

NEVADA COPPER

NEWS RELEASE

TSX:NCU

NEVADA COPPER PROVIDES CORPORATE AND OPERATIONS UPDATE

All amounts herein are in United States Dollars unless otherwise indicated.

Yerington, NV – February 19, 2021 – Nevada Copper Corp. (TSX: NCU) (“Nevada Copper” or the “Company”) provides a corporate and operations update for the underground mine at its Pumpkin Hollow project (the “**Underground Project**”).

Operations Update

Shaft Commissioning and Hoisting

- Following completion of the main shaft material handling system, the Company achieved a peak daily hoisting rate of over 3,000 tons in February, and has achieved a hoisting rate equivalent to 5,000 tons per day on a shift basis.
- Despite the improving hoisting rates, the cumulative impact of a series of unplanned stoppages due to mechanical issues and other incidents in the main shaft has led to lower than expected ore production to date in 2021. Average hoisting rates for February to date were approximately 1,600 tons per day, compared to plan of approximately 3,000 tons per day. Retrofitting work to resolve these issues is expected to be completed in the coming weeks.

Milling Operations

- Mill throughput has performed well at an average of approximately 3,100 tons of ore per day to date in 2021, with a peak of 4,000 tons per day.
- Recoveries have continued to increase, with average recoveries of approximately 90% in February.
- Product specifications remain consistent with expectations, with high-grade, clean copper concentrates being delivered to the Company’s offtaker.
- The mill continues to process development ore, with higher grade stope ore expected to be available in the coming months as planned.

Production Ramp-up

- As a result of the shaft delays noted above, and delayed upgrade of the underground electrical and ventilation systems, production of copper concentrates during the first half of 2021 is expected to be significantly lower than planned.
- The resolution of the main shaft commissioning items, the ongoing installation of incremental underground power and ventilation upgrades and the deployment underground of additional mobile fleet equipment is expected to result in increased copper production rates beginning in the second quarter of 2021.

- The Company expects that, due to the delays noted above, steady state production of 5,000 tons of ore per day will be deferred from mid year into the third quarter of 2021.

“We are pleased with the continued improvements of the milling operations and the peak hoisting numbers achieved this month,” stated Mike Ciricillo, CEO of Nevada Copper. “We look forward to completing upgrades to the Main Shaft in the coming weeks and the resulting increases in hoisting and production.”

Financial Update

- The Company recently executed and closed the credit facility previously announced on December 9, 2020 (the “**Credit Facility**”), which allows for \$15 million to be drawn subject to certain conditions. In addition, the lender has confirmed its intention to make the accordion feature available to the Company as required, which will expand the size of the Credit Facility by \$15 million.
- The project delays highlighted above will reduce copper sales compared to the Company’s plan for the first half of 2021. The Company intends to address the resulting additional cash needs to advance the ramp-up through the utilization of its cash on hand, the working capital facility, the \$5 million of dedicated cost overrun funds, and borrowings under the Credit Facility.

Contractors Settlement

- The Company’s wholly-owned subsidiary, Nevada Copper, Inc., has settled its legacy disputes with its contractors, Cementation USA Inc. and Sedgman USA Inc. Pursuant to the settlements, the Company has paid \$1 million and issued \$2 million in common shares and will make \$14 million of cash payments via instalments beginning in September 2021. In addition, the Company may be required to issue up to an additional \$2 million in common shares if certain performance measures are achieved.
- These settlements result in an improvement of the Company’s working capital position by \$16 million, including a reduction in amounts payable by \$4.7 million from what was previously projected. The Company also received the return of cash from the release of its litigation bond.

There can be no assurance that the actual costs to complete the ramp-up will not be greater than expected by the Company. In the event of further cost overruns, the Company will need to seek additional funding. The Company continues to advance its medium and longer-term mine planning analysis, including related costs and timing implications.

Qualified Persons

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

About Nevada Copper

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

NEVADA COPPER CORP.

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Cautionary Language

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to operational matters and mine development plans, production and ramp-up plans and the expected costs, timing, results and funding thereof.

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

Forward-looking statements or information are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks and uncertainties relating to: the ability of the Company to complete the ramp-up of the Underground Project within the expected cost estimates and timeframe; requirements for additional capital and no assurance can be given regarding the availability thereof; the impact of COVID-19 on the business and operations of the Company; the state of financial markets; history of losses; dilution; adverse events relating to milling operations, construction, development and ramp-up, including the ability of the Company to address underground development and process plant issues; ground conditions; cost overruns relating to

development, construction and ramp-up of the Underground Project; loss of material properties; interest rates increase; global economy; limited history of production; future metals price fluctuations; speculative nature of exploration activities; periodic interruptions to exploration, development and mining activities; environmental hazards and liability; industrial accidents; failure of processing and mining equipment to perform as expected; labor disputes; supply problems; uncertainty of production and cost estimates; the interpretation of drill results and the estimation of mineral resources and reserves; changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade of mineralization or recovery rates from management's expectations and the difference may be material; legal and regulatory proceedings and community actions; the outcome of disputes with the Company's contractors; accidents; title matters; regulatory approvals and restrictions; increased costs and physical risks relating to climate change, including extreme weather events, and new or revised regulations relating to climate change; permitting and licensing; volatility of the market price of the Company's common shares; insurance; competition; hedging activities; currency fluctuations; loss of key employees; other risks of the mining industry as well as those risks discussed in the Company's Management's Discussion and Analysis in respect of the year ended December 31, 2019 and in the section entitled "Risk Factors" in the Company's Annual Information Form dated May 15, 2020. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. The forward-looking information and statements are stated as of the date hereof. The Company disclaims any intent or obligation to update forward-looking statements or information except as required by law.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information.