

# NEVADA COPPER

## NEVADA COPPER CORP.

61 E. Pursel Lane  
Yerington, Nevada  
USA 89447

### NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that a special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Nevada Copper Corp. (the “**Corporation**”) will be held at 61 E. Pursel Lane, Yerington, Nevada, on Tuesday, January 25, 2022 at 10:00 a.m. (Pacific time), for the following purposes:

1. to consider, and, if thought fit, to pass an ordinary resolution in the form contained in the accompanying management information circular (the “**Information Circular**”) authorizing (i) the exercise of 15,000,000 Credit Facility Warrants (as such term is defined in the Information Circular) issued to Pala Investments Limited (“**Pala**”), the Corporation’s largest Shareholder, on November 30, 2021, and (ii) if some or all of the Credit Facility Warrants are exercised, the resulting issuance by the Corporation of Common Shares to Pala pursuant to the terms of the Credit Facility Warrants, as more particularly described in the Information Circular; and
2. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Particulars of the foregoing matters are set forth in the Information Circular accompanying this notice of meeting (the “**Notice of Meeting**”) and enclosed form of proxy.

The Corporation’s board of directors has fixed December 17, 2021 as the record date for determining the Shareholders who are entitled to vote at the Meeting.

If you are a registered Shareholder and are unable to attend the Meeting in person, please complete, date and execute the accompanying form of proxy and deposit it with the Corporation’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”) (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case no later than 10:00 a.m. (Pacific time) on January 21, 2022, or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjourned or postponed Meeting. Late proxies may be accepted or rejected by the chairperson of the Meeting (the “**Chair**”) at his or her discretion and the Chair is under no obligation to accept or reject any particular late proxy.

If you are a non-registered Shareholder and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered

retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your shares on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

**DATED** at Yerington, Nevada as of the 4<sup>th</sup> day of January, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**

“*Tom Albanese*” (signed)

**Tom Albanese**  
**Lead Independent Director**

**NEVADA COPPER CORP.**  
**61 E. Pursel Lane**  
**Yerington, Nevada**  
**USA 89447**  
**MANAGEMENT INFORMATION CIRCULAR**  
as at December 17, 2021 (unless otherwise noted)

**This management information circular (this “Information Circular”) is furnished in connection with the solicitation of proxies by the management of Nevada Copper Corp. (the “Corporation”) for use at the special meeting (the “Meeting”) of the holders (the “Shareholders”) of common shares (“Common Shares”) of the Corporation to be held on January 25, 2022 at the time and place and for the purposes set forth in the accompanying notice of the meeting.**

In this Information Circular, references to: the “**Corporation**”, “**we**” and “**our**” refer to Nevada Copper Corp.; “**Common Shares**” means common shares in the capital of the Corporation; “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name; and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. All dollar amounts in this Information Circular are expressed in Canadian dollars unless otherwise indicated.

**MANAGEMENT SOLICITATION AND APPOINTMENT OF PROXIES**

The persons named in the accompanying form of proxy are officers of the Corporation. A Shareholder entitled to vote at the Meeting has the right to appoint a person (who need not be a Shareholder) to attend and act for and on behalf of the Shareholder at the Meeting other than the persons designated as proxyholders in the accompanying form of proxy. To exercise this right, the Shareholder must either:

- (a) on the accompanying form of proxy, strike out the printed names of the individuals specified as proxyholders and insert the name of the Shareholder’s nominee in the blank space provided; or
- (b) complete another proper form of proxy.

To be valid, a form of proxy must be dated and signed by the Shareholder or by the Shareholder’s attorney authorized in writing. In the case of a corporation, the form of proxy must be signed by a duly authorized officer of or attorney for the corporation.

The completed form of proxy, together with the power of attorney or other authority, if any, under which the proxy was signed or a notarially certified copy of the power of attorney or other authority, must be delivered to Computershare Investor Services Inc. (“**Computershare**”) (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case no later than 10:00 a.m. (Pacific time) on January 21, 2022 or, if the Meeting is postponed or adjourned, 48 hours (excluding Saturdays, Sundays, and holidays) before the beginning of any adjourned or postponed Meeting. Late proxies may be accepted or rejected by the chairperson of the Meeting (the “**Chair**”) at his or her discretion and the Chair is under no obligation to accept or reject any particular late proxy.

## REVOCATION OF PROXIES

A Shareholder who has given a proxy may revoke it at any time before the proxy is exercised:

- (a) as follows:
  - (i) by an instrument in writing signed by the Shareholder, the Shareholder's attorney authorized in writing or, where the Shareholder is a corporation, a duly authorized officer or attorney of the corporation; and
  - (ii) by an instrument delivered by mail or by hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or instructions given by telephone: 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America) no later than 10:00 a.m. (Pacific time) on January 21, 2022 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays, and holidays) before the beginning of any adjourned or postponed meeting; or
- (b) in any other manner provided by law.

## VOTING OF COMMON SHARES AND PROXIES AND EXERCISE OF DISCRETION BY PROXYHOLDERS

### *Voting By Show of Hands*

Voting at the Meeting generally will be by a show of hands, with each Shareholder or proxyholder present in person being entitled to one vote.

### *Voting By Poll*

Voting at the Meeting will be by poll only if a poll is:

- (a) requested by a Shareholder present at the Meeting in person or by proxy;
- (b) directed by the Chair; or
- (c) required by law.

On a poll, each Shareholder and each proxyholder will have one vote for each Common Share held or represented by proxy.

### *Exercise of Discretion by Proxyholders*

A Shareholder may indicate the manner in which the persons named in the accompanying form of proxy are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space.

**If the Shareholder specifies a choice in the form of proxy with respect to a matter to be acted upon, then the Common Shares represented will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the form of proxy with respect to a matter to be acted upon, the form of proxy confers discretionary authority with respect to that matter upon the proxyholder**

**named in the accompanying form of proxy. It is intended that the proxyholder named by management in the accompanying form of proxy will vote the Common Shares represented by the form of proxy in favour of each matter identified in the form of proxy.**

The accompanying form of proxy also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date of this Information Circular, management of the Corporation is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those referred to in the accompanying Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the persons named in the accompanying form of proxy intend to vote on them in accordance with their best judgment.

### **SOLICITATION OF PROXIES**

It is expected that solicitations of proxies will be made primarily by mail and possibly supplemented by telephone or other personal contact by directors, officers and employees of the Corporation without special compensation. The Corporation may reimburse Shareholders' nominees or agents (including brokers holding Common Shares on behalf of clients) for the costs incurred in obtaining authorization to execute forms of proxy from their principals. The costs of solicitation will be borne by the Corporation.

### **VOTING BY NON-REGISTERED (BENEFICIAL) SHAREHOLDERS**

The following information is of significant importance to Beneficial Shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited directly by registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

#### ***If you are a Beneficial Shareholder:***

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy or voting instruction form ("**VIF**") supplied to you by your broker will be similar to the proxy provided to registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Corporation. The VIF will name the

same persons as the Corporation's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder of the Corporation), other than the persons designated in the VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the VIF provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting. Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend the Meeting and vote your Common Shares.

These proxy-related materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). The Corporation has decided to take advantage of those provisions of National Instrument 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, NOBOs can expect to receive a scannable VIF from the Corporation's transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided. In addition, Computershare provides both telephone and internet voting as described on the VIF itself which contains complete instructions. Please return your voting instructions as specified in the request for voting instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

The Corporation will not pay for intermediaries to deliver the proxy-related materials to Objecting Beneficial Owners, and Objecting Beneficial Owners will not receive the proxy-related materials unless the intermediary assumes the cost of delivery.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Corporation's board of directors (the "**Board**") has fixed December 17, 2021 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete,

sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of December 17, 2021, there were 448,437,559 Common Shares without par value issued and outstanding, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Corporation, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation as at December 17, 2021 are:

Shareholder Name	Number of Common Shares Held <sup>(2)(3)</sup>	Percentage of Outstanding Common Shares
Pala Investments Limited <sup>(1)</sup>	167,759,110	37.4%
Mercuria Energy Holdings (Singapore) Pte. Ltd.	48,700,000	10.9%
Solway Finance LTD.	48,700,000	10.9%

Notes:

- (1) The above table includes the Common Shares held by both Pala Investments Limited and Pala Assets Holdings Limited, an affiliated entity of Pala Investments Limited who may be considered to be a joint actor. Pala Investments Limited and Pala Assets Holdings Limited each hold 157,759,110 Common Shares and 10,000,000 Common Shares, respectively, representing approximately 35.2% and 2.2% of the issued and outstanding Common Shares, respectively.
- (2) In addition to the Common Shares held, Pala Investments Limited, Pala Assets Holdings Limited, Mercuria Energy Holdings (Singapore) Pte. Ltd. and Solway Finance LTD. own 224,627,115, 5,000,000, 24,350,000 and 30,350,000 Common Share purchase warrants, respectively, exercisable into 70,209,774, 5,000,000, 24,350,000 and 30,350,000 Common Shares, respectively.
- (3) The information in the above table and the notes to the table is from insider filings publicly available at www.sedi.ca and www.sedar.com as of December 17, 2021.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Exercise of the Credit Facility Warrants

At the Meeting, Disinterested Shareholders (as defined herein) will be asked to consider, and if deemed fit, pass an ordinary resolution authorizing (i) the exercise of 15,000,000 Common Share purchase warrants (the “**Credit Facility Warrants**”) issued to Pala Investments Limited (“**Pala**”), the Corporation’s largest shareholder, on November 30, 2021, and (ii) if some or all of the Credit Facility Warrants are exercised, the resulting issuance by the Corporation of Common Shares to Pala pursuant to the terms of the Credit Facility Warrants (the “**Warrant Exercise Resolution**”).

### Background

As previously announced, the Corporation and Pala entered into a non-binding term sheet on October 11, 2021 in respect of the Amended Credit Facility (as defined herein) (the “**Non-Binding Term Sheet**”). At such time, the Corporation required additional funding to continue operations and carry on the ramp-up of the underground mine at its Pumpkin Hollow project (the “**Underground Mine**”) and it was uncertain whether the Corporation would be able to obtain such additional financing through a public equity offering or at all. In order for the amendments that were agreed to in the KfW Amendment Agreement (as defined herein) to become effective, the Corporation was required to raise at least US\$40 million in net proceeds from debt or equity financings prior to March 31, 2022 (the “**KfW Condition**”). The Non-Binding Term

Sheet provided that Pala would extend the term and provide an additional tranche of up to US\$41 million to the Corporation under the Amended Credit Facility (the “**Additional Tranche**”) if such funds were required for the KfW Condition to be satisfied. In consideration, the Corporation would be required to pay an extension fee and issue the Credit Facility Warrants.

It was necessary for the Corporation to agree to grant the Credit Facility Warrants to Pala in order for Pala to agree to extend the term of the 2021 Credit Facility (as defined herein) and make the Additional Tranche available to the Corporation. Without the issuance of the Credit Facility Warrants, Pala indicated that it would be unwilling to agree to the amendments described below in respect of the Amended Credit Facility and at the time that the KfW Amendment Agreement was entered into, the Corporation had no source of funding available to it to satisfy the KfW Condition. If the KfW Condition was not ultimately satisfied, the Corporation may not have been able to continue operations since the Project Completion Longstop Date (as defined herein) would not have been extended, which would have led to an event of default under the KfW IPEX-Bank Facility (as defined herein). A default under the KfW IPEX-Bank Facility may have resulted in defaults under the Corporation’s other credit facilities, including the 2021 Credit Facility, and its stream agreement with Triple Flag Precious Metals Corp. (“**Triple Flag**”), and the Corporation’s secured lenders may have been able to enforce on their security over the assets of the Corporation and its subsidiaries.

On November 10, 2021, the Corporation announced the launch of the November Offering (as defined herein) and that the Non-Binding Term Sheet had been amended to become a binding commitment of Pala on substantially the same terms (the “**Binding Term Sheet**”). At that time, there was no assurance that the November Offering could be completed or the amount of proceeds that could be raised thereunder. When the November Offering was being completed, the Toronto Stock Exchange (the “**TSX**”) determined that disinterested shareholder approval would be required before Pala could exercise the Credit Facility Warrants. See “*TSX Requirements*” below for additional detail. As a result, the Binding Term Sheet was revised to specify that the interest rate under the Amended Credit facility would increase if the Warrant Exercise Resolution was not approved. Pursuant to the terms of the Amended Credit Facility, if the Warrant Exercise Resolution is not approved by the Disinterested Shareholders, the interest rate under the Amended Credit Facility will be increased by an amount equal to 1.5% per annum from the earlier of (i) February 28, 2022, and (ii) the date upon which the Disinterested Shareholders do not approve the Warrant Exercise Resolution, and the Credit Facility Warrants will be void as of such date.

On November 29, 2021, the Corporation completed a public equity offering (the “**November Offering**”), which was underwritten by a syndicate of underwriters that included Scotia Capital Inc., Jett Capital Advisors, LLC, RBC Dominion Securities Inc., Haywood Securities Inc. and Research Capital Corporation. The Corporation issued an aggregate of 162,644,300 units of the Corporation (the “**November Units**”) and 2,000,000 Warrants (as defined herein), at the price of \$0.77 per November Unit (the “**November Offering Price**”) and \$0.08 per Warrant, respectively, for aggregate gross proceeds of approximately \$125.4 million. Each November Unit consisted of one Common Share and one-half of one Common Share purchase warrant (each full warrant, a “**Warrant**”). Each Warrant is exercisable for one Common Share (each a “**Warrant Share**”) at a price of \$1.00 per Warrant Share until May 29, 2023.

In connection with the November Offering, Pala subscribed for 98,104,584 units of the Corporation (the “**November Placement Units**”) on a private placement basis at the November Offering Price in the aggregate amount of approximately \$75.5 million (the “**November Private Placement**”) in order to maintain its shareholding percentage in the Corporation after giving effect to the November Offering and the November Private Placement. The November Placement Units have substantially the same terms as the November Units issued under the November Offering. Further details about the November Offering and November Private Placement are described in the “*Interest of Informed Persons in Material Transactions – November Offering & November Private Placement*” section below.



In connection with the November Offering and the November Private Placement, on November 30, 2021, the Corporation and Pala amended and restated the 2021 Credit Facility, on substantially the same terms as the 2021 Credit Facility, other than as described below (as amended, the “**Amended Credit Facility**”). The Amended Credit Facility has a principal amount of approximately US\$35 million (which includes the outstanding principal and accrued interest balance under the 2021 Credit Facility and the Amended June Promissory Note (as defined herein)), has an extended maturity date from January 31, 2024 (the maturity date under the 2021 Credit Facility) to January 31, 2026, and contains an accordion feature allowing the Corporation to draw up to an additional US\$15 million (the “**Additional Commitment**”) under the Amended Credit Facility, subject to the agreement of Pala and the prior acceptance by the TSX. In addition, the Amended Credit Facility removed the draw condition in the 2021 Credit Facility that required the Corporation, if requested by Pala, to demonstrate to Pala that its financial resources plus any amounts drawable under the 2021 Credit Facility would be sufficient to complete the ramp-up of the Underground Mine and achieve commercial production and positive cash flows before the end of 2021 and Pala’s acceptance of the proposed use of proceeds of each drawdown with reference to the Corporation’s budget and projected cash flow forecast. The Amended Credit Facility did not result in any change to the interest rate under the 2021 Credit Facility (other than as described herein) or other material terms and conditions of the 2021 Credit Facility.

In connection with the amendments that were made in the Amended Credit Facility, the Corporation paid Pala an extension fee of US\$1,324,548 (4% of the principal amount under the Amended Credit Facility), which fee was capitalized and added to the principal amount under the Amended Credit Facility on the date that it was entered into. Further, pursuant to the terms of the Amended Credit Facility, on the date of making any advance to the Corporation under the Additional Commitment, the Corporation must pay to Pala a disbursement fee equal to 4.00% of the principal amount of such advance, which fee will be added to the principal amount under the Amended Credit Facility on the date of such advance.

In connection with entering into the Amended Credit Facility and as required by the Binding Term Sheet, the Corporation issued 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 \$0.8553, which represented a 25% premium to the 5-day volume weighted average price of the Common Shares on the TSX ending on November 29, 2021, the trading day immediately prior to the date of the Amended Credit Facility.

Immediately prior to the completion of the November Offering and the November Private Placement, the Credit Facility Warrants, if exercised in full into 15,000,000 Common Shares, would have represented approximately 8.1% of the outstanding Common Shares at the time. As of the Record Date, the Credit Facility Warrants, if exercised in full into 15,000,000 Common Shares, would have represented approximately 3.3% of the outstanding Common Shares at the time. Further, as of the Record Date, Pala and Pala Assets Holdings Limited (“**Pala Assets**”), an affiliated entity of Pala, collectively owned 167,759,110 Common Shares and 229,627,115 Common Share purchase warrants that are exercisable into 75,209,774 Common Shares, representing approximately 46.4% of the outstanding Common Shares on a partially diluted basis at such time (assuming the exercise in full of Pala’s and Pala Asset’s Common Share purchase warrants (including the Credit Facility Warrants issued to Pala)).

Further details about the terms of the Amended Credit Facility are described in the “*Interest of Informed Persons in Material Transactions – Amended Credit Facility*” section below.

## Corporate Governance

A special committee (the “**Special Committee**”) consisting of members of the Board who are independent of Pala met on numerous occasions to consider and negotiate the key terms of the Non-Binding Term Sheet, the Binding Term Sheet, the Amended Credit Facility, the issuance of the Credit Facility Warrants to Pala, the November Private Placement and the proposed terms of the November Offering involving Pala, including the full repayment of the principal and interest under the Amended October Promissory Note (as defined herein) with the proceeds of the November Offering, and unanimously recommended that the Board approve the proposed terms of such transactions. The Board, excluding the Interested Directors (as defined herein), on the recommendation of the Special Committee, approved such transactions, including the entering into of the Amended Credit Facility and the issuance of the Credit Facility Warrants to Pala. Stephen Gill, Evgenij Iorich and Kate Southwell (collectively, the “**Interested Directors**”) are, and were at the relevant times, either managing partners or employees of Pala, and therefore, abstained from approving the transactions referred to above.

## MI 61-101 Considerations

The involvement of Pala in the transactions referred to above, including the entering into of the Amended Credit Facility and the issuance of the Credit Facility Warrants to Pala, constituted “related party transactions” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Pursuant to MI 61-101, related party transactions are, with certain limited exceptions, subject to formal valuation and minority shareholder approval requirements unless an exemption is available from those requirements. The Corporation relied on the “financial hardship” exemptions in sections 5.5(g) and 5.7(e) of MI 61-101 in connection with such related party transactions.

## TSX Requirements

Section 604(a)(ii) of the TSX Company Manual (the “**Manual**”) provides that the TSX will generally require listed issuers to obtain disinterested shareholder approval of transactions which provide consideration to insiders in aggregate of 10% or greater of the market capitalization of the listed issuer during any six month period. The Corporation is required to obtain disinterested shareholder approval before Pala can exercise the Credit Facility Warrants pursuant to section 604(a)(ii) of the Manual given the determination by the TSX that the issuance of the Credit Facility Warrants when coupled with the other aspects of the Amended Credit Facility and related transactions exceeded the 10% threshold referred to above.

## Disinterested Shareholder Approval

The TSX conditionally approved the issuance of the Credit Facility Warrants pursuant to a conditional approval letter dated November 29, 2021 (the “**Conditional Approval Letter**”). The Conditional Approval Letter provides that the exercise of the Credit Facility Warrants by Pala is subject to the Corporation obtaining the approval of the Shareholders, excluding Pala and its associates and affiliates (collectively, the “**Disinterested Shareholders**”). In order to be effective, the Warrant Exercise Resolution must be approved by a simple majority of 50% plus one of the votes properly cast by the Disinterested Shareholders voting in person or by proxy at the Meeting.

## Excluded Shareholders

To the knowledge of the directors and the management of the Corporation, the only Shareholders other than Pala that are required to be excluded from voting on the Warrant Exercise Resolution pursuant to the

requirements of the TSX are Stephen Gill, Evgenij Iorich and Kate Southwell, as they are either managing partners or employees of Pala, and Pala Assets, as it is an affiliated entity of Pala (collectively, the “**Excluded Shareholders**”). The respective shareholdings of the Excluded Shareholders in the Corporation, as of the Record Date, are set forth in the table below.

<b>Shareholder</b>	<b>No. of Common Shares Held</b>	<b>Percentage of Common Shares Outstanding</b>
Pala Investments Limited	157,759,119	35.2%
Pala Assets Holdings Limited	10,000,000	2.2%
Stephen Gill	180,030	0.04%
Evgenij Iorich	260,800	0.06%
Kate Southwell	15,510	0.003%

### Supporting Shareholders

Certain Shareholders of the Corporation holding approximately 26% of the outstanding Common Shares in aggregate as of the Record Date have entered into customary voting and support agreements, pursuant to which they have agreed to vote their Common Shares in favour of the Warrant Exercise Resolution at the Meeting, and against any other action which is intended, or could reasonably be regarded as likely to prevent, materially delay or interfere with the successful approval of the exercise of the Credit Facility Warrants. In addition, all of the directors and executive officers of the Corporation, excluding the Interested Directors, holding approximately 0.28% of the Common Shares in aggregate as of the Record Date, have committed to vote in favour of the Warrant Exercise Resolution.

### Warrant Exercise Resolution

The text of the Warrant Exercise Resolution is set forth below. In order to pass, the Warrant Exercise Resolution must be approved by 50% plus one of the votes cast by the Disinterested Shareholders who vote in person or by proxy at the Meeting.

“BE IT RESOLVED as an ordinary resolution that:

1. the 15,000,000 Credit Facility Warrants (as such term is defined in the management information circular of the Corporation dated January 4, 2022) issued to Pala Investments Limited (“**Pala**”) on November 30, 2021 are exercisable in accordance with their terms and the resulting issuance of common shares of the Corporation to Pala pursuant to the terms of the Credit Facility Warrants, is authorized and approved; and
2. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolutions.”

The Board (upon the recommendation of the Special Committee) and management of the Corporation believe that approving the exercise of the Credit Facility Warrants by Pala is in the best interests of the Corporation and its Shareholders, and the Board (with the Interested Directors abstaining) recommends that Shareholders vote FOR the Warrant Exercise Resolution. As mentioned above, if the Warrant Exercise

Resolution is not approved by Shareholders at the Meeting, the interest rate under the Amended Credit Facility will be increased by an amount equal to 1.5% per annum, effective on the date of the Meeting. **Unless otherwise instructed, the named proxyholders will vote FOR the Warrant Exercise Resolution.**

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation (or its subsidiaries) as of the commencement of the financial year ended December 31, 2020 or as at the date hereof.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as disclosed elsewhere in this Information Circular, since the commencement of the Corporation's financial year ended December 31, 2020, no informed person (including a director, officer or holder of 10% or more of the Common Shares) or any associate or affiliate of any informed person, had any material interest, direct or indirect in any transaction or in any proposed transaction which has materially affected or would materially affect the Corporation and its subsidiaries.

The Corporation effected a 10:1 consolidation of the Common Shares on September 17, 2021 (the "**Share Consolidation**"). References herein to Common Share issuances (or to units which included a Common Share) prior to September 17, 2021 do not reflect an adjustment due to the Share Consolidation.

#### **Refinancing Transactions**

In April 2020, the Corporation completed a comprehensive balance sheet strengthening financing package (collectively, the "**Refinancing Transactions**"). In connection with the Refinancing Transactions, the Corporation entered into a new convertible loan facility (the "**Convertible Loan**") with Pala in the principal amount of US\$30 million, which extended and replaced the US\$30 million unsecured credit facility that the Corporation entered into with Pala on November 29, 2019. Subsequent to the Convertible Loan being entered into, Pala syndicated an aggregate principal amount of US\$13.4 million of the Convertible Loan to Castlake, L.P. ("**Castlake**"), and another US\$500,000 aggregate principal amount of the Convertible Loan to a third party. As part of the Corporation's July 2020 public equity offering (the "**July Offering**") of units of the Corporation (the "**July Units**") at a price of \$0.15 per July Unit (the "**July Offering Price**"), the Corporation repaid all amounts owing under the Convertible Loan through July Unit subscriptions by the lenders under the Convertible Loan. Pala and Castlake agreed to waive the prepayment premium that would have applied in connection with the repayment of the Convertible Loan. At the time of the repayment, approximately US\$34 million was owing in principal and accrued interest thereon under the Convertible Loan.

In addition, the Corporation, Pala and an affiliate of Triple Flag entered into a backstop agreement (the "**Backstop**") on March 27, 2020 providing for up to US\$20 million of funding from Pala in certain circumstances if the Corporation was unable to raise capital from other sources. Upon the completion of the July Offering, the Backstop expired in accordance with its terms. For more details on the Refinancing Transactions, see the Corporation's Annual Information Form dated March 18, 2021 in respect of the financial year ended December 31, 2020 (the "**AIF**").

#### **2020 Promissory Notes**

From April 1 to July 27, 2020, Pala provided loans to the Corporation in the aggregate amount of US\$15.1 million pursuant to the terms of unsecured promissory notes, bearing interest at 8% per annum and maturing

on September 15, 2020. On July 28, 2020, those promissory notes were repaid in full through the payment of US\$5.9 million in cash and the issuance of 83,190,000 July Units at the July Offering Price under the July Offering.

In October and November 2020, Pala provided loans to the Corporation in the aggregate amount of US\$23.5 million pursuant to the terms of unsecured promissory notes, bearing interest at 8% per annum and maturing on January 31, 2021. The principal and accrued interest balance of US\$23.8 million outstanding at December 31, 2020 was repaid in full with the proceeds of the Corporation's January 2021 public equity offering (the "**January Offering**") of units of the Corporation (the "**January Units**") at a price of \$0.165 per January Unit (the "**January Offering Price**") and through the issuance of units at the January Offering Price (the "**January Placement Units**") to Pala in connection with a private placement that closed concurrently with the January Offering (the "**January Private Placement**").

### **KfW Facility & Pala Guarantee**

On December 8, 2020, Nevada Copper, Inc., a wholly-owned subsidiary of the Corporation, entered into an amendment to its senior credit facility with KfW IPEX-Bank (the "**KfW IPEX-Bank Facility**"), whereby KfW IPEX-Bank agreed to provide an additional loan of US\$15 million (the "**KfW Tranche B Loan**"). The funding of the full KfW Tranche B Loan occurred on December 30, 2020. The KfW IPEX-Bank Facility was subsequently amended on October 11, 2021 pursuant to an amendment agreement (the "**KfW Amendment Agreement**"). The KfW Amendment Agreement provided for a long-term extension of the final date for the Corporation to meet the requirements of the project completion test under the KfW IPEX-Bank Facility (the "**Project Completion Longstop Date**") from June 30, 2021 until June 2023 and included significant payment deferrals.

Pala provided a corporate guarantee to KfW IPEX-Bank (the "**Pala Guarantee**") in respect of both the US\$15 million additional KfW Tranche B Loan and a related US\$5 million cost overrun facility (the "**COF**") funding amount (collectively, the "**Guaranteed Amount**") and a pledge of certain of Pala's assets. The COF was funded from the proceeds of the January Offering such that the Pala Guarantee no longer applies to the US\$5 million COF funding amount. The Corporation compensates Pala for its commitments under the Pala Guarantee and related pledge arrangements at a rate of 8% per annum of any outstanding Guaranteed Amount, which is paid on a quarterly basis in arrears (the "**Guarantee Fee**"). The Guarantee Fee is to be paid in cash by the Corporation to Pala unless otherwise prohibited under the KfW IPEX-Bank Facility or related documents. Notwithstanding the foregoing, if the Corporation has insufficient cash to pay the Guarantee Fee on a quarterly payment date or is prohibited from paying cash under the KfW IPEX-Bank Facility or related documents, Pala is entitled (at its sole discretion) to either (a) accrue the Guarantee Fee such that it shall be payable at the next payment date on a rolling basis or (b) require the Guarantee Fee to be paid in Common Shares. The number of Common Shares to be issued to satisfy the Guarantee Fee will be calculated based on the market price of the Common Shares at the time of the applicable payment date.

### **Public Offerings & January Private Placement**

Pala subscribed for 263,452,677 July Units at the July Offering Price under the July Offering. The Corporation issued 180,262,677 July Units to Pala for the extinguishment of the Convertible Loan and 83,190,000 July Units for the extinguishment of short-term promissory notes provided to the Corporation by Pala.

Concurrently with the closing of the January Offering, the Corporation completed the January Private Placement, pursuant to which it issued 79,696,970 January Placement Units to Pala at the January Offering Price. The January Placement Units had substantially the same terms as the January Units issued under the

January Offering. The consideration for the January Private Placement was the repayment of certain outstanding indebtedness owing to Pala by the Corporation.

For more details on the July Offering, the January Offering and the January Private Placement, see the AIF.

### **2021 Promissory Notes**

The Corporation received a loan of US\$15 million under a promissory note issued to Pala in June 2021 (the “**June Promissory Note**”). From July through September 2021, Pala provided the Corporation with additional loans of US\$40 million in the aggregate pursuant to a series of amendments and restatements of the June Promissory Note (the “**Amended June Promissory Note**”). On October 1, 2021, the Corporation received a loan of US\$12 million under a separate promissory note with Pala, which was subsequently amended and restated on November 1, 2021 to provide the Corporation with an additional loan of US\$15 million (the “**Amended October Promissory Note**”, and together with the Amended June Promissory Note, the “**Promissory Notes**”). The Promissory Notes had a maturity date of June 30, 2022 and bore interest at 8% per annum on amounts drawn. The principal and accrued interest balance of approximately US\$27 million outstanding under the Amended October Promissory Note was fully repaid with the proceeds of the November Offering. The principal and accrued interest balance of approximately US\$59 million under the Amended June Promissory Note was almost entirely repaid through the issuance of the November Placement Units to Pala pursuant to the November Private Placement. The remaining balance of approximately US\$114,000 owing under the Amended June Promissory Note after the completion of the November Private Placement was added to the principal amount under the Amended Credit Facility.

### **November Offering & November Private Placement**

Under the November Offering, each of Mercuria Energy Holdings (Singapore) Pte. Ltd. and Solway Finance LTD. subscribed for 48,700,000 November Units at the November Offering Price.

In connection with the November Offering, Pala subscribed for the November Placement Units at the November Offering Price under the November Private Placement in order to maintain its shareholding percentage in the Corporation after giving effect to the November Offering and the November Private Placement. The terms of the November Private Placement and the November Offering are further described in the “*Particulars of Matters to be Acted Upon – Exercise of the Credit Facility Warrants – Background*” section above.

### **Amended Credit Facility**

On February 3, 2021, the Corporation entered into a credit facility with Pala providing for US\$30 million (including a US\$15 million accordion feature thereunder) to be drawn by the Corporation (the “**2021 Credit Facility**”). The 2021 Credit Facility bore interest at LIBOR plus 9% per annum on outstanding amounts and was subject to a 3% arrangement fee on the total amount of the 2021 Credit Facility and a 4% disbursement fee on amounts drawn. There were no Common Shares, warrants or other convertible securities of the Corporation issuable in connection with the 2021 Credit Facility, other than the potential for interest to be paid in Common Shares rather than paid in cash or capitalized. Any Common Shares issued under the 2021 Credit Facility were to be issued at the market price of the Common Shares at the time of the issuance. Pala was entitled to syndicate all or a portion of the 2021 Credit Facility, which could have potentially resulted in higher interest and fees with respect to the syndicated portion of the 2021 Credit Facility. The 2021 Credit Facility contained certain restrictions on the issuance of additional debt during the syndication period. The funds were available for draw prior to June 30, 2021 (the “**Availability Period**”). During the Availability Period, Pala was entitled to a 4% per annum commitment fee on amounts

available to be drawn but not yet advanced. The Corporation drew the full US\$30 million under the 2021 Credit Facility in the first half of 2021.

In connection with the November Offering and the November Private Placement, the Corporation entered into the Amended Credit Facility, on substantially the same terms as the 2021 Credit Facility, other than as described in the “*Particulars of Matters to be Acted Upon – Exercise of the Credit Facility Warrants – Background*” section above. In connection with entering into the Amended Credit Facility, the Corporation issued the Credit Facility Warrants to Pala. Further details about the terms of the Amended Credit Facility and the issuance of the Credit Facility Warrants are described in the “*Particulars of Matters to be Acted Upon – Exercise of the Credit Facility Warrants – Background*” section above.

### **MANAGEMENT CONTRACTS**

There are no management functions of the Corporation which are to any substantial degree performed by a person or Corporation other than the directors or senior officers of the Corporation.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed elsewhere in this Information Circular and other than transactions carried out in the ordinary course of business of the Corporation or any of its subsidiaries, none of the directors or senior officers of the Corporation, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation’s last completed financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the General Counsel of the Corporation at 61 E. Pursel Lane, Yerington, Nevada, USA 89447, Email: [info@nevadacopper.com](mailto:info@nevadacopper.com), Phone: (775) 463-3510 to request copies of the Corporation’s financial statements and management’s discussion and analysis.

Financial information for the Corporation is provided in the Corporation’s comparative audited financial statements and management’s discussion and analysis for the financial year ended December 31, 2020, as well as the subsequent interim unaudited financial statements and related management’s discussion and analysis, all of which may be obtained from SEDAR under the Corporation’s name at [www.sedar.com](http://www.sedar.com).

### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to Shareholders have been approved by the Board.

**DATED** at Yerington, Nevada, January 4, 2022

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Tom Albanese”* (signed)

**Tom Albanese**  
**Lead Independent Director**