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NORTHISLE ANNOUNCES SIGNIFICANT IMPROVEMENT IN GOLD AND COPPER RECOVERIES AT RED DOG

HIGHLIGHTS

- The recently completed metallurgical tests improved the copper and gold recovery rates at the Red Dog Deposit by an average of 5% and 65% respectively, compared to the tests forming the bases for estimates used in the previously published PEA
- Metallurgical tests also demonstrate potential to recover silver and rhenium metal content, which was previously excluded from the PEA economics
- The previously published PEA is being updated to include upside potential related to higher gold and copper recovery rates, higher metal prices, and the inclusion of silver and rhenium metal recovery

Vancouver, B.C. – Northisle Copper and Gold Inc. (TSX-V:NCX) (“Northisle” or the “Company”) is pleased to report that preliminary metallurgical test results demonstrate a significant improvement in recoveries of copper and gold for the Red Dog Deposit at its 100%-owned North Island Project located in British Columbia, Canada.

The test work was designed to investigate alternative flotation parameters to improve the recovery rates of copper and gold in the Red Dog Deposit mineralization. The results demonstrate that the average copper and gold recovery rates improved by 5% and 65% respectively, compared to tests used for the Preliminary Economic Assessment (“PEA”) published in September 2017.

In addition, the metallurgical test work included assaying and evaluating the recoveries of rhenium and silver which were not included in earlier test work and in the PEA economics. Results demonstrate rhenium recoveries of 69.4% and silver content in the concentrate of 15.1 g/t.

Following the previously announced successful metallurgical results obtained for the Hushamu Deposit, Northisle expects to update the PEA to incorporate upside potential related to the expected higher gold and copper recovery rates, inclusion of silver and rhenium metal recovery at Red Dog and Hushamu deposits as well as the higher metal prices.

John McClintock, President and CEO stated: “These results are very positive as they are expected to significantly improve the economics of our North Island Project. Given this success, we are eager to update our PEA to reflect the upside potential of higher copper and gold recovery rates, inclusion of silver and rhenium metal recovery, and higher metal prices.”

TEST PROGRAM DETAILS

The metallurgical test program was completed by SGS Canada Inc. (SGS) at their laboratory facility in Burnaby, BC. The test work was done on an approximately 50 kg composite sample of core from drill holes RD16-01, RD16-02 and RD16-06. The samples comprising the composite represent a range of high and lower grade mineralization. The results of the lock cycle test are presented in the table below. For comparison, the results of the cleaner tests used for the PEA are presented in Table 2. The composites for the earlier metallurgical work were prepared from core samples from H14-05.

Detailed test work included: sample preparation, sample characterization, batch rougher batch cleaner and lock cycle test work. Modifications to the original flotation conditions of the 2016 work included, a regrind of the rougher concentrate to 20um, new reagent scheme and a three stage cleaner circuit.

The results of the metallurgical tests demonstrated that the copper recoveries improved to 89.8% from 85.7%. Gold recoveries improved to 53.0% from 33%.

Table 1: SGS Labs Results Lockcycle Tests

| | Calculated Feed grade (% or gpt) | | | | | PG (um) | Concentrate grade (% or gpt) | | | | | Recovery % | | | | |
|---------|----------------------------------|------|-------|------|------|---------|------------------------------|------|------|------|------|------------|------|------|------|------|
| | Cu | Au | Mo | Ag | Re | | Cu | Au | Mo | Ag | Re | Cu | Au | Mo | Ag | Re |
| Red Dog | 0.33 | 0.51 | 0.005 | 0.47 | 0.32 | 98 | 26.5 | 24.5 | 0.30 | 15.1 | 20.2 | 89.8 | 53.0 | 73.5 | 35.5 | 69.4 |

Table 2: 2016 Base Met Cleaner Test

| | Calculated Feed grade (% or gpt) | | | | | PG (um) | Concentrate grade (% or gpt) | | | | | Recovery % | | | | |
|---------|----------------------------------|------|------|----|----|---------|------------------------------|------|----|----|----|------------|------|----|----|----|
| | Cu | Au | Mo | Ag | Re | | Cu | Au | Mo | Ag | Re | Cu | Au | Mo | Ag | Re |
| Red Dog | 0.34 | 0.53 | .007 | na | na | 100 | 24.2 | 14.3 | na | na | na | 85.7 | 32.2 | na | na | na |

ABOUT THE NORTH ISLAND PROJECT

The 100%-owned North Island Project consists of the Hushamu and nearby Red Dog deposits, with Mineral Resources summarized in the below table.

Table 3: North Island Project Resources as at December 31, 2018

| | Tonnes, '000 | Grade | | | | | Contained Metal | | | | | | |
|----------------|--------------|-------|---------|-------|---------|-------------|-----------------|---------|----------|---------------|-------------|-------------|------|
| | | Cu, % | Au, g/t | Mo, % | Re, ppm | Cu Eq, % | Cu, B lb | Au, Moz | Mo, M lb | Re, Kg x 1000 | Cu eq, B lb | Au eq, Moz | |
| Red Dog | | | | | | | | | | | | | |
| Indicated | 36,568 | 0.27 | 0.38 | 0.005 | | 0.52 | 0.22 | 0.45 | 4.0 | | | 0.42 | 0.99 |
| Inferred | 1,774 | 0.20 | 0.30 | 0.003 | | 0.39 | 0.01 | 0.02 | 0.1 | | | 0.02 | 0.04 |
| Hushamu | | | | | | | | | | | | | |
| Indicated | 305,180 | 0.24 | 0.28 | 0.008 | 0.54 | 0.43 | 1.62 | 2.75 | 53.8 | 165 | | 2.92 | 6.97 |
| Inferred | 189,640 | 0.19 | 0.24 | 0.007 | 0.35 | 0.36 | 0.79 | 1.46 | 29.3 | 66 | | 1.49 | 3.56 |
| Total | | | | | | | | | | | | | |
| Indicated | 341,743 | 0.24 | 0.29 | 0.008 | 0.48 | 0.44 | 1.83 | 3.2 | 57.8 | 165 | | 3.34 | 7.96 |
| Inferred | 190,788 | 0.19 | 0.24 | 0.007 | 0.35 | 0.36 | 0.80 | 1.48 | 29.4 | 66 | | 1.51 | 3.60 |

Mineral Resource estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101. The NI 43-101 reports co-authored by P Burt PGeo and B Game PGeo documenting the resource estimate available on the company's website and filed on SEDAR. Reported tonnage and grade figures have been rounded from raw estimates to reflect the relative accuracy of the estimate. Minor variations may occur during the addition of rounded numbers. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. *Copper and gold equivalent calculated using US\$3.10/lb Cu, US\$1300/oz Au and US\$9.00/lb Mo and is not adjusted for mining and metallurgical recoveries as these remain uncertain. The formula used is as follows: $CuEQ = \frac{(Cu\% \times 22.0462 \times 3.10)}{1300/31.1035} + \frac{(Mo\% \times 22.0462 \times 9.00)}{22.0462 \times 3.1}$. $AuEQ = (Cu\% \times 22.0462 \times 3.10) + (Au \text{ g/t} \times 1300.00/31.1035) + \frac{(Mo\% \times 22.0462 \times 9.00)}{(1300/31.1035)}$. Rhenium values have not been used in the cut-off grade or Cu or gold Equivalent calculations.*

In September 2017, Northisle published the results of a PEA which demonstrated the potential technical and economic viability of the project constructed as an open-pit mine, with a concentrator processing nominally 75,000 tonnes/day (27Mtpa) with the results summarized in the below table. This PEA is expected to be updated to reflect the results from the metallurgical tests described in the sections above.

Table 4: North Island Project PEA Summary

| LIFE OF MINE PHYSICALS | |
|--|------------------|
| Mine life, years | 22 years |
| Strip ratio, w:o | 0.72 |
| Throughput | 27.4Mtpa |
| Mineralization inventory | 600Mt |
| Copper grade | 0.18% |
| Gold grade | 0.24g/t |
| Molybdenum grade | 0.01% |
| Pyrite grade | 9% |
| LOM production | |
| Copper | 1.9B lb |
| Gold | 1.8Moz |
| Molybdenum | 55M lb |
| Pyrite | 17B lb |
| Copper equivalent, M lb pa | 3.1B lb |
| Gold equivalent, koz | 7.4Moz |
| AVERAGE ANNUAL PRODUCTION | |
| Copper, M lb | 82M lb |
| Gold, koz | 79koz |
| Molybdenum, M lb | 3M lb |
| Pyrite, kt | 0.64Kt |
| Copper equivalent, M lb | 141M lb |
| Gold equivalent, koz | 335koz |
| AVERAGE ANNUAL PRODUCTION COSTS | |
| Copper C1 Cash Costs net of by-products, US\$/lb | \$0.88/lb |
| Copper AISC net of by-products, US\$/lb | \$1.22/lb |
| Copper equivalent AISC, US\$/lb Cu eq | \$2.00/lb |
| Gold equivalent AISC, US\$/oz Au eq | \$840/oz |
| ECONOMICS | |
| After-tax NPV _{5%} , US\$m | \$757m |
| After-tax NPV _{8%} , US\$m | \$413m |
| After-tax IRR, % | 14% |

The commodity prices used are as follows: US\$ 3.10/lb Cu, US\$ 1,300/oz Au, US\$ 9.00/lb Mo, US\$ 9/t Py with a CAD/USD of 0.75. For more information, please consult the 2017 PEA available on SEDAR under the Company's profile or on Northisle's website.

For more information on Northisle please visit the Company's website at www.Northisle.ca.

John McClintock, P. Eng is the Qualified Person who reviewed and approved the scientific and technical disclosure in this news release.

On behalf of Northisle Copper and Gold Inc.

John McClintock, P. Eng

President, CEO and Director

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This news release contains forward-looking statements. These forward-looking statements are based upon the reasonable beliefs of Northisle and its management as of the date of this news release; however, forward-looking statements involve risks and uncertainties and are based upon factors that may change and assumptions that may prove, with the passage of time, to be incorrect as a result of exploration and other risk factors associated with mineral exploration and development that are beyond the control of Northisle. Accordingly, undue reliance should not be placed upon such statements. If factors materially change or assumptions are materially incorrect, the actual results, performance or achievements of Northisle may be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Northisle does not undertake any obligation to update or revise any forward-looking statements to reflect new information, future events or otherwise, except as required by applicable law.