

NEWS RELEASE

TSX: NCU

NEVADA COPPER ANNOUNCES FURTHER INVESTMENT BY PALA AND EXTENSION OF LOAN MATURITY DATES TO DECEMBER 31, 2018

VANCOUVER. February 27, 2017 - Nevada Copper Corp. (TSX: NCU) (“Nevada Copper” or the “Company”) is pleased to announce that its long-term cornerstone shareholder, Pala Investments Limited (“Pala”), has agreed to make a further investment of US\$5 million in the Company (“**Pala Financing**”). Additionally, Nevada Copper has also successfully secured extensions to the loan maturities under its existing senior term loan facility with EXP T1 Ltd, an affiliate of Red Kite Mine Finance (“**Red Kite**”) and its loan facility with Pala.

Pala is an experienced investor in the mining sector with a strong track record of successful investments and value creation. Pala’s team has extensive experience in project development, financing, construction and expansion projects, and seeks to assist companies in which it has long-term shareholdings by providing strategic support in these areas. With this latest round of investment, Pala’s financing support to Nevada Copper since August 2014 is in an aggregate amount of US\$30 million.

The Pala Financing and the amendments to the Red Kite loan facility will provide greater flexibility to Nevada Copper’s balance sheet as the Company progresses its key initiatives and evaluation of various project development options at Pumpkin Hollow in a rising copper price environment. These initiatives include:

- a) drilling to extend and better define the higher grade North deposit extension, complete an updated mineral resource followed by evaluating an optimized higher-grade Integrated open pit/underground development plan; and
- b) advancing feasibility and technical studies for the construction of a smaller-scale, lower capital cost and higher grade underground project.

In connection with these initiatives, Nevada Copper is also pleased to announce that Pala will support Nevada Copper as Technical Adviser to assist its management team in the evaluation and advancements of these projects.

Giulio Bonifacio, the CEO of Nevada Copper commented:

“Nevada Copper is pleased to have the continued ongoing support of both Pala and Red Kite. The additional funding from Pala and improved Red Kite loan terms provide Nevada Copper with the opportunity to pursue its key initiatives and evaluation of project development options as copper markets continue to improve. Pumpkin Hollow is a Tier 1 asset which has been significantly de-risked and is fully-permitted/shovel-ready with a 1,900 foot production-sized shaft with lateral development, all of which make it a unique and desirable asset in an improving copper market.”

Nevada Copper also wishes to announce the streamlining of its board of directors to six members with the retirement of Victor Bradley, Joe Giuffre and Paul Matysek. Nevada Copper wishes to express its gratitude to Messrs. Bradley, Giuffre and Matysek for their invaluable contributions to, and oversight of, the Company over many years. With Mr. Bradley’s retirement, the Company is pleased to announce that Evgenij Iorich, a Non-Executive Director, has been appointed Non-Executive Chairman.

Pala Financing

The Pala Financing is in the form of a convertible loan subordinated to the existing Red Kite loan facility, on terms similar to Pala's existing convertible loans as disclosed in Nevada Copper's announcement dated April 5, 2016 except for certain of the terms described below, and adjusted conversion prices for the new US\$5 million loan tranche, as follows:

- interest rate of 12% per annum;
- maturity date of December 31, 2018;
- arrangement fee of US\$200,000 payable out of the loan proceeds; and
- conversion price of C\$0.90 in respect of the new US\$5 million loan tranche, and interest and fees thereon, being the 15% premium to the average 20-day volume-weighted average price ("VWAP") closing price of the common shares on February 24, 2017, subject to potential adjustment such that the conversion price will not exceed 115% of the subscription price for any equity offering during the next six months. The principal loan amount plus accrued and unpaid interest may be converted at such conversion price into common shares of the Company at any time up to December 31, 2018 or prior to any voluntary prepayment.

The maturity of Pala's outstanding convertible loans has also been extended to December 31, 2018 such that the maturity is aligned with that of the new loan tranche. In connection with the financing, Pala will be issued 2.5 million warrants with a 3-year term with an exercise price at C\$0.97, being a 25% premium to the average 20-day VWAP closing market price of the common shares of the Company on February 24, 2017. The closing of the Pala Financing is subject to customary conditions precedent including receipt of approval of the Toronto Stock Exchange. The receipt of disinterested shareholders' approval is required for the conversion features of the Pala Financing, as detailed above, but this will not delay closing which is expected to occur on or before March 10, 2017.

The Pala Financing is a related party transaction of Nevada Copper for purposes of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* and is subject to the formal valuation and minority approval requirements thereof, unless an exemption is available. The Pala Financing is exempt from such requirements since, at the time the transaction was agreed to, the fair market value of the transaction did not exceed 25 per cent of Nevada Copper's market capitalization. The Pala Financing was reviewed and approved by Nevada Copper's board of directors (with all Pala's nominee directors abstaining from voting).

Red Kite Loan

Under the amendments to the Red Kite loan facility, monthly interest payments for March to June 2017, estimated at US\$4.8 million, will be prepaid from proceeds of the Pala Financing. Interest payments for the balance of 2017 and 50% of the 2018 monthly interest will be accrued. The milestone deadlines for project construction drawdown conditions to be satisfied and the date for first loan principal repayment have both been extended to December 31, 2018.

Pumpkin Hollow Project

The Pumpkin Hollow copper development is located entirely on private land close to infrastructure with all required power and water supplies secured. With the project entirely on private land, all required Nevada permits for construction and mine operations are in hand (no federal permits are required). With many analysts forecasting improving copper markets over the next few years, the Company's Pumpkin Hollow Copper Project represents an attractive, "shovel-ready", fully-permitted copper project located in an ideal mine-friendly location.

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: receipt of regulatory and shareholder approval relating to the Pala Financing, closing of the Pala Financing and advancement of funds thereunder, development plans at the Pumpkin Hollow property 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 in the current commodity market, 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 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.

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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