NEVADA COPPER CORP.

Consolidated Financial Statements
For the three and nine months ended September 30, 2015 and September 30, 2014

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)

	September 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	**$6,309**	$33,246
Amounts receivable	**32**	65
Prepaid expenses	**135**	147
	6,476	33,458
Restricted cash	**1,930**	2,280
Deposits	**120**	1,316
Deferred financing fees (note 6)	**7,961**	4,065
Mineral properties, plant, and equipment (note 4)	**207,277**	172,755
	223,764	213,874
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**7,251**	5,699
Short term debt (note 5)	**20,326**	14,594
	27,577	20,293
Long term debt (note 6)	**94,065**	86,739
Asset retirement obligation	**963**	963
	122,605	107,995
Shareholders' equity:		
Share capital (note 8)	**155,840**	155,840
Other equity reserve	**25,055**	24,978
Accumulated other comprehensive loss	**(3,578)**	(3,578)
Deficit	**(76,158)**	(71,361)
	101,159	105,879
	$223,764	$213,874

Nature of operations and going concern (note 1)
Commitments (notes 4 & 9)

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

Approved on behalf of the Board on November 10, 2015:

(Signed) “Victor Bradley”, Director **(Signed) “Giulio Bonifacio”, Director**

NEVADA COPPER CORP.

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

Three and nine month periods ended September 30, 2015 and September 30, 2014

	Three Months Ended September 30,		Nine months Ended September 30,	
	2015	**2014**	**2015**	**2014**
Expenses:				
Public company expenses	**$86**	$236	**$562**	$1,018
Consulting and remuneration	**141**	138	**438**	491
Office expenses	**82**	89	**250**	281
Professional fees	**13**	139	**231**	281
Business development	**47**	237	**189**	1,023
Depreciation expense	**32**	32	**98**	95
Stock-based compensation (note 8)	**126**	43	**104**	719
	527	914	**1,872**	3,908
Other income (expense):				
Interest income	**13**	36	**71**	190
Interest and finance expenses	**(421)**	(329)	**(1,496)**	(329)
Other income (loss)	**(825)**	185	**(829)**	325
Loss on marketable securities	**-**	(3,880)	**-**	(4,109)
Foreign exchange gain (loss)	**(264)**	(501)	**(671)**	(624)
	(1,497)	(4,489)	**(2,925)**	(4,547)
Loss for the period	**(2,024)**	(5,403)	**(4,797)**	(8,455)
Other comprehensive loss				
Foreign currency translation	-	46	-	(62)
Comprehensive income (loss)	**$(2,024)**	$(5,357)	**$(4,797)**	$(8,517)
Loss per common share:				
Basic and diluted	**$(0.03)**	$(0.07)	**$(0.06)**	$(0.11)
Weighted average number of shares outstanding	**80,501,458**	80,501,458	**80,501,458**	80,501,458

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, 2013	80,501,458	$155,840	$24,331	$(3,630)	$(54,298)	$122,243
Stock based compensation	-	-	234	-	-	234
Comprehensive income (loss)	-	-	-	(62)	(8,455)	(8,517)
Balances, September 30, 2014	**80,501,458**	**$155,840**	**$24,565**	**$(3,692)**	**$(62,753)**	**$113,960**

	Share Capital					
	Number of Shares	Amount	**Other Equity Reserve**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
Balances, December 31, 2014	80,501,458	$155,840	$24,978	$(3,578)	$(71,361)	$105,879
Stock based compensation	-	-	77	-	-	77
Comprehensive income (loss)	-	-	-	-	(4,797)	(4,797)
Balances, September 30, 2015	**80,501,458**	**$155,840**	**$25,055**	**$(3,578)**	**$(76,158)**	**$101,159**

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 nine month periods ended September 30, 2015 and September 30, 2014

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine months Ended September 30, 2015	Nine months Ended September 30, 2014
Cash provided by (used in):				
Operations:				
Loss for the period	**$(2,024)**	$(5,403)	**$(4,797)**	$(8,455)
Items not affecting cash:				
Depreciation	**97**	32	**268**	95
Interest income received	**(13)**	(36)	**(71)**	(190)
Loss (gain) on embedded derivatives	**825**	(189)	**829**	(326)
Interest and finance expenses	**401**	55	**1,476**	55
Loss on marketable securities	**-**	3,880	**-**	4,109
Stock-based compensation	**126**	43	**104**	719
	(588)	(1,618)	**(2,191)**	(3,993)
Changes in non-cash working capital items:				
Amounts receivable	**(7)**	5	**33**	43
Prepaid expenses	**3**	(6)	**12**	76
Accounts payable and accrued liabilities	**999**	(173)	**460**	(121)
Interest received	**13**	36	**71**	190
	420	(1,756)	**(1,615)**	(3,805)
Investments:				
Plant and equipment purchases	**-**	-	**-**	(118)
Trust account for surety bond	**-**	-	**350**	-
Deposits for development costs	**-**	109	**58**	(344)
Development costs	**(8,906)**	(13,078)	**(25,008)**	(36,577)
	(8,906)	(12,969)	**(24,600)**	(37,039)
Financing:				
Debt financing	**5,000**	10,000	**5,000**	10,000
Surety bond	**-**	-	**-**	(2,080)
Interest paid	**-**	(48)	**(5,722)**	(48)
	5,000	9,952	**(722)**	7,872
Effects of exchange rate changes on cash held in foreign currencies	**-**	46	**-**	(62)
Increase (decrease) in cash and cash equivalents	**(3,486)**	(4,727)	**(26,937)**	(33,034)
Cash and cash equivalents, beginning of the period	**9,795**	17,763	**33,246**	46,070
Cash and cash equivalents, end of the period	**$6,309**	$13,036	**$6,309**	$13,036
Supplementary information:				
Depreciation capitalised in mineral properties, plant, and equipment	**33**	74	**86**	167
Stock-based compensation included in mineral properties	**16**	31	**45**	97
Asset retirement obligation change	**-**	-	**-**	-
Change in mineral properties, plant & equipment in accounts payable & accrued liabilities	**(2,401)**	(4,578)	**2,036**	(1,906)

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

1. Nature of operations and going concern:

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 capitalised 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 capitalised 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. Management is actively seeking additional financing and believes 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, 2014 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 November 10, 2015.

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

3. Recent accounting pronouncements:

The IASB has issued new standards and amendments to existing standards. These changes are not yet adopted by the Corporation and could have an impact on future periods. These changes are described in detail in our December 31, 2014 financial statements.

- IFRS 15, Revenue from Contracts with Customers
- IFRS 9, Financial Instruments

The Corporation is assessing the impact of these standards on our consolidated financial statements.

4. Mineral properties, plant and equipment:

	Mineral Properties			
	Development Costs	Exploration and Evaluation assets	Plant & Equipment	Total
Cost:				
As at December 31, 2013	125,366	-	1,010	126,376
Additions	46,867	-	118	46,985
As at December 31, 2014	172,233	-	1,128	173,361
Additions	34,704	-	-	34,704
As at September 30, 2015	**206,937**	**-**	**1,128**	**208,065**
Accumulated depreciation:				
As at December 31, 2013	-	-	352	352
Additions	-	-	254	254
As at December 31, 2014	-	-	606	606
Additions	-	-	182	182
As at September 30, 2015	**-**	**-**	**788**	**788**
Net book value:				
As at December 31, 2013	125,366	-	658	126,024
As at December 31, 2014	172,233	-	522	172,755
As at September 30, 2015	**$206,937**	**$-**	**$340**	**$207,277**

4. 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 \$2,100 to September 30, 2015.

The Company must pay RGGS Land & Minerals Ltd. ("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. Pursuant to the terms of the Lease the Corporation notified RGGS of its intention to extend the lease for the period May 5, 2016 to May 2026. This notice has been acknowledged and accepted by RGGS.

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

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

Project costs capitalised for the nine months ended September 30, 2015 and year ended December 31, 2014 on the Property consists of the following:

	Development Costs				
	Sep. 30, 2015	Jan-Sep 2015	Dec. 31, 2014	2014	Dec. 31, 2013
Property payments	**$1,961**	$-	$1,961	$-	$1,961
Advance royalty payments	**2,100**	450	1,650	600	1,050
Water rights	**1,601**	194	1,407	244	1,163
Drilling	**41,337**	4,723	36,614	-	36,614
Geological consulting, exploration & related	**7,834**	207	7,627	496	7,131
Feasibility, engineering & related studies	**19,611**	2,040	17,571	-	17,571
Permits/ environmental	**11,530**	3,252	8,278	1,681	6,597
East deposit underground project					
Underground access, hoist, head frame, power, & related	**76,435**	13,060	63,375	26,609	36,766
Engineering and procurement	**10,550**	119	10,431	3,653	6,778
Surface infrastructure	**3,825**	454	3,371	3,371	-
Site costs	**11,680**	2,373	9,307	5,787	3,520
	188,464	26,872	161,592	42,441	119,151
Amortisation	**541**	86	455	121	334
Capitalised interest	**14,295**	7,701	6,594	3,992	2,602
Stock-based compensation	**3,637**	45	3,592	313	3,279
Total	**$206,937**	$34,704	$172,233	$46,867	$125,366

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

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

Plant and equipment:

	Building	Equipment	Mobile Equipment	Computer Equipment	Total
Cost:					
As at Dec. 31, 2013	$480	$93	$85	$352	$1,010
Additions	-	3	54	61	118
As at Dec. 31, 2014	480	96	139	413	1,128
Additions	-	-	-	-	-
As at Sep. 30, 2015	**480**	**96**	**139**	**413**	**1,128**
Accumulated depreciation:					
As at Dec. 31, 2013	138	68	57	89	352
Additions	51	11	36	156	254
As at Dec. 31, 2014	189	79	93	245	606
Additions	37	5	11	129	182
As at Sep. 30, 2015	**226**	**84**	**104**	**374**	**788**
Net book value:					
As at Dec. 31, 2013	342	25	28	263	658
As at Dec. 31, 2014	291	17	46	168	522
As at Sep. 30, 2015	**$254**	**$12**	**$35**	**$39**	**$340**

During the nine months ended September 30, 2015, the Corporation added $nil in plant and equipment (September 30, 2014 – $118) and had amortisation of plant and equipment of $182 (September 30, 2014 - $189), of which $86 (September 30, 2014 - $167) was included in capitalised mineral property expenditures.

5. Short term debt:

On August 26, 2014, the Corporation closed a $20 million bridge loan facility (“Pala Facility”) with Pala Investments Limited (“Pala”). The initial term of the facility was four months, with up to two additional two month extensions. The Pala Facility is drawn in $5 million tranches. The annual interest rate is 10% and a 4% arrangement fee was payable upon each tranche drawn. The Pala Facility is secured against the Corporation's assets, and is subordinate to the security granted in connection with the $200 million senior credit facility entered into by the Corporation on December 30, 2014.

In July 2015 the loan term was extended to January 31, 2016 and the total amount available under the Pala Facility was increased to $25 million. On September 30, 2015 the loan term was extended to June 30, 2016.

Interest is accruing on a monthly basis per the revised terms of the Pala Facility. In addition, the arrangement fee for the fourth draw has been accrued. Through September 30, 2015, $20 million (four tranches) has been drawn from the Pala Facility. The Corporation has paid $1,099 of interest for the Pala Facility and accrued an additional $453 through September 30, 2015. The Pala Facility is carried at amortised cost on the statement of financial position. The current short term loan carrying value is $20,326.

6. Long term debt (December 30, 2014 loan facility):

On December 30, 2014, the Corporation entered into a $200 million loan facility (the "Loan") with EXP T1 Ltd that is owned by RK Mine Finance, ("Red Kite"). The Loan is comprised of two tranches - Tranche A for $90 million, which was received on December 30, 2014, and Tranche B for $110 million which is contingent upon completion of other financing transactions whereby the Corporation will obtain sufficient proceeds necessary to achieve commencement of commercial production and certain project milestones.

Amounts advanced under the Loan bear interest at the greater of three-month LIBOR and 1%, plus 10% until the commencement of commercial production where the amounts advanced under the Loan bear interest at the greater of three-month LIBOR and 1%, plus 7.5%. The Loan was subject to a 3.5% loan origination fee on the total loan facility, which was paid on December 30, 2014.

On September 30, 2015 the loan terms were amended. The Loan is to be repaid by December 31, 2021 with quarterly principal repayments commencing on September 30, 2018. An interest payment holiday has been given until March 31, 2017. An additional financing fee of $7,000 has been added to the principal of the loan in consideration of the extended timing of the loan and the interest holiday provided.

Interest, commencing on March 31, 2017, is payable on a quarterly basis. Two interest payments, of $4,978, have been paid through September 30, 2015. The Loan can be repaid without penalty at any time prior to maturity.

The Loan is carried at amortised cost on the statement of financial position. The Corporation incurred $14,474 of transaction costs, including the 3.5% origination fee, and the 3.5% amendment fee, on the total amount available under the Loan. A pro-rata portion of the transaction costs was recognised as part of the Loan based on the amount drawn.

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. Since inception through the nine months ended September 30, 2015, $7,757 of interest was accrued and capitalised to mineral property development costs.

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 collateralised 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. Red Kite will be entitled to up to 74.5% of production after advancing all of the funds available under the facility. In relation to the first tranche advanced, Red Kite will be entitled to purchase 33.5% of the Corporation's annual copper concentrates production from the eastern deposits when the Corporation commences commercial production. Combined with the off-take agreement relating to the March 28, 2013 loan facility these two off-take agreements represent in total 59% of concentrates that may be produced from the eastern deposits or an estimated 12% of the total project off-take. The off-take agreement includes concentrate pricing based on market terms.

The 2014 copper offtake agreement was also amended to allow Red Kite a fixed tonnage option should Nevada Copper elect to develop a larger open pit operation. Under this amendment, Red Kite can elect to convert their percentage entitlement to a fixed tonnage of payable copper from this proposed larger operation. This fixed tonnage of payable copper to be delivered is based on the payable copper projected for production from the original stand-alone underground operation mine plan.

6. Long term debt (December 30, 2014 loan facility) (continued):

This fixed tonnage of payable copper to be delivered is capped at the levels projected by the underground mine plan; whereas if the fixed tonnage option is not exercised, the delivery of copper from the underground mine has no upper limit for life of mine should additional reserves be identified.

An embedded derivative liability relating to the interest rate floor has been recognised for the Loan. The embedded derivative fair value of the loan at inception was $996. The fair value of the embedded derivative liability is $1,834 at September 30, 2015 (December 31, 2014 - $1,005).

The change in value was recognised in the statement of operations as other expense of $825 for the three months ended September 30, 2015 and as other expense of $829 for the nine months ended September 30, 2015.

7. Related party transactions:

A short term $25 million bridge loan facility funded by Pala was entered into on August 26, 2014. Please see note 5 for additional details. The current short term loan carrying value is $20,326.

Pala holds more than 50% of Nevada Copper shares and has three executives out of nine on the Corporation's Board of Directors as at September 30, 2015.

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 three months to three years of salary for these senior officers. The amount of this contingent liability is $1,529 ($2,041 CAD).

As of September 30, 2015, accounts payable and accrued liabilities include director fees and expenses payable of $nil (December 31, 2014 - $108).

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.

8. Share capital:

(a) Authorised:

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

(b) 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 September 30, 2015, the Corporation has stock options outstanding to directors, officers and employees to acquire an aggregate of 7,590,000 common shares summarised as follows.

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

8. Share capital (continued):

All of these options vested upon grant except for 100,000 which vest over three years and 250,800 which vest over two years. The outstanding options have expiry periods between three and seven years.

	Number of Options	Weighted average exercise price $(CAD)
Outstanding December 31, 2013	7,220,000	3.35
Granted	770,000	2.00
Expired	(400,000)	4.28
Exercised	-	-
Outstanding December 31, 2014	7,590,000	2.90
Outstanding September 30, 2015	**7,590,000**	**$2.22**
Exercisable September 30, 2015	**7,239,200**	**$2.22**

During the three months ended September 30, 2015, under the fair value method, $26 (September 30, 2014 – $74) in share-based compensation was recorded for options granted to officers and employees, of which $11 (September 30, 2014 - $43) was charged to operations and $15 (September 30, 2014 – $31) was capitalised to development costs. During the nine months ended September 30, 2015, under the fair value method, $77 (September 30, 2014 – $234) in share-based compensation was recorded for options granted to officers and employees, of which $32 (September 30, 2014 - $137) was charged to operations and $45 (September 30, 2014 – $97) was capitalised to development costs.

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:

	Nine months ended Sep. 30, 2015	Year ended Dec. 31, 2014
Risk free interest rate	**0.90%**	1.60%
Expected dividend yield	**0%**	0%
Expected stock price volatility	**52.8%**	49%
Expected life in years	**5**	5
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.

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

8. Share capital (continued):

During the year ended December 31, 2014, 4,245,000 options were re-priced, by decreasing the exercise price of the options by 40%, and the terms of the longer termed options were reduced to five years. The resulting exercise price was at a premium of between 33% and 119% of the market price of $1.47 as at November 12, 2014. There was no incremental fair value recognised as a result of the re-pricing of the stock options because the impact of the decrease in exercise price was more than offset by the shortening of the expiry date.

Original Exercise Price	Revised Exercise Price	Number	Original Grant Date	Original Expiry Date	Revised Expiry Date
$3.25	$1.95	620,000	Sep. 26, 2012	Sep. 26, 2022	Nov. 12, 2019
$3.27	$1.96	320,000	Jan. 14, 2010	Jan. 14, 2020	Nov. 12, 2019
$3.74	$2.24	450,000	Oct. 13, 2010	Oct. 13, 2020	Nov. 12, 2019
$4.24	$2.54	1,815,000	Aug. 18, 2011	Aug. 18, 2021	Nov. 12, 2019
$4.50	$2.70	90,000	Apr. 17, 2012	Apr. 17, 2022	Nov. 12, 2019
$4.55	$2.73	140,000	Jan. 6, 2011	Jan. 6, 2021	Nov. 12, 2019
$4.82	$2.89	200,000	Feb. 23, 2012	Feb. 23, 2022	Nov. 12, 2019
$5.37	$3.22	610,000	Feb. 22, 2011	Feb. 22, 2021	Nov. 12, 2019
		4,245,000			

The following table summarises the stock options outstanding and exercisable as at September 30, 2015:

	Outstanding		Exercisable	
Exercise price	Number outstanding	Weighted average remaining life (years)	Number outstanding	Weighted average remaining life (years)
$0.75 - $1.00	725,000	2.86	725,000	2.86
$1.01 - $2.50	4,010,000	4.13	3,659,200	4.22
$2.51 - $3.22	2,855,000	4.35	2,855,000	4.35
	7,590,000	**4.09**	**7,239,200**	**4.14**

In December 2013, August 2014, and August 2015 directors were granted deferred share units (“DSUs”), which replaced stock option grants as a component of their compensation. In addition, DSUs were granted in 2015 to replace the directors’ fees due. The Corporation recognised a charge of $115 for the three months ended September 30, 2015 (September 30, 2014 – $nil) in the statement of operations in relation to the granting of new DSUs and the net change in value of these DSUs. The Corporation recognised an expense of $72 for the nine months ended September 30, 2015 (September 30, 2014 – $(582)) in the statement of operations in relation to the granting of new DSUs and the net change in value of DSUs.

(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 as at September 30, 2015:

	Payments due by period				
Contractual obligations	Total	1 year	2-3 years	4-5 years	5 years+
Lease obligation – payment on Pumpkin Hollow Property *(i)*	$10,450	$600	$1,200	$1,200	$7,450
First amendment to lease – payment of water rights on property	1,828	189	378	190	1,071
City of Yerington –advanced water service payments	438	88	175	175	-
Accounts payable and accrued liabilities	7,251	7,251	-	-	-
Short-term debt	22,256	22,256	-	-	-
Long-term debt *(ii)*	153,939	-	30,256	81,125	42,558
Total USD obligations	$196,162	$30,384	$32,009	$82,690	$51,079
	CAD	CAD	CAD	CAD	CAD
Office lease	$726	$225	$462	$39	-
Total CAD obligations	$726	$225	$462	$39	-

Lease obligations over five years for lease payments relating to water rights are $1,071.

(*i*) See note 4 for renewal terms.

(ii) See note 6 for contractual maturity.

10. 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

DIRECTORS

James Askew
Colorado, USA

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Switzerland

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Monte Carlo, Monaco

Michael Brown
Switzerland

Philip Clegg
Switzerland

Daniel Dumas
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Joseph Giuffre
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OFFICES

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OFFICERS

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Executive Vice President and Chief Financial Officer

Timothy Arnold
Vice President, Operations

Greg French
Vice President, Exploration and Project Development

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 September 30, 2015)
Shares Issued and Outstanding: 80,501,458

AUDITOR
KPMG, Chartered Accountants
Vancouver, Canada

LEGAL COUNSEL
Axium Law Corporation
Vancouver, Canada

WEBSITE
Additional information about the Corporation can be found at our website *www.nevadacopper.com*

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