



**NEWS RELEASE**

**TSX: NCU**

**NEVADA COPPER ANNOUNCES RED KITE FUNDING COMMITMENT  
AND EQUITY FINANCING TERMS**

**May 27, 2016 - Nevada Copper Corp. (TSX: NCU) (“Nevada Copper” or the “Company”)** is very pleased to announce that its senior secured lender, EXP T1 Ltd., an affiliate of Red Kite Mine Finance (“Red Kite”) has agreed to certain amendments to the senior loan agreement between the Company and Red Kite which waive all existing defaults under the senior loan facility, on the following basis:

1. Red Kite has waived the existing defaults under its loan facility with the Company and lifted the forbearance under which the Company has been operating;
2. the requirement for the Company to complete a minimum US\$10 million financing has been waived;
3. Red Kite will advance to the Company an additional US\$3 million draw under the current loan facility; and
4. the working capital covenant under the loan facility will be amended such that the Company will be required to maintain minimum working capital of US\$100,000.

The continuance of the foregoing waivers and the completion of the drawdown and amendments is subject to the receipt by the Company, on or before June 7, 2016, of the US\$5,000,000 additional drawdown under the Company’s subordinated convertible loan agreement with Pala Investments Ltd. (“Pala”), which was announced in the Company’s news release dated April 22, 2016. The Pala convertible debt is subject to a vote of disinterested shareholders at the Annual and Special Meeting of the shareholders of the Company to be held today (May 27, 2016).

The Company expects to close the US\$5 million of Pala convertible debt draw and the Red Kite US\$3 million debt draw on or about June 3, 2016. The funds will be used to maintain the Pumpkin Hollow property permits and licences in good standing, and evaluate opportunities for enhancing project economics in a lower copper price environment.

Key milestone dates under the Red Kite loan agreement were previously amended to extend the initial project draw conditions date to December 31, 2017 and the date of first commercial production to December 31, 2018.

**Equity Financing Update**

Nevada Copper also announces that the terms of its previously-announced public offering of subscription receipts are to be changed to a common share offering. The Company intends to raise an aggregate of up to CDN\$4 million (the “Offering”) by the issuance of an aggregate of up to 6,666,667 common shares (the “Shares”) at a purchase price (the “Issue Price”) of CDN\$0.60 per Share, subject to an over-allotment option as described below. The Company intends to file an amended and restated preliminary short form prospectus in connection with the Offering forthwith. The Offering will be conducted on a “best efforts” basis pursuant to an agency agreement to be entered into between the Company and a syndicate of agents co-led by GMP Securities L.P. and Dundee Securities Ltd. (the “Co-Lead Agents”) and including Haywood Securities Inc. (together with the Co-Lead Agents, the “Agents”). The Company will grant the Agents an option (the “Over-Allotment Option”) to sell up to such number of additional Shares (the “Additional Securities”) as is equal to 15% of the number of Shares

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initially sold under the Offering. The Over-Allotment Option shall be exercisable, in whole or in part, on the Closing Date and for a period of 30 days thereafter, at the Issue Price per Additional Security.

Closing of the Offering is subject to receipt of regulatory approvals, including approval of applicable Canadian securities regulators and the Toronto Stock Exchange. The Company anticipates that closing of the Offering will occur on or about June 9, 2016.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities referenced herein in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a "U.S. person" (as defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available.

**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: the fulfillment of the conditions precedent for the amendment of the senior loan facility with Red Kite, the completion of further drawdowns under the loan facilities with Red Kite and Pala, receipt of shareholder approval of the convertible loan with Pala, the cure or waiver of any default under the Red Kite loan agreement, the filing of the amended and restated prospectus in respect of the revised Offering, the planned terms of the Offering, the closing of the Offering, the anticipated timing of any of the foregoing matters, and any statements regarding revised development plans at the Pumpkin Hollow property or the future completion of any strategic transaction, as well as the Company's plans in general.*

*Forward-looking statements or information relate to future events and future performance and include statements regarding the expectations and beliefs of management. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "potential", "is expected", "anticipated", "is targeted", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements or information include, but are not limited to, statements or information with respect to known or unknown risks, uncertainties and other factors which may cause actual results to be materially different from any anticipated 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: conditions in debt and equity financing markets and the challenges of the Company completing the additional drawdowns under the Red Kite and Pala loan agreements before June 7, 2016, future metals price fluctuations, ongoing low commodity prices for copper, silver and gold, requirements for additional capital; loss of its material properties; interest rates increase; global economy risks; risks related to mineral production; 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 22, 2016. 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*

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*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.*

<b>For further information call:</b> Eugene Toffolo VP, Investor Relations & Communications Phone: 604-683-8266 Toll free: 1-877-648-8266 Email: <a href="mailto:etoffolo@nevadacopper.com">etoffolo@nevadacopper.com</a>	Robert McKnight, P.Eng., MBA Executive Vice President & CFO Phone 604-683-1309 Email: <a href="mailto:bmcknight@nevadacopper.com">bmcknight@nevadacopper.com</a>
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