NEVADA COPPER CORP.

QUARTERLY REPORT FOR THE SIX MONTHS ENDED JUNE 30, 2014

General

This Management's Discussion and Analysis ("MD&A") of Nevada Copper Corp. (the "Corporation" or "Nevada Copper") has been prepared by management as of August 12, 2014 and should be read in conjunction with the Corporation's consolidated financial statements and related notes for the six months ended December 31, 2013 which have been prepared in accordance with International Financial Reporting Standards ("GAAP" or "IFRS" as issued by the International Accounting Standards Board ("IASB")). The information contained within this MD&A is current to August 12, 2014.

Unless otherwise noted, comparative financial information contained in this MD&A has been prepared in accordance with IFRS. All amounts are expressed in thousands of US Dollars unless otherwise indicated. Additional information relevant to the Corporation's activities can be found on SEDAR at www.sedar.com.

Description of Business

Nevada Copper Corp. (the "Corporation" or "Nevada Copper") is a mining company engaged in the development of the Pumpkin Hollow copper project. The Pumpkin Hollow project consists of a fully permitted 6,500 tpd Stage 1 underground copper mine development, currently in construction and a nearby Stage 2 70,000 tpd open pit project in the permitting phase.

Nevada Copper was incorporated on June 16, 1999 under the Business Corporations Act of the Yukon as "African Venture Corporation" and changed its name to "Astron Resources Corporation" on July 26, 1999, and subsequently to Nevada Copper Corp. on November 16, 2006. The Corporation's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "NCU".

The principal asset of the Corporation is a 100% interest in the Pumpkin Hollow property located in north-western Nevada, approximately ninety road miles southeast of Reno. The property consists of a contiguous 26 square mile land package held under a lease agreement by the Corporation comprising both patented and unpatented claims.

Highlights of Second Quarter

On July 30, 2014, the House Committee passed a revised bill (H.R. 5205) that includes the Lyon County Bill. This bill was first on the Committee's agenda and was "reported favourably" meaning it is recommended for passage by the House. Passage of the Lyon County Bill by the House, Senate and signature into law, will accelerate permitting and development of the larger Stage 2 Open Pit Mine by two to three years.

In the Senate, the Lyon County Land Bill had achieved a significant milestone on May 8, 2014. The U.S. Senate published its Senate Calendar/General Orders which officially lists the Lyon County Economic Development and Conservation Act (Senate bill S. 159) as ready for Senate floor action. With the Senate Energy and Natural Resources Committee recommending passage and having the full support of both parties, the Corporation expects the Bill to be passed by the Senate.

Nevada Congressman Mark Amodei and Congressman Steven Horsford continue to make the Lyon County Bill their top priority. In the Senate, both Nevada Senate Majority Leader Harry Reid and Senator Dean Heller support the Lyon County Bill and are working together to make sure it gets passed as soon as possible on a bipartisan basis.

The sinking of the 24 foot diameter production sized shaft continues with average sinking rates rising to the expected levels. The shaft depth is approximately 1,000 feet deep - over half way towards the 1,906 foot depth of the main haulage level. Sinking rates have improved, and have stabilized at between 6 and 7 feet per day, in line with projections. A mid-shaft pump station has been successfully excavated, and will be equipped with high head positive displacement pumps and associated electrical and piping infrastructure. Sinking is expected to continue at between 6 and 7 feet per day, reaching the main ore haulage level in Q1-2015. Detailed engineering and procurement has advanced in the second quarter, and is now 40% complete. Water inflows into the shaft are minimal, due both to tighter (drier) ground conditions and pumping from a nearby dewatering well, realising minimal or no grouting requirements.

With shaft completion modestly delayed, and financing discussions ongoing, all non-shaft related activities, including engineering and construction expenditures, have been temporarily curtailed to fully evaluate the financing options that will provide the balance of funding for Stage 1. Shaft construction and related activities, being critical path items, will continue at the current rate.

The Company has US$149 million remaining as the undrawn portion of its Orion/Red Kite secured loan facility (see the Company's March 28, 2013 news release for further information). The final draw of the 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.

The Company continues to evaluate several financing opportunities including additional debt, precious metal streams, joint ventures and off-take structures to provide the remaining funding for both Stage 1 and Stage 2. A number of proposals have been received for the Stage 1 underground financing, and term sheets are currently being reviewed in this capacity. A financial package for the completion of Stage 1 is targeted by Q4 2014.

BMO Capital Markets had previously been engaged by Nevada Copper as advisor to assist the Company with the process of identifying and evaluating its strategic alternatives. The objective of this process is to maximize shareholder value, and the engagement remains active.

The Corporation announcesd the return of Mr. Michael Barton to its Board of Directors as a representative of Pala Investments, replacing Mr. Jan Castro who resigned on June 29, 2014. Mr. Barton serves as the Chief Executive Officer of Pala Investments and has been with Pala since 2007. Prior to joining Pala, Mr. Barton served as Vice President of Hatch Corporate Finance. At Hatch Corporate Finance, he worked on a broad range of transactions, advising a full spectrum of clients, from the mining majors to emerging-market steel producers to junior mining ventures. Prior to Hatch, Mr. Barton was with Deloitte & Touche in London, England. Mr. Barton is a qualified Chartered Accountant.

Other Matters

On March 17, 2014, the Corporation appointed Philip Clegg as a Board member, replacing Kate Mitchell who resigned. Mr. Clegg has twelve years of experience as an advisor in the natural resources sector, and has worked with a number of publicly traded companies assisting with strategic development, M&A, business performance, financial planning and structuring.

In December 2013, the Corporation elected to continue shaft sinking and underground development under a different contractor, Cementation USA Inc. ("Cementation"). As part of the global Cementation Mining Group, Cementation has extensive worldwide experience in shaft sinking and underground mine development work. The current targeted completion date of the shaft including development of initial lateral access to the ore zone is Q1-2015.

On December 2, 2013 the Corporation appointed Kate Mitchell and Daniel Dumas as directors. Ms. Mitchell serves as Assistant General Counsel of Pala Investments Limited ("Pala") and has significant experience in corporate transactions and equity and debt financings. Mr. Dumas is an industry leader with broad-based expertise in mining construction, engineering, finance, business development and has been involved with many publicly listed mining companies. Victor Bradley was appointed as Lead Director for the Corporation.

On October 28, 2013 the Corporation announced the appointment of Timothy Arnold as Vice President of Operations of the Corporation, and several other additions to the Corporation's technical team.

On October 9, 2013 the Corporation received the second tranche of $15 million pursuant to the $200 million senior secured loan facility and copper concentrate off-take agreement. This facility is between Nevada Copper and MF Investment Holding Company 2 (CAYMAN) SPC ("Red Kite") a special purpose vehicle that is jointly owned by Orion Resource Partners and RK Mine Finance. The advance of $15 million had been contingent on receipt of the key State and County permits of which the last permit was received on September 9, 2013 and allows for the continuation of construction of the underground mining operation. A total of $51 million has been received from this facility with a further $149 million to be received in 2015 on the completion of certain other project milestones, including completion of the 24 foot diameter, 2,140 foot deep production-sized shaft and completion of other financing transactions; whereby, the Corporation will obtain sufficient proceeds necessary to achieve commencement of commercial production.

A press release issued on October 3, 2013 published the results of a stand-alone open pit mine development relating to the Western deposits. The Corporation filed the open pit feasibility on SEDAR on November 14, 2013. The stand alone open pit feasibility study confirms the technical and economic viability of constructing and operating a stand-alone 70,000 ton-per-day open pit copper mining and processing operation. The Stage 2 Open Pit Operation would be located approximately four kilometers west of the underground mine that is currently under construction.

The Corporation announced the execution of a $24 million equipment finance facility ("Equipment Financing") with Caterpillar Financial Services Corporation ("Cat Financial") on October 1, 2013. The Equipment Financing forms part of the overall project capital funding package for Nevada Copper's Stage 1 Underground Operation, currently under construction.

On September 9, 2013 the Corporation received its Nevada Air Quality Operating Permit. This was the final permit needed for construction and operation of the Stage 1 underground project. The Pumpkin Hollow underground project is now fully permitted for mine construction and operations.

On August 8, 2013 the Corporation appointed Michael Brown as a director. Mr. Brown is a registered Professional Engineer (South Africa) graduating from the University of the Witwatersrand with a B.Sc. (Hons) in Mining Engineering. Mr. Brown has extensive mining background working in progressively senior positions at De Beers Consolidated Mines Ltd. Mr. Brown is Managing Director of Pala's Technical and Operations team.

The Corporation received its Water Pollution Control Permit on August 23, 2013. The Lyon County Special Use Permit was approved on June 20, 2013. Approval of the Special Use Permit was considered an extremely critical milestone and confirms that there is overwhelming local support for the project. The Corporation received their Reclamation Permit on June 7, 2013 for the Stage 1, Private Land Underground Mine ("PLUM"). This is one of the key permits for the project that establishes decommissioning, closure and reclamation conditions and financial assurance for the construction of an underground mining operation at the Pumpkin Hollow Project.

<u>Permits and Land Transfer</u>

The Land Bill has three final steps for passage by Congress before being signed into law by the President. The first of those is a "mark-up" and action by the House Natural Resources Committee. The Land Bill received a major commitment from Chairman and Congressman Doc Hastings on December 12, 2013 to act on this legislation in January 2014, after which it can be brought to the House floor for passage, which is the second step. The Land Bill has already been passed out of the Senate Energy and Natural Resources Committee, and is ready for the third step, floor action in the Senate. The Nevada Congressional delegation has worked together to conform the House and Senate versions of the Land Bill to assure expedited passage in both the Senate and House.

The Nevada Congressional delegation has been in unanimous agreement on this Land Bill since its re-introduction in early 2013. It has the full support of Governor Brian Sandoval, the unanimous support of the Nevada State Legislature during their 2013 session and the unanimous support of the City of Yerington and Lyon County. Successful passage of this Land Bill, and subsequent acquisition of the land by the City of Yerington, would allow for continued permitting of Stage 2 under Nevada State and Lyon County laws and regulations.

On July 30, 3014, the House Natural Resources Committee passed a revised bill (H.R. 5205) that includes the Lyon County Bill. This bill was first on the Committee's agenda and was "reported favourably" meaning it is recommended for passage by the House. The objective of Nevada Copper is to bring the bill to the floor of the House for passage later in 2014. The U.S. Senate has published its Senate Calendar/General Orders which officially lists the Lyon County Economic Development and Conservation Act (Senate bill S. 159) as ready for Senate floor action. Nevada Copper lobbyists are working to facilitate passage of the bill.

The Corporation anticipates that, subject to passage of the Land Bill in the second half of 2014, issuance of Stage 2 State permits for the construction and operations of an open pit mine can be anticipated in early 2015.

In the event the Land Transfer is not completed as planned, the project activities related to a larger open pit development would require a Plan of Operations to be filed with the BLM and preparation of an Environmental

Impact Statement ("EIS") pursuant to BLM guidelines. As a prudent measure, initial Federal permitting steps have been started.

Regardless of the land status and permit process ultimately undertaken, the environmental, engineering and baseline technical studies associated with the entire project are in progress and will be completed in conformance with all Federal, State and local standards. That assures that the project is designed, constructed and operated to meet those standards and that either permitting process, including preparation of an EIS, would not be delayed. If BLM approval is required, BLM process and State permits for the project would be expected to be complete in early 2015.

With regard to water rights, Nevada Copper has obtained rights covering 100% of its anticipated Pumpkin Hollow project water needs including the large Stage two open pit project. Notably, the entire project area is outside of irrigated lands in Mason Valley. Detailed studies have demonstrated that groundwater in the mine project area is not hydraulically connected to the alluvial aquifers in Mason Valley and project operations will not impact that important aquifer.

Development Schedule

As highlighted earlier, non-shaft related activities are under temporary curtailment. Subject to resumption of full construction and engineering in Q4-2014, ramp up of production from the Stage 1 underground project is expected to commence in Q2-2016 with commercial production later that year. The 24 foot diameter, 2,140 foot production shaft is currently under construction at a depth of 1,062 feet as of August 3rd.

For the Stage two open pit project, pre-stripping the North Deposit and construction of the mill and related facilities could occur as early as 2016, subject to the issuance permits and securing of financing, with initial production commencing in 2018.

2014 and 2015 Project Construction

During 2014 and into 2015, shaft sinking at the project site is under Cementation's management. Sinking will advance to the 1,906 foot depth, the main level from which lateral development will begin and allow for access to the East ore zone. Development drilling from this level will focus on obtaining mineral and geotechnical data for mine planning. Management believes the drilling will not only improve the grade profile in the early years of mine production, but also expand the mineral resource. Subject to shaft sinking rates, reaching the 1,906 level is anticipated during Q1-2015. After completion of initial development work at the 1,906 level, including a bulk ore sample and drilling, the shaft will be completed to the final 2,140 foot depth. This will be followed by equipping of the shaft for ore hoisting along with development of the underground crushers and related infrastructure required for production operations.

While shaft sinking progresses, the engineering and procurement for the copper concentrator and site infrastructure had been continuing until the previously-mentioned temporary hiatus. Shaft sinking rates are primarily affected by contractor efficiency, ground conditions and the amount of water inflow to the shaft. Shaft water inflows are currently controlled by lowering the water table in the vicinity of the shaft bottom using a dewatering well. Ground conditions are managed by rock bolting, and installation of mesh and shotcrete to the extent required.

Currently a single dewatering well is located near the shaft with a second dewatering well completed in Q2-2014. During operations, water entering the mine workings will be pumped to surface via a mid-shaft pump station located at the 950 foot level.

Engineering and construction activities and expenditures are being temporarily restrained on non-shaft related areas during Q3 2014. Beyond this temporary slowdown period and into 2015, and subject to financing, engineering and construction will resume. The pace will also be controlled by the availability of funds from:

- $17 million cash balance at June 30, 2014;
- $149 million undrawn portion of the Red Kite loan facility (See March 28, 2013 News Release);
- $24 million Caterpillar Financial equipment lease finance facility (see October 1, 2013 News Release); and,
- The balance of financing necessary to fully fund the Stage 1 project.

Subject to securing the remainder of financing required for the Stage 1 underground mine, and in view of the current targeted completion date of the shaft and other critical path activities, ramp up of first ore production is anticipated for Q2-2016.

Pumpkin Hollow Mineral Resources

The project mineral resource estimate for the Western deposits is an update of a previous mineral resource estimate disclosed on September 7, 2012 and filed on SEDAR. The current estimate was disclosed October 3, 2013 and the related NI 43-101 Technical Report filed on SEDAR on November 14, 2013. The Eastern underground deposit resources had a non-material amount of drilling and were left unchanged. The associated NI 43-101 technical report was filed on SEDAR on October 19, 2012 and is available on the company's website. The estimates were prepared by the mineral resource and mining division of Tetra Tech by, or under the direction of, Dr. Rex Bryan, SME Registered Member, an independent Qualified Person as set forth by NI 43-101.

The expansion of the North deposit and the South deposit has merged the two open pits together with benefits in terms of a greater mineable reserves and operational synergies.

WESTERN DEPOSITS – MEASURED AND INDICATED RESOURCES - AS AT OCTOBER 2013

Category	Cutoff Grade (%Cu)	Tons (000)	Grade (%Cu)	Contained Copper (000 lbs)	Gold Grade opt	Gold (000 ozs)	Silver Grade opt	Silver (000 ozs)	Copper Equiv. %
Measured	0.20	186,037	0.48	1,793,250	0.002	331	0.056	10,465	0.53
Measured	0.15	237,915	0.41	1,954,874	0.002	369	0.051	12,015	0.46
Indicated	0.20	348,389	0.43	3,023,109	0.001	467	0.052	18,200	0.46
Indicated	0.15	494,141	0.35	3,493,351	0.001	568	0.046	22,651	0.38
M&I Total	**0.20**	**534,426**	**0.45**	**4,816,359**	**0.001**	**798**	**0.054**	**28,665**	**0.48**
M&I Total	**0.15**	**732,056**	**0.37**	**5,448,225**	**0.001**	**937**	**0.047**	**34,666**	**0.40**

WESTERN DEPOSITS - INFERRED RESOURCES - AS AT OCTOBER 2013

Category	Cutoff Grade (%Cu)	Tons (000)	Grade (%Cu)	Contained Copper (000 lbs)	Gold Grade opt	Gold (000 ozs)	Silver Grade opt	Silver (000 ozs)	Copper Equiv. %
Inferred	0.20	138,149	0.40	1,103,536	0.001	134	0.044	6,134	0.43
Inferred	0.15	225,073	0.31	1,392,266	0.001	198	0.039	8,755	0.42

Copper equivalency is based on $3.00 per pound for copper, $1400 per ounce gold and $20 per ounce silver and metallurgical recoveries of 92%, 78% and 57.5% for copper, gold and silver respectively.

EASTERN DEPOSITS - MEASURED AND INDICATED RESOURCES - AS AT MARCH 2011

Category	Cutoff Grade (%Cu)	Tons (000)	Grade (%Cu)	Contained Copper (000 lbs)	Gold Grade opt	Gold (000 ozs)	Silver Grade opt	Silver (000 ozs)	Copper Equiv. %
Measured	1.00	9,206	1.81	333,324	0.011	104	0.24	2,205	2.08
Measured	0.75	12,497	1.56	390,372	0.01	128	0.216	2,699	1.81
Indicated	1.00	24,338	1.72	835,589	0.01	247	0.245	5,971	1.97
Indicated	0.75	38,092	1.40	1,069,452	0.008	321	0.213	8,118	1.61
M&I Total	**1.00**	**33,544**	**1.74**	**1,168,913**	**0.01**	**351**	**0.244**	**8,176**	**1.99**
M&I Total	**0.75**	**50,589**	**1.45**	**1,459,824**	**0.009**	**449**	**0.213**	**10,817**	**1.68**

Mineral resources that are not categorized as mineral reserves have not demonstrated economic viability.

EASTERN DEPOSITS - INFERRED RESOURCES - AS AT MARCH 2011

Category	Cutoff Grade (%Cu)	Tons (000)	Grade (%Cu)	Contained Copper (000 lbs)	Gold Grade opt	Gold (000 ozs)	Silver Grade opt	Silver (000 ozs)	Copper Equiv. %
Inferred	1.00	4,926	1.45	143,313	0.002	10	0.101	498	1.511
Inferred	0.75	12,098	1.11	267,533	0.002	24	0.065	792	1.164

Copper equivalency is based on $3.00 per pound for copper, $1400 per ounce gold and $20 per ounce silver and metallurgical recoveries of 92%, 78% and 57.5% for copper, gold and silver respectively.

Mineral resources that are not categorized as mineral reserves have not demonstrated economic viability.

Pumpkin Hollow Mineral Reserves

Proven and Probable mineral reserves are the economically-mineable portions of the Measured and Indicated mineral resources above.

East Underground Deposit

The mineral reserves for the East and E2 underground deposits are supported by a Technical Report made public in January 2012 and filed on SEDAR. The mineral reserves stated below for the underground deposits are based on the measured and indicated mineral resources disclosed in the January 2011 news release, and do not yet reflect the increased mineral resources for the Western Deposits as disclosed on September 7, 2012.

Mineral Reserves East Underground Deposit January 2012								
Classification	Ore	Copper	Gold	Silver	Contained Copper	Contained Gold	Contained Silver	Copper Equiv.
	000's tons	%	Oz./ton	Oz./ton	Billion lbs.	Ozs.	Ozs.	%
Proven	10,979	1.55	0.011	0.215	0.34	120,769	2,360,485	1.81
Probable	16,666	1.45	0.006	0.141	0.48	99,996	2,349,906	1.60
Proven & Probable	**27,645**	**1.49**	**0.008**	**0.170**	**0.82**	**220,765**	**4,710,391**	**1.68**

The mineral reserves and mine plans for the underground East and E2 deposits were determined using cutoff grades developed by Tetra Tech as appropriate for the mining method and costs associated with the deposits. For the underground deposits the cutoff grade used was 0.8% copper. A copper price of $3.00 per pound was assumed. Tetra Tech is the independent Qualified Person who is responsible for the mineral reserve estimate. The copper equivalency was determined using Base Case metals prices and metallurgical recoveries of 89.3%, 67.3% and 56.3% for copper, gold and silver respectively.

E2 Underground Deposit

The E2 underground deposit contains a mineral reserve that was originally disclosed in a NI 43-101 Technical Report filed on SEDAR on February 7, 2012. The E2 deposit was included in the mine production plan in the aforementioned feasibility study along with mine production from the East deposit and the Western Open Pit deposits. These ore streams will feed a single large concentrator.

Mineral Reserves E2 Underground Deposit January 2012								
Classification	**Ore**	**Copper**	**Gold**	**Silver**	**Contained Copper**	**Contained Gold**	**Contained Silver**	**Copper Equiv.**
	000's tons	**%**	**Oz./ton**	**Oz./ton**	**Billion lbs.**	**Ozs.**	**Ozs.**	**%**
Proven	1,387	1.83	0.009	0.236	0.05	12,236	327,404	2.06
Probable	6,745	1.62	0.006	0.176	0.218	38,685	1,185,457	1.77
Proven & Probable	**8,132**	**1.65**	**0.006**	**0.186**	**0.269**	**50,920**	**1,512,862**	**1.82**

The mineral reserves and mine plans for the underground East and E2 deposits were determined using cutoff grades developed by Tetra Tech as appropriate for the mining method and costs associated with the deposits. For the underground deposits the cutoff grade used was 0.8% copper. A copper price of $3.00 per pound was assumed. Tetra Tech is the independent Qualified Person who is responsible for the mineral reserve estimate. The copper equivalency was determined using Base Case metals prices and metallurgical recoveries of 89.3%, 67.3% and 56.3% for copper, gold and silver respectively.

The E2 reserve was not included in the mine production plan disclosed in a more recent Feasibility Study that was disclosed in a NI 43-101 Technical Report filed on SEDAR on December 12, 2012. This study focused only on ore production from the East deposit and deferred development of the E2 deposit; however it is management's intention to incorporate E2 ore production into future mine plans.

Western Open Pittable Deposits

The mineral reserves stated below for the Western open pit deposits is an update of the previously published measured and indicated mineral resources as of September 2012. The Feasibility Study results as disclosed in the October 3, 2013 news release. The related NI 43-101 Technical Report was filed on November 14, 2013 on SEDAR.

Mineral Reserves Western - Open Pit Deposits October 2013								
Classification	**Ore**	**Copper**	**Gold**	**Silver**	**Contained Copper**	**Contained Gold**	**Contained Silver**	**Copper Equiv.**
	000's tons	**%**	**Oz./ton**	**Oz./ton**	**Billion lbs.**	**Ozs.**	**Ozs.**	**%**
Proven	204,182	0.409	0.0015	0.052	1.67	306,610	10,685	0.44
Probable	344,004	0.358	0.0012	0.047	2.46	410,920	16,009	0.39
Proven & Probable	**548,186**	**0.377**	**0.0013**	**0.048**	**4.13**	**717,530**	**26,694**	**0.40**

The mineral reserves and mine plans for each of the open pit deposits was determined using cutoff grades developed by Tetra Tech as appropriate for the mining method and costs associated with the deposits. For the open pit Western deposits the cutoff grade used was 0.175% and 0.179% copper respectively. The breakeven cutoff was calculated using $2.80 mining cost while the internal cutoff was calculated using $3.00 copper. Ed Lips, Principal Mining Engineer for Tetra Tech is the independent Qualified Person who is responsible for the mineral reserve estimate. The copper equivalency was determined using Base Case metals prices and metallurgical recoveries of 89.3%, 67.3% and 56.3% for copper, gold and silver respectively.

Iron Mineral Resource

The Pumpkin Hollow project has considerable resources of iron in the form of magnetite. The following tables include only those iron resources amenable to open-pit mining methods in the Western deposits. Possible mining, recovery and sale of a magnetite concentrate will be considered in an updated feasibility study.

Categorised Iron Resources – Western Open Pittable Deposit September 2012				
Category	**Iron Cut-off**	**Tons**	**Iron Grade**	**Tons Iron**
	%	**(000's)**	%	**(000's)**
Measured	20	242,957	32.8	79,738
Measured	30	133,890	39.4	52,737
Indicated	20	152,265	31.0	47,216
Measured	30	98,065	39.0	26,566
M&I Total	**20**	**395,222**	**32.1**	**126,954**
M&I Total	**30**	**231,955**	**39.1**	**79,303**
Inferred	20	118,334	29.0	34,270
Inferred	30	39,392	39.5	15,556

* Tonnage, grades and totals may not total due to rounding

Mineral resources that are not categorized as mineral reserves have not demonstrated economic viability.

The iron mineral resource estimate was disclosed in Nevada Copper's October 3, 2013 News Release. The associated NI 43-101 technical report was filed on SEDAR on November 14, 2013.

If an updated feasibility study demonstrates the iron resource to be economically viable, inclusion of iron in the open pit block model values is expected to significantly expand the size and tonnage of the Western open pits, and lower waste tonnages and strip ratio.

Tailings Storage

To minimize water usage, tailings will be de-watered, filtered and conveyed to a "dry-stack" on-site storage facility. This water is then recycled to the process plant. This method is considered "best practice" for long term tailings storage in dry environments with limited water resources. It also lowers long-term environmental monitoring costs associated with tailings dams.

Infrastructure

The project area is well supplied with nearby local infrastructure. Project-related infrastructure expenditures will include a new 120kV power line and related substation, with the line routed from either the west or east depending on whether the Land Bill is successfully passed. An energy cost of $0.055/kwh was used for FS purposes, based on NV Energy expected rates. For the larger Stage 2 project, a new 5-mile (8 km) mine access road will connect the site to state Highway 95 to the North, and a rail load-out facility located on Union Pacific tracks. The rail tracks run approximately 13 miles (21 km) north of the project and connect with Union Pacific mainline tracks for connection to west coast ports. Process make-up water will be piped 6 miles (10 km) from the City of Yerington, county seat for Lyon County, where housing and regional services are available and most employees are expected to reside. The communities of Silver Springs, Smith Valley, Fernley, Dayton, Fallon, Carson City and Hawthorne are also all within commuting distance, and have a labour pool and existing housing, particularly for a construction workforce.

Project Opportunities

Resource expansion

Whittle pit analysis utilizing the updated mineral resource is expected to produce a mine design where the Western pits will intersect based on copper values alone. A merged pit configuration is expected to have a positive effect on the strip ratio, as well as improvements in pit scheduling and equipment utilization. Results from the additional drilling in 2013 have provided good indications of further resource expansion in the south and western portion of the North deposit. The East deposit is also open laterally and prospective reserve expansion areas will be drilled from underground drill stations once development of the underground has progressed sufficiently.

Iron

Work by specialist consultants has been initiated to further assess the metallurgy and marketability of the Pumpkin Hollow iron magnetite resources, to incorporate the iron values into the project block models, to revise the current mining plans to generate an iron production schedule and to include the additional revenues from this source in the revised project cash flows. The inclusion of iron values in the block model is expected to greatly improve strip ratios since much of what is now considered open pit waste material would have sufficient value to be processed through the mill facility.

Feasibility Study Qualified Persons

In November 2010 Nevada Copper commissioned Tetra Tech to complete the Pumpkin Hollow Project Feasibility Study in accordance with NI 43-101. The initial capital costs estimates for the Pumpkin Hollow Project in the FS were compiled and reviewed by Merit under the direction of Jay Collins, P. Eng. The scientific and technical information in this release has been reviewed and approved by Erik Spiller, Q.P., Vice President, of Tetra Tech, and overall manager for the FS, and by Mr. Collins both of whom were Independent Qualified Persons within the meaning of NI 43-101, at the time of this study.

The results of a Feasibility Study evaluating a Stage 1 underground operation were announced on November 12, 2012. The related NI 43-101 Technical Report was SEDAR-filed on December 13, 2012. The Technical Report was developed under the guidance Mr. Ed Lips, P.E., Project Manager with Tetra Tech, and overall manager for the Feasibility Study. Mr. Lips is an Independent Qualified Person within the meaning of NI 43-101.

The results of a Feasibility Study evaluating a Stage 2 open pit operation focused on the Western Deposits were announced on October 3, 2013. The related NI 43-101 Technical Report was filed on SEDAR. The results of the Stage 2 Feasibility Study were reviewed by Mr. Ed Lips, P.E., Project Manager with Tetra Tech, and overall manager for the Feasibility Study. Mr. Lips is an Independent Qualified Person within the meaning of NI 43-101.

Alternative Performance Measures

"Copper Production Costs", "Life of Mine Operating Costs", “Life of Mine site unit operating costs” and similar terms are alternative performance measures. These performance measures are included because these statistics are key performance measures that management may use to monitor performance. Management may use these statistics in future to assess how the Corporation is performing to plan and to assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a meaning within International Financial Reporting Standards and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

STAGE 1 PRIVATE LAND UNDERGROUND MINE (PLUM) FEASIBILITY STUDY
Highlights
(All amounts are stated in United States dollars):

The following sections are summarized extracts from a feasibility study contained in a NI 43-101 Technical Report relating to a standalone PLUM. A press release dated November 19, 2012 initially reported the results of the feasibility study. The Technical Report was filed on SEDAR on December 12, 2012.

- The project development consists of a 6,500 ton-per-day underground operation at the East deposit, feeding a single 6,500 ton-per-day concentrator located near the East shaft;

- First production targeted for late 2015, with an initial mine life of 12 years;

- Proven and Probable Mineral Reserves (East deposit only):

  823 million pounds of copper
  220,765 ounces of gold and 4.7 million ounces of silver;

- Life of Mine metal production contained in concentrates totals

  759 million pounds of copper
  167,439 ounces of gold and 2.7 million ounces of silver;

- Average annual copper production in concentrates:

Years 1 to 5:	74.6 million pounds per year
Years 1 to 10:	66.9 million pounds per year

- Average annual gold and silver production in concentrates.

Years 1 to 5:	23,700 ozs gold per year
Years 1 to 10:	15,900 ozs gold per year
Years 1 to 5:	340,100 ozs silver per year
Years 1 to 10:	248,600 ozs silver per year

- Initial capital costs are estimated to be $329 million including contingency, excluding working capital of $15.4 million and excluding approximately $17 million already expended for shaft related activities.

- Life of Mine site operating costs are $41.46 per ton of ore-milled. Copper production costs, net of gold and silver revenue credits are:

Year 1 to 5:	$1.21 per pound of payable copper
Years 1 to 10:	$1.51 per pound of payable copper

- Summary of Economic Results:

  1. Base Case: Three year trailing average price of \$3.59/lb. copper, \$1,419/oz. gold and \$27.14/oz. silver:
     NPV at 5% is \$419 million, pre-tax.
     NPV at 8% is \$309 million, pre-tax.
     Internal Rate of Return is 28.6% and payback is 2.5 years.

  2. Alternate Case: Quoted copper forward prices to 2022 then long term price of \$2.75/lb. copper; gold and silver same as Base Case:

     NPV at 5% is \$276 million, pre-tax.
     NPV at 8% is \$201 million, pre-tax.
     Internal Rate of Return is 24.3% and payback is 2.7 years.

  3. Average annual operating cash-flow (Years 1 to 5):

Base Case:	\$149 million.
Alternate Case:	\$139 million.

PLUM Development Schedule

The shaft production-sized headframe and hoist became operational in May 2013. Production of first copper concentrates is targeted for late 2015 subject to the Corporation obtaining additional financing for construction.

PLUM Mining

All underground production (6,500 tons per day) will come from the East deposit only. Longhole stoping with paste backfill was chosen to be the mining method. The tonnage requirement of 6,500 tons per day called for a bulk mining method. Rock quality was high enough to support large open stopes which will require structural backfill. The rock quality was too high for a "block caving" method to be considered. Once mined, ore will be hauled from the stope and delivered to a run-of-mine surge bin which feeds into an underground jaw crusher. One surge bin and jaw crusher is planned. Development waste will be stored in a drift adjacent to the surge bin and fed into the crusher at pre-determined intervals. Once crushed, the material will be transferred by conveyor to the shaft loading pocket where it will be measured, loaded into skips and hoisted to the surface.

Underground mining methods and the mining sequence were developed to maximize grades in the early production years to the extent possible. Underground development will be way of a 24 foot diameter production-sized shaft. Vent and secondary egress shafts will be constructed as required.

PLUM Process Plant

Ore will be crushed underground, hoisted to surface and transported to a nominal 6,500 tons per day concentrator located approximately 1,500 feet northwest of the shaft. The concentration circuit is conventional with a single, semi-autogenous grinding mill, secondary ball mill grinding and flotation, followed by thickening and pressure filtration to produce a final concentrate grading 24% copper and containing payable gold and silver. Primary grind size is 100 microns with projected metallurgical recoveries of 92.1%, 78% and 57.5%, for copper, gold and silver respectively.

PLUM Metals Production

Projected recovered metals production to the copper concentrate is summarized below. Life of Mine copper recovered to concentrates is estimated to be 759 million pounds.

	Units	Yrs 1-5 Average	Yrs 1-10 Average	LOM Total
Mill Feed	000s tons/yr; 000s tons	2,290	2,302	27,645
Copper Grade	%	1.77%	1.58%	1.49%
Copper Production in Concentrates	Million lbs./year	74.6	66.9	759,082
Copper Concentrates Production	tonnes/yr; tonnes	140,900	126,391	1,434,656
Gold in Concentrates	Ozs./year; ozs.	23,744	15,942	167,439
Silver in Concentrates	Ozs./year; ozs.	340,090	248,597	2,709,187

Annual operating cashflow averages $149 million in the first five years of production assuming the base metal price scenario.

PLUM Capital Costs

PLUM project initial capital costs are estimated at $329 million, with an accuracy of plus/minus 15% as of November 2012, including a contingency of $25.5 million. The contingency allowance is calculated based on assessed factors for each of the major Direct and Indirect cost categories.

The major direct cost items include: underground mine development on the East deposit, process plant, tailing storage facility, and site infrastructure. Indirect costs include such major areas as engineering and procurement, construction management, freight and commissioning, spares inventory, first fills, and Owners Costs.

PLUM Sustaining Capital

Sustaining capital totals $221.6 million, and includes ongoing underground mine development & equipment replacement, and expenditures for expansion of the tailings storage facility.

STAGE 2 OPEN PIT FEASIBILITY STUDY

Highlights (all amounts are stated in United States dollars):

- The project development consists of a nominal 70,000 ton-per-day open pit mining and milling operation;
- The open pit proven and probable mineral reserves increased from 3.2 to 4.1 billion pounds of copper reflecting a 29% increase. The current mineral reserves for the precious metals are 717,530 ounces of gold and 26.7 million ounces of silver. Mineral reserves are based on drill data up to July 2012;
- First production targeted for 2016, with the mine life expanding from 18 to 22 years. The current open pit mine life is based on increased daily throughput of 70,000 ton-per day, up from 60,000 ton-per-day previously;
- The 29% increase in mineral reserves reflects a lower copper price of $2.80 per pound copper used for the current pit design limit, versus $3.00 per pound used in the 2012 mineral reserve. The expansion of the mineral reserves has resulted in a merged Western open pit. This has had a positive impact on sustaining capital; moving South pit pre-stripping out 4 years and reducing equipment needs;
- Life of Mine metal production contained in concentrates totals 3.7 billion pounds of copper - an increase of 29%, 483,476 ounces of gold and 15.0 million ounces of silver;
- Average annual copper production in concentrates (amounts reflect periods of full production):

Years 1 to 5:	221 million pounds per year
Years 1 to 10:	197 million pounds per year

- Average annual gold and silver production in concentrates (amounts reflect periods of full production):

Years 1 to 5:	24,089 ozs of gold and 849,300 ozs of silver per year
Years 1 to 10:	23,320 ozs of gold and 808,870 ozs of silver per year

- Initial capital costs are estimated to be $926 million including contingencies, excluding working capital of $23 million;

- Life of Mine site operating costs are $9.94 per ton of ore-milled; copper production costs net of gold and silver credits are:

Years 1 to 5:	$1.58 per pound of copper
Years 1 to 10:	$1.69 per pound of copper

- Summary of Stage 2 Economic Results:

	Base Case	**Alternate Case (1)**	**Alternate Case (2)**
	US$ Millions	**US$ Millions**	**US$ Millions**
Cumulative pre-tax cash-flow	$3,233	$2,243	$4,594
NPV@ 5%, pre-tax	**$1,524**	**$1,124**	**$2,314**
NPV@ 8%, pre-tax	$961	$733	$1,557
Cumulative after-tax cash-flow	$2,606	$1,851	$3,612
NPV@ 5%, after-tax	**$1,196**	**$888**	**$1,784**
NPV@ 8%, after-tax	$726	$550	$1,172
Average annual operating cash-flow (Years 1 to 5)	**$346**	**$368**	**$426**
Internal rate of return, pre-tax after tax	20.2%	20.0%	26.4%
Internal rate of return, after-tax after tax	17.9%	17.4%	22.9%
Payback pre-tax (years from first production)	4.0	3.7	3.0
Payback after-tax (years from first production)	4.3	4.1	3.5

Open Pit Metals Production

Projected metals production to the copper concentrate is summarized below.

Description	**Units**	**Years 1-5 Annual Average**	**Years 1-10 Annual Average**	**Life of Mine Annual Average**	**Life of Mine Total**
Copper Concentrate	000's Tons/year	434	385	337	7,239
Copper in Concentrate	Million lbs./year	221	197	172	3,692
Copper in Concentrate	000s Tons/year	110.6	98.3	85.9	1,846
Gold in Cu Concentrate	Oz/year	24,089	23,322	22,487	483,476
Silver in Cu Concentrate	Oz/year	849,300	808,870	699,000	15,026,000

Stage 2 Open Pit Capital Costs

The project initial capital costs are estimated at $926 million with an accuracy of plus/minus 15% as of September 2013, including a contingency of $46 million. The contingency allowance is calculated based on assessed factors for each of the major Direct and Indirect cost categories. The major direct cost items include North deposit pre-stripping, process plant, tailing storage facility, site infrastructure and offsite rail load-out facility. Indirect costs include such major areas as engineering and procurement, construction management, freight and commissioning, spares inventory, first fills, and owner's costs.

Open Pit Sustaining Capital

The merging of the Western pits, along with an expanded North deposit reserve, has produced positive results in mine scheduling. The South deposit pre-stripping has been pushed from year 6 to year 10 and a second in-pit crusher has been eliminated. In addition, additional sustaining capital costs will be deferred into later years. Life of Mine sustaining capital totals $758 million, of which $425 million is incurred beyond Year 5. Sustaining capital amounts are included in development costs for the South open pit deposit, replacement of, and additions to, surface mobile equipment, lease costs for the initial mining fleet, reclamation costs, and expenditures on the tailings storage facility.

Pumpkin Hollow Project Expenditures

Project costs capitalized as for the six months ended June 30, 2014 on the Pumpkin Hollow Copper Development Property consists of the following:

Development Costs (expressed in thousands of United States dollars)			
	June 30, 2014	Jan.-June 2014 Expenditures	Dec. 31, 2013
Property payments	**$1,961**	$-	$1,961
Advance royalty payments	**1,350**	300	1,050
Water rights	**1,268**	105	1,163
Drilling	**36,614**	-	36,614
Geological consulting, exploration & related	**7,440**	309	7,131
Feasibility, engineering & related studies	**17,571**	-	17,571
Permits/ environmental	**7,559**	962	6,597
East deposit underground project			
Underground access, hoist, head frame, power, & related	**62,390**	18,846	43,544
Surface infrastructure	**2,400**	2,400	-
Project administration	**6,770**	3,250	3,520
	145,323	26,172	119,151
Amortization	**427**	93	334
Capitalized interest	**4,828**	2,226	2,602
Stock-based compensation	**3,345**	66	3,279
Total	**$153,923**	$28,557	$125,366

Six months ended June 30, 2014 Compared to the Six Months Ended June 30, 2013

For the six months ended June 30, 2014, the Corporation has incurred $28,557 of project expenditures compared to $17,346 for the comparable period in 2013. The focus during the period ended June 30, 2014 was to develop the production shaft including engineering work. In the comparative period the focus was the first phase of shaft sinking and installing the hoist.

Drilling costs incurred for the six months through June 30, 2014 were nil; whereas, in the six months ending June 30, 2013 the drilling costs were $1,625. The decrease is due to the fact that the drilling program was ongoing in the comparative period and no further drilling work was required in the current period.

The underground access, hoist, headframe, power & related costs incurred for the six months ending June 30, 2014 of $18,846 were higher than the $10,116 spent in the six months ending June 30, 2013 because of the work being performed on the engineering and procurement of the shaft compared to work on the headframe, concrete, and electrical power in the comparative period of June 30, 2013. In addition, with the changeover in contractor and ramping up of shaft sinking rates the underground access costs were higher in the current six months.

Project administration costs were $3,250 for the six months ending June 30, 2014 compared to the cost of project administration for the six months ending June 30, 2013 of $1,053. The change in expenditure is a result of the increased cost of insurance and also relates to the hiring of more staff to work on the project due to more activity at the mine site.

Capitalized interest for the six months ending June 30, 2014 was $2,226 compared to $740 incurred in the six months ending June 30, 2013 because the Red Kite financing arrangement had only drawn down the first tranche of the available financing compared to the current period where two tranches have been drawn.

Selected information

(Thousands, except per share amounts)	**Six months ended June 30, 2014**	**Six months ended December 31, 2013**	**Year ended June 30, 2013**
Net loss	(3,052)	(6,124)	(19,134)
Net loss per share	(0.04)	(0.08)	(0.24)
Total cash and cash equivalents	17,763	46,070	51,865
Working capital	7,019	42,616	55,000
Total liabilities	65,695	60,300	41,034
Total assets	184,939	182,543	168,786
Shareholders' equity	119,244	122,243	127,752

Summary of Quarterly Results

Selected consolidated financial information for the most recent eight financial quarters is as follows:

(In thousands of dollars except amounts per share)	**2014 Jun 30**	**2014 Mar 31**	**2013 Dec 31**	**2013 Sep 30**	**2013 Jun 30**	**2013 Mar 31**	**2012 Dec 31**	**2012 Sep 30**
Working capital	7,019	26,954	42,616	42,368	55,000	73,375	59,390	45,040
Total assets	184,939	185,708	182,543	167,206	168,786	178,781	149,278	128,173
Development property	153,923	139,559	125,366	113,058	102,838	94,110	85,492	77,937
Shareholders' equity	119,244	122,699	122,243	124,762	127,752	138,187	145,430	123,780
Net profit (loss)	(920)	(2,132)	(1,881)	(4,243)	(15,638)	(440)	(402)	(2,654)
Net profit (loss) per share	(0.01)	(0.03)	(0.03)	(0.05)	(0.18)	(0.01)	(0.01)	(0.04)

The loss for the quarter ending June 30, 2013 was higher because of the write down in marketable securities.

For the three months ended June 30, 2014 and the three months ended June 30, 2013

For the three months ended June 30, 2014, the Corporation had a net loss of $920 or $0.01 per share compared to a net loss of $15,638 or $0.18 per share with the corresponding period of 2013. The most significant component of the difference is the $14,606 write down of the Mercator shares held as marketable securities in the comparative period.

General and administrative expenses for the three months ending June 30, 2014 were $847 in 2014 compared to $901 in 2013. Directors' fees and related increased because of travel costs from having additional overseas directors. Office expenses increased in 2014 because the Corporation's office sharing agreements have concluded. Additional business development costs were recognised as a result of executive searches and evaluation of financing alternatives. Stock based compensation costs increased because of the DSU plan put in place for the directors.

For the six months ended June 30, 2014 and the six months ended June 30, 2013

For the six months ended June 30, 2014, the Corporation had a net loss of $3,052 or $0.04 per share compared to a net loss of $16,078 or $0.19 per share with the corresponding period of 2013. The most significant component of the difference is the $14,606 loss on the write-down of the Mercator shares. This difference is partially offset by increased public company expenses because of the travel costs from having additional overseas directors. An increase in business development costs for the six months ending June 30, 2014 also partially offset the write-down. Business development costs have increased due to the increased activity in regards to the phased development. Stock based compensation costs increased because of the DSU plan put in place for the directors.

General and administrative expenses for the six months ending June 30, 2014 were $1,532 in 2014 compared to $1,368 in 2013. Directors' fees and related expenses increased because of travel costs from having additional overseas directors. Office expenses increased in 2014 because the Corporation is more active and the office sharing agreements concluded. Additional business development costs were recognised as a result of evaluation of financing alternatives and executive searches.

Liquidity and Capital Resources

As of June 30, 2014, the Corporation had a cash balance of $17,763. The Corporation's working capital as at June 30, 2014, was $7,019 compared with a working capital position of $42,616 as at December 31, 2013. The decrease in the Corporation's working capital during the period ended June 30, 2014 is primarily due to spending on project construction and related engineering and procurement, and the reclassification of the current portion of long term debt to short term liabilities. Working capital available as of June 30, 2014 will be utilized for the sinking of the shaft.

Management is actively seeking additional financing and believe that they will be successful in these efforts such that development of the Pumpkin Hollow project will continue as planned with all debt repayments made as required. Failure to obtain additional financing on a timely basis would require the Corporation to delay development activities.

Transactions with Related Parties

On October 9, 2012, the Corporation completed the purchase of 46,000,000 common shares of Mercator from Pala in consideration for the issuance of 7,315,000 common shares of the Corporation. The value of the Mercator shares was determined to be $23,969 ($23,460 CAD) plus transaction costs of $186 ($182 CAD) at the time of purchase, based on the quoted market price of Mercator and foreign exchange rate at the time.

The investment in Mercator is classified as an available-for-sale financial asset. Gains and losses recognized when marking the investment to market are recognized in other comprehensive income unless there is objective evidence of impairment.

Previously the Corporation determined that an impairment charge was required on the marketable securities held requiring the Corporation to mark their investment at its fair-market-value. In the quarter ending June 30, 2014 the marketable securities are required to be presented at fair-market-value and the Corporation recorded a pre-tax loss of $431 ($460 CAD) in profit or loss for the three month period ended June 30, 2014 (June 30, 2013 – $14,606 ($15,362 CAD)) as a result. The Corporation recorded a pre-tax loss of $223 ($230 CAD) in profit or loss for the six month period ended June 30, 2014 (June 30, 2013 – $14,606 ($15,362 CAD)) as a result. The value of the Mercator shares at June 30, 2014 is $4,140 CAD balance which is then re-valued at the period end exchange rate to $3,880.

Pala is considered to be a related party because they hold more than 50% of Nevada Copper shares and have three executives on the Corporation's Board of Directors as at June 30, 2014. The accounting treatment of the transaction does not change because it is a related party transaction. The marketable securities are valued at fair value at each period end.

As of June 30, 2014, accounts payable and accrued liabilities include director fees and expenses payable of $142 (December 31, 2013 - $110).

The Corporation has entered into management agreements with certain senior officers. In the event that there is a change of control, the Corporation may be required to pay severance payments ranging from one to three years of salary for these senior officers. The amount of this contingent liability is $1,734 ($1,850 CAD).

Related party transactions are recorded at the amount paid or received as established by contract or as agreed upon by the Corporation and the related party.

Commitments

Effective May 4, 2006, the Corporation entered into an Option Agreement to acquire a ten-year lease for mining rights (the "Lease") to the Pumpkin Hollow Copper Development Property. The initial lease expires May 4, 2016. The Corporation may extend the Lease for up to three additional terms of ten years each, subject to performing continuous mining activities, payment of advance royalty payments of at least $3,000 in the first ten-year term and payment of production royalties and minimum royalty payments of $10,000 in each subsequent ten-year term.

Under the terms of the Lease, the Corporation has made Lease payments totaling $600 during the period May 4, 2007 to May 4, 2011.

After May 4, 2011, the Corporation is required to pay advance royalty payments of $600 annually until the first expiry date of the Lease on May 4, 2016 to a total of $3,000. Quarterly payments of $150 are required. The Corporation is current with all required Lease payments and advance royalty payments.

The Corporation was obligated to make exploration and development expenditures on the Property of at least $4,000 during the first three years of the Lease, with expenditures of at least $500 each year, and an additional $4,000 during the 4th through 6th years of the Lease, with expenditures of at least $500 each year. The Corporation fully satisfied these expenditure obligations by 2008.

Pursuant to the First Amendment to Lease Agreement to the Lease dated April 10, 2008, the Corporation agreed to acquire from the optionor of the Lease, certain water rights to consume a maximum of 724 acre feet of water per year for its mining operations on the Property in exchange for making 80 quarterly payments payable over a period of 20 years with $47 each from July 1, 2008 to April 1, 2028. The first Amendment to the Lease Agreement also contains provisions allowing the Corporation to accelerate and reduce the payments required.

In August of 2009, the Corporation entered into an agreement with the City of Yerington, Nevada to reserve 2,000 acre feet of water per year for a term of 30 years. As consideration the Corporation will pay to the City of Yerington annual reservation fees of $50 which reverts to user. On July 25, 2011, the Corporation amended its water service agreement to include additional water capacity of 1,500 acre feet of water under the same terms of the initial agreement for an additional annual fee of $38. The City of Yerington does have the right to terminate up to 500 acre feet in increments of 100 acre feet upon nine months' notice and the right to terminate up to 1,000 acre feet in increments of 100 acre feet upon one year's notice.

The Corporation has entered into a five year lease agreement for offices commencing December 2013. The Corporation has management agreements with certain members of senior management as noted in Transactions with Related Parties. In the event that there is a change of control, the Corporation is committed to pay severance payments equivalent of one to three years of salary.

The following table sets forth the Corporation's known contractual obligations as at June 30, 2014:

	Payments due by period			
Contractual obligations	Total	1 year	2-3 years	4-5 years
Lease obligation – payment on Pumpkin Hollow Property	$4,200	$600	$1,600	$2,000
First amendment to lease – payment of water rights on property *(i)*	1,932	189	378	1,365
City of Yerington – payment of advanced water service payments *(ii)*	438	88	175	175
Accounts payable and accrued liabilities	11,219	11,219	-	-
Long-term debt	55,146	3,635	27,385	24,126
Total USD obligations	$72,935	$15,731	$29,538	$27,666
	CAD	CAD	CAD	CAD
Office lease	$991	$218	$448	$325
Total CAD obligations	$991	$218	$448	$325

(*i*) The commitment in the table above is the obligation if the Corporation does not renew the Pumpkin Hollow property lease. The Corporation can pay quarterly installments to the lessor if the lease is renewed.

(*ii*) The commitment in the table above is the obligation by the Corporation to the City of Yerington for reservation fees.

The Corporation has entered into certain construction and engineering contracts relating to the construction of the underground shaft. Worked incurred on these contracts will be billed monthly and therefore are not listed as commitments.

Off-Balance Sheet Arrangements

The Corporation has no Off-Balance Sheet arrangements that are not disclosed in the Commitment section above.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

The Chief Executive Officer (the “CEO”), and the Chief Financial Officer (the “CFO”) of the Corporation are responsible for establishing and maintaining the Corporation’s disclosure controls and procedures (“DCP”) including adherence to the Disclosure Policy adopted by the Corporation. The Disclosure Policy requires all staff to keep senior management fully apprised of all material information affecting the Corporation so that they may evaluate and discuss this information and determine the appropriateness and timing for public release.

The CEO and the CFO are also responsible for the design of internal controls over financial reporting (“ICFR”). The fundamental issue is ensuring all transactions are properly authorized and identified and entered into a well-designed, robust and clearly understood accounting system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected. The relatively small size of the Corporation makes the identification and authorization process relatively efficient and a process for reviewing ICFR has been developed. To the extent possible given the Corporation’s small size, the internal control procedures provide for separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing checks and wire requests and also require two signers on all payments.

The CEO and CFO evaluated the effectiveness of the Corporation’s DCP and ICFR as required by National Instrument 52-109 issued by the Canadian Securities Administrators. They concluded that as of June 30, 2014, the Corporation’s design and operation of its DCP and ICFR were effective in providing reasonable assurance that material information regarding this report, and the unaudited condensed interim consolidated financial statements and other disclosures was made known to them on a timely basis and reported as required and that the financial statements present fairly, in all material aspects, the financial condition, results of operations and cash flows of the Corporation as of the period ending June 30, 2014. The CEO and CFO also concluded that no material weaknesses existed in the design of the ICFR.

The Corporation continually reviews and enhances its system of controls and procedures. However, because of the inherent limitation in all control system, management acknowledges that ICFR will not prevent or detect all misstatements due to error or fraud**.**

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Although these estimates are based on management’s expectations for the likely outcome, timing and amounts of events or transactions, actual results could differ from those estimates. Areas requiring the use of management estimates include the determination assumptions used in valuing stock based compensation, valuation of and the determination of the remaining life of mineral property, plant and equipment, estimating future asset retirement obligations and estimating accrued liabilities.

The following are areas where significant estimations or where measurements are uncertain are as follows:

i) Mineral property assets

The measurement and impairment of mineral properties are based on various judgments and estimates. These include the technical and commercial feasibility of these properties, which incorporates various assumptions for mineral reserves and/or resources, future mineral prices and operating and capital expenditures for the properties.

ii) Taxation
Tax provisions are recognized to the extent that it is probable that there will be future outflow of funds to a taxation authority. Such provisions often require judgment on the treatment of certain taxation matters that may not have been reported to or assessed by the taxation authority at the date of these financial statements. Differences in judgment by the taxation authority could result in changes to actual taxes payable by the Corporation.

Deferred tax assets are recognized to the extent that certain taxable losses or deferred expenditures will be utilized by the Corporation to reduce future taxes payable. The amount of deferred tax assets recognized, if any is based on objective evidence that the Corporation will generate sufficient future taxable income to utilize these deferred assets, as well as the expected future tax rates that will apply to these assets.

Changes to the Corporation's ability to generate sufficient taxable income or changes to enacted tax rates could result in the recognition of deferred tax assets.

iii) Stock-based compensation
The Corporation uses the Black-Scholes option pricing model to determine the fair value of stock options and share purchase warrants granted. This model requires management to estimate the volatility of the Corporation's future share price, expected lives of stock options and future dividend yields. Consequently, there is significant measurement uncertainty in the stock-based compensation expense reported.

Risk Factors

Development projects are uncertain and it is possible that actual capital and operating costs and economic returns will differ significantly from those estimated for a project prior to production

Mine development projects, including the project, require significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and availability of adequate financing. The economic feasibility of development projects is based on many factors such as: estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future gold prices, and anticipated capital and operating costs of these projects. The project has no operating history upon which to base estimates of future production and cash operating costs. Particularly for development projects, estimates of Proven and Probable Mineral Reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of metals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to production.

Any of the following events, among others, could affect the profitability or economic feasibility of a project: unanticipated changes in grade and tons of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability and costs of labour, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, availability of surface on which to locate processing and refining facilities, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, environmental), fluctuations in metals prices, and accidents, labour actions and force-majeure events.

It is not unusual in new mining operations to experience unexpected problems during the start-up phase, and delays can often occur at the start of production. It is likely that actual results for the project will differ from current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions that could reduce production below, or increase capital or operating costs above, current estimates. If actual results are less favorable than currently estimated, our business, results of operations, financial condition and liquidity could be materially adversely affected.

If the Corporation's programs are successful, additional funds will be required for the development of an economic ore body and to place it into commercial production.

The business of mineral exploration and extraction involves a high degree of risk with very few properties that are explored ultimately achieving commercial production. As a mining company in the development stage, the future ability of the Corporation to conduct exploration and development will be affected principally by its ability to raise adequate amounts of capital through equity financings, debt financings, joint venturing of projects and other means. In turn, the Corporation's ability to raise such funding depends in part upon the market's perception of its management and properties, but to a great degree upon the mineral prices and the marketability of securities of speculative mineral exploration and development companies.

The development of any ore deposits found on the Corporation's exploration properties depends upon the Corporation's ability to obtain financing through any or all of equity financing, debt financing, the joint venturing of projects, or other means. There is no assurance that the Corporation will be successful in obtaining the required financing and there is no assurance that the requirements for further drawdowns under the credit Facility will be met.

The Corporation has a lack of operating history and has no history of earnings.
The Corporation and its predecessor companies have no history of earnings. The Corporation has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity shares or by way of debt facilities. While the Corporation may generate additional working capital through the operation, development, sale or possible syndication of its properties, there is no assurance that any such funds will be generated.

The Corporation is dependent on key personnel and the absence of any of these individuals could result in a significantly negative effect on the Corporation.
The success of the Corporation and its ability to continue to carry on operations is dependent upon its ability to retain the services of certain key personnel. The loss of their services to the Corporation may have a material adverse effect on the Corporation. The Corporation does not presently have "key person" life insurance for any of its officers.

There are significant risks associated with exploration and development activities including industrial accidents, flooding, environmental hazards, technical problems and labour disputes which could materially adversely affect future mining operations and the Corporation's financial position.
There is no certainty that the expenditures made or to be made by the Corporation in the exploration of its properties will result in discoveries of mineralized material in commercially viable quantities. Most exploration projects do not result in the discovery of commercially mineable ore deposits. Mining operations generally involve a high degree of risk which even with a combination of experience, knowledge and careful evaluation may not be able to overcome. The business of mining is subject to a variety of risks such as industrial accidents, flooding, environmental hazards such as fires, technical failures, labour disputes and other accidents at the mine facilities. Such occurrences, against which the Corporation cannot or may elect not to insure, may delay production, increase production costs or result in liability. The payment of such liabilities may have a material adverse effect on the Corporation's financial position.

Estimates of Mineral Reserves and Resources may not be realised
The Mineral Reserves and Resources estimates contained in this MD&A are only estimates and no assurance can be given that any particular level of recovery of minerals will be realised or that an identified Resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The Corporation relies on laboratory-based recovery models to project estimated ultimate recoveries by mineral type. Actual recoveries may exceed or fall short of projected laboratory test results. In addition, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions, among other things. Short term factors, such as the need for an orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of those operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in proven and probable reserves or Resources, grades, waste-to-ore ratios or recovery rates may affect the economic viability of projects. The estimated proven and probable reserves and Resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations.

The Corporation's activities on its properties are subject to environmental regulations, approvals and permits.
All phases of the Corporation's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's operations, or its ability to develop its properties economically. Before production may commence on any property, the Corporation must obtain regulatory and environmental approvals and permits. There is no assurance such approvals and permits will be obtained on a timely basis, if at all. Compliance with environmental and other regulations may reduce profitability, or preclude economic development of a property entirely.

The Corporation is in competition with other mining companies that have greater resources and experience.
The resource industry is intensely competitive in all of its phases, and the Corporation competes with many companies possessing greater financial resources and technical facilities. Competition could adversely affect the Corporation's ability to acquire suitable producing properties or prospects for exploration in the future.

The business of exploration for minerals and mining involves a high degree of risk, as few properties that are explored are ultimately developed into producing mines.
Mineral exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Corporation may be affected by numerous factors which are beyond the control of the Corporation and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of mining facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, any of which could result in the Corporation not receiving an adequate return on invested capital.

Marketability of natural resources which may be discovered by the Corporation will be affected by numerous factors beyond its control.
The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of Mineral Resources are discovered, a profitable market will exist for the sale of such minerals. Factors beyond the control of the Corporation may affect the marketability of any mineral occurrences discovered. The price of minerals has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the control of the Corporation, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the United States dollar relative to the Canadian dollar and other currencies), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Some of the directors of the Corporation are involved with other mineral resource companies and may have a conflict of interest in negotiations on a project that is also of interest to the Corporation.
Certain of the directors of the Corporation are directors or officers of other mineral resource companies and, to the extent that such other companies may be interested in a project also of interest to the Corporation, or may in the future participate in one or more ventures in which the Corporation participates, such directors may have a conflict of interest in negotiating and concluding terms respecting such other projects or the extent of such participation. In the event that such a conflict of interest arises, at a meeting of the directors of the Corporation, a director who has such a conflict will abstain from voting for or against the approval of such acquisition or participation. In the appropriate cases, the Corporation will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program.

Title Matters
In those jurisdictions where the Corporation has property interests, the Corporation makes a search of mining records in accordance with mining industry practices to confirm satisfactory title to properties in which it holds or intends to acquire an interest, but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims, or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. There is, however, no guarantee that title to the Corporation's properties and concessions will not be challenged or impugned in the future. The properties may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

Shareholder Dilution
It is likely that additional capital required by the Corporation will be raised through the issuance of additional equity securities, resulting in dilution to the Corporation's shareholders.

Share price risk
The market price of a publicly traded stock is affected by many variables not directly related to the success of the Corporation, including the market for all resource sector shares, the breadth of the public market for the stock, the need for certain Funds to sell shares for external reasons other than those relevant to the Corporation and the attractiveness of alternative investments. The effect of these and other factors on the market price of the common shares of the Corporation on the exchanges on which the common shares are listed suggests that the share price will be volatile. In the previous eight quarters, between July 1, 2012 and June 30, 2014, the Corporation's shares traded in a range between CAD$1.25 and CAD$4.01 per share.

Insurance risks
Although the Corporation maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. Nevada Copper may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

Currency risk
The Corporation is exposed to currency fluctuations in the acquisition of foreign currencies. The Corporation holds balances in cash and cash equivalents, accounts payable and accrued liabilities and convertible debenture in foreign currencies (US dollars) and is therefore exposed to gain or losses on foreign exchange.

Legal Proceedings against Foreign Directors.
The Corporation is incorporated under the laws of British Columbia, Canada, and some of the Corporation's directors and officers are residents of Canada. Consequently, it may be difficult for United States investors to effect service of process within the United States upon the Corporation or upon its directors or officers, or to realize in the United States upon judgments of United States courts predicated upon civil liabilities under the United States Securities Exchange Act of 1934, as amended. Furthermore, it may be difficult for investors to enforce judgments of U.S. courts based on civil liability provisions of the U.S. Federal securities laws in a foreign court against the Corporation or any of the Corporation's non-U.S. resident officers or directors.

Outlook
The Corporation will continue to focus its development efforts in the United States for purposes of the exploring and developing copper projects, in particular Pumpkin Hollow, and acquiring additional copper properties, should opportunities to do so present themselves.

As a development stage company the future liquidity of the Corporation will be affected principally by the level of its development expenditures and by its ability to raise an adequate level of capital through the capital markets. The Corporation will be required to complete additional funding in order to meet its long-term business objectives. The Corporation will continue to evaluate its funding requirements on a go forward basis in an effort to meet its future development and growth initiatives.

Share Data

Capital Structure as of August 12, 2014:

Common shares issued and outstanding:	80,501,458
Total stock options outstanding:	6,820,000
Total warrants outstanding:	nil

Forward-Looking Statements

Certain of the statements made and information contained herein may contain forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning: the Corporation's plans at the Pumpkin Hollow Project; the assumptions in the financial analysis prepared in connection with the PEA reports and FS on the Pumpkin Hollow Project; the timing of granting of key permits, estimated metal production and the timing thereof; any metal pricing, capital and operating and cash flow estimates contained in the PEA and FS; and the access to financing and appropriate equipment and sufficient labour. Forward-looking statements or information 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", "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: history of losses; requirements for additional capital; dilution; 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; labour disputes; supply problems; uncertainty of production and cost estimates; the interpretation of drill results and the estimation of mineral resources and reserves; legal and regulatory proceedings and community actions; 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; as well as those factors discussed in the section entitled "Risk Factors" in this MD&A and the Corporation'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. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information. The Corporation 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 Corporation's business contained in the Corporation's reports filed with the securities regulatory authorities in Canada.

NEVADA COPPER CORP.

Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2014 and 2013

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, "Continuous Disclosure Obligations", Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Corporation have been prepared by management and approved by the Audit Committee and the Board of Directors of the Corporation.

The Corporation's independent auditors have not performed a review of these consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

NEVADA COPPER CORP.

Consolidated Statements of Financial Position
(Expressed in thousands of United States dollars)
(Unaudited – Prepared by Management)

	June 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	**$17,763**	$46,070
Restricted cash	**2,280**	200
Amounts receivable	**81**	119
Prepaid expenses	**149**	231
Marketable securities (note 4)	**3,880**	4,109
Total current assets	**24,153**	50,729
Deposits	**1,384**	931
Deferred financing fees (note 6)	**4,859**	4,859
Mineral properties, plant, and equipment (note 5)	**154,543**	126,024
Total assets	**184,939**	182,543
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**11,219**	7,913
Short term portion of long term debt (note 6)	**3,635**	-
Total current liabilities	**14,854**	7,913
Long term debt (note 6)	**50,114**	51,660
Asset retirement obligation	**727**	727
Total liabilities	**65,695**	60,300
Shareholders' equity:		
Share capital (note 8)	**155,840**	155,840
Other equity reserve	**24,492**	24,331
Accumulated other comprehensive loss	**(3,738)**	(3,630)
Deficit	**(57,350)**	(54,298)
Total shareholders' equity	**119,244**	122,243
Total liabilities and shareholders' equity	**$184,939**	$182,543

Nature of operations (note 1)
Commitments (notes 5 and 9)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Approved on behalf of the Board on August 12, 2014:

(Signed) <u>"Victor Bradley", Director</u> **(Signed) <u>"Giulio Bonifacio", Director</u>**

NEVADA COPPER CORP.

Consolidated Statements of Operations and Comprehensive Loss
(Expressed in thousands of United States dollars)
(Unaudited – Prepared by Management)

Three and six month periods ended June 30, 2014 and June 30, 2013

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2014	**2013**	**2014**	**2013**
Expenses:				
Public company expenses (note 10)	**$466**	$281	**$782**	$539
Consulting and remuneration	**174**	393	**353**	515
Office expenses	**84**	65	**192**	122
Professional fees	**91**	160	**142**	189
Business development (note 11)	**475**	67	**786**	252
Depreciation expense	**32**	2	**63**	3
Stock-based compensation (note 8)	**431**	16	**676**	43
	1,753	984	**2,994**	1,663
Other income (expense):				
Interest income	**72**	55	**154**	149
Other income (loss)	**63**	-	**140**	-
Loss on marketable securities	**(431)**	(14,606)	**(223)**	(14,606)
Foreign exchange gain (loss)	**1,129**	(104)	**(129)**	41
	833	(14,655)	**(58)**	(14,416)
Loss for the period	**(920)**	(15,639)	**(3,052)**	(16,079)
Other comprehensive loss				
Unrealised gain on available for sale securities	**-**	6,745	**-**	1,126
Foreign currency translation	**(2,615)**	(1,584)	**(108)**	(2,836)
Comprehensive income (loss)	**($3,535)**	($10,478)	**($3,160)**	($17,789)
Loss per common share:				
Basic and diluted	**$(0.01)**	$(0.18)	**$(0.04)**	$(0.19)
Weighted average number of shares outstanding	**80,501,458**	80,497,832	**80,501,458**	80,497,149

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NEVADA COPPER CORP.

Consolidated Statements of Changes in Equity
(Expressed in thousands of United States dollars, except share amounts)
(Unaudited – Prepared by Management)

	Share Capital					
	Number of Shares	**Amount**	**Other Equity Reserve**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
Balances, December 31, 2012	80,496,458	$155,838	$23,782	$(2,095)	$(32,095)	$145,430
Exercise of options	5,000	2	(3)	-	-	(1)
Shares issued	-	-	-	-	-	-
Stock based compensation	-	-	112	-	-	112
Comprehensive income (loss)	-	-	-	(1,710)	(16,079)	(17,789)
Balances, June 30, 2013	**80,501,458**	**$155,840**	**$23,891**	**$(3,805)**	**$(48,174)**	**$127,752**

	Share Capital					
	Number of Shares	**Amount**	**Other Equity Reserve**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
Balances, December 31, 2013	80,501,458	$155,840	$24,331	$(3,630)	$(54,298)	$122,243
Exercise of options	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-
Stock based compensation	-	-	161	-	-	161
Comprehensive income (loss)	-	-	-	(108)	(3,052)	(3,160)
Balances, June 30, 2014	**80,501,458**	**$155,840**	**$24,492**	**$(3,738)**	**$(57,350)**	**$119,244**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

NEVADA COPPER CORP.

Consolidated Statements of Cash Flows
(Expressed in thousands of United States dollars)
(Unaudited – Prepared by Management)

Three and six month periods ended June 30, 2014 and June 30, 2013

	Three Months Ended June 30,		Six Months Ended June,	
	2014	**2013**	**2014**	**2013**
Cash provided by (used in):				
Operations:				
Loss for the period	**$(920)**	$(15,639)	**$(3,052)**	$(16,079)
Items not affecting cash:				
Depreciation	**32**	-	**63**	1
Interest income received	**72**	360	**154**	360
Gain on embedded derivatives	**(60)**	-	**(137)**	-
Loss on marketable securities	**281**	14,606	**229**	14,606
Stock-based compensation	**431**	16	**676**	43
	(164)	(657)	**(2,067)**	(1,069)
Changes in non-cash working capital items:				
Amounts receivable	**(36)**	15	**38**	254
Prepaid expenses	**63**	23	**82**	21
Accounts payable and accrued liabilities	**147**	345	**51**	402
Interest received	**(72)**	(360)	**(154)**	(360)
	(62)	(634)	**(2,050)**	(752)
Investments:				
Plant and equipment purchases	**-**	-	**(118)**	-
Transaction costs for purchase of shares	**-**	(372)	**-**	(372)
Deposits for development costs	**354**	-	**(453)**	-
Development costs	**(12,054)**	(8,980)	**(23,498)**	(15,953)
	(11,700)	(9,352)	**(24,069)**	(16,325)
Financing:				
Issuance of common shares (note 8)	**-**	5	**-**	5
Surety bond	**-**	-	**(2,080)**	506
Trust account for surety bond	**-**	-	**-**	(200)
Debt financing	**-**	-	**-**	36,000
Transaction costs for debt financing	**-**	(309)	**-**	(6,522)
	-	(304)	**(2,080)**	29,789
Effects of exchange rate changes on cash held in foreign currencies	**(2,615)**	213	**(108)**	(526)
Increase (decrease) in cash and cash equivalents	**(14,377)**	(10,077)	**(28,307)**	12,186
Cash and cash equivalents, beginning of the period	**32,140**	61,942	**46,070**	39,679
Cash and cash equivalents, end of the period	**$17,763**	$51,865	**$17,763**	$51,865
Supplementary information:				
Depreciation capitalized in mineral properties, plant, and equipment	**62**	17	**93**	34
Stock-based compensation included in mineral properties	**33**	22	**66**	62
Asset retirement obligation change	**-**	265	**-**	184
Change in mineral properties, plant & equipment in accounts payable & accrued liabilities	**1,083**	(474)	**2,673**	1,114

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. Nature of operations:

Nevada Copper Corp. (the "Corporation" or "Nevada Copper"), is a development stage mining company engaged in the development of the Pumpkin Hollow Copper Project based in Nevada. The recoverability of amounts capitalized is dependent upon maintaining the lease and titles to the properties, obtaining the necessary financing and permits to complete the development of these properties and the attainment of future profitable production. The amounts capitalized as development costs represent costs to date, and do not necessarily represent present or future values.

Nevada Copper was incorporated on June 16, 1999 under the Business Corporations Act of the Yukon as African Venture Corporation and changed its name to Astron Resources Corporation on July 26, 1999, and subsequently to Nevada Copper Corp. on November 16, 2006. The Corporation's common shares are listed on the Toronto Stock Exchange ("TSX") under the NCU symbol. The Corporation's head office is located at Suite 1238, 200 Granville Street, Vancouver BC, Canada, V6C 1S4 and its registered and records office is located at Suite 3350, 1055 Dunsmuir Street, Vancouver, BC, Canada, V7X 1L2.

These consolidated financial statements have been prepared on a going concern basis. The Corporation will be required to complete additional funding in order to meet its development objectives and schedule. The Corporation is also required to commence quarterly repayment of its long term debt on April 1, 2015 (note 6). Management is actively seeking additional financing and believe that they will be successful in these efforts such that development of the Pumpkin Hollow project will continue as planned with all debt repayments made as required. Failure to obtain additional financing on a timely basis would require the Corporation to delay development activities.

2. Basis of presentation and significant accounting policies:

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in and should be read in conjunction with the Corporation's December 31, 2013 consolidated financial statements.

All financial information in these condensed consolidated interim financial statements is presented in United States dollars ("USD"), unless otherwise stated. References to CAD are to Canadian dollars ("CAD").

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on August 12, 2014.

3. Recent accounting pronouncements:

The following standards and amendments to existing standards have been published and are mandatory for the Corporation's annual accounting periods beginning January 1, 2014, or later periods:

IAS 36 'Impairment of Assets' – In May 2013, the IASB published a revised version of this standard to reverse the unintended requirement in IFRS 13 'Fair Value Measurements' to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite-lived intangible assets have been allocated. Under the amendments, recoverable amount is required to be disclosed only when an impairment loss has been recognized or reversed. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. The Corporation has applied IAS 36 on a prospective basis commencing January 1, 2014.

3. Recent accounting pronouncements (continued):

IFRIC 21 'Levies' – This interpretation of IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', applies to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Corporation has applied IFRIC 21 on a prospective basis commencing January 1, 2014.

In December 2011, the IASB amended IFRS 9, Financial Instruments, which is effective for periods beginning on or after January 1, 2015. These revised accounting standards have not yet been adopted by Nevada Copper, and the Corporation has not yet completed the process of assessing the impact that it will have on its financial statements, or whether to early adopt any of the new requirements.

There are no other IFRS or IFRIC interpretations that are not yet effective that could be expected to have a material impact on the Corporation.

(Expressed in thousands of United States dollars, except share amounts)

4. Marketable securities:

On October 9, 2012, the Corporation completed the purchase of 46,000,000 common shares of Mercator Minerals Ltd. ("Mercator"), representing, at that time, approximately 17.8% of the issued and outstanding common shares of Mercator, from Pala Investments Limited (“Pala”) (note 7) in consideration for the issuance of 7,315,000 common shares of the Corporation. The value of the Mercator shares was determined to be $23,969 ($23,460 CAD) plus transaction costs of $186 ($182 CAD) at the time of purchase.

The investment in Mercator is classified as an available-for-sale financial asset. Gains and losses recognized when marking the investment to market are recognized in other comprehensive income unless there is objective evidence of impairment.

In the previous period the Corporation determined that an impairment charge was required on the marketable securities held requiring the Corporation to mark their investment at its fair-market-value. In the period ending June 30, 2014 the marketable securities are required to be presented at fair-market-value and the Corporation recorded a pre-tax loss of $431 ($460 CAD) in profit or loss for the three month period ended June 30, 2014 (June 30, 2013 – $14,606 ($15,362 CAD)) as a result. The Corporation recorded a pre-tax loss of $223 ($230 CAD) in profit or loss for the six month period ended June 30, 2014 (June 30, 2013 – $14,606 ($15,362 CAD)) as a result.The value of the Mercator shares at June 30, 2014 is $4,140 CAD balance which is then re-valued at the period end exchange rate to $3,880.

5. Mineral properties, plant and equipment:

	Mineral Properties			
	Development Costs	**Exploration and Evaluation assets**	**Plant & Equipment**	**Total**
Cost:				
As at June 30, 2013	$102,838	$-	$700	$103,538
Additions	22,528	-	310	22,838
As at December 31, 2013	125,366	-	1,010	126,376
Additions	28,557	-	118	28,675
As at June 30, 2014	**153,923**	-	**1,128**	**155,051**
Accumulated depreciation:				
As at June 30, 2013	-	-	270	270
Additions	-	-	82	82
As at December 31, 2013	-	-	352	352
Additions	-	-	156	156
As at June 30, 2014	-	-	**508**	**508**
Net book value:				
As at June 30, 2013	102,838	-	430	103,268
As at December 31, 2013	125,366	-	658	126,024
As at June 30, 2014	**$153,923**	$-	**$620**	**$154,543**

5. Mineral properties, plant and equipment (continued):

Pumpkin Hollow Copper Development Property:

On March 1, 2005, the Corporation entered into an Option Agreement to acquire a ten-year lease for mining rights (the “Lease”), effective May 4, 2006 and expiring May 4, 2016, for the Pumpkin Hollow Copper Development Property (the “Property”) located in north-western Nevada, United States, approximately one hundred miles southeast of Reno. The Property is located within a contiguous 26 square mile land package comprised of patented and unpatented claims. During the 2006 fiscal year, the Corporation paid $80 to the optionor in full payment of the option and obtained a 100% interest in the Property pursuant to the lease terms.

Under the terms of the Lease, the Corporation has made Lease payments totaling $600 during the period May 4, 2007 to May 4, 2011. Subsequent to May 4, 2011, the Corporation is required to pay advance royalty payments of $600 annually until the first expiry date of the Lease on May 4, 2016 to a total of $3,000. Quarterly lease payments of $150 were due and paid commencing in April 2012. The Corporation is current with all required Lease payments and advance royalty payments. Cumulative advance royalty payments made total $1,350 to June 30, 2014.

The Company must pay RGGS a net production royalty on copper obtained from Fee Land and Patented Claims comprising the Property which are described in the Lease Agreement. The royalty rate is 4% on copper when the copper price is less than US$1.00 per pound, a 5% net production royalty on copper when the copper price is between US$1.00 and US$2.00 per pound and a 6% net production royalty on copper when the price of copper is greater than US$2.00 per pound. On all other minerals such as gold and silver, except iron, the royalty rate is 5%. The Corporation was obligated to make exploration and development expenditures on the Property of at least $4,000 during the first three years of the Lease, with expenditures of at least $500 each year, and an additional $4,000 during the 4th through 6th years of the Lease, with expenditures of at least $500 each year. During 2008, and in less than three years, the Corporation satisfied these obligations.

The Corporation may extend the Lease for up to three additional terms of ten years each, subject to performing continuous mining activities, payment of advance royalty payments of at least $3,000 in the first ten-year term and payment of production royalties and minimum royalty payments of $10,000 in each subsequent ten-year term.

(Expressed in thousands of United States dollars, except share amounts)

5. Mineral properties, plant and equipment (continued):

Project costs capitalized for the six months ended June 30, 2014, six months ended December 31, 2013 and for the year ended June 30, 2013 on the Property consists of the following:

	Development Costs				
	June 30, 2014	Jan-Jun 2014 Expenditures	Dec. 31, 2013	July-Dec 2013 Expenditures	June 30, 2013
Property payments	**$1,961**	$-	$1,961	$107	$1,854
Advance royalty payments	**1,350**	300	1,050	300	750
Water rights	**1,268**	105	1,163	142	1,021
Drilling	**36,614**	-	36,614	860	35,754
Geological consulting, exploration & related	**7,440**	309	7,131	351	6,780
Feasibility, engineering & related studies	**17,571**	-	17,571	1,509	16,062
Permits/ environmental	**7,559**	962	6,597	975	5,622
East deposit underground project					
Underground access, hoist, head frame, power, & related	**62,390**	18,846	43,544	14,998	28,546
Surface infrastructure	**2,400**	2,400	-	-	-
Project administration	**6,770**	3,250	3,520	1,285	2,235
	145,323	26,172	119,151	20,527	98,624
Amortization	**427**	93	334	66	268
Capitalised interest	**4,828**	2,226	2,602	1,830	772
Stock-based compensation	**3,345**	66	3,279	105	3,174
Total	**$153,923**	$28,557	$125,366	$22,528	$102,838

Pumpkin Hollow Copper Development Property – Water Rights:

Pursuant to the First Amendment to the Lease dated April 10, 2008, the Corporation agreed to acquire from the optionor of the Lease, certain water rights to consume a maximum of 724 acre feet of water for its mining operations on the Property in exchange for making 80 quarterly payments of $47 each payable over a period of 20 years from July 1, 2008 to April 1, 2028. The First Amendment to the Lease also contains provisions allowing the Corporation to accelerate and reduce the payments required.

In August of 2009, the Corporation entered into an agreement with the City of Yerington, Nevada to reserve 2,000 acre feet of water for a term of 30 years. As consideration, the Corporation will pay to the City of Yerington annual reservation fees of $50 which revert to user fees based on usage.

On July 25, 2011, the Corporation amended its agreement with the City of Yerington, to increase its annual reserve from 2,000 acre feet of water to 3,500 acre feet of water under the same terms of the original agreement. As consideration, the Corporation will pay to the City of Yerington additional annual reservation fees of $38 (note 9 (iii)). The Corporation has total water rights under agreements amounting to 4,224 acre feet of water per year. The costs of the leases have been capitalized to development costs as incurred.

(Expressed in thousands of United States dollars, except share amounts)

5. Mineral properties, plant and equipment (continued):

Plant and equipment:

	Building	Equipment	Mobile Equipment	Computer Equipment	Total
Cost:					
As at June 30, 2013	$474	$80	$65	$81	$700
Additions	6	13	20	271	310
As at December 31, 2013	480	93	85	352	1,010
Additions	-	3	54	61	118
As at June 30, 2014	**480**	**96**	**139**	**413**	**1,128**
Accumulated depreciation:					
As at June 30, 2013	114	63	54	39	270
Additions	24	5	3	50	82
As at December 31, 2013	138	68	57	89	352
Additions	29	28	24	75	156
As at June 30, 2014	**167**	**96**	**81**	**164**	**508**
Net book value:					
As at June 30, 2013	360	17	11	42	430
As at December 31, 2013	342	25	28	263	658
As at June 30, 2014	**$313**	**$-**	**$58**	**$249**	**$620**

During the six months ended June 30, 2014, the Corporation added $118 in plant and equipment (June 30, 2013 - $2) and had amortization of plant and equipment of $156 (June 30, 2013 - $36), of which $93 (June 30, 2013 - $34) was included in capitalized mineral property expenditures.

6. Long term debt:

On March 28, 2013, the Corporation entered into a $200 million loan facility with MF Investment Holding Company 2 (CAYMAN) SPC, a special purposed vehicle that is jointly owned by Orion Resource Partners and RK Mine Finance, (“Red Kite”) or the “Loan”). The Loan is comprised of four tranches - Tranche A for $36 million, which was received on March 28, 2013, Tranche B for $15 million which was received on October 9, 2013, Tranche C for $10 million which is subject to completion of the Yerington land transfer, and Tranche D which is subject to completion of other financing transactions whereby the Corporation will obtain sufficient proceeds necessary to achieve commencement of commercial production and certain project milestones, for $139 million or $149 million depending whether or not Tranche C was received.

Amounts advanced under the Loan bear interest at the greater of three-month LIBOR and 1%, plus 600 basis points. The Loan was subject to a 3% loan origination fee, which was paid on March 28, 2013.

The Loan is to be repaid by the end of the first quarter of 2019. Interest and principal shall be payable on a quarterly basis with the first interest and principal repayment due April 2015. A portion of the long term loan has been classified as a short term liability because of the portion due within one year. The current portion of the long term loan is $3,635. The Loan can be repaid without penalty prior to maturity.

The Loan is carried at amortised cost on the statement of financial position. The Corporation incurred $6,522 of transaction costs, including the 3% origination fee, relating to the Loan for a net amount received of $29,478. A pro-rata portion of the transaction costs was recognised as part of the Loan based on the amount drawn.

6. Long term debt (continued):

The remainder of the transaction costs have been accounted for as deferred financing costs and will be netted against future tranches when drawn on a pro-rata basis. During the six month period ended June 30, 2014 $2,226 of interest was accrued and capitalised to mineral property development costs at an effective interest rate of 8.6% (June 30, 2013 – $772).

The Loan is fully and unconditionally guaranteed, on a joint and several basis, by the Corporation's existing and future subsidiaries and secured by all current and future assets of the Corporation. The loan is collateralized against the Corporation's assets, including the shares of the Corporation's subsidiary which holds the Nevada Copper assets.

In addition to, and related to, the Loan, the Corporation also entered into an off-take agreement with Red Kite for the sale of copper concentrates from the underground mine of the eastern deposits. The Corporation will supply Red Kite with the percentage of total copper concentrate production based on the amount advanced to the Corporation through tranches divided by the total available loan. Post Tranche B, Red Kite will be entitled to purchase 25.5% of the Corporation's annual copper concentrates production from the eastern deposits when the Corporation commences commercial production. The off-take agreement includes concentrate pricing based on market terms.

An embedded derivative liability relating to the interest rate floor has been recognised for the Loan. The embedded derivative fair value of Tranche A of the loan at December 31, 2013 was $582. The fair value of the embedded derivative liability relating to Tranche A is $484 at June 30, 2014. The embedded derivative fair value of Tranche B of the Loan at December 31, 2013 was $233. The fair value of the embedded derivative liability relating to Tranche B is $194 at June 30, 2014. The change in value was recognised in the statement of operations as other income of $60 for the three months ended June 30, 2014 (three months ending June 30, 2013 – nil). The change in value was recognised in the statement of operations as other income of $137 for the six months ended June 30, 2014 (six months ending June 30, 2013 – nil).

7. Related party transactions:

On October 9, 2012, the Corporation completed the purchase of 46,000,000 common shares of Mercator, from Pala in consideration for the issuance of 7,315,000 common shares of the Corporation (note 4). Pala was a related party at the time of the purchase of the Mercator shares as Pala was a significant shareholder of the Corporation at that time. Pala holds more than 50% of Nevada Copper shares and has three executives on the Corporation's Board of Directors as at June 30, 2014. The marketable securities are valued at fair value at each period end.

The Corporation has entered into management agreements with certain senior officers. In the event that there is a change of control, the Corporation may be required to pay severance payments ranging from one to three years of salary for these senior officers. The amount of this contingent liability is $1,734 ($1,850 CAD).

As of June 30, 2014, accounts payable and accrued liabilities include director fees and expenses payable of $142 (December 31, 2013 - $110).

Related party transactions are recorded at the amount paid or received as established by contract or as agreed upon by the Corporation and the related party.

(Expressed in thousands of United States dollars, except share amounts)

8. Share capital:

(a) Authorized:

The Corporation is authorized to issue an unlimited number of common shares without par value.

(b) Issued:

During the year ended June 30, 2013, the Corporation issued 7,315,000 common shares for 46,000,000 shares of Mercator (Notes 4 and 7).

(c) Options:

The Corporation grants incentive stock options as permitted pursuant to the Corporation's Stock Option Plan (the "Plan"), originally approved by the shareholders on November 16, 2007 and re-approved August 27, 2010 and December 16, 2013, which complies with the rules and policies of the TSX. Under the Plan, the aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Corporation as of that date including options granted prior to the adoption of the Plan. Options granted may not exceed a term of ten years, and the term will be reduced to one year following the date of death of the Optionee. If the Optionee ceases to be qualified to receive options from the Corporation those options shall immediately expire. All options vest when granted unless otherwise specified by the Board of Directors.

As of June 30, 2014, the Corporation has stock options outstanding to directors, officers, employees and consultants to acquire an aggregate of 6,820,000 common shares summarized as follows. All of these options vested upon grant except for 150,000 which vest over three years and 509,200 which vest over two years. The outstanding options have expiry periods between 5 and 10 years.

	Number of Options	Weighted average exercise price $(CAD)
Outstanding June 30, 2013	6,610,000	$3.54
Granted	1,100,000	2.25
Expired	(490,000)	3.51
Exercised	-	-
Outstanding December 31, 2013	7,220,000	$3.35
Granted	-	-
Expired	(400,000)	$4.28
Exercised	-	-
Outstanding June 30, 2014	**6,820,000**	**$3.29**
Exercisable June 30, 2014	**6,160,800**	**$3.40**

(Expressed in thousands of United States dollars, except share amounts)

8. Share capital (continued):

During the three months ended June 30, 2014, under the fair value method, $80 (June 30, 2013 – $38) in share-based compensation was recorded for options granted to officers and employees, of which $47 (June 30, 2013 - $16) was charged to operations and $33 (June 30, 2013 – $22) was capitalized to development costs. During the six months ended June 30, 2014, under the fair value method, $161 (June 30, 2013 – $105) in share-based compensation was recorded for options granted to officers and employees, of which $95 (June 30, 2013 - $43) was charged to operations and $66 (June 30, 2013 – $62) was capitalized to development costs.

In 2013 Directors were granted deferred share units ("DSUs") which replace stock option grants as a component of Director's compensation. The DSUs vest the day before the Corporation's Annual General Meeting. The Corporation recognized $384 of expense for the three months ended June 30, 2014 (June 30, 2013 – nil) in the statement of operations in relation to the vesting of these DSUs. The Corporation recognized $581 of expense for the six months ended June 30, 2014 (June 30, 2013 – nil) in the statement of operations in relation to the vesting of these DSUs.

The Corporation uses the Black-Scholes option pricing model to value stock options, which requires management to make estimates that are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. For purposes of the calculation, the following weighted average assumptions were used:

	6 months ended June 30, 2014	6 months ended June 30, 2013
Risk free interest rate	1.70%	1.60%
Expected dividend yield	0%	0%
Expected stock price volatility	55%	90%
Expected life in years	5	8
Expected forfeitures	0%	0%

The risk free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected volatility is based on the Corporation's historical share prices. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche. Expected forfeitures are based on historical forfeitures of the Corporation's options.

The following table summarizes the stock options outstanding and exercisable as at June 30, 2014:

	Outstanding		Exercisable	
Exercise price	Number outstanding	Weighted average remaining life (years)	Number outstanding	Weighted average remaining life (years)
$0.75 - $1.00	725,000	4.11	725,000	4.11
$1.01 - $3.74	3,240,000	6.07	2,580,800	6.48
$3.75 - $5.37	2,855,000	7.06	2,855,000	7.06
	6,820,000	6.28	6,160,800	6.47

(Expressed in thousands of United States dollars, except share amounts)

9. Financial instruments:

(a) Contractual obligations:

The following table sets forth the Corporation's contractual obligations for the next five fiscal years as at June 30, 2014:

	Payments due by period			
Contractual obligations	Total	1 year	2-3 years	4-5 years
Lease obligation – payment on Pumpkin Hollow Property *(i)*	$4,200	$600	$1,600	$2,000
First amendment to lease – payment of water rights on property *(ii)*	1,932	189	378	1,365
City of Yerington – payment of advanced water service payments *(iii)*	438	88	175	175
Accounts payable and accrued liabilities	11,219	11,219	-	-
Long-term debt	55,146	3,635	27,385	24,126
Total USD obligations	$72,935	$15,731	$29,538	$27,666
	CAD	CAD	CAD	CAD
Office lease	$991	$218	$448	$325
Total CAD obligations	$991	$218	$448	$325

(*i*) See note 5 for renewal terms.

(*ii*) The commitment in the table above is the obligation if the Corporation does not renew the Pumpkin Hollow property lease. The Corporation can pay quarterly installments to the lessor if the lease is renewed. See note 5 for details of the payment schedule.

(*iii*) The commitment in the table above is the obligation by the Corporation to the City of Yerington for reservation fees. See note 5 for details of the payment schedule.

(Expressed in thousands of United States dollars, except share amounts)

10. Public company expenses:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	**2013**	**2014**	**2013**
Expenses:				
Investor relations	**$251**	$201	**$362**	$315
Directors' fees and related	**190**	62	**322**	153
Public company expenses	**25**	18	**98**	71
	$466	$281	**$782**	$539

11. Business development expenses:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	**2013**	**2014**	**2013**
Expenses:				
Professional fees – executive search & debt advisory	**$225**	$3	**$366**	$132
Due diligence & project reviews	**173**	18	**253**	18
Travel	**35**	7	**84**	21
Business development general	**42**	39	**83**	81
	$475	$67	**$786**	$252

12. Management of capital:

The Corporation's objectives of capital management are intended to safeguard the Corporation's ability to support the Corporation's development and exploration of its mineral properties and support any expansionary plans.

The capital of the Corporation consists of the items included in shareholders' equity and debt obligations. The Corporation manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Corporation's underlying assets.

To effectively manage the entity's capital requirements, the Corporation has in place a planning and budgeting process to help determine the funds required to ensure the Corporation has the appropriate liquidity to meet its objectives. The Corporation may issue new shares or seek debt or streaming financing to ensure that there is sufficient working capital to meet its short-term business requirements.

The Red Kite loan has certain financial covenants that must be adhered to when commercial production commences.

CORPORATE INFORMATION

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Timothy M. Dyhr
Vice President, Environmental and External Relations

Gus McDonald
Vice President, Corporate Controller

Eugene Toffolo
Vice President, Investor Relations and Communications

Catherine Tanaka
Corporate Secretary

REGISTRAR AND TRANSFER AGENT
Computershare Trust Company of Canada
Vancouver, Canada

SHARES LISTED
TSX Exchange: NCU

CAPITALIZATION
(As at June 30, 2014)
Shares Issued and Outstanding: 80,501,458

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