

Press Release

Number 2019 – 5

Nautilus files for relief under the Companies' Creditors Arrangement Act and receives additional loan under secured loan facility

Vancouver, British Columbia, February 22, 2019 - Nautilus Minerals Inc. (TSX:NUS, OTC:NUSMF Nasdaq Intl Designation) (the "Company" or "Nautilus") announces that it has obtained an order (the "Initial Order") of the Supreme Court of British Columbia providing the Company protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") so as to enable Nautilus to restructure its business and financial affairs.

Shortly prior to the Company's application for protection under the CCAA, the Company received a loan from Deep Sea Mining Finance Ltd. (the "Lender") in the principal amount of US\$750,000 (the "Loan") under the previously announced loan agreement, as amended (the "Existing Loan Agreement"), between the Company, two of its subsidiaries and the Lender which provides for a secured structured credit facility of up to US\$34 million.

The Initial Order also authorized the Company and two of its subsidiaries to enter into a new Interim Loan Agreement with the Lender, pursuant to which the Lender has agreed to advance to the Company up to \$4 million to fund the Company's ongoing operations and restructuring.

CCAA

The Company is evaluating a range of alternatives to recapitalize Nautilus so that the reality of its seafloor mining projects can be achieved. The options could include the sale of Nautilus' polymetallic nodule business unit and its seafloor massive sulfide business unit.

Nautilus is not bankrupt and remains in possession and control of its business, while continuing to receive support in the form of loans from the Lender.

For any updates on the CCAA proceedings, please refer to the website of the Company's monitor appointed under the Initial Order, PricewaterhouseCoopers Inc.: www.pwc.com/ca/nautilus-minerals

Secured loan facility

In connection with the most recent US\$750,000 portion of the Existing Loan Agreement, the Lender waived the requirement for the Company to issue share purchase warrants to the Lender as contemplated by the Existing Loan Agreement.

To date, the Company has received loans from the Lender totaling US\$18,250,000. The loans bear interest at 8% per annum, payable bi-annually in arrears. All loans have a maturity date of March 8, 2019.

As previously disclosed, the Lender is a private company owned 50% by each of: (i) USM Finance Ltd., a wholly owned subsidiary of USM Holdings Ltd, an affiliate of Metalloinvest Holding (Cyprus) Limited; and (ii) Mawarid Offshore Mining Ltd., a wholly-owned subsidiary of MB Holding Company LLC. As the Lender is indirectly controlled by affiliates of the Company's two largest shareholders, the Lender is a "related party" of the Company and the Loan transaction constitutes a "related party transaction" of the Company under MI 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

The Company did not file a material change report more than 21 days before the expected closing of this transaction, as the details of the transaction were not finalized until immediately prior to the

closing and the Company wished to close the transaction as soon as practicable for sound business reasons.

The Company continues to seek short and long term funding solutions while assessing its options, including various restructuring options. Negotiations with various third parties continue. There can be no assurances that the Company will be able to successfully negotiate and complete any funding or other transactions. Any transactions will be subject to all necessary stock exchange, third party and government approvals, as well as compliance with all other regulatory requirements. The Company will provide further updates as circumstances warrant.

For more information please refer to www.nautilusminerals.com or contact:

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The TSX does not accept responsibility for the adequacy or accuracy of this press release.

Certain of the statements made in this news release may contain forward-looking information within the meaning of applicable securities laws, including statements with respect to potential funding and restructuring transactions. Forward-looking information by its nature involves 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 information. Please refer to our most recently filed Annual Information Form in respect of material assumptions and risks related to the prospects of extracting minerals from the seafloor and other risks relating to the Company's business and plans for development of the Solwara 1 Project. Risks related to continuing the Company's operations and advancing the development of the Solwara 1 Project include the risk that the Company will be unable to obtain at all or on acceptable terms, and within the timeframes required, the remaining financings or other transactions necessary to fund completion of the build, testing and deployment of the Company's seafloor production system; that the Company will be unable to successfully negotiate additional extensions to the maturity date of outstanding loans under its secured loan facility; and that the Company will be unable to arrange for the charter of the production support vessel from the owner of the vessel. As the Company has not completed a prefeasibility study or feasibility study in respect of the Solwara 1 Project, there can be no assurance that the Company's production plans will, if fully funded and implemented, successfully demonstrate that seafloor resource production is commercially viable. 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 the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada.

About Nautilus Minerals Inc.

Nautilus is the first company to explore the ocean floor for polymetallic seafloor massive sulphide deposits. Nautilus was granted the first mining lease for such deposits at the prospect known as Solwara 1, in the territorial waters of Papua New Guinea, where it is aiming to produce copper, gold and silver. The Company has also been granted its environmental permit for this site.

Nautilus also holds prospective exploration acreage in the western Pacific (granted and under application), as well as in international waters in the Central Pacific.

A Canadian registered company, Nautilus is listed on the TSX:NUS stock exchange and is also a member of the Nasdaq International Designation program. Its corporate office is in Brisbane, Australia. Its major shareholders include MB Holding Company LLC, an Oman based group with interests in mining, oil & gas, which holds a 30.4% interest and Metalloinvest, the largest iron ore producer in Europe and the CIS, which has a 19.2% holding (each on a non-diluted basis, excluding loan shares outstanding under the Company's share loan plan).