	0.001	0.038	937,826	143,117	5,374,544	0.35
Probable	95,524	0.312	0.001	0.027	595,121	95,524	2,606,314	0.33
<b>Total</b>	<b>238,641</b>	<b>0.321</b>	<b>0.001</b>	<b>0.033</b>	<b>1,532,947</b>	<b>238,641</b>	<b>7,980,858</b>	<b>0.34</b>
<b>Total Western Open Pit Deposits</b>								
Proven	265,520	0.397	0.001	0.046	2,110,575	317,825	12,236,149	0.42
Probable	273,765	0.384	0.001	0.043	2,099,935	273,765	11,703,055	0.41
<b>Total</b>	<b>539,285</b>	<b>0.390</b>	<b>0.001</b>	<b>0.044</b>	<b>4,210,510</b>	<b>591,590</b>	<b>23,939,204</b>	<b>0.41</b>

Mineral Reserves - Eastern Underground Deposits								
Classification	Ore	Copper	Gold	Silver	Contained Copper	Contained Gold	Contained Silver	Cu Equiv.
	000's tons	%	Oz./ton	Oz./ton	000s lbs.	Ozs.	Ozs.	%
Proven	8,923	1.587	0.006	0.124	283,224	53,131	1,109,132	1.70
Probable	23,680	1.174	0.005	0.109	555,934	115,864	2,588,637	1.20
<b>Total</b>	<b>32,603</b>	<b>1.287</b>	<b>0.005</b>	<b>0.113</b>	<b>839,158</b>	<b>168,995</b>	<b>3,697,769</b>	<b>1.38</b>

Mineral Reserves Open Pit & Eastern Underground Deposits								
Classification	Ore	Copper	Gold	Silver	Contained Copper	Contained Gold	Contained Silver	Cu Equiv.
	000's tons	%	Oz./ton	Oz./ton	000s lbs.	Ozs.	Ozs.	%
Proven	274,443	0.436	0.001	0.049	2,393,799	370,956	13,345,281	0.46
Probable	297,445	0.446	0.001	0.048	2,655,869	389,629	14,291,692	0.47
<b>Total</b>	<b>571,888</b>	<b>0.441</b>	<b>0.001</b>	<b>0.048</b>	<b>5,049,668</b>	<b>760,585</b>	<b>27,636,973</b>	<b>0.47</b>

Notes:

1. Totals may not add due to rounding.
2. Mineral reserves are as of an effective date of April 15, 2015
3. The mineral reserves and mine plans for the open pit deposits were determined using cutoff grades developed by Tetra Tech as appropriate for the mining method and costs associated with the deposits. For the Western deposit open pits the mineral reserves, mining method, and costs associated with the deposit were developed by Tetra Tech. The breakeven copper cutoff grades used were 0.156% and 0.159% for the North and South deposits respectively. The eastern underground deposits mineral reserves, mining method and associated with the deposit were developed by Stantec and Nevada Copper. The underground reserve used a \$29/ton NSR cutoff developed using metals prices of \$3.00/lb, \$1,250/oz and \$18/oz for copper gold and silver respectively.

4. *Metal prices for the open pit copper, gold and silver assumed were \$3.15/lb, \$1,200/oz. and 18/oz. respectively. Tetra Tech is the independent Qualified Person who is responsible for the western deposit mineral reserve estimate. Stantec is the independent Qualified Person who is responsible for the eastern deposit mineral reserve estimate. The copper equivalency was determined using Base Case metals prices and metallurgical recoveries of 89.3%, 67.3% and 56.3% for copper, gold and silver respectively.*

### **Mining**

Concurrent development of open pit and underground operations was selected in order to maximize the overall recovery of copper from the Pumpkin Hollow deposits and to yield the best economic results.

The open pit deposits will be developed sequentially. The North open pit deposit will be developed first, starting with a pre-strip once mining equipment has arrived and been assembled at site, and when electric power is available to the shovel. Open pit mill feed will come from the North deposit for the first 13 years when mining will transition to the South deposit.

The East underground deposit will be developed first via the existing East shaft. All underground production (6,500 ton/day) will come initially from the East deposit while access is developed towards the E2 deposit to the south. E2 development will occur from underground by way of a 3,500 foot (1,067 meter) ramp from the East zone. Ventilation and secondary egress shafts will be constructed for both East and E2 zones when required.

### **Process Plant**

Ore will be transported from the open pit and underground mines to a nominal 70,000 ton/day (63,500 tonne/day) concentrator located west of the open pits. Open pit ores are trucked from the pit to a surface crusher before conveyance to the stockpile at the process facility. Underground ore is crushed underground, hoisted to surface via an existing 24-foot diameter production/service shaft and transported overland approximately 3 miles (4 kilometers) by truck to the process facility. Underground and open pit ores are fed separately into the mill via conveyor.

The concentration circuit is conventional with a single, large SAG grinding mill and two secondary ball mills with subsequent flotation, followed by thickening and pressure filtration to produce a final concentrate grading 25.5% copper and containing payable gold and silver. Primary grind size is 150 microns with an overall copper recovery of 89.3%. Gold and silver recoveries to the copper concentrates are 67.3% and 56.3% respectively.

### **Metals Production**

Projected metals production to the copper concentrate is summarized below. LOM copper recovered to concentrates is 4.5 billion pounds (2.05 million tonnes).

Description	Units	Years 1-5*	Years 1-10*	LOM	LOM
		Annual Average	Annual Average	Annual Average	Total
Mill Copper Feed Grades	%	0.605%	0.541%	0.441%	n/a
Mill Copper Feed Grades	% Cu equiv.	0.64%	0.58%	0.47%	n/a
Copper Concentrate Production	Tons/year	538,555	483,014	388,654	8,841,872
Copper Concentrate Production	Tonnes/year	488,569	438,182	352,581	8,021,211
Copper in Concentrate	Klbs./year	274,700	246,300	198,200	4,509,355
Copper in Concentrate	Tonnes/year	124,600	111,700	89,900	2,045,409
Gold in Cu Concentrate	Ozs./year	30,209	26,384	22,500	511,872
Silver in Cu Concentrate	Ozs./year	934,009	880,889	683,939	15,559,615

*\*Note: post ramp-up period*

### **Tailings Storage**

To minimize water usage, concentrator tailings will be de-watered, pressure filtered and conveyed to a dry-stack storage facility located east of the open pits and west of the shaft location. The recovered water is then recycled to the process plant. This method is considered best practice for long term tailings storage in dry environments with limited water resources. Compared to operations with traditional tailings impoundments, dry stack tailing storage also has a much lower footprint, lowers reclamation and long term environmental monitoring costs.

### **Infrastructure**

The project area is well supplied with nearby local infrastructure. Project-related infrastructure expenditures include a new 5 mile (8 kilometer) 120kV power line and related substation connecting to an existing power line located east of the project. An existing State road 827 services the project site from the west. During operations, a new 5-mile (8 kilometer) mine access road will connect the site to State Highway 95A to the North, and thence to a rail load-out facility located on Union Pacific tracks. The rail tracks run approximately 13 miles (20 miles by road) north of the project and connect with Union Pacific mainline tracks at Fernley, Nevada for transport to west coast ports.

Process make-up water will be delivered from wells on site or piped 6 miles (10 kilometers) from an existing pipeline takeoff point. This water pipeline, which is connected to the City of Yerington water supply, is shared with an existing user but has been oversized to allow for Nevada Copper's future usage.

Yerington is the county seat for Lyon County, where housing and regional services are available and most employees are expected to reside. The communities of Silver Springs, Smith Valley, Fernley, Dayton, Fallon, Carson City and Hawthorne are also all within commuting distance, and have a labour pool and existing housing, particularly for a construction workforce.

### **Capital Costs**

The project initial capital costs are estimated at \$1.07 billion with an accuracy of plus/minus 15% as of March 2015, including an initial contingency of \$69 million. The contingency allowance is calculated based on assessed factors for each of the major Direct and Indirect cost categories.



The major direct cost items include development of the East underground mine, open pit mine equipment, leasing costs, North deposit pre-stripping, process plant, tailing storage facility, site infrastructure and offsite rail load-out facility. Indirect costs include such major areas as engineering and procurement, construction management, construction in-directs, freight and commissioning, spares inventory, first fills, and Owners Costs.

Area	Initial	Sustaining	Total
	US\$M	US\$M	US\$M
Open Pit Mine	\$288	\$240	\$528
Underground Mine	82	143	225
Ore Handling	12	3	15
Process Facility	268	52	320
Dry Stack Tailings Storage	69	79	148
Infrastructure	88	0	88
Water Management	18	1	19
Environmental & Reclamation	12	42	54
<b>Subtotal Directs</b>	<b>837</b>	<b>560</b>	<b>1,397</b>
Construction Indirects	67	33	100
Spares & Warehouse Inventory	10	2	12
Initial Fills	5	-	5
Freight & Logistics	15	1	16
Commissioning & Start-Up	2	-	2
EPCM	58	-	58
Vendor & Consulting Assistance	1	-	1
<b>Subtotal In-directs</b>	<b>158</b>	<b>36</b>	<b>194</b>
Contingency	69	39	108
Owner Costs	7	-	7
<b>Total Capital</b>	<b>\$1,071</b>	<b>\$635</b>	<b>\$1,706</b>

*Note: totals may not add due to rounding*

Working capital required for initial operations is estimated to be \$34 million.

LOM sustaining capital totals \$0.64 billion and includes development costs associated with the E2 underground deposit and related equipment; South open pit deposit development costs; replacement of, and additions to, surface mobile equipment; lease costs for the initial mining fleet; reclamation costs; and expenditures on the tailings storage facility.

### **Concentrate Marketing**

Copper concentrate treatment and refining charges are based on long term assumed rates of \$65/tonne of concentrates and \$0.065/lb-payable copper. Copper payment factor assumed is 96.5% with a minimum 1 unit deduction. Gold and silver pay factors assume Asian smelter norms and are dependent on grades in concentrates.

Transportation costs from the mine site via rail to a west coast USA port and then by ship to Asia is assumed to be \$89.31/wet ton (\$98.45/wet tonne) of concentrate.

### **Operating Costs**

LOM site unit operating cash costs, net of capitalized pre-stripping and other predevelopment costs, are \$11.59 per ton-milled, as summarized in the table below:

<b>LOM Unit Operating Cost Summary</b>	
<b>Area</b>	<b>\$/ton-milled</b>
Open Pit Mining	\$4.81
Underground Mining	1.47
Processing	4.73
Tailings & Water Management	0.17
Environmental	0.01
G&A	0.40
<b>Total LOM Site Operating Costs</b>	<b>\$11.59</b>

*Note: The cost of operating leases adds \$0.70/ton.*

A power cost of \$0.065/kwh was used for IFS purposes, based on NV Energy expected rates.

Unit open pit mining cash costs average \$5.10 per ton of open pit ore mined and milled. This equates to \$1.11 per ton of open pit material mined, including waste and ore. Average LOM strip ratio for the North and South deposits is 3.59. Underground mining costs average \$24.60 per ton of underground ore mined, excluding \$1.25 for truck transport of ore to concentrator.

<b>LOM Unit Mining Costs</b>	
<b>Open Pit (\$/ton of open pit ore mined)</b>	<b>Underground (\$/ton of underground ore mined)</b>
\$5.10/ton	\$24.60/ton

**Royalties and Nevada Mining Taxes** - The economic results include the costs of a royalty payable to RGGSLand & Minerals, LTD, L.P. (“RGGSLand”), the lessor of the majority of the mineral rights being exploited. RGGSLand is entitled to a sliding scale royalty on net smelter returns from copper. The royalty rate is 6% if copper prices exceed \$2 per pound. On gold and silver, the royalty rate is 5% of net smelter returns attributable to gold and silver.

Nevada Net Proceeds of Mining Tax are based on net proceeds from mining operations as defined. Net proceeds are equivalent to net profits after operating costs, royalties and depreciation. For net proceeds over \$4 million per year, the maximum 5% rate applies and this rate has been used.

**Corporate Income Tax** - Estimated US Federal income taxes payable were calculated utilizing existing tax pools of Nevada Copper’s US subsidiary. The State of Nevada does not impose state income tax.

### **Economic Analysis Summary**

The project economics were evaluated using a cash flow analysis, whereby revenues and costs are projected into the future on an annual basis. Annual net cash flows are then discounted at a rate of interest to reflect the time value of money to yield a Net Present Value (“NPV”). The analysis includes all site operating costs, royalties, smelter charges, concentrate transport costs, and estimates of the Nevada Net Proceeds of Mining tax and US Federal income tax. There are no Nevada State income taxes.

The most significant variable which affects project economics are projected future copper prices. On May 12, 2015, the spot cash LME copper price was \$2.92 per pound, and the three and five year trailing averages copper price were \$3.21 per pound and \$3.44 per pound respectively.

A Base Case copper price of \$3.15/lb. was selected using the average long term “consensus” prices from a number of sources including investment banks, the World Bank, and Bloomberg. The base case metals prices used in other recent NI 43-101 technical reports were also considered.

### **Summary of Economic Results**

Key economic indicators extracted from the IFS are summarized below:

		Low Case	Base Case	High Case
Copper Price	\$/lb	\$2.85	\$3.15	\$3.75
Gold Price	\$/oz	\$1,200	\$1,200	\$1,200
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<b>(In Millions of US Dollars)</b>				
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Payback - years	Pre-tax	7.6	<b>4.4</b>	2.9
Payback - years	After-tax	8.1	<b>4.9</b>	3.3

\* Note: Net revenues less smelter charges, concentrate transport and site operating costs.

### **Qualified Persons**

In November 2014 Nevada Copper commissioned Tetra Tech and Stantec to complete an updated Pumpkin Hollow Project Integrated Feasibility Study Technical Report in accordance with NI 43-101. The scientific and technical information in this release has been reviewed and approved by Mr. Ed Lips, PE, of Tetra Tech, who is overall manager for the IFS and who is an Independent Qualified Person within the meaning of NI 43-101. It has also been reviewed by Mr. Mel Lawson, SME-RM, Principal / Senior Consulting Engineer, Stantec Consulting Services Inc. who is an Independent Qualified Person within the meaning of NI 43-101.

This release was also reviewed by Gregory French, P.G., Vice-President Exploration & Project Development of Nevada Copper, Timothy D. Arnold, PE, Vice President of Operations and Robert McKnight, P. Eng., Executive

Vice-President of Nevada Copper, all of whom are Non-independent Qualified Persons within the meaning of NI 43-101.

Readers should refer to the IFS Technical Report for further details of the project development. The IFS Technical Report will be filed in accordance with NI 43-101 on SEDAR ([www.sedar.com](http://www.sedar.com))

## NEVADA COPPER CORP.

### Giulio T. Bonifacio, President & CEO

#### Cautionary Language

*This news release includes certain statements and information that may contain forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including the likelihood of commercial mining, securing a strategic partner, expanding the mineral resources and mineral reserves and possible future financings are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements concerning: Nevada Copper Corp. (the "Company") plans at the Pumpkin Hollow Project; the timing of granting of key permits; from the IFS: the estimated metal production and the timing thereof; capital and operating costs, future metal prices, cash flow estimates, and economic indicators derived from the foregoing.*

*Forward-looking statements or information relate to future events and future performance and include statements regarding the expectations and beliefs of management and include, but are not limited to, statements with respect to the estimation of mineral resources and reserves, the realization of mineral resources and mineral reserve estimates, the timing and amount of estimated future production, capital costs, costs of production, capital expenditures, success of mining operations, environmental risks and other mining related matters. 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 include, but are not limited to, statements or information with respect to known or unknown risks, uncertainties and other factors which may cause the actual industry results, 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: history of losses; requirements for additional capital; dilution; loss of its material properties; interest rates increase; global economy; no 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 may differ from what is indicated and the difference may be material; legal and regulatory proceedings and community actions; accidents, title matters; regulatory restrictions; permitting and licensing; volatility of the market price of Common Shares; insurance; competition; hedging activities; currency fluctuations; loss of key employees; other risks of the mining industry as well as those factors discussed in the section entitled "Risk Factors" in the Company's Annual Information Form dated March 17, 2015. 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 Company disclaims any intent or obligation to update forward-looking statements or information except as required by law, and you are referred to the full discussion of the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on Nevada Copper and the risks and challenges of its business, investors should review Nevada Copper's annual filings that are available at [www.sedar.com](http://www.sedar.com).*

*The Company provides no assurance that forward-looking statements 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.*

#### **Alternative Performance Measures**

*"Copper Production Costs", "LOM Operating Costs", "LOM site unit operating costs", "CI Production Costs" and similar terms are +alternative performance measures. These performance measures are included because these statistics are key performance measures that management may use to monitor performance. Management may use these statistics in future to assess how the Company is performing to plan and to assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a meaning within*

*International Financial Reporting Standards ("IFRS") and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.*

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