

# NEVADA COPPER

## NEWS RELEASE

TSX: NCU

### NEVADA COPPER PUMPKIN HOLLOW PROJECT UPDATE

**February 10, 2015 - Nevada Copper Corp. (TSX: NCU) ("Nevada Copper" or the "Company")** is pleased to provide an update and summary of project activities for 2015 on its 100% owned Pumpkin Hollow Copper Project ("the Project"), located near Yerington, Nevada.

#### Highlights:

- **Land conveyance and final permits expected by June:**
  - Passage of the Yerington land bill was signed into law by President Obama on December 19, 2014 and directs the conveyance of 10,400 acres of Federal land to the City of Yerington within 180 days as prescribed by law;
  - Binding agreements were executed with the City of Yerington on February 9, 2015 to formalize the details of the land conveyance from the City to Nevada Copper;
  - Nevada Copper will acquire private ownership of all Federal land surrounding Pumpkin Hollow which will consolidate the entire Project within a privately held land position where the required permits will be under State jurisdiction and not Federal; and,
  - Receipt of all key State permits for the open pit operation are expected by June by way of revisions to the current Reclamation and Air Pollution Control permits;
- **Integrated Feasibility Study launched** - With the passage of the Land Bill and receipt of permits expected by June 2015, the previously announced Stage 2 Open Pit optimization and updated Feasibility Study (see November 4, 2014 News release) has been modified to allow for the inclusion of high grade supplemental mill feed from the East and E2 underground deposits ("Integrated Feasibility Study");
- **Shaft approaching completion** - At the Eastern underground development, the production sized shaft is at a current depth of 1,806 feet - over 95% complete towards the main 1,900 foot haulage level which is expected to be reached in the next few weeks;
- **Open pit and underground drilling programs:**
  - 26,000 feet (7,900 meters) of drilling from underground drill stations is expected to commence in May; and,
  - 74,000 feet (22,600 meters) of open pit drilling has commenced.

**Giulio Bonifacio, President and CEO, stated:** *"With successful passage of the Land Bill, and with open pit permits expected by June, Nevada Copper can now consider a large scale project development with a single large concentrator with mill feed from an open pit supplemented by high grade underground ore. We will continue to preserve our development options with respect to a staged development versus a single large integrated project, until such time as we have the results of the Integrated Feasibility Study and can determine our optimal strategy going forward. In either case, first production is targeted for late 2016, early 2017, subject to completion of financing arrangements."*

*We are also very excited about the commencement of our open pit and underground drilling programs which will focus on enlarging the high grade zones within the current reserve, especially in areas planned for mining in the early years, and will provide additional data for mine development designs while also expanding the open mineralized areas.”*

### **Federal Land Conveyance and Open Pit Permitting**

On December 19, 2014, President Obama signed into law a bill that contained provisions directing the Secretary of the Interior to convey 10,400 acres of Federal lands surrounding the Pumpkin Hollow project to the City of Yerington by June 17, 2015 (180 days is specified in the legislation). With funding provided by the Company, the City will acquire the land and, under our agreements with them, immediately re-convey most of the land to Nevada Copper at no additional cost.

Nevada Copper is working closely with the City of Yerington to advance the Federal conveyancing process and, in expectation of a successful closing in June, is concurrently completing the revisions to the current Reclamation and Air Pollutions Control State permits for a large open pit development, setting the stage for issuance of all key open pit permits by June 2015. All permits for the underground operation are currently in place.

In anticipation of closing the land conveyance in June, binding agreements were executed with the City of Yerington on February 9, 2015. These agreements formalize the funding mechanisms for the acquisition and the obligations of the City to Nevada Copper.

### **Integrated Feasibility Study**

With passage of the Land Bill and no Federal permit requirements, the Company expects receipt of all State permits for a large Stage 2 open pit project in Q2 2015. Early delivery of these open pit development permits strongly suggests reorienting the current engineering work on the open pit feasibility study towards a single, large 70,000 tons/day concentrator with dual sources of mill feed rather than proceeding by way of a staged project (6,500 tons/day Stage 1 underground project followed by a 70,000 tons/day Stage 2 open pit project). Mill feed will comprise an average of 63,500 tons/day of open pit ore blended with 6,500 tons/day of high grade ore from the Eastern underground deposits.

The previous open pit mining plans for the Stage 2 North open pit demonstrated a production profile with higher-than-average copper grades (0.5% to .6%) in the early years (see 2012 Stage 2 Feasibility Study filed on SEDAR). The addition of higher grade mill feed (plus 1.75% copper) from the Eastern underground deposits will further improve mill feed grades in the important early production years. The enhanced mill copper feed grades, coupled with elimination of the capital required for the smaller 6,500 tons/day mill proposed for the standalone Stage 1 underground project, are anticipated to provide better capital efficiency and overall better project economics.

After the Stage 2 Open Pit Feasibility Study was completed in 2013, results from 9,880 meters (32,414 feet) of additional drilling on the North Deposit were received. In Q2-2014, the Company decided to incorporate these drill results to ascertain if the data would improve the present mine design. In particular, drill hole NC12-34 as previously disclosed in a news release dated September, 13, 2012, on the southwestern edge of the North Deposit ultimate pit intersected **690 feet (210.3 meters), 625.3 feet (190.6 meters) true thickness, grading 1.17% copper, including 150 feet grading 3.8%**. Another drill hole, NC13-05, disclosed in a news release dated June 17, 2013, along the western edge of the North deposit and not included in the 2013 Feasibility Study, intersected several zones including **125 feet (38.1 meters), true thickness, grading 1.45% copper**. The new information resulted in an opportunity to significantly improve the grade profile and reduce mine waste rock quantities by re-evaluating the pit shell in the North Deposit. Preliminary work to date on the mineral resource calculations and production schedule has demonstrated positive results with respect to the copper grades and copper production in the early years, as well as overall life-of-mine copper grades.

The 70,000 tons/day Integrated Feasibility Study will incorporate all available current information, including new drilling data, mine plans, engineering work and updated capital and operating costs for both the open pit and underground operations associated with this development. Completion of the Integrated Feasibility Study is targeted for April 2015.

Readers are cautioned that until the results of the Integrated Feasibility Study are available, the implications of the copper grade, production increases, addition of high grade underground ore feed, cost updates on the Project, and the impact on Project economics, cannot be fully determined.

### **Eastern Underground Deposits: Main Shaft & Lateral Development Plans**

The circular 24-foot diameter concrete-lined production sized shaft is currently at the 1,806 foot level - over 95% of the way towards the main 1,900 haulage level. The shaft continues to progress through dry ground with water inflows controlled by two fully commissioned dewatering wells.

Reaching the 1,900 foot haulage level is expected in the next several weeks. About 700 feet of lateral development will then commence on this level to establish setup locations for delineation and development drilling, and to provide for future access to the East ore zones. As lateral development continues, the shaft will be deepened to its final depth of 2,160 feet.

### **Open Pit and Underground Drilling**

The East deposit has not been drilled since 2011 and the deposit remains open in several directions. With a reserve in excess of 13 years it was determined that additional delineation and development drilling would be more cost effective from underground drill stations once the production shaft reached the 1,900 level.

The underground drill program totaling 26,000 feet (7,900 meters) is expected to commence in May after reaching the 1,900 level in late February, and after excavation of sufficient lateral development to establish drill stations. The planned underground drill program will focus on enlarging the high grade zones within the current reserve, especially in areas planned for mining in the early years, and will provide additional data for mine development designs while expanding the open mineralized areas.

Management believes that the program has the potential to improve the overall copper production grades especially in the early years while also allowing for expansion of the combined Eastern underground copper reserve boundaries that remains open in several directions.

The open pit drill program totaling 74,000 feet (22,600 meters) has commenced with drilling results being reported as they become available. The drill program will focus on the important "saddle zone" located between the North and South deposits and areas of the North pit that, with success, will further enhance current copper grades and reduce the strip ratio. Drilling success in the saddle zone is expected to add copper pounds by converting into ore that which was previously considered waste due to lack of drill data.

### **Financing Update**

Nevada Copper has a cash balance of US\$36 million as at December 31, 2014. The Company also has US\$110 million remaining as the undrawn portion of its Red Kite secured loan facility (see December 30, 2014 News Release). The final draw of the latter loan facility is subject to certain conditions, including completion of the shaft and arrangement of the balance of funding of Stage 1 project capital. Nevada Copper also has an available US\$24 million Caterpillar Financial equipment lease finance facility available for mobile equipment purchases.

The Pala bridge loan facility has recently been extended to April 26, 2015.

## **About Nevada Copper**

The Company's advanced stage Pumpkin Hollow project in Nevada consists of a fully permitted, 6,500 tons/day underground copper mine development, with the main shaft in construction, and a nearby 70,000 tons/day open pit mine copper project with permits expected in Q2-2015. Projected average copper production for the first five years is 75 million lbs./year from the Stage 1 underground mine, and 220 million lbs./year from the Stage 2 open pit mine. The project is located near Yerington, Nevada, close to road, rail, and power infrastructure, and with all future water supply requirements met.

For further information please visit the Nevada Copper corporate website ([www.nevadacopper.com](http://www.nevadacopper.com)) and visit our Pumpkin Hollow virtual tour.

## **Qualified Persons**

The technical information in this release has been reviewed and approved by Gregory French, P.G., Vice-President, Exploration & Project Development, Timothy D. Arnold, P.E., Vice President Operations, and Robert McKnight, P. Eng., Executive Vice-President and CFO of Nevada Copper, all of whom are Non-independent Qualified Persons within the meaning of NI 43-101.

## **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 are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements concerning: management's expectations of the production shaft reaching the 1900 foot level in Q1-2015, expectations as to the possible results of the Integrated Feasibility Study when completed, expectations as to the results of the planned underground and surface drilling programs, completing the land conveyance and receiving Stage 2 permits by June 2015, as well as the Company's plans in general at the Pumpkin Hollow Project.*

*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: requirements for additional capital; 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; unanticipated political events in the United States, 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 25, 2014. 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.*

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