

FACT SHEET

NEW VISION | NEW WORLD | NEW RESOURCES

Solwara 1

The Solwara 1 deposit, which sits on the seafloor at a water depth of some 1600 metres, boasts a copper grade of approximately 7%. That compares with land-based copper mines, where the copper grade today averages 0.6%. In addition, gold grades of well over 20 g/tonne have been recorded in some intercepts at Solwara 1 and the average grade is approximately 6 g/tonne.



Q3 2016

SMS Deposits

Seafloor Massive Sulphide (SMS) deposits form directly on the ocean floor where superheated water carrying metals from deep in the earth, mixes with cold seawater depositing metalrich minerals. They are considered the modern analogues of volcanogenic massive sulphide deposits, historically a major source of the world's copper, gold, zinc and silver.

Overview

Nautilus Minerals, a Canadian company with offices in Australia, Papua New Guinea (PNG) and Tonga, is leading the world in the quest to develop seafloor mineral deposits. Nautilus was granted the first Mining Lease in January 2011 for such deposits at the prospect known as Solwara 1, in the territorial waters of Papua New Guinea. The Environmental Permit for Solwara 1 was awarded in December 2009.

Nautilus is developing a production system using existing technologies adapted from the offshore oil and gas industry, dredging and mining industries to enable the extraction of these high grade Seafloor Massive Sulphide (SMS) systems on a commercial scale. Nautilus plans to commence production activities in Q1 2019.*

*Based on the Company obtaining the necessary additional funding by June 2017 (refer to the Company's news release dated August 22, 2016 on www.nautilusminerals.com)



Status of Build

Seafloor Production Tools (SPTs)

Complete and in storage in Oman, reviewing wet testing options

Umbilical winches for the 3 SPTs

 Factory Acceptance Testing (FAT) completed, currently being stored at Soil Machine Dynamics

Riser

Complete and being stored in the US

Subsea Slurry and Lift Pump (SSLP)

- FAT completed (meets performance criteria of functional specification)
- Delivery date November 2016, will be stored in the US

Current Status of the PSV

Keel laying - June 10, 2016

Item	Completed %		
Production drawings	90		
Steel cut - 20,068 tonnes	99		
Blocks completed structure fabrication	88		
Blocks completed assembly and painting	80		
General block assembly	72		
Blocks lifted to dry dock	63		
Blocks completed erection in dry dock	34		

NAUTILUS MINERALS RESOURCE ESTIMATES

Classification	Domain	Tonnes	Cu (%)	Au g/t	Ag (g/t)	Zn (%)	Contained Cu (t)	Contained Au (Koz)
Solwara 1 - Indicated @ 2.6% Cu Eq cut off	Total	1,030,000	7.2	5.0	23	0.4	74,160	165.6
Solwara 1 - Inferred @ 2.6% Cu Eq cut off	Total	1,540,000	8.1	6.4	34	0.9	124,740	316.9
Solwara 12 - Inferred @ 2.6% Cu Eq cut off	Total	230,000	7.3	3.6	56	3.6	16,790	26.6

The news release dated March 23, 2012 regarding the resource estimate report is available at: http://www.nautilusminerals.com/s/Media-NewsReleases.asp?ReportID=514179
The news release dated November 25, 2011 regarding the resource estimate is available at: http://www.nautilusminerals.com/s/Media-NewsReleases.asp?ReportID=492567

Note: Resource estimates prepared by Ian Lipton, (BSc (Hons), FAusIMM), Principal Geologist, Golder Associates Pty Ltd, Toowong, Queensland, Australia who fulfils the requirements to be a "qualified person" for the purposes of NI 43-101 . Rounding may result in errors in reproducing the totals from the individual components shown in this table. Copper equivalent (CuEq) = 0.915*Cu+0.254*Au+0.00598*Ag.

Major Shareholders (August 15, 2016)

MB Holdings: ~27% Metalloinvest: ~15% **SHARE CAPITAL**

Shares outstanding: 628 million

Options: 4 million Fully diluted: 632 million

(each on a non-diluted basis, excluding loan shares outstanding under the Company's share loan plan)

Other Projects

Nautilus also holds exploration territory, or tenement applications in the Southwest Pacific and the Central Pacific Ocean, and has secured some of the most prospective areas of the seafloor for the potential development of future projects. Previous exploration has already identified 19 mineralised seafloor systems in the Bismarck Sea, and 19 in Tonga.

Nautilus Minerals 100% owned subsidiary, Tonga Offshore Mining Limited (TOML) has a polymetallic nodule project in the Clarion-Clipperton Fracture Zone (CCZ) which is located within the Central Pacific Ocean. TOML reported an increase in its inferred mineral resource base from 410 Mt (wet) to 685 Mt (wet) as well the upgrade of an additional 68 Mt (wet) into the indicated category and 2.6 Mt into the measured category after completion of a three month campaign to the CCZ in October 2015 (see Notes 1-3 below).

Mineral Resource Estimate for TOML Areas A-F within the Clarion-Clipperton Fracture Zone

Mineral Resource Classification	Abundance (wet kg/m²)	Mn (%)	Ni (%)	Cu (%)	Co (%)	Polymetallic Nodules (x10 ⁶ wet t)*
Measured	11.81	27.57	1.33	1.05	0.23	2.6
Indicated	12.19	30.32	1.35	1.18	0.21	68.1
Inferred	11.52	29.05	1.29	1.14	0.20	685.3

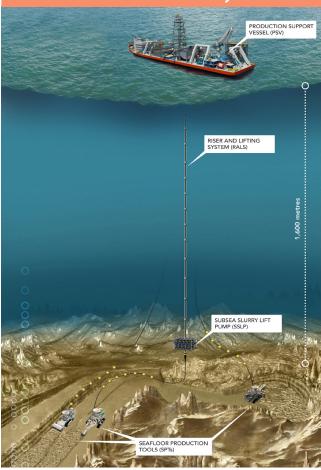


NOTE 1: The QP for Mineral Resource estimates is Mr Matthew Nimmo. Mr Nimmo is a Member of the Australian Institute of Geoscientists, an independent Consulting Geologist, and fulfils the requirements to be a "qualified person" for the purposes of NI 43-101

NOTE 2: As the nodules effectively form a single layer on the seafloor "abundance" (kg/m2) is used rather than volume to define the mineral resource tonnage

NOTE 3: our Technical Report is available here: http://www.nautilusminerals. com/irm/PDF/1813/TOMLClarionClippertonZoneProjectPacificOcean

Seafloor Production System



CAUTIONARY STATEMENT: Certain of the statements made in this fact sheet may contain forward-looking state and forward-looking information. Forward-looking statements and forward-looking information include, but are not limited to statements or information with respect to Nautilus developing a seafloor copper-gold project and commencing production thereon and the annual rate of production expected from Solwara 1. We have made numerous assumptions about the material forward-looking statements and information contained herein. These assumptions are the result of management's best judgment as of the date hereof based on information currently available. Even though our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statement or information will prove to be accurate. Forward-looking statements and information by their nature involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking statements or information. Should one or more of these risks, uncertainties or other factors materialize or should underlying assumptions prove incorrect, actual results may vary materially from those described in forwardlooking statements and information. Although we have attempted to identify factors that would cause actual results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performances, achievements or events to not be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly you should not place undue reliance on forward-looking statements or information. Except as required by law, we do not expect to update forward-looking statements and information as conditions change and you are referred to the full discussion of Nautilus's business contained in Nautilus' reports filed with the securities regulatory authorities in Canada.

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