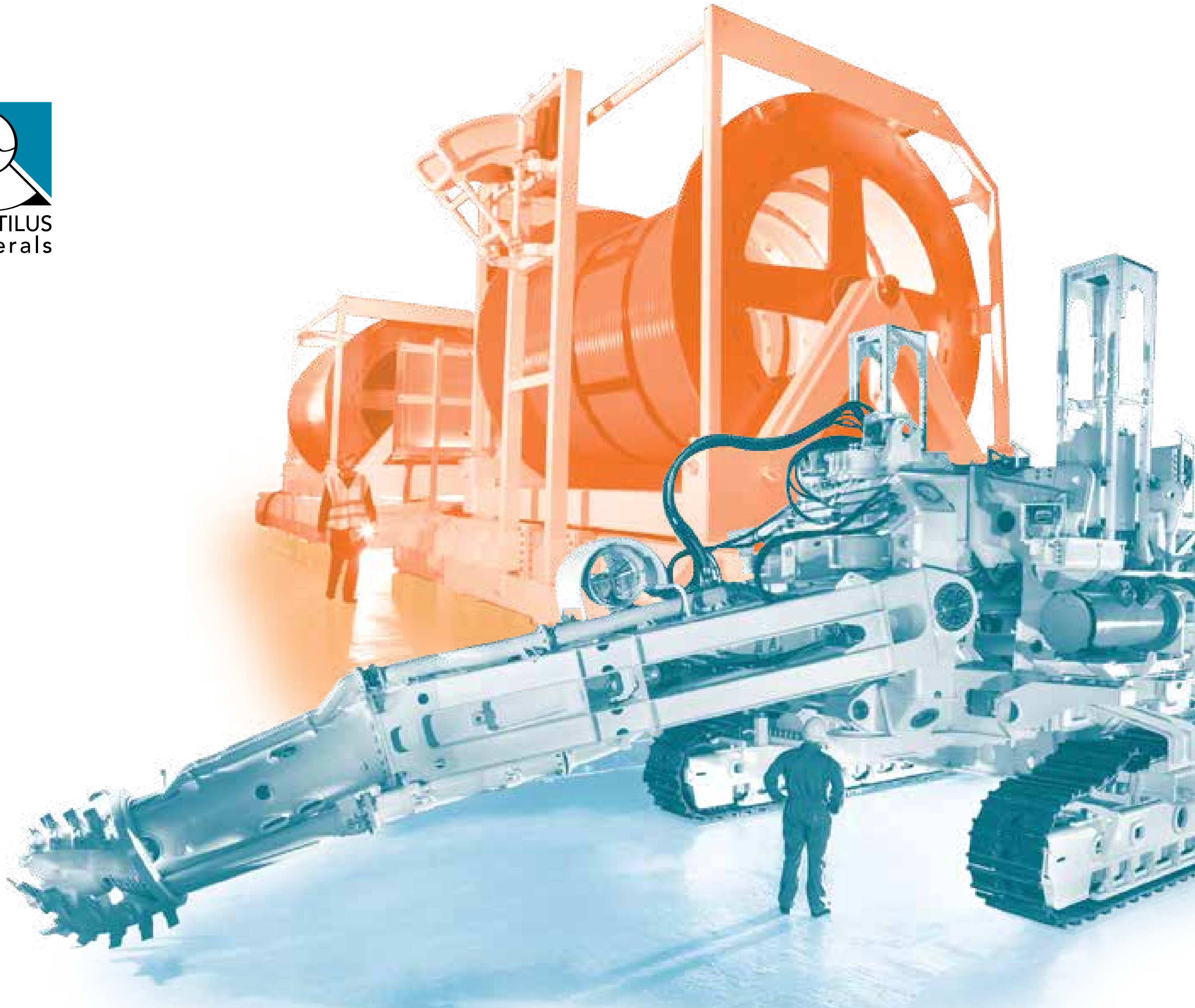
NAUTILUS MINERALS
ANNUAL REPORT 2014

FORGING AHEAD

NAUTILUS
Minerals



As the Seafloor Production Tools enter the commissioning phase and the Riser and Lifting System is nearing completion, the final component of Nautilus Minerals' Seafloor Production System, the Production Support Vessel (PSV), is on the horizon. With steel cutting for the PSV scheduled for the second half of 2015, the Company is "Forging Ahead" with its seafloor copper-gold project at Solwara 1 and its goal to make deep sea mining a viable and sustainable alternative source to satisfy the world's demand for much needed minerals.

Note Regarding Forward-Looking Information for Annual Report 2014

This Annual Report includes forward-looking information, including statements with respect to the estimation of mineral resources; the realization of mineral resource estimates; plans for establishing or expanding mineral resource estimates, including plans to upgrade the inferred mineral resource at the CCZ prospect to higher levels of mineral resource and to progress the mining concept through to pre-feasibility upon finding a suitable partner; the timing of development of the seafloor production system, the Bismarck Sea prospects (including Solwara 1) and new deposits; plans for commencement of mining at Solwara 1 in 2018; success of exploration and development activities; the design and performance of the PSV, SPTs and RALS (as defined herein); the construction and delivery of the PSV; requirements for additional capital; government regulation of exploration operations; the Company's financial position and business strategy; and plans and objectives of management for future operations. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results implied by the forward-looking statements. Such factors include, among others, the risk of failure to obtain the significant equity or debt financings required to fund the completion of the build and deployment of the Company's seafloor production system; the risk that material assumptions listed in the paragraph below will not be borne out; changes in project parameters as plans continue to be refined; the risk that the environmental impact of the Company's planned mining operations and seafloor production system will be different than the Company's expectations; any additional permitting or licensing requirements associated with any modifications to the scope of the Solwara 1 Project; the over-arching risk that the Company will not commence production of mineralized material in 2018 or at all; possible variations in resources, grade or recovery rates; the insolvency of MAC (as defined herein) or the applicable shipyard and other events which may cause a delay to the delivery of the PSV; the risk that the obligations under the Tongling sales agreement are not fulfilled; late delivery of the PSV and SPTs or other equipment; variations in the cost of the PSV and SPTs or other equipment; variations in commodity prices and exchange rates; the failure to obtain regulatory approval for financings; changes in the cost of fuel and other inflationary factors; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. The Company does not intend to complete a pre-feasibility study or feasibility study or define a large, long life resource or reserve before finalizing the construction of equipment and commencing production at Solwara 1. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with the decision to proceed to production at Solwara 1. Production and economic variables may vary considerably due to the absence of a completed and detailed analysis as would be included in a feasibility study. These and other risk factors are presented in the Company's most recent Annual Information Form, available at www.sedar.com.

Such forward-looking statements are current only as at the date hereof and are based on numerous material assumptions (that management believes are reasonable) regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including the Company's continued compliance with regulatory requirements; the proposed mine plan and the estimated cost and availability of funding for the continued exploration and development of the Company's tenements; and that key components of the seafloor production system will be built on schedule and in accordance with the Company's specifications, and will operate as planned. The Company has also assumed that market fundamentals will result in sustained copper and gold demand and prices; that the proposed development of its mineral projects will be viable operationally and economically and proceed as expected; and that the additional financing needed will be available on reasonable terms.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, the assumptions made may not prove to be correct or there may be unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. As such, the reader is cautioned not to place undue reliance on forward-looking information. Other than as required by applicable laws, the Company does not intend to update forward-looking information. See also the "Cautionary Note Regarding Forward Looking Statements" contained in the Company's MD&A included in this Annual Report (page 31).

Scientific and Technical Disclosure

All information of a scientific or technical nature contained in this Annual Report has been reviewed and approved by Jonathan Lowe, the Vice President Strategic Development and Exploration of Nautilus and a "qualified person" under National Instrument 43-101.

Contents

Chairman's Letter

DEAR SHAREHOLDER,

It is very pleasing to be able to report to you that after three years of slow progress our team has sprung back into action following the commercial resolution achieved with the Independent State of Papua New Guinea (the State) in 2014.

Full marks go to our very able executive team, headed by Mike Johnston who together persevered when others might have given up. Nautilus has entered into a joint venture with Eda Kopa (Solwara) Limited, Petromin PNG Holdings Limited's subsidiary, holding its Solwara 1 mining interest. Full payment for the State's 15% interest in the Solwara 1 Project up to production, was received on December 11, 2014, paving the way for a rapid move forward in 2015.

At a well attended ceremony to celebrate this achievement, local dignitaries and Nautilus representatives expressed steadfast support and heartfelt enthusiasm for the joint venture relationship for Solwara 1 and potential future projects in the Bismarck Sea.

The State's endorsement has had a cascading effect on the activities and departments across the Company which has lead to several milestones being achieved in 2014 and the beginning of 2015. After an extensive vetting process involving many countries and companies, we found a compatible partner for our Production Support Vessel (PSV), the final component of our seafloor production system. A vessel charter was secured with Dubai-based Marine Assets Corporation (MAC) which specialises in the delivery of new build support vessels for the offshore oil and gas industry.

Under the charter arrangement MAC will provide marine management of the PSV allowing Nautilus to focus on the mining operation. Operating the PSV will be no small feat being roughly 220 metres long with a 40 metre beam and having gross size of 75,000 tonnes with accommodation for up to 180 people; literally the size of a small aircraft carrier.

In late 2014, MAC contracted the final design and construction of the PSV to Fujian Mawei Shipyard in Fuzhou City, Fujian Province, China, in accordance with our specifications. The 139 year old shipyard is focused on the construction of advanced offshore support vessels for the oil and gas industry. In the last 10 years, MAC has overseen the construction and delivery of more than 30 vessels from the Fujian Mawai Shipyard.

In February 2015, contracts were placed with Rolls Royce of Norway to supply the main engines, azimuth and thruster packages for the vessel's dynamic positioning system. At the same time, Bedeschi SPA in Italy were awarded the contract for the cargo handling equipment which will store and remove the mined material from within the PSV and then directly on to Handimax vessels for transhipment to our processing partner in China, Tongling Nonferrrous Metals Group Company, Limited.

In March 2015, Soil Machine Dynamics (SMD) of Newcastle upon Tyne (UK) successfully completed factory acceptance testing on the umbilical winches. They are part of the mechanism to raise and lower the three very large Seafloor Production Tools (SPTs) that are powered and controlled from the PSV, via the umbilical cord

Chairman's Letter

WE ARE DELIGHTED TO HAVE FORMALLY COMMENCED OUR PARTNERSHIP IN THE SOLWARA 1 PROJECT WITH THE STATE OF PNG. WE APPRECIATE THE CONTINUED SUPPORT WE HAVE RECEIVED FROM THEM IN REACHING THIS SIGNIFICANT MILESTONE.

that the winches feed out. SMD is currently commissioning the three SPTs. Nautilus is making plans for wet testing of the SPTs, scheduled in the first half of 2016, once we have received delivery of them.

In April 2015, two other long lead item contracts were awarded. The first was awarded to MacGregor, headquartered in Kristiansand, Norway for the vessel deck mounted cranes. The 2,500 metre heave compensated main crane will provide critical lifting support for our subsea mining equipment, while the deck crane will provide lifting support on deck. The second contract was awarded to Siemens International Trading (Shanghai) Ltd., a wholly owned subsidiary of Siemens AG, for the supply of the entire electrical installation for the PSV.

With our mining construction program now reinvigorated, our exploration program is being resumed for Seafloor Massive Sulphide (SMS) deposits as well as deep ocean polymetallic nodule deposits containing nickel, copper, cobalt and manganese.

Our first priority is to expand our PNG resources of SMS metals. The first of our additional systems to be permitted will be Solwara 12, in respect of which additional testing, environmental studies and permitting studies are currently in progress.

Our other SMS prospects in the South Pacific need further evaluation to define their size and metal content. We recently signed a contract with marine exploration contractor Guardline CGG, with whom we have successfully worked with in the past, to provide the services to allow us to carry out a multi-beam echo sounder and metal plume hunting program for our Solomon Islands licences. The vessel for this program will be the MV Duke which we have also successfully used in the past. This program is due to commence in May 2015.

2014 was a seminal year in which we reached amicable agreement with PNG for their participation in our project. There followed major engineering and construction steps forward in our quest to be mining in 2018.

I especially want to thank our management team, staff, contractors and suppliers but particularly our shareholders, who have stood by the Company in difficult times.

For all those who have stayed the distance to see the start of our next development phase to become the world's premier seafloor mining company, I say thank you from the Board.

A. Geoffrey Loudon

Chairman, Nautilus Minerals Inc.

Geoff Loudon

Q&A with the CEO

WHAT HAVE BEEN THE MAJOR ACHIEVEMENTS FOR NAUTILUS OVER THE PAST YEAR?

The past year has been very challenging but at the same time very successful for Nautilus, as we continued with our goal of advancing seafloor mining. Firstly, 2014 saw us settle the commercial dispute with the Independent State of Papua New Guinea (the State). This culminated with the State becoming our partner in the Solwara 1 development and pre-paying their $120 million dollar investment to earn a 15% equity stake in the joint venture. We are delighted to have the State as our partner. It represents a major vote of confidence in our Company and seafloor mining in particular.

2014 also saw another major project milestone with the awarding of the contract for the design, build and delivery of the Production Support Vessel (PSV). After a long process of reviewing, vetting and visiting numerous ship operators and manufacturers over an 18 month timeframe, we secured the charter of the PSV with Dubai based Marine Assets Corporation (MAC). MAC specialises in the delivery of new build support vessels for the offshore oil and gas, and construction industries. We are delighted to have them as our partner and to provide management of the PSV that will be used as the operational base for mining at Solwara 1.

MAC has contracted Fujian Mawei Shipbuilding in China to design and construct the PSV in accordance with Nautilus' specifications. The 139-year-old Fujian Mawei Shipyard is becoming a major player in the construction of advanced offshore support vessels for the oil and gas, and construction industries. The yard has supplied MAC with more than 30 vessels over 10 years and has 25 currently in build.

Over the past year we also continued to make excellent progress in the build of the Seafloor Production Tools (SPTs). All three machines are now assembled and in the process of commissioning at Soil Machine Dynamics in the UK. Wet testing of the SPTs is planned for the first half of 2016, prior to delivering to the yard for integration into the PSV by late 2016.

Finally, the support that we have received from the New Ireland and East New Britain Provincial Governments and Local Level Governments has been very humbling and essential for the Company, as we have been moving our Solwara 1 Project forward. Our hard working national staff have done a tremendous job over the past twelve months taking our messages and programs out to remote villages and bringing back the feedback, ideas, thoughts and aspirations of local communities.

WHAT IS THE COMPANY'S GREATEST ACCOMPLISHMENT TO DATE?

We believe we have designed and are building a system that should allow us to mine the ocean floor in a responsible, environmentally friendly, cost effective and sustainable manner, that has the potential to change mining forever. We are proud to be leading the industry into a future where mining can be more sustainable, have less waste, a smaller environmental footprint and would no longer have to compete directly for land use as it has for thousands of years. If successful, these can be legacies we as a company will be proud of.

There has been a lot of innovation that Nautilus, in partnership with other industry leading companies, has developed and patented which will set the standard for future resource development.

Some of these highlights include the design and engineering of the SPTs, the Riser and Lifting System and the innovative technology we have employed in the PSV. While all of these are based on existing technology to varying degrees, they all required various levels of modification and innovation for the deep sea environment and the specific requirements of seafloor mining.

Throughout Nautilus' history a common theme in how we operate is the methodical and meticulous approach we have taken to establish best practices and appropriate technology and methodologies. This is demonstrated by the approach taken in the development of our Environmental Impact Statement for Solwara 1. Working with all stakeholders, we

Q&A with the CEO

WE ARE EXCITED TO HAVE SECURED A VESSEL CONTRACT WITH SUCH AN EXPERIENCED VESSEL PROVIDER AS MARINE ASSETS CORPORATION. WE NOW LOOK FORWARD TO WORKING WITH MAC AND THE SHIPYARD IN SEEING THE DELIVERY OF OUR FIRST VESSEL AND MAKING SEAFLOOR MINING A REALITY.

developed a comprehensive research program to characterize the environment at Solwara 1 and consulted extensively with interested groups. Extensive review by the PNG government and outside agencies was then undertaken to ensure that potential impacts will be minimized and mitigation strategies could be built into ongoing designs. These reviews and consultations are ongoing and will ensure that Nautilus' environmental practices continue to be recognised as one of the standards for proper deep ocean assessment and resource utilization.

I think we also need to recognize the leading role of the State, both at home and internationally. Throughout the permitting process, the State has shown itself to be development friendly but in a responsible and measured way and only after extensive consultation and engagement with all key stakeholders. This consultation is ongoing. We are now in the project "build phase" and work extensively with State agencies. Consultation will continue right through to final closure and ongoing rehabilitation, in accordance with PNG laws.

Similarly, Nautilus' partnership with industry leading manufacturers is indicative of our approach to set a high standard for seafloor resource production. Industry partnerships include Soil Machine Dynamics in the manufacture of the SPTs, Sandvik for the development of the SPTs' cutting heads, GE Oil and Gas in the development of the subsea pump, GMC for the riser system, Marine Assets Corporation for the management and operation of the PSV and Fujian Mawei for the construction of the PSV.

WHAT GOALS DO YOU HAVE FOR THE NEXT 12 MONTHS?

Our primary goal for the next 12 months is to remain focused on the build of the PSV and delivery of the equipment that will be integrated in the PSV. When completed, the PSV will measure 227 metres in length and 40 metres in width with accommodation for up to 180 people and generate approximately 31MW of power. All of the below deck mining equipment will be installed during the build process to expedite integration of the SPTs on the PSV following delivery.

2015 will see the ordering of long lead vessel components, delivery of the riser equipment, continuation of detailed vessel design and cutting of first steel for the PSV.

Already, the order for the main engines, azimuth and thruster packages has been awarded to Rolls Royce Marine, Norway and was the first major package to be awarded by the shipyard, Fujian Mawei Shipbuilding. We have also seen the cargo handling equipment awarded to Bedeschi SPA, Italy. This state of the art cargo handling system is used to transfer the dewatered material into four storage holds in the PSV and then to recover the material from the storage holds and transfer the material to China for processing by Tongling Nonferrous Metals Group. The order for the cranes, which consist of two knuckle boom units, has been awarded to MacGregor, Norway. Both cranes will be used to load stores, spares and support the maintenance of shipboard SPTs and other items of production equipment during mining operations. The larger crane will also be

Q&A with the CEO

Mel Togolo, Nautilus Minerals PNG Country Manager and Mike Johnston, Nautilus Minerals President and CEO signing the contract for the joint venture between Nautilus Minerals and the nominee of the Independent State of Papua New Guinea in respect of the Solwara 1 Project

capable of deploying and recovering various items of mining equipment directly to and from the seafloor. The final major order placed was for the supply of the entire electrical installation for the PSV. This has been awarded to Siemens.

Finally, 2015 will see us recommence our exploration initiatives in a measured way, focussing in the South West Pacific and in particular the advancement of our pipeline of Seafloor Massive Sulphide (SMS) systems. This work is important to our future but will not be distracting us from our primary task of delivering the Solwara 1 Project on time and on budget.

WHAT IS THE FUTURE OF THE SEAFLOOR MINING INDUSTRY?

We know that 70% of the planet is covered by water. The International Seabed Authority has already published that there is more copper on the seafloor than all the reserves known on land. Copper on the seafloor is on average at a much higher grade than on land. For example, at Solwara 1, the copper grade averages 7% which is some 10 times higher than what is typically found on land.* It only stands to reason that as the demand for minerals continues to rise, land resources will struggle more and more to meet this rising demand. I believe the mining industry is at the same juncture the oil and gas industry was at 50 years ago when it first started to go offshore. Now around 30% of the world's oil and gas comes from offshore sources.** In the future I think it is only reasonable to expect that around a third of our key metals and minerals will be extracted offshore. Seafloor mining has the potential to change the face of the mining industry forever and make a real sustainable contribution to our planet's health.

World demand for copper continues to increase. Copper is still needed extensively for power reticulation but is now also needed for many new high technology applications such as wind turbines and electric cars. Coupled with increasing demand from developing countries within basic power infrastructure, I believe we will see a steady growing demand for copper and other metallic elements. Land-based copper mines are getting deeper and more costly. Deep underground mines are incredibly expensive. A shaft of 1,500 m costs hundreds of millions of dollars and it's fixed and it can't be moved. Entire communities of people continue to need to be relocated or compensated to build new mines, while infrastructure such as roads, power and water supplies and tailing and water dams are also required, many having long term environmental footprints and impacts.

In deep sea mining we don't have those challenges. The mineralised material generally sits proud on the seafloor with minimal overburden. There are no people required in the mine site, as the operation on the seafloor is controlled remotely by people on the vessel at the surface. No communities of people need to be moved to make way for the mine and the entire seafloor infrastructure can be moved to the next mining site once mining is completed.

* SNL Metals Economics Group

** www.worldoceanreview.com/en/wor-1/energy/fossil-fuels/ and www.modec.com/about/industry/oil_gas.html

Q&A with the CEO

Umbilical Winches

* See note 1 and 2 on Page 18

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MILLION WET TONNES OF NODULES IS NAUTILUS' INFERRED RESOURCE* WITHIN THE CLARION CLIPPERTON ZONE

Nautilus Minerals through its subsidiary Tonga Offshore Mining Limited, is leading the development of this enormous, currently untapped potential of polymetallic nodules on the seafloor.

So far in this report, we have focused entirely on SMS deposits. However, Nautilus also holds exploration licenses for polymetallic nodules found in the Eastern Pacific in an area called the Clarion Clipperton Zone. These potato-sized nodules are rich in nickel, cobalt, copper and manganese and literally sit on the seafloor in staggering abundance. Our maiden mineral resource estimate is set at about *410 million wet tonnes of the nodules and our holding is but a small part of the overall area.

The proposition for seafloor mining is compelling. Dwindling grades of land-based mines and the enormous monetary and social costs involved in their development, compared to the larger size of mineral deposits found on the ocean floor and the higher grades provides a compelling proposition for a better overall outcome for the planet from mining the seafloor.

Our goal is to show the world this can be done well and to ensure we extract minerals from the ocean in a sustainable manner for future generations.

Mike Johnston
President and CEO,
Nautilus Minerals Inc.

Key Events in 2014/15

Side view of one of the Umbilical Winches

01

Confirmed grade and extent of polymetallic nodule deposit. The work was carried out over a contract area in the CCZ solely owned by Nautilus' 100% subsidiary Tonga Offshore Mining Limited.

02

Signed an agreement with the Independent State of Papua New Guinea (the State), who agreed to take an initial 15% interest in the Solwara 1 Project with the option to increase to a total interest of 30%.

03

Received payment from the State's nominee, Eda Kopa (Solwara) Limited (State Nominee) for the State's 15% interest in the Solwara 1 Project (US$120 million) & formed a Joint Venture.

04

Entered into a vessel charter agreement (for the charter of a vessel to be first deployed for use at the Solwara 1 Project), with Marine Assets Corporation (MAC), a marine solutions company based in Dubai which specialises in the delivery of new build support vessels for the offshore industry.

05

Confirmed that MAC entered into a contract with Fujian Mawei Shipbuilding Ltd., based in Fujian province in south-eastern China, to design and construct the vessel in accordance with Nautilus' specifications.

06

Advanced the mechanical and hydraulic assembly of the three Seafloor Production Tools (SPTs) and commenced commissioning of all three SPTs at subsea vehicle designer and manufacturer, Soil Machine Dynamics Ltd of Newcastle upon Tyne, UK, the company building the SPTs for Nautilus.

07

Awarded key contracts for the long lead vessel items (vessel engines, thrusters, cargo handling and cranes).

Left, Robin Reeves, CEO of Marine Assets Corporation and right, Nautilus Minerals Chairman, Geoff Loudon, at the signing ceremony for the shipbuilding contract, held at the Fujian Mawei Shipbuilding Ltd. yard

Project Overview

STATUS: Development of the various components of the seafloor production system continued during the past year with significant progress made on the seafloor production tools, the riser and lifting system, the launch and recovery system and the production support vessel.

>95%

OF THE SEAFLOOR PRODUCTION TOOLS ARE COMPLETE.

01
Solwara 1
Project location.

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*.

Key Facts about Solwara 1

- Located in the Bismarck Sea, Papua New Guinea
- 30 km from nearest coast (New Ireland Province)
- Small extraction area: 0.1 km^2
- Fully permitted
- The Project has strong local and national support

* please refer to page 17 for further details of the Solwara 1 mineral resource estimate

Seafloor Production Tools

During the year at Soil Machine Dynamic's (SMD) facility in Newcastle upon Tyne, UK, work advanced on the mechanical and hydraulic assembly of the Bulk Cutter, Collecting Machine and the Auxiliary Cutter, resulting in the commencement of commissioning of all three Seafloor Production Tools (SPTs). In total the SPTs are more than 95 percent finished and it's anticipated that following Factory Acceptance Testing (FAT) completion, delivery of all three SPTs is expected by the end of 2015. The three umbilical winches that store and manage the power and control umbilicals were designed, procured and assembled at SMD. In March 2015 the Company announced that the umbilical winches for the three SPTs had successfully completed FAT. The umbilical cables will soon be installed onto the umbilical winches and they will be delivered to the shipyard by Q4 2015 for integration on to the Production Support Vessel.

Launch and Recovery System

The Launch and Recovery System (LARS) which will be used to lift the tools in and out of the water, is comprised of A frames, lift winches, hydraulic power units, electric power units and deck control cabins. They are complete and in storage at the individual manufacturers locations in Poland, Korea and Norway respectively. The LARS will be consolidated at the shipyard in late 2015 or early 2016.

Project Overview

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THOUSAND CYCLES ACHIEVED WITH NO DEGRADATION OF THE VALVE INNERS.

Riser and Lifting System

GE Oil and Gas, the primary contractor for the Riser and Lifting System manufacture, has begun retrieval and inspection of the components that were previously in storage or in mid assembly when the contracts were terminated in 2012. The manufacture of components such as the derrick and riser handling systems, surface seawater pumps, pull in skids, riser transfer hoses and other ancillary equipment is to be resumed with delivery dates dictated by the shipyard requirements for the Production Support Vessel (PSV). These components are to be integrated onto the PSV during vessel manufacture.

Final full scale loop testing of the Subsea Slurry Lift Pump (SSLP) was conducted during the past year with 168,000 cycles achieved with no degradation of the valve inners and is now complete. The SSLP will recommence assembly in July 2015.

In total, the delivery of the Riser and ancillary equipment is expected by the end of December 2015 with delivery of the SSLP expected in the first half of 2016.

2018

FIRST MINING OPERATIONS PLANNED TO BEGIN AT SOLWARA 1.

Production Support Vessel

In November 2014, Nautilus announced an agreement for the charter of a PSV to be first deployed at the Solwara 1 Project, the final component of its seafloor production system.

Marine Assets Corporation (MAC), a marine solutions company based in Dubai which specialises in the delivery of new build support vessels for the offshore industry, will own and provide the marine management of the PSV. The PSV will be chartered to Nautilus for a minimum period of five years at a rate of US$199,910 per day, with options to either extend the charter or purchase the PSV at the end of the five year period.

Fujian Mawei Shipbuilding Ltd., based in Fujian province in south-eastern China has been contracted by MAC, to design and construct the PSV in accordance with Nautilus' specifications.

The PSV will first serve as the operational base for the joint venture (Solwara 1 Joint Venture) formed by Nautilus and the Independent State of Papua New Guinea's nominee, Eda Kopa (Solwara) Limited, a wholly owned subsidiary of Petromin PNG Holdings Limited, to support the operations carried out by the Solwara 1 Joint Venture to extract and to transport high grade copper and gold material from the Project site, in the Bismarck Sea of Papua New Guinea.

Project Overview

Fujian Mawei Shipbuilding Ltd. yard

2017

(Q4) IS THE EXPECTED DELIVERY DATE FOR THE PSV.

When completed, the PSV will measure 227 metres in length and 40 metres in width, with accommodation for up to 180 people and generate approximately 31MW of power. All of the below deck mining equipment will be installed in the PSV during the build process to minimize the equipment integration to be completed following delivery of the PSV.

Marine Assets Corporation (MAC)

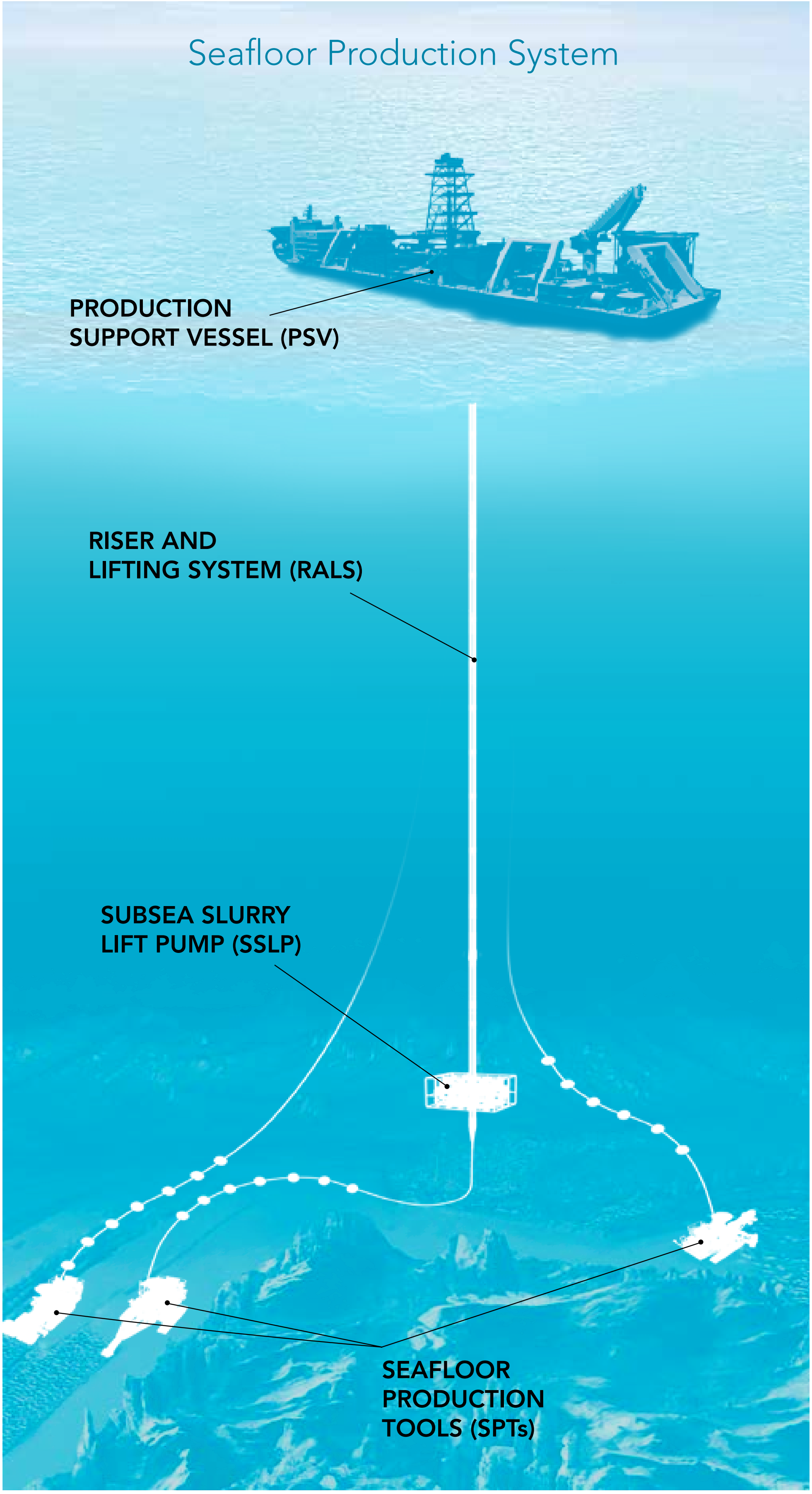
MAC has a proven track record in the turnkey delivery of new build vessels constructed to internationally recognised quality standards.

Over the last 10 years, MAC has overseen and participated in the successful delivery of over 30 vessels from shipyards in China. New build supervision is a speciality of MAC, with an on-the-ground Chinese and Chinese speaking team supported by an international management team.

Fujian Mawei Shipbuilding Ltd (Mawei)

Mawei Shipbuilding is a wholly state-owned enterprise with the largest shipbuilding and repair scale in Fujian province. Founded in 1866, it is the oldest shipbuilder in Southeast China. The company was restructured in 2001 by local government and became a fully-owned subsidiary of Fujian Shipbuilding Industry Group Corporation. Mawei Shipbuilding now has two shipbuilding bases in production: Mawei yard and Liya yard covering areas of about 280,000 m^2 and 400,000 m^2 respectively, and a third facility under construction at Culu Island, which is intended to cater for additional work for the offshore services market.

Project Overview



HOW IT WILL WORK

Rock is disaggregated on the seafloor by two large robotic machines that excavate material by a continuous cutting process, not unlike coal or other bulk continuous mining machines on land. The Auxiliary Cutter (AC) is a preparatory machine that deals with rough terrain and creates benches for the other machines to work. It will operate on tracks and has a boom mounted cutting head for flexibility.

The second machine, the Bulk Cutter has higher cutting capacity but will be limited to working on flatter areas and benches created by the AC. Both machines leave cut material in temporary positions on the seafloor for collection by the third machine, the Collecting Machine (CM). The CM, also a large robotic vehicle, will collect the cut material by drawing it in as seawater slurry with internal pumps and pushing it through a flexible pipe to the Riser and Lifting System (RALS).

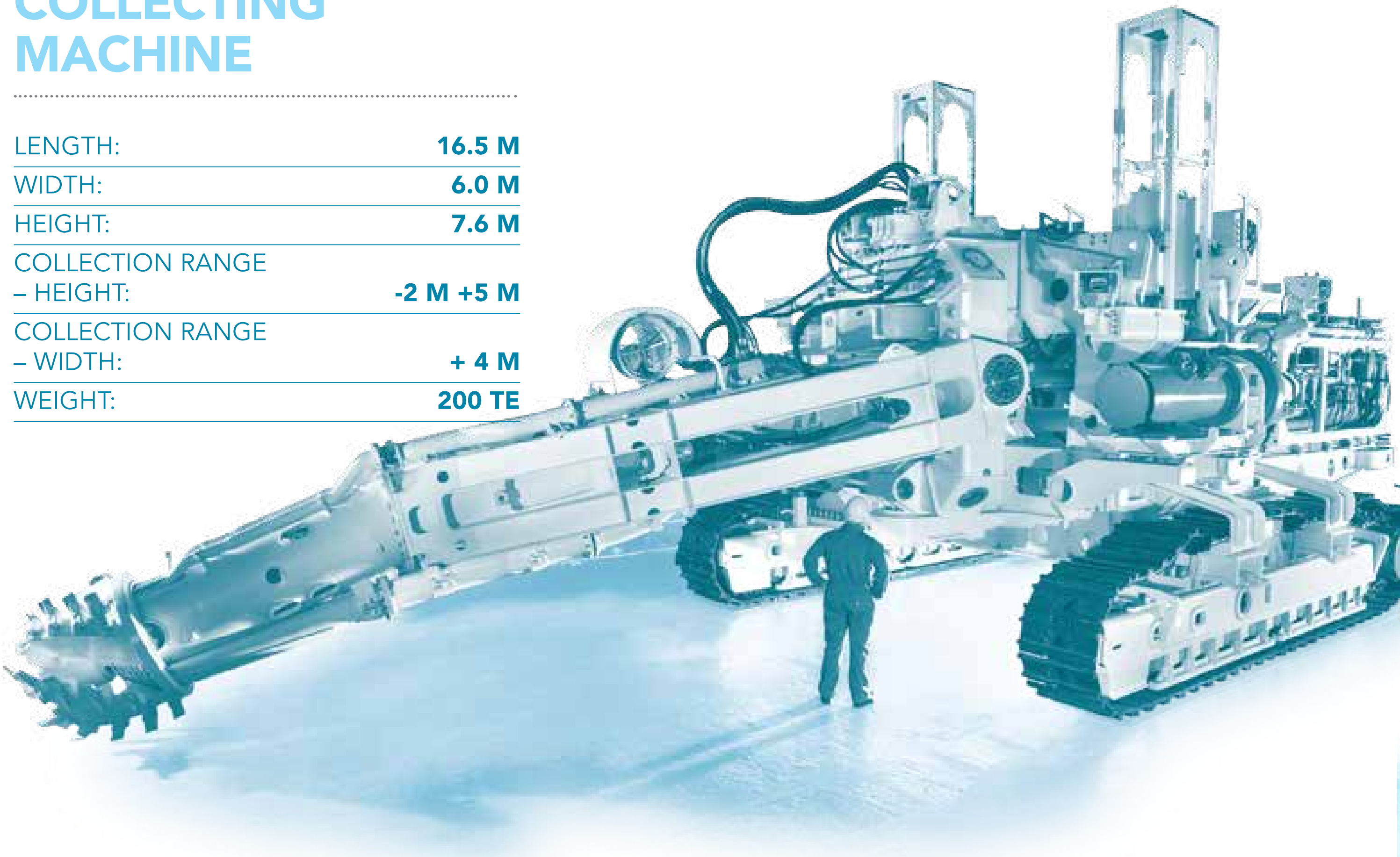
The RALS comprises a large pump and rigid riser pipe supported from the vessel which delivers the slurry to the surface. The pump is supported on a solid vertical (riser) pipe suspended beneath the support vessel.

On deck of the Production Support Vessel (PSV), the slurry is dewatered. The dewatered solid material is stored temporarily in the PSV's hull, and then discharged to a transportation vessel moored alongside. Filtered seawater is pumped back to the seafloor through the riser pipes and provides hydraulic power to operate the RALS pump. Discharge of the return water at the seafloor from where it came eliminates mixing of the water column, and minimizes the environmental impact of the operation.

Project Overview

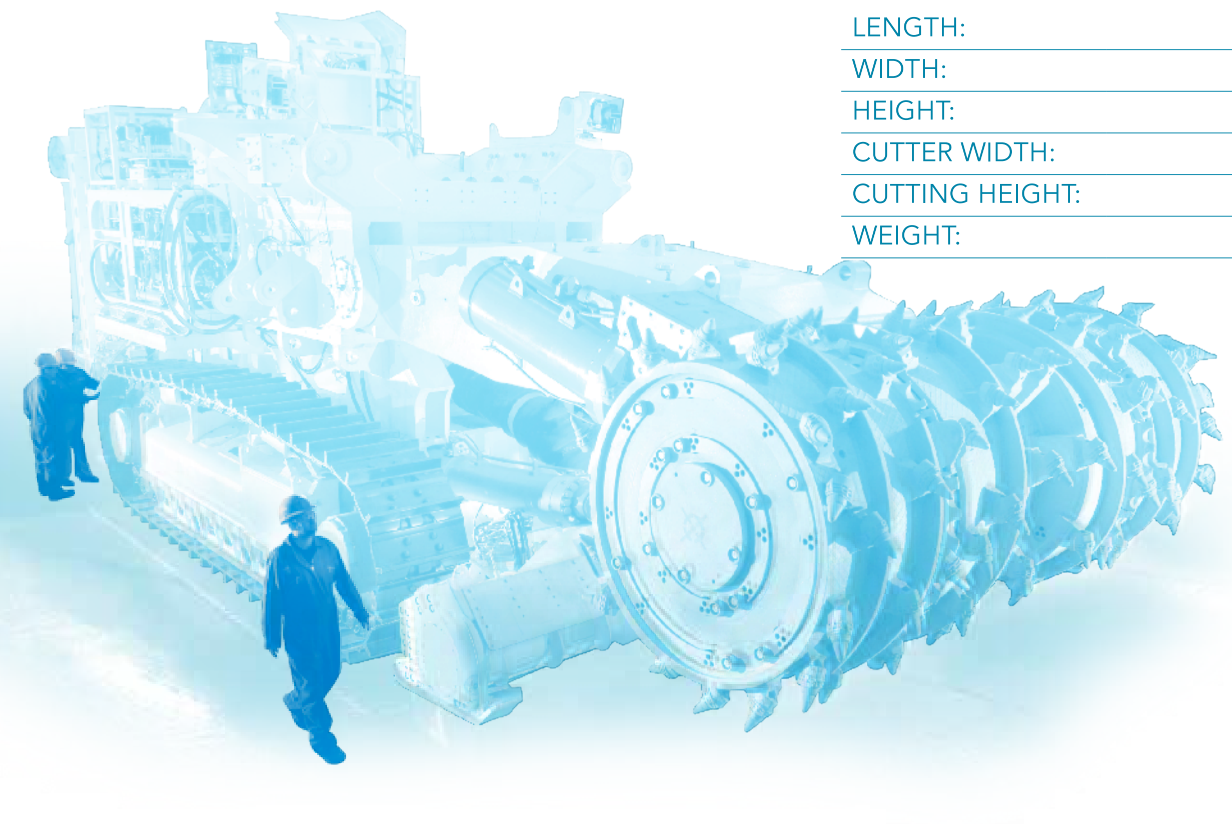
COLLECTING MACHINE

LENGTH:	16.5 M
WIDTH:	6.0 M
HEIGHT:	7.6 M
COLLECTION RANGE – HEIGHT:	-2 M +5 M
COLLECTION RANGE – WIDTH:	+ 4 M
WEIGHT:	200 TE



BULK CUTTER

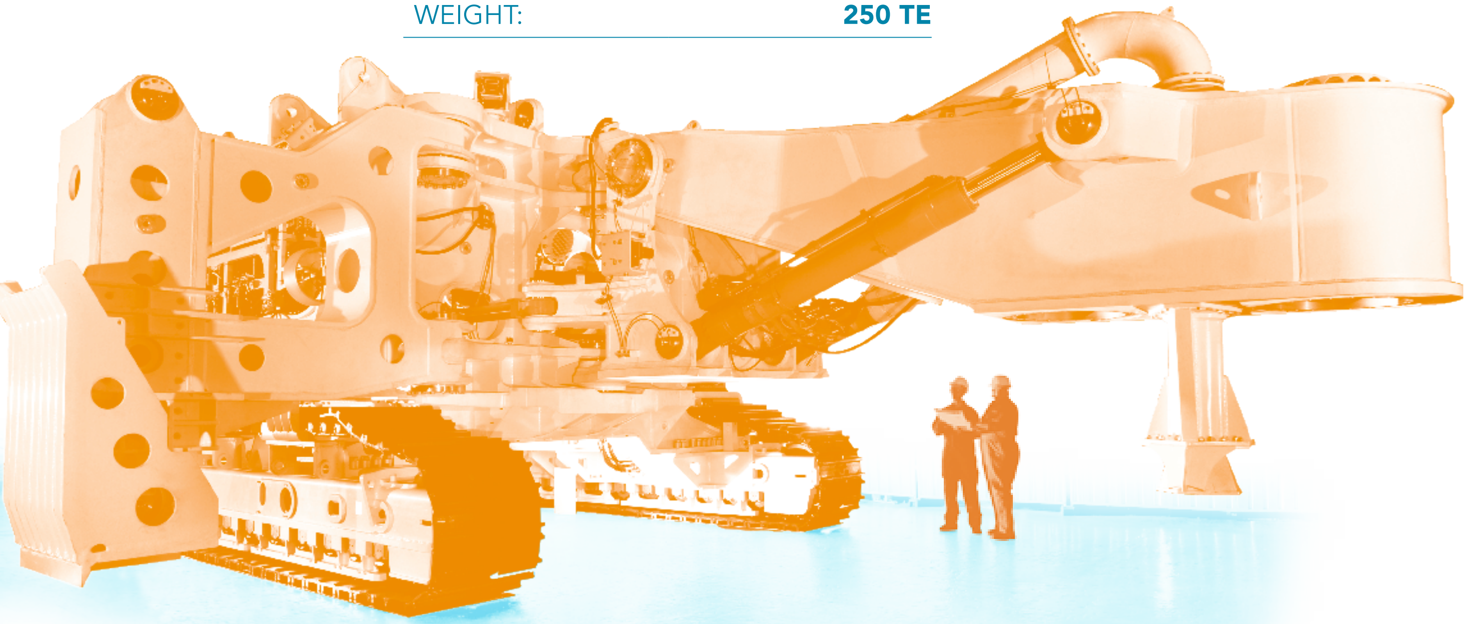
LENGTH:	14.2 M
WIDTH:	4.2 M
HEIGHT:	6.8 M
CUTTER WIDTH:	4.2 M
CUTTING HEIGHT:	+4 -0.5 M
WEIGHT:	310 TE



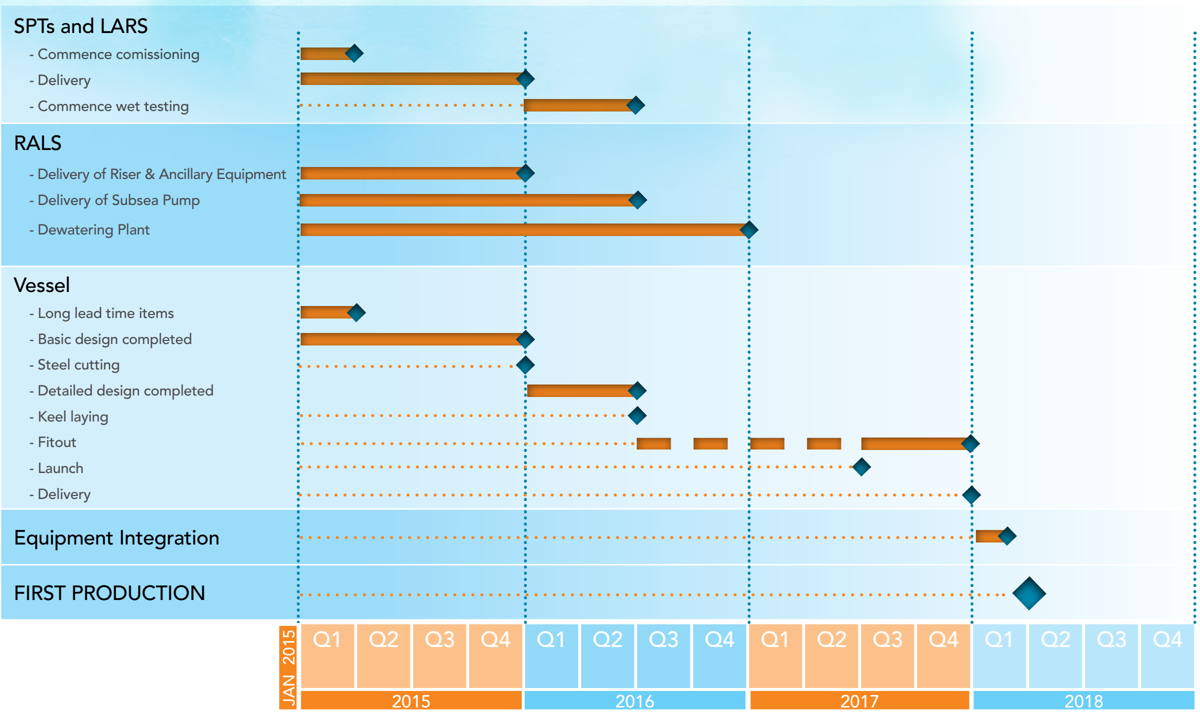
Project Overview

AUXILIARY CUTTER

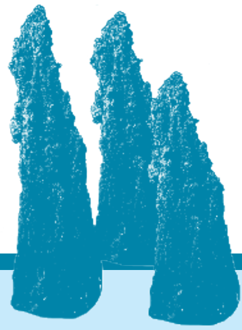
LENGTH:	15.8 M
WIDTH:	6.0 M
HEIGHT:	7.6 M
BOOM SWING:	11.6 M
BOOM CUTTING:	+4 -1.0 M
WEIGHT:	250 TE



ANTICIPATED PROJECT TIMELINE



Exploration Overview



STATUS: **Nautilus has recently signed a contract with Gardline CGG Pte Ltd to provide exploration services for Nautilus' 2015 program in the Solomon Islands. The Company plans to generate targets to expand Nautilus' Seafloor Massive Sulphide prospect inventory within its 100% owned Solomon Islands exploration licenses.**

423

THOUSAND KM² EITHER GRANTED OR UNDER APPLICATION AS OF DECEMBER 31, 2014.

01
Australia - Brisbane Project Office

02
Papua New Guinea - Port Moresby Office

03
Kingdom of Tonga - Nuku'alofa Office

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 metal-rich accumulations. They are considered the modern analogues of volcanogenic massive sulphide deposits, historically a major source of the world's copper, gold, zinc and silver.

Nautilus Minerals and its wholly owned subsidiaries continue to maintain one of the world's largest mineral exploration licence portfolio; with~ 423,000 km² either granted or under application as of December 31, 2014. This significant package of prime exploration tenements can be found in the territorial waters and Exclusive Economic Zones (EEZs) of Papua New Guinea, Tonga, Solomon Islands, Fiji, Vanuatu, New Zealand and The Area*.

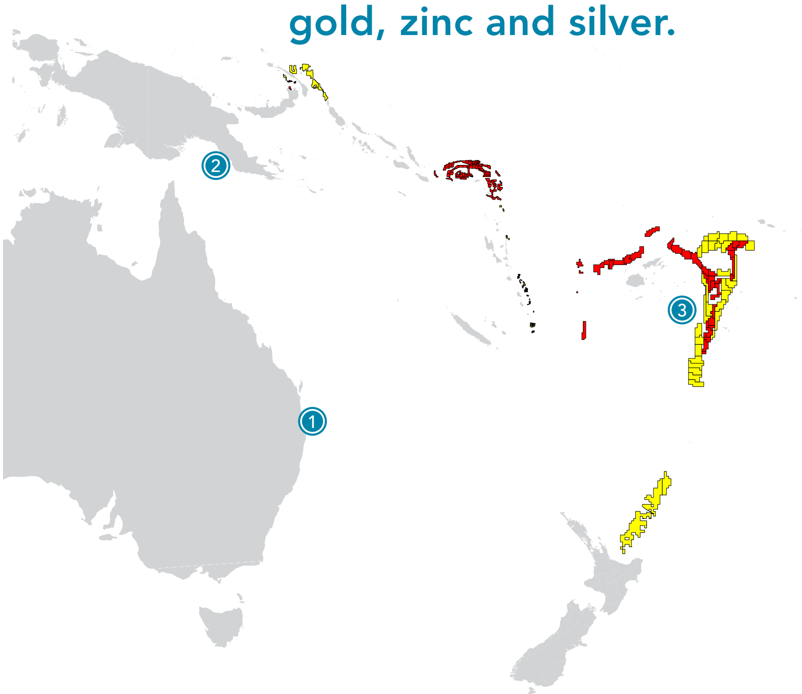
Nautilus has a track record of successfully discovering Seafloor Massive Sulphide (SMS) systems on these tenements.

* The Area refers to the contract area held by a subsidiary of Nautilus in the CCZ, administered by the International Seabed Authority

SOUTH WEST PACIFIC REGION TENEMENT MAP

Tenement - Application

Tenement - Granted



Exploration Overview

SMS Deposit

NAUTILUS MINERALS SMS EXPLORATION

Following resolution of the commercial dispute with the Independent State of Papua New Guinea last year, the Company has recommenced its exploration initiatives, focussing in the South West Pacific in Q2 2015 pursuing:

- resource evaluation of the Company's Tongan prospects
- greenfield target generation in the Solomon Islands, Vanuatu and other countries where it holds tenements

During 2014, the Company refined its plans and worked with both government regulators and potential service providers, to design the ramp up of the Company's various SMS exploration initiatives.

Nautilus Minerals' current resource estimate for Solwara 1 and the maiden inferred resource for the Solwara 12 deposit (located 25km north-west of Solwara 1) can be seen in Table 1 below. For further details refer to the NI 43-101 Technical Report dated March 23, 2012 entitled "Mineral Resource Estimate, Solwara Project, Bismarck Sea, PNG" prepared by Golder Associates Pty Ltd, which can be downloaded from the Canadian Securities Administrators database SEDAR (**www.sedar.com**).

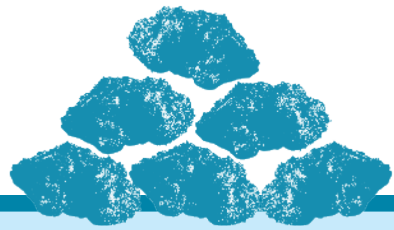
Table 1
Nautilus Minerals' Resource Estimate 2011.

Solwara 1	Class	Tonnes (kt)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Contained Cu (t)	Contained Au (koz)
2011	Indicated	1,030	7.2	5.0	23	0.4	74,160	165.6
@2.6% Cu Eq cut off	Inferred	1,540	8.1	6.4	34	0.9	124,740	316.9

Solwara 12	Class	Tonnes (kt)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Contained Cu (t)	Contained Au (koz)
2011								
@2.6% Cu Eq cut off	Inferred	230	7.3	3.6	56	3.6	16,790	26.6

Resource Estimate prepared by Ian Lipton, BSc (Hons), FAus IMM, Principal Geologist, a qualified person as defined by National Instrument 43-101. Effective Date: March 23, 2012.

Exploration Overview



STATUS: Nautilus Minerals is the first publicly owned private sector organisation to be granted an exploration licence in the highly prospective Clarion Clipperton Fracture Zone of the Central Pacific, through its 100% owned subsidiary Tongan Offshore Mining sponsored by the Tongan Government.

NOTE 1: Resource estimates prepared by Mr Matthew Nimmo, Principal Geologist, Golder Associates Pty Ltd, Milton, Queensland, Australia. Mr Nimmo is a Member of the Australian Institute of Geoscientists, a full time employee of Golder, and fulfils the requirements to be a "qualified person" for the purposes of NI 43-101.

NOTE 2: The resource is classified as inferred. As the nodules effectively form a single layer on the seafloor, "abundance" (kg/m^2) is used rather than volume to define the mineral resource tonnage.The mineral resource is reported at a range of nodule abundance cut offs in the NI 43-101 technical report. The tonnage reported here is at an abundance cut off of 6 kg/m^2.

POLYMETALLIC NODULE PROJECT

In addition to Nautilus Minerals SMS Projects, the Company also has an early stage development project for polymetallic nodules in the Clarion Clipperton Zone (CCZ) of the Central Pacific Ocean. In 2011 Tonga Offshore Mining Limited (TOML), a 100% owned subsidiary of Nautilus Minerals, was granted approximately 75,000 km^2 in the highly prospective CCZ, in international waters in the Central Pacific. Nautilus has released an independent maiden mineral resource estimate for its TOML property in the CCZ, highlighting the significant potential of seafloor resources in this area.

For further details please refer to the Technical Report dated March 20, 2013 entitled "Updated NI 43-101 Technical Report, Clarion-Clipperton Zone Project, Pacific Ocean", prepared by Golder Associates Pty Ltd. This can be downloaded from the Canadian Securities Administrators database SEDAR (**www.sedar.com**).

NAUTILUS MINERALS NODULE DEVELOPMENT 2014

During 2014 Nautilus further developed a mining concept for its wholly owned CCZ polymetallic nodule project. Initial desktop metallurgical studies were completed as well as preliminary engineering studies on key elements of the materials handling system with encouraging results and a path forward in terms of design alternatives.

Commencing in 2015, Nautilus intends to upgrade a sufficient portion of TOML's inferred resource estimate to an Indicated level of confidence and progress its mining concept through pre-feasibility upon finding a suitable partner.

410

MILLION WET TONNES OF NODULES:

1.2% NICKEL
1.1% COPPER
0.24% COBALT
26.9% MANGANESE

(SEE NOTE 1 AND 2)

POLLYMETALLIC NODULES

Polymetallic nodules occur in water depths generally between 4,000 and 6,000 meters. They contain significant grades of manganese, nickel, copper and cobalt and form by the precipitation of metals on the seafloor, either directly from ocean waters or via decomposing microorganisms and/or their effluent in benthic sediments. The Clarion Clipperton Zone in the Eastern Pacific has the largest known deposits. Nodules vary in size from tiny particles visible only under a microscope to large pellets more than 20 centimetres (8 in) across. However, most nodules are between 5 and 10 cm (2 and 4 in) in diameter, about the size of potatoes. Their surface is generally smooth, often rough, botryoidal (knobby) or otherwise irregular. They can be found scattered on the seabed, resting in soft benthic muds. The bottom of a nodule, buried in sediment, is generally rougher than the top.

Exploration Overview

Pollymetallic Nodules

Corporate Social Responsibility

Participants and teachers of the 2014 Marine Science Short Course

23

PARTICIPANTS FROM THE SOUTH PACIFIC WERE SELECTED TO TAKE PART IN THE MARINE SCIENCE SHORT COURSE.

Nautilus Minerals is committed to establishing best practice social, environmental, safety and health standards for all its activities. Development of the seafloor mining industry, with limited social disturbance, is part of the solution to meet the world's increasing demand for metal resources.

Nautilus respects the culture, customs, belief and values of the people in the communities closest to its operations and is committed to ensuring the Company is a trusted and valued neighbour and partner.

The Nautilus CARES program was established to present the Company's principles with respect to the community, environment and workplace health and safety initiatives associated with its activities. The CARES program governs the way Nautilus works and conducts its business, ensuring people and companies that work with and for Nautilus are Community Accountable, Responsible Environmentally and Safe.

Nautilus is committed to bettering the quality of life for the people living in the communities in which it operates. As such, Nautilus has supported and developed a variety of community based initiatives in PNG and Tonga.

Some highlights of the 2014 community initiatives program include:

EDUCATION

Marine Science Short Course

Following on from the success of the first ever Marine Science Short Course held in Papua New Guinea, Nautilus again partnered with University of Papua New Guinea (UPNG) and Duke University in 2014 to expand on the successful 2013 program. The 2014 course was held over three weeks at the National Fisheries Authority (NFA) facility on Nago Island, Kavieng in New Ireland Province. Twenty three participants were selected to take part in this program, twenty from UPNG, two from Tonga and one from Fiji.

The focus of the course was building capacity within PNG so that there can be improved environmental awareness and monitoring, as per Nautilus' commitments to the New Ireland Provincial Government (NIPG), and the state of PNG. Nautilus is working with UPNG, NFA and the NIPG to make sure it not only establishes best practices, but with the aim of being able to take part in a monitoring role down to village level with mini*ROV's.

*ROV – remotely operated vehicle

Corporate Social Responsibility

Youth in Business participants from Tupou Institute with Nautilus Minerals Country Manager Tonga, Paul Taumoepeau

School donations

Working with schools in New Ireland and East New Britain Provinces, Nautilus identified the need for new resources including textbooks, reference books and encyclopaedias. Nautilus has since been donating these resources to schools along the West Coast of New Ireland Province and Lassul Bay in East New Britain Province to assist students with their studies.

EcoCARES

In partnership with EcoCARES Pacific Trust, Nautilus continues to support the study of science in Tongan schools by sponsoring the annual National High School Science Competition. A key aim of the event is to promote and encourage further education. Nautilus has proudly sponsored this event since 2009 and will continue its support in 2015.

Youth in Business

Working alongside the Tonga Chamber of Commerce, Nautilus is encouraging young Tongan Nationals to study and progress a career in business by supporting the Youth in Business (YiB) Challenge in Tonga. The YiB is a competition for secondary schools and for tertiary & vocational institutes in Tonga that aims to increase interest in business among youth by developing a spirit of entrepreneurship and business awareness.

Nautilus supports this initiative by sponsoring the purchase of computers and business equipment for the winner of the secondary school draw as well as being one of the YiB sponsors. Nautilus has been assisting this initiative since 2011 and will continue its support in 2015.

INFRASTRUCTURE

Fire Fighting Simulator Tonga

Nautilus has sponsored the Tonga Maritime Polytechnical Institute (TMPI) in the construction of a new fire fighting simulator (FFS). The construction of an FFS is an important initiative to enhance seafarer qualifications and ensure a safer work environment for Tongan sailors. In the long term the initiative will also increase the pool of Tongan marine crew for hire by the Tongan offshore mining industry with international certification a requirement. TMPI has the potential to carry out some of the required offshore training in Tonga environment for Tongan sailors.

PNG

Nautilus is committed to improving infrastructure, in particular bridges, along the West Coast of New Ireland and is currently working with the National Department of Works and the New Ireland Provincial Administration to identify where this infrastructure would be most beneficial.

Corporate Social Responsibility

An ATproject's employee showing Rasirik community members their new fresh water supply

HEALTH

Water and Sanitation Project New Ireland, PNG

In 2014, Nautilus implemented a pilot project which focused on improving the health and hygiene of two schools (Rasirik and Labur) in the Namatanai District of New Ireland Province.

Nautilus worked alongside ATprojects, a local PNG based company, the New Ireland Provincial Government and Local Level Governments to build toilets and give access to clean water for school children. Nautilus used innovative training techniques to empower communities to question their approach to health and hygiene and see the need for change. Members of the community were then employed to construct toilets and install tanks and piping for the water supply. This opportunity ensured local people have a high level of ownership in the project while picking up useful skills in plumbing and carpentry.

The project was sucessfully completed, with local villagers stating they clearly understand the benefits of such a program and expressed their eagerness to implement similar training and infrastructure in their settlements. One of the teachers commented that this project has produced a positive improvement in the health of school children which has reduced the absenteeism rates at school. Nautilus is looking forward to continuing this program, alongside the New Ireland Provincial Government, in other villages along the West Coast.

Health Initiatives in Tonga

Nautilus is collaborating with the Ministry of Health in Tonga to deliver critical supplies and equipment to local community health departments to enhance emergency, dental and ambulatory services and will continue to do so in 2015.

COMMUNITY NEEDS ASSESSMENT

A community needs assessment which commenced on March 12, 2015, was recently completed along the West Coast of New Ireland in the Namatanai District. The aim of this assessment is to help the Community Social Responsibility (CSR) team develop a better understanding of the current living standards and to identify what the communities want with regards to our CSR programs. The information collected will be used as a baseline to track our progress as we implement our CSR programs.

The team, which was made up of Nautilus staff, consultants and community members, visited 7 wards and 22 villages which equates to well over a thousand households.

The survey focuses on these main areas:

- Personal particulars
- Educational outcomes
- Employment, income and expenditure
- Standard of living (building materials use, toilets and water)
- Health (eating practices, infant/ maternal health and mortality)

BUILDING CAPACITY

Nautilus is committed to local recruitment and training. Nautilus is currently engaged in a program to build skills and capacity in PNG and Tonga. Nautilus has employed and provided vocational training for geologists, geophysicists and environmental scientists in this marine focused industry.

Nautilus intends to apply this commitment to all countries in which it operates, employing suitably qualified host country nationals and developing training and localisation programs to ensure their future training and professional development.

Corporate Social Responsibility

Nautilus CSR advisor (PNG) talking at a community engagment in New Ireland.

46

LOCATIONS TO DATE WITHIN PNG HAVE BEEN VISITED WITH AN ESTIMATED 20,000 PEOPLE ATTENDING ENGAGEMENTS

COMMUNITY ENGAGEMENT

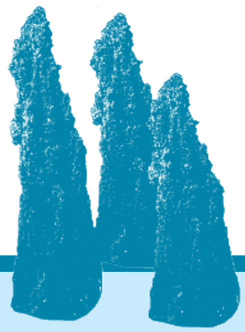
Nautilus conducts regular engagements with Papua New Guinean and Tongan stakeholders with interactive briefings. During which participants are updated on current and future Company activities as well as providing stakeholders with the opportunity to engage Nautilus staff directly regarding any questions they may have on the Company's projects.

An interesting aspect of the Solwara 1 Project, and something that sets it apart from traditional mining projects, is that there are no directly affected communities or landowners. However, in keeping with its values and operating principles, Nautilus believes it is important that communities within PNG are informed about the Project. Nautilus' approach has been to involve the national and appropriate provincial governments in every step of the way. With the Solwara 1 production site located in New Ireland Province, community engagement efforts have been largely focused there.

Nautilus' commitment to the community did not end with the completion of the Environmental Impact Statement or granting of the Environment Permit. Community engagement has continued to take place since the Environment Permit was granted in December 2009 with representatives from the national and provincial governments accompanying Nautilus personnel.

To date, Nautilus has recorded an estimated 20,000 people attending engagements held at 46 locations within PNG, and Nautilus plans to continue community engagement campaigns in New Ireland and East New Britain Provinces as the Company moves into operations.

Corporate Social Responsibility



KEY POINTS ON SOLWARA 1 AND THE SURROUNDING ENVIRONMENT.

- Natural Environment at Solwara 1 is very dynamic
- There is a large active volcano (North Su) >1km from the mine site, which has been shown to have been active for >*22 years, and deposits large volumes of volcaniclastic material into the regional water column (independent research** estimates **14 million m³** of material was deposited on the side of the volcano alone in 5 years from 2008 to 2013 – more than **15 times** the entire Solwara 1 mine plan). Estimates for the extensive ash cloud are pending evaluation, but initial work suggests these deposits are also very significant
- North Su has been shown to generate an ash cloud or plume over the Mining Lease in excess of 20km² (CSIRO studies), approximately **6 times larger** than the expected mine site plume
- The North Su plume has a significant impact on background water quality and the focus for the 2015 study is to quantify this impact and understand the variability in the background water quality
- Chimneys re-form rapidly
- Mining does not stop the venting as the source of the hydrothermal fluids lies well below the extent of the mining zone
- Evidence from independant studies that the biology is resilient to disturbance, and adapts to recover
- Animal communities are highly tolerant of variability

* Since first plume detection took place. On 19 June 1993 plume first detected on PACMANUS II cruise, by CSIRO

** University Bremen/MARUM, Bremen, Germany and Woods Hole Oceanographic Institution, Woods Hole, MA, USA

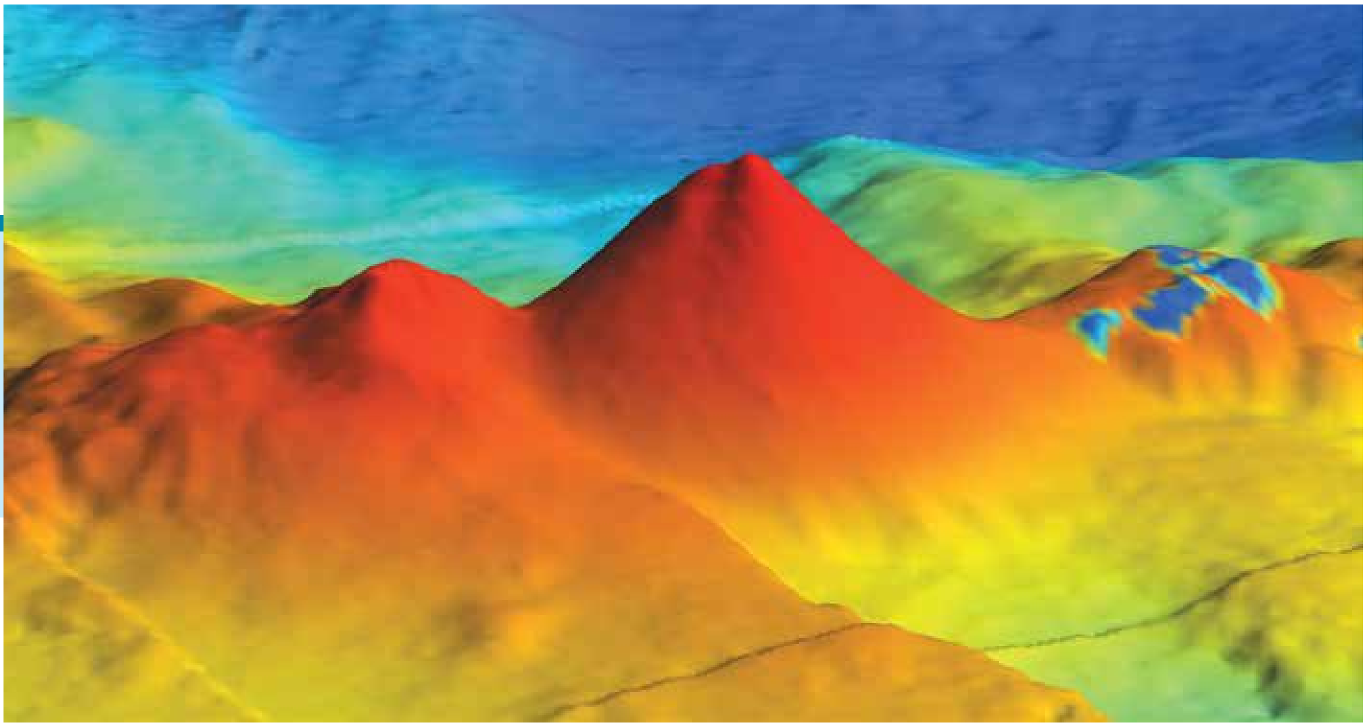
~0.1

KM² IS THE SIZE OF THE SOLWARA 1 MINE SITE.

Nautilus continues its engagement with local landowners, the scientific community, government agencies and stakeholder groups to advance the understanding of the natural environment at Solwara 1 and the limited impacts of deep sea mining. Nautilus is a member of the "Assessment Steering Committee" in the EU-funded Deep Sea Minerals Project administered by the SOPAC division of the Secretariat of the Pacific Community. The Project is tasked with developing a series of papers outlining key issues related to Deep Sea Mining.

Stakeholder workshops were also held at Woods Hole Oceanographic Institute and Duke University in the USA to obtain feedback from experts regarding the approach for further studies related to Nautilus' Environmental Management Plans and long term monitoring, and to assist in identifying additional data that is available for use in further enhancing the baseline data sets that define the natural conditions at Solwara 1. A planned environmental cruise in the Bismarck Sea, during Q2 2015 will help with the development of the Company's Environmental Management Plans, as well as further quantifying the natural variations in the seafloor environment over time, particularly the impacts from the adjacent active North Su volcano.

Corporate Social Responsibility



Representation showing the active volcano North Su next to the Solwara 1 mine site

ENVIRONMENTAL WORK COMPLETED

Nautilus completed an extensive Environmental Impact Assessment of the Solwara 1 Project in 2008. The process involved numerous independent studies by world class researchers from world renowned institutes. Full water column current analysis undertaken by the Company shows it is physically impossible for any activity on the seafloor to impact above 1300 m water depth. All its activities are carried out below this level. At Solwara 1 the deep water is colder and denser than the shallow water and the two do not mix. This helps confine impacts to the immediate mine site. It is also important to note that Nautilus' Seafloor Production System is designed with an environmental focus. The cut material is pumped up from the seafloor as slurry via an enclosed steel system to the vessel, removing any impacts from the mid water column. The mineralised material is separated from the water on the vessel. The water is then filtered to 8 microns and pumped back down to the seafloor via this enclosed system, eliminating any interaction between water from within different layers of the water column. Nautilus is currently working with the PNG regulators and other government stakeholders including the National Fisheries Authority on a variety of studies that will form its Environmental Management and Monitoring Plan.

SAFETY

Nautilus Minerals' goal is "zero incidents, zero injuries." Everyone at Nautilus Minerals is committed to this goal and in 2014 the Company continued to develop initiatives to maintain its safety record.

These include:

- Ongoing hazard and behavioural observation and reporting
- Hazard and operability analysis and information sessions on various safety issues (e.g. malaria prevention)
- Risk and hazard workshops

Board of Directors

1 GEOFF LOUDON
(CHAIRMAN AND NON-EXECUTIVE DIRECTOR)

Mr. Geoff Loudon is a New Zealand based resource professional with qualifications in geology and engineering. His extensive international experience covers resource exploration, development and production as well as investment banking. Mr. Loudon has worked worldwide including Australasia, Asia, the Americas and Europe.

Mr. Loudon is Executive Chairman of the private New Zealand based L&M Group of minerals and energy companies. He is a director of the Papua New Guinea based PNG City Mission.

Mr. Loudon was founder and Chairman of Niugini Mining Limited, discoverer of the Lihir gold deposit in PNG which was developed by Rio Tinto in 1995. Mr. Loudon was a founding director of Lihir Gold Limited from inception in 1995 until it was taken over in 2010.

Professional affiliations include Fellow of the Society of Economic Geologists, Fellow of the Australasian Institute of Mining and Metallurgy, Member of the Canadian Institute of Mining and Member of the American Institute of Mining and Exploration.

2 RUSSELL DEBNEY
(NON-EXECUTIVE DIRECTOR)

Mr. Russell Debney was Chairman of the Board of Directors of Nautilus Minerals Niugini Limited and Nautilus Minerals Oceania Limited prior to the acquisition of those companies by Nautilus. He has been actively involved in Nautilus' development strategy, almost since inception. He is based in Sydney, Australia and is a commercial and corporate lawyer as well as a Director of a number of companies in the mining and resources industry.

Mr. Debney has extensive experience in the management, financing and structuring of resource projects, particularly in the offshore environment. He was a Director and Senior Vice President of the Global Engineering Group, a world leading offshore oil and gas engineering company for almost 15 years. Mr. Debney is currently Managing Director and Chief Executive Officer of Direct Nickel Limited, an ASX-listed mining company with a revolutionary new hydrometallurgical process for treating nickel laterites.

3 CYNTHIA THOMAS
(NON-EXECUTIVE DIRECTOR)

Ms. Cynthia Thomas joined the Board of Directors in June 2010. She has over 30 years of banking and mine finance experience, and currently acts as Principal of Conseil Advisory Services Inc. ("Conseil"), an independent financial advisory firm specialising in the natural resource industry which she founded in 2000. Prior to founding Conseil, Ms. Thomas worked with Bank of Montreal, Scotiabank and ScotiaMcLeod in the corporate and investment banking divisions. Ms. Thomas holds a Bachelor of Commerce degree from the University of Toronto and a Masters in Business Administration from the University of Western Ontario. Ms. Thomas was formerly a Director of PolyMet Mining Corp. and a Director and Chair of the Audit Committee for Ferrinov Inc., a private corporation. She is currently a Director and Chair of Victory Nickel Inc., and a Director of KWG Resources Inc.

4 DR. MOHAMMED AL BARWANI
(NON-EXECUTIVE DIRECTOR)

Dr. Mohammed Al Barwani joined the Board in September 2012. Dr. Barwani is founder and Chairman of MB Holding group of companies (www.mbholdingco.com). He has a Bachelor's Degree in Science from Miami University, USA & was awarded a Master's Degree and PhD (Honorary) in Petroleum Engineering from Herriot-Watt University, UK.

MB Holding is the parent company of a number of companies with wide ranging interests in oil and gas, mining, marine and engineering services. MB Holding also has investments in financial services and in hospitality development. MB Group has operations in more than 20 countries, and employs more than 6,000 employees.

Dr. Barwani is a non-executive Director of a number of publicly traded and joint stock companies, Oman Air, Al Madina Insurance co. SAOG, Al Madina Investments SAOG (Muscat Stock Market), and UCL Resources. Dr. Barwani was formerly a non-executive director of National Bank of Oman, Shell Oman Marketing Company, Transgulf Holding and Taageer Leasing Company, Oman.

He is the Honorary Consul of the Republic of Poland to the Sultanate of Oman. He is also a member of the Sea-keepers International, a group dedicated to the protection of the Ocean's eco-systems and its environment.

Dr. Barwani was awarded a life Time Achievement by the Al-Iktissad Wal-Aamal (2008), selected by Ernst & Young as a Global Entrepreneur representing Oman in 2012. He was conferred "COMMANDEUR" IN DE ORDE VAN ORANGE-NASSAU by Her Majesty the Queen of The Netherlands in January, 2012. He was awarded the Order of Merit of the Republic of Poland in March 2014.

5 USAMA BARWANI
(NON-EXECUTIVE DIRECTOR)

Mr. Usama Barwani is the CEO of Petrogas E&P, a privately owned Oil & Gas Exploration company with production in the Middle East, North Africa, and North Sea. He is also a director of MB Holding Company LLC, Nautilus Minerals' largest shareholder. He is Managing Director of United Engineering Services, the MB Group's manufacturing and engineering arm and holds board positions for a number of companies including Bahrain based Arcapita, a Sharia compliant alternative investment and PE company. He has a Bachelor of Science in Engineering from the University of Tulsa (USA) and a Master of Science in Energy, Trade and Finance from Cass Business School (UK).

6 MARK HORN
(NON-EXECUTIVE DIRECTOR)

Mr. Mark Horn has worked as an international fund manager, financial analyst and corporate financier, and has extensive international experience in the natural resources and high technology sectors. He started his career at the Co-operative Insurance Society, and then moved to Globe Investment Trust, before joining Rockefeller and Co. He subsequently worked for Kleinwort Benson Investment Management, before becoming Head of Research at Canaccord Capital (Europe). Thereafter he established his own FCA authorised corporate finance advisory firm.

Mr. Horn holds an ALM, (Harvard University, USA); BA, BA(Hons) (First Class), MA, (Rhodes University, South Africa); BSc, BSc(Hons) (Geosciences), B.Eng(Hons), (Open University, UK); LLB(Hons), LLM, MBA(Banking) (London University, UK); Dip.B.Admin (Manchester Business School, UK). Mr. Horn has been called to the Bar of England and Wales as a Barrister of the Honourable Society of Lincoln's Inn.

Mr. Horn was nominated by Metalloinvest, which is Nautilus Minerals' second largest shareholder.

Financial Contents

Management's Responsibility for Financial Reporting

The preparation and presentation of the accompanying consolidated financial statements, Management Discussion and Analysis ("MD&A") and all financial information in the Annual Report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Financial statements, by nature, are not precise since they include certain amounts based upon estimates and judgements. When alternative methods exist, management has chosen those it deems to be the most appropriate in the circumstances.

Management, under the supervision of and the participation of the President and Chief Financial Officer, have a process in place to evaluate disclosure controls and procedures and internal control over financial reporting as required by Canadian securities regulations. We, as President and Chief Financial Officer, will certify our annual filings with the CSA as required in Canada by National Instrument 52-109.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee which is independent from management.

The Audit Committee is appointed by the Board of Directors and reviews the consolidated financial statements and MD&A; considers the report of the external auditors; examines the fees and expense for audit services; and recommends to the Board the independent auditors for appointment by the shareholders. The independent auditors have full and free access to the Audit Committee and meet with the Audit Committee to discuss their audit work, the Company's internal control over financial reporting and financial reporting matters. The Audit Committee reports its findings to the Board for consideration when approving the consolidated financial statements for issuance to the shareholders.

Signed: **Michael Johnston**
President and Chief Executive Officer

Shontel Norgate.

Signed: **Shontel Norgate**
Chief Financial Officer

Management's Discussion and Analysis of Financial Condition and Results of Operations

(US dollars)

The following Management Discussion and Analysis ("MD&A") has been prepared as at March 30, 2015 for the year ended December 31, 2014.

The MD&A of Nautilus Minerals Inc. (the "Company", "NMI" or "Nautilus") should be read in conjunction with the Company's audited consolidated financial statements for the full year ended December 31, 2014, and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Amounts for the full year ended December 31, 2014 and 2013 have been presented in accordance with IFRS.

This MD&A includes references to United States dollars, Canadian dollars, Papua New Guinea kina, United Kingdom pounds sterling and euros. All dollar amounts referenced, unless otherwise indicated, are expressed in United States dollars and the Canadian dollars are referred to as C$, Papua New Guinea kina are referred to as PGK, United Kingdom pounds sterling are referred to as £ and euros are referred to as €.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This document includes "forward-looking statements" which include all statements other than statements of historical fact.

Forward-looking statements include, but are not limited to, statements with respect to the future price of copper, gold and other metals; the estimation of mineral resources; the realization of mineral resource estimates; plans for establishing or expanding mineral resource estimates on the Company's projects; the timing and amount of estimated future production; the construction and delivery of the Production Support Vessel ("PSV"); the fulfillment of the obligations under the Tongling sales agreement and the timing and sustainability of such arrangements; costs of production; capital expenditures; costs and timing of the development of the Company's seafloor production system; the Company's seafloor massive sulphide ("SMS") prospects (including Solwara 1) and new deposits; success of exploration and development activities; permitting time lines; currency fluctuations; requirements for additional capital; government regulation of exploration operations; the Company's financial position; business strategy; plans and objectives of management for future operations; the design and performance of the PSV and Seafloor Production Tools ("SPTs"); and the procurement of the PSV. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", 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 involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the risk of failure to obtain required equity or debt funding; the risk that material assumptions listed in the paragraph below will not be borne out; changes in project parameters as plans continue to be refined; any additional permitting or licensing requirements associated with any modifications to the scope of the Solwara 1 Project; future prices of copper, gold and other metals being lower than expected; the over-arching risk that the Company will not commence production of mineralized material; possible variations in resources, grade or recovery rates; the risk of failure to conclude the investigation into the cyber-attack, the inability to reach agreement with Marine Assets Corporation ("MAC") as to the deposit under the vessel charter agreement, the insolvency of MAC or the applicable shipyard and other events which may cause a delay to the delivery of the PSV; the risk that the obligations under the Tongling sales agreement are not fulfilled; late delivery of the PSV and SPTs or other equipment; variations in the cost of the PSV and SPTs or other equipment; variations in exchange rates; the failure to obtain regulatory approval for financings; changes in the cost of fuel and other inflationary factors; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Such forward-looking statements are current only as at the date of this MD&A and are based on numerous material assumptions (that management believes were reasonable at the time they are made) regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including the Company's continued compliance with

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regulatory requirements, the proposed mine plan and the estimated cost and availability of funding for the continued exploration of the Company's tenements. The Company has also assumed that market fundamentals will result in sustained copper and gold demand and prices; that the proposed development of its mineral projects will be viable operationally and economically and proceed as expected; and that any additional financing needed will be available on reasonable terms. With respect to the arrangement with MAC, the Company is assuming that the parties will observe their obligations, that the investigation into the cyber-attack will reach a timely conclusion and that MAC and the Company can agree how to proceed in relation to the payment of the deposit under the vessel charter agreement.

OUR BUSINESS

Overview

Nautilus is a seafloor resource exploration company and the first publicly listed company to commercially explore the ocean floor for copper, gold, silver and zinc rich seafloor massive sulphide deposits and for manganese, nickel, copper and cobalt nodule deposits. The Company's main focus is to create shareholder value by demonstrating the seafloor production system and establishing a pipeline of development projects to maximize the value of mineral licenses and exploration applications that Nautilus holds in various locations in the Pacific Ocean.

The Company's principal project is the Solwara 1 Project in the Bismarck Sea. The Solwara 1 Project and the Company's other projects are described in detail in the Company's Annual Information Form, available on SEDAR at **www.sedar.com**.

Nautilus' seafloor production system has the potential to open a new frontier of resource development as land-based mineral deposits continue to be depleted. Nautilus plans to become the world's first seafloor producer of copper and gold.

2014 SIGNIFICANT EVENTS

- Nautilus and the State of PNG resolve issues and sign agreement
- Nautilus enters into Vessel Charter
- Solwara 1 Project advanced
- Clarion Clipperton Zone nodule deposit grade and extent confirmed with analysis of samples collected during 2013 exploration program supporting the grade of elements previously reported

Nautilus and State of PNG resolve issues and sign agreement

On April 24, 2014, the Company announced that it and the Independent State of Papua New Guinea ("State") had signed the PNG Equity Agreement, enabling the Solwara 1 Project to move forward toward production with the full support of the State.

Under the PNG Equity Agreement, the State has taken an initial 15% interest in the Solwara 1 Project, with an option to take up to a further 15% interest within 12 months of the PNG Equity Agreement becoming unconditional. The State paid Nautilus a non-refundable deposit for its initial 15% interest of US$7,000,000 on the date the PNG Equity Agreement was executed.

The PNG Equity Agreement was conditional upon the State, (through its nominee Eda Kopa (Solwara) Limited ("Eda Kopa"), a subsidiary of Petromin PNG Holdings Limited), securing by July 31, 2014, the funding for the State's 15% share of the capital required to complete the development phase of the project up to first production, being US$113,000,000 (excluding the non-refundable deposit), and was to be placed in escrow until Nautilus satisfied the conditions for their release. The PNG Equity Agreement provided further that the funds would be released to Nautilus, and an unincorporated joint venture between the parties for the ongoing operation of the project formed, if within 6 months of the funds being placed in escrow Nautilus secured the charter of a Production Support Vessel and certain intellectual property rights. After first production, the State's nominee is required to contribute funds in proportion to its interest.

On May 9, 2014, the State's nominee, Eda Kopa, placed US$113,000,000 into escrow, representing the balance of the funding for Eda Kopa's 15% share of the capital required to complete the development phase of the Solwara 1 Project up to first production.

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On October 22, 2014, the Company satisfied one of the conditions precedent to completion of the PNG Equity Agreement, by securing certain intellectual property rights.

On November 6, 2014, the Company entered into an agreement for the charter of a Production Support Vessel ("PSV") to be first deployed for use at the Solwara 1 Project. Marine Assets Corporation ("MAC"), a marine solutions company based in Dubai specializing in the delivery of new build support vessels for the offshore industry, will own and provide the marine management of the vessel. The vessel will be chartered to Nautilus for a minimum period of five years at a rate of US$199,910 per day, with options to either extend the charter or purchase the vessel at the end of the five year period. The charter agreement with MAC was filed on SEDAR on November 18, 2014, and an amendment thereto was filed on February 10, 2015.

Under the terms of the arrangement, MAC entered into a shipbuilding contract (the "Shipbuilding Contract") with Fujian Mawei Shipbuilding Ltd. to design and construct the PSV in accordance with Nautilus' specifications and paid the first installment of the purchase price in November 2014, in accordance with the Shipbuilding Contract.

On December 11, 2014, in accordance with the PNG Equity Agreement, the sum of US$113,000,000 was released from escrow to Nautilus and the unincorporated joint venture between Nautilus and the State's nominee (Eda Kopa) in respect of the Solwara 1 Project was formed (the "Solwara 1 JV"). The Solwara 1 JV is governed by the Joint Venture Agreement among the parties to the PNG Equity Agreement, a copy of which is appended to the PNG Equity Agreement, which was filed on SEDAR on May 2, 2014.

Also in accordance with the PNG Equity Agreement, as a result of completion of the condition subsequent, the arbitration between the parties in respect of the State Equity Option Agreement dated March 29, 2011 was terminated.

Nautilus enters into Vessel Charter

As indicated above on November 6, 2014 Nautilus announced that it entered into an agreement for the charter of a PSV to be first deployed for use at the Solwara 1 Project.

The vessel will first serve as the operational base for the joint venture formed by Nautilus and the State nominee, Eda Kopa, to support the operations carried out by the Solwara 1 JV to extract and to transport high grade copper and gold material from the project site, in the Bismarck Sea of Papua New Guinea.

MAC entered into the Shipbuilding Contract with Fujian Mawei Shipbuilding Ltd., based in Fujian province in south-eastern China, to design and construct the vessel in accordance with Nautilus' specifications. The Shipbuilding Contract was signed on November 25, 2014. A US$10,000,000 deposit was payable by Nautilus to MAC following the payment by MAC of the first installment under the Shipbuilding Contract. A further charterer's guarantee of US$18,000,000 was to be provided to MAC by the Solwara 1 JV on the commencement of the charter of the vessel.

When completed, the PSV will measure 227 metres in length and 40 metres in width with accommodation for up to 180 people and generate approximately 31MW of power. All of the below deck mining equipment will be installed in the vessel during the build process to minimize the equipment integration to be completed following delivery of the vessel. The vessel is expected to be delivered by the end of 2017.

On February 2, 2015, the Company announced that it and MAC had been victims of a cyber attack by an unknown third party. The Company has engaged a cyber security consultant to investigate the cyber-attack that resulted in the Company paying the deposit of $10,000,000 owing to MAC under the vessel charter agreement to a bank account which the Company believed to be MAC's, but which MAC subsequently advised was not its account. In the circumstances, the Company has agreed to pre-pay US$10,000,000 of the US$18,000,000 charterer's guarantee on the basis that: (i) the remaining US$8,000,000 of the charterer's guarantee will be provided to MAC by the Company on the commencement of the charter of the vessel; and (ii) the parties have agreed to determine how to proceed in relation to the US$10,000,000 deposit following the conclusion of the investigations, which may take some months.

In the meantime, the construction of the vessel continues in accordance with the terms of the Shipbuilding Contract.

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Solwara 1 Project advanced

During 2014, the Company continued to advance the Solwara 1 Project and in particular, the three key equipment contracts.

Project Build Progressed

Progress on the development of the Seafloor Production Tools ("SPTs") continued to advance. Commissioning of the Auxiliary Cutter, Bulk Cutter and Collecting Machine continued at Soil Machine Dynamics premises in Newcastle, England with delivery of the three machines, following factory acceptance testing expected by the end of 2015.

General Marine Contractors in Houston completed weld procedure qualification work and fatigue testing of the riser system during the year. Fabrication of the riser system is scheduled to commence in Q1 2015, with completion by the end of 2015.

GE Hydril has completed testing activities on the main slurry valves with the focus now shifting to assembly planning for the Subsea Slurry Lift Pump. GE Hydril has commenced retrieval of the Subsea Slurry Lift Pump equipment from storage with assembly activities to re-commence mid-year 2015.

Following the execution of the charter party, the shipyard contract has been signed and the Company is working with MAC, the shipyard and ship designer to complete basic design and procurement of long lead items.

The Company plans to resume discussions with other contractors to allow the resurrection of some of the previously terminated contracts in the first half of 2015.

Community Activities

During the year the Company undertook an extensive Community Engagement Program along the West Coast of New Ireland Province, Papua New Guinea. In collaboration with the New Ireland Provincial Government, the Company implemented a Water and Sanitation Pilot Program in two locations, Rasirik Elementary School and Labur Primary School. The basis of the program was developed following a Company funded program to take a PNG National doctor to the West Coast of New Ireland to assess the level of hygiene and sanitation within the villages. Under this program the two schools completed health and hygiene training which was used as the catalyst for change. Once it was understood that a change in sanitation behaviour is required to improve the standard of living within villages, the Company developed a project to install new toilet facilities and infrastructure to provide access to running water within villages. Local youths were employed during this program to gain experience in the construction of the infrastructure. The continued implementation of this project will be determined following an audit of the pilot project which will be completed in early 2015.

The Company is also committed to building capacity in the areas of environmental science and geology and encouraging young students to complete their school education. The second Marine Science Short Course was held in October 2014 in collaboration with the University of Papua New Guinea and Duke University (USA) at the National Fisheries Authority facility on Nago Island in New Ireland Province. 21 students from PNG and other south pacific nations attended the three week marine science course. For the fifth year, Nautilus donated school science awards to schools in New Ireland Province to help encourage students to further their studies.

Clarion Clipperton Zone nodule deposit grade and extent confirmed

Tonga Offshore Mining Ltd, a 100% Nautilus owned entity, completed a 54 day exploration campaign to its license area located in the Clarion Clipperton Zone ("CCZ"), in the eastern Pacific Ocean. Work was completed by the oceanographic survey vessel 'R/V Mt Mitchell', which departed from Seattle, Washington on August 22, 2013. The work program comprised 64,000km^2 of multibeam mapping and the collection of 2,090 wet kilograms of polymetallic nodules.

It was part of a two stage multi-beam and sampling program designed to upgrade a significant portion of the current 410 million wet tonne inferred resource* to an indicated status, to allow for preliminary engineering and metallurgy studies.

On March 19, 2014, the Company announced that it had processed the data and received analytical results from the samples collected during the exploration program and that such data and results support the grade of elements reported in the March 2013 NI 43-101 technical report*.

* Nimmo, 2013 – "Updated NI43-101 Technical Report Clarrion-Clipperton Zone Project, Pacific Ocean", dated effective March 20, 2013.

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RISK FACTORS

Nautilus' ability to generate revenues and achieve a return on shareholders' investment must be considered in light of the early stage nature of the Solwara 1 deposit and seafloor resource production in general. The Company is subject to many of the risks common to early stage enterprises, including personnel limitations, financial risks, metals prices, permitting and other regulatory approvals, the need to raise capital, resource shortages, lack of revenues, equipment failures and potential disputes with, or delays or other failures caused by, third party contractors and joint venture partners. Substantial expenditures are required to discover and establish sufficient resources and to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that the Company will be able to raise sufficient financing to facilitate this development. The Company's existing funds are not sufficient to bring the Solwara 1 Project into production and there can be no assurance that additional sources of finance will be available to the Company. Other factors that influence the Company's ability to succeed are more fully described in the Company's 2014 Annual Information Form available on **www.sedar.com**, under the heading "Risk Factors". See also the factors discussed under "Cautionary Note Regarding Forward Looking Statements" above.

SELECTED ANNUAL INFORMATION

The following table sets out selected annual financial information of Nautilus and is derived from the Company's audited consolidated financial statements for the years ended December 31, 2014, 2013 and 2012. The information set out below should be read in conjunction with this MD&A and the 2014 Financial Statements. Amounts are expressed in US dollars unless otherwise indicated.

	2014	2013	2012
Sales	$Nil	$Nil	$Nil
Loss for the year	$13,750,240	$22,339,674	$40,982,142
Loss per share (basic and diluted)	$0.03	$0.06	$0.19
Total assets	$339,567,591	$283,816,470	$271,747,112
Total long-term liabilities	$65,146,077	$10,693,538	$7,544,171
Dividends declared	$Nil	$Nil	$Nil

Loss for the year

While there was a decrease in the overall level of expenditure in 2014 to $13.8 million (2013 - $22.3 million), the current year loss was impacted by $10.0 million expensed due to the cyber security incident, offset by $14.8 million of other income from the State's Solwara 1 JV contribution, related to previously expensed project costs and capital charge.

Total assets

Total assets for the year ended December 31, 2014 increased to $339.6 million (2013 - $283.8 million) with receipt of the State's equity contribution for the Solwara 1 JV and the continued progress on the build of project equipment.

Long-term liabilities

Long-term liabilities increased to $65.1 million (2013 - $10.7 million) with recognition of the liability for the project partner contribution of $60.2 million, being the non-current unearned amount of the State's equity contribution for the Solwara 1 JV.

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RESULTS OF OPERATIONS – FOR THE YEAR ENDED DECEMBER 31, 2014

The following discussion provides an analysis of the financial results of Nautilus:

Loss for the year

For the full year ended December 31, 2014, the Company recorded a loss of $13.8 million ($0.03 loss per share) compared to a loss of $22.3 million ($0.06 loss per share) in 2013. The primary variances were as follows:

Exploration

Exploration expense decreased to $3.6 million (2013 - $4.9 million), primarily due to the costs incurred during 2013 related to the exploration campaign in the CCZ, offset by increased mineral fees in Tonga and Solomon Islands.

	Nodule Exploration Year ended December 31,		**SMS Exploration Year ended December 31,**		**Total Exploration Year ended December 31,**	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**
Geological services	64,700	2,160,081	44,542	48,462	109,242	2,208,543
Mineral property fees	57,000	-	1,110,213	594,465	1,167,213	594,465
Professional services	217,708	111,724	274,316	181,464	492,024	293,188
Travel	55,876	88,007	83,202	127,821	139,078	215,828
Salary and wages	385,021	517,966	1,288,704	1,054,151	1,673,725	1,572,117
Total exploration expenditure	**780,305**	**2,877,778**	**2,800,977**	**2,006,363**	**3,581,282**	**4,884,141**

General & Administration

General & Administration expense decreased to $11.4 million (2013 - $13.1 million) reflecting a reduction in professional services expenditure of $1.8 million following the completion of the arbitration with the State.

	Year ended December 31, 2014	**Year ended December 31, 2013**
Office and general	3,024,359	2,919,845
Professional services	1,123,702	2,927,343
Salary and wages	4,722,081	4,897,588
Shareholder related costs	496,497	493,242
Travel	790,068	637,604
Depreciation	1,194,460	1,187,051
Total General & Administration expenditure	**11,351,167**	**13,062,673**

Security Deposit

During the year ended December 31, 2014 the Company expensed $10.0 million (2013 – nil) as a result of the Company and MAC being the victims of a cyber attack by an unknown third party.

Because of the uncertainty relating to the recovery of the deposit, the full amount has been expensed as at December 31, 2014 to the statement of loss. Should the Company be able to recognise any future economic benefit attributable to the payment following the conclusion of the relevant investigations, a credit would be recorded in the statement of loss in the period of recovery.

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Corporate Social Responsibility

Corporate Social Responsibility expense decreased to $1.0 million (2013 - $1.4 million) with lower salary and wages costs.

Technology

Technology expense was consistent at $0.3 million (2013 - $0.3 million).

Development

Development expenses increased to $2.8 million (2013 - $0.8 million) with $2.4 million spent on PSV design and procurement in the current year compared to $0.6 million in the previous year, with vessel procurement activity only increasing significantly in Q3 2013.

Foreign exchange

A foreign exchange loss of $0.01 million was recorded for the full year (2013 – $2.8 million). The foreign exchange loss consists of realized gains and losses on actual cash transactions during the period and unrealized gains and losses on cash denominated in different currencies at the period end. The Company holds a "basket of currencies" to act as a natural hedge against its expected cash outflows and can therefore experience unrealized fluctuations at period end when cash balances are converted to US dollars for reporting purposes, as experienced during the current year.

Interest income

Interest income earned on cash and cash equivalents held during the year was $0.2 million (2013 - $0.4 million), with 2013 reflecting the impact of the rights offer proceeds received in Q2 2013. The Company maintains its cash and cash equivalents with banks with an S&P rating of A+ or better.

Other income

Other income of $15.0 million (2013 – $0.6 million) was earned for the three months ended December 31, 2014. The current year was impacted by the one off inflows from Eda Kopa on establishment of the Solwara 1 JV with $12.1 million received treated as a recovery of previously expensed exploration expenditure and a $2.7 million capital charge also received as a result of the delays in payment during the period of the dispute.

Operating Losses

Overall, Nautilus' operating loss decreased to $19.0 million for the year ended December 31, 2014, compared to $23.3 million for the same period in 2013. When adjusting the current quarter operating loss for the respective foreign currency exchange movements the actual operating loss was $19.0 million (2013 – $20.5 million). An increase of $2.0 million for Development expenditure was offset by a $1.3 million reduction in Exploration expenditure, a $1.7 million reduction in General and Administration expenditure, and $0.4 million reduction in Corporate Social Responsibility expenditure.

Cash flows

Operating activities

Cash used in operating activities was $1.7 million for the year ended December 31, 2014 compared to $15.9 million for the corresponding period in 2013. The current year was impacted by one off inflows from Eda Kopa on establishment of the joint venture with $12.1 million received for previously expensed exploration expenditure and a $2.7 million capital charge.

Investing activities

There was a net cash inflow of $10.4 million for the year ended December 31, 2014 compared to a $35.2 million outflow for the corresponding period in 2013. Equipment purchases of $15.4 million and a $10.0 million outflow relating to the vessel security deposit, impacted by a third party cyber attack, were offset by joint venture contributions received in respect of previously capitalised expenditure of $35.8 million.

Financing activities

Cash received from financing activities was $69.4 million for the year ended December 31, 2014 compared to $36.7 million for the corresponding period in 2013. The current year reflects the unearned joint venture contribution of $69.4 million and proceeds of $0.02 million from the exercise of 80,000 stock options while the prior year reflects the net proceeds of the C$40 million rights offering that was completed.

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LIQUIDITY AND CAPITAL RESOURCES

The Company's financial objective is to ensure that it has sufficient liquidity in the form of cash and/or debt capacity to finance its ongoing requirements to support the Company's strategy of becoming the first company to commercially extract copper, gold, silver and zinc from the seafloor.

Key financial measures

The Company uses the following key financial measures to assess its financial condition and liquidity:

	December 31, 2014	December 31, 2013
Working Capital	$100.6 million	$36.1 million
Cash and Cash Equivalents	$118.8 million	$40.6 million

Under the Company's Investment Policy, cash cannot be invested for more than 90 days and must be held on deposit with banks with an S&P credit rating of A+ or better.

Outlook and capital requirements

The Company's known contractual obligations at December 31, 2014, are quantified in the table below:

	December 31, 2014 $
Non-cancellable operating leases	
Not later than 1 year	600,058
Later than 1 year and not later than 2 years	213,804
Later than 2 years and not later than 3 years	105,993
Later than 3 years and not later than 4 years	72,980,072
Later than 4 years and not later than 5 years	72,980,072
Later than 5 years	218,901,450
Total Commitments	**365,781,449**

The non-cancellable commitments as at December 31, 2014 include the payments to be made under the charter party arrangement with MAC for the PSV with a commencement date no later than January 1, 2018.

The Company is involved in mineral exploration which is a high risk activity and relies on results from each exploration program to determine if areas justify any further exploration and the extent and method of appropriate exploration to be conducted.

The Company has no source of revenue and has significant cash requirements to be able to meet its administrative overhead and maintain its property interests. In order to be able to resume the construction contracts and advance the development of its mineral property interests, the Company will be required to raise additional financing. Until that time, certain discretionary expenditures may be deferred and measures to reduce operating costs will be taken in order to preserve working capital.

Nautilus expects that cash and cash equivalents will be sufficient to pay for capital expenditure commitments and general and administrative costs for the next 12 months. Depending upon future events, the rate of expenditures and other general and administrative costs could increase or decrease. The Company continues to evaluate a range of alternative options available to it to access capital to fund future expenditures.

Nautilus' opinion concerning liquidity and its ability to avail itself in the future of the financing options mentioned above are based on currently available information. To the extent that this information proves to be inaccurate, future availability of financing may be adversely affected.

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Factors that could affect the availability of financing include Nautilus' performance (as measured by various factors including the progress and results of its exploration work), the state of international debt and equity markets, investor perceptions and expectations of past and future performance, the global financial climate, metal and commodity prices, political events in the south Pacific, obtaining operating approvals from the PNG government for the Solwara 1 Project, drilling and metallurgical testing results, results from environmental studies, engineering studies and detailed design of equipment.

Foreign currency exchange rate risk

The Company's operations are located in several different countries, including Canada, Australia, PNG, Tonga, Solomon Islands, Fiji and New Zealand and require equipment to be purchased from several different countries. Nautilus has entered into key contracts in United States dollars and British pounds sterling. Future profitability could be affected by fluctuations in foreign currencies. The Company has not entered into any foreign currency contracts or other derivatives to establish a foreign currency protection program but may consider such actions in the future.

Foreign exchange risk is mitigated by the Company maintaining its cash in a "basket" of currencies that reflect its current and expected cash outflows, however the large inflow of USD in December 2014 has skewed the currency holdings at balance date. As at December 31, 2014 the Company held its cash in the following currencies:

Currency Denomination	% of total cash in US$ terms held
USD	95
GBP	2
CAD	3
	100

Interest rate risk

The Company holds cash and cash equivalents which earn interest at variable rates as determined by financial institutions. As at December 31, 2014, with other variables unchanged, a 0.1% increase (decrease) in the interest rate would have no significant effect on comprehensive loss.

Credit risk

The Company places its cash only with banks with an S&P credit rating of A+ or better.

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents and other receivables.

Liquidity risk

The Company manages liquidity by maintaining adequate cash and short-term investment balances. In addition, the Company regularly monitors and reviews both actual and forecasted cash flows.

The Company has no source of revenue and has significant cash requirements to be able to meet its administrative overhead and maintain its property interests. In order to be able to resume the construction contracts and advance the development of its mineral property interests, the Company will be required to raise additional financing. Until that time, certain discretionary expenditures may be deferred and measures to reduce operating costs will be taken in order to preserve working capital. Given the measures taken by the Company to minimize expenditures leading up to signing the PNG Equity Agreement with the State and the measures that will continue to be taken, the Company's exposure to liquidity risk is currently considered to be low.

NEWLY ADOPTED ACCOUNTING POLICIES

During the year ended December 31, 2014, the Company identified the need to adopt the following accounting policies to ensure that the Company continued to meet its obligations for reporting within the IFRS framework.

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Joint Arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are typically classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Under the terms of the unincorporated joint venture agreement between the Company and the State Nominee, Nautilus and the State Nominee each beneficially own, 85% and 15% respectively, of the Solwara 1 project and the subsea equipment tools. They are tenants in common in proportion to their ownership interest.

Accordingly, the Company records its 85% interest in the assets and liabilities and income and expenses of the unincorporated joint venture in the consolidated financial statements. The impact of this is similar to proportionate consolidation.

Impairment of Assets

IAS 36, 'Impairment of assets' was amended to clarify disclosure requirements when a recoverable amount is determined based on FVLCTD. The amendment was effective for annual periods beginning on January 1, 2014 and we have adopted the amendment and it did not have any material impact on the financial statements.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity of IFRS requires the use of judgements and estimates that affect the amount reported and disclosed in the consolidated financial statements and related notes. These judgements and estimates are based on management's knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and notes to the financial statements, and the key areas are summarized below.

The area of judgment that has the most significant effect on the amounts recognized in these consolidated financial statements is the review of asset carrying values and impairment assessment.

Review of asset carrying values and impairment assessment

Property, plant and equipment and exploration and evaluation assets are considered for impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or "CGUs"). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The determination of fair value less costs to sell and value in use requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, mineral resources, operating costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these assumptions, which may impact the recoverable amount of the assets.

In considering whether any impairment indicators occurred in respect of the Company's long lived assets as at December 31, 2014, management took into account a number of factors such as metal prices, projected costs to operate equipment, availability and costs of finance, cost and state of completion of subsea equipment construction, exploration successes in other areas, the existence and terms of binding off-take agreements and the Company's market capitalization compared to its net asset value.

Management has concluded that there are no impairment indicators relating to the Company's long-lived assets as at December 31, 2014.

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FUTURE ACCOUNTING CHANGES

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after July 1, 2014. The Company has reviewed the disclosure requirements of changes in IFRS 8 'Operating Segments', IFRS 9 'Financial Instruments: Classification and Measurement' (effective January 1, 2018) and IFRS 7 'Financial Instruments: Disclosure' (effective January 1, 2018), however this does not currently require any changes to disclosures within the financial statements of the Company.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on our consolidated financial statements.

OUTSTANDING SHARE DATA

The following is a summary of the Company's outstanding share data as of March 30, 2015.

Common shares

A total of 445,302,865 common shares are outstanding including 11,325,000 restricted shares.

Restricted shares

A total of 11,325,000 restricted shares are issued and outstanding under the Company's share loan plan, with loan expiry dates ranging from October 2015 through to July 2017. The weighted average issue price for the restricted shares is C$0.52.

Stock Options

A total of 4,945,000 stock options are issued and outstanding, with expiry dates ranging from October 2015 through to July 2017. The weighted average exercise price for all stock options is C$0.50. All stock options entitle the holders to purchase common shares of the Company.

INTERNAL CONTROLS

Disclosure controls and procedures

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of Nautilus' disclosure controls and procedures. Based on the results of that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as at December 31, 2014, the Company's disclosure controls and procedures were effective in providing reasonable assurance that the information required to be disclosed by the Company in reports it files under securities legislation are recorded, processed, summarized and reported within the appropriate time periods and forms specified in the securities legislation.

Internal control over financial reporting

The Company's management is responsible for establishing and maintaining an adequate system of internal controls, including internal controls over financial reporting. The Company's internal control over financial reporting (ICFR) is in accordance with criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations (COSO) framework. Nautilus' internal controls include policies and procedures that (1) pertain to the maintenance of records that accurately and fairly reflect, in reasonable detail, the transactions related to acquisition, maintenance and disposition of assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and receipts are recorded and expenditures are incurred only in accordance with authorization of management and directors; and (3) provide reasonable (but not absolute) assurance of compliance with regulatory matters and to safeguard reliability of the financial reporting and its disclosures. Having assessed the effectiveness of the Company's internal controls over financial reporting, the Chief Executive Officer and Chief Financial Officer believe that: (1) the internal controls over financial reporting are effective and provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS; and (2) that no material weaknesses in the reporting were discovered as at December 31, 2014.

Management's Discussion and Analysis of Financial Condition and Results of Operations

(US dollars)

The Company and MAC were victims of a cyber attack by an unknown third party during the fourth quarter of 2014. The incident was reported to the relevant police authorities and the Company engaged a third party cyber security consultant to investigate the cyber-attack that resulted in the Company paying a deposit of US$10,000,000 owing to MAC under the vessel charter agreement to a bank account which the Company believed to be MAC's, but which MAC subsequently advised was not its account. The parties have agreed to determine how to proceed in relation to the US$10,000,000 deposit following the conclusion of all investigations, which may take some months. In the meantime, the Company has expensed the sum of US$10,000,000 to the statement of loss for the period ended December 31, 2014 but will record a credit in the statement of loss in the period of recovery should the Company be able to recognize any future economic benefit attributable to the payment following the conclusion of the relevant investigations.

As a result of the cyber-attack incident, the Company has clarified its internal control procedures regarding provision of new or revised bank account details to require all details provided via email to be confirmed verbally prior to any payments being made. The Company has determined that this isolated incident committed by an unknown third party does not represent a material weakness in the design or operation of the Company's ICFR as at December 31, 2014. The incident, which was detected by senior officers, does not indicate that there exists a reasonable possibility that the Company's ICFR will fail to prevent or detect in a timely manner a material misstatement of a financial statement amount or disclosure.

There have been no material changes in the Company's ICFR since the year ended December 31, 2013 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, but not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitation in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any system of control also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatement due to error or fraud may occur and not be detected.

ADDITIONAL SOURCES OF INFORMATION

Additional information regarding Nautilus Minerals Inc., including its Annual Information Form, is available on SEDAR at **www.sedar.com** and on the Company's website **www.nautilusminerals.com**.

Independent Auditor's Report

March 30, 2015

To the Shareholders of Nautilus Minerals Inc.

We have audited the accompanying consolidated financial statements of Nautilus Minerals Inc., which comprise the consolidated statements of financial position as at December 31, 2014 and December 31, 2013 and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform our audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Nautilus Minerals Inc. as at December 31, 2014 and December 31, 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 700,
Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806 W: www.pwc.com/ca

Consolidated Statements of Financial Position

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

	December 31, 2014 $	December 31, 2013 $
ASSETS		
Current assets		
Cash and cash equivalents (Note 5)	118,770,134	40,617,963
Prepaid expenses and advances	766,226	558,677
	119,536,360	41,176,640
Non-current assets		
Restricted cash (Note 9)	595,952	658,323
Property, plant and equipment (Note 11)	177,699,461	198,533,059
Exploration and evaluation assets (Note 10)	41,735,818	43,448,448
	220,031,231	242,639,830
TOTAL ASSETS	339,567,591	283,816,470
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	7,414,236	5,117,410
Project partner contribution (Note 7)	10,733,912	-
Provision for employee entitlements	743,035	-
	18,891,183	5,117,410
Non-current liabilities		
Accounts payable and accrued liabilities (Note 6)	4,570,655	8,896,457
Project partner contribution (Note 7)	60,172,942	-
Joint venture contribution	-	1,797,081
Provision for employee entitlements	402,480	-
	65,146,077	10,693,538
TOTAL LIABILITIES	84,037,260	15,810,948
Equity		
Share Capital (Note 13)	514,149,818	514,123,985
Contributed Surplus	48,896,679	47,647,463
Deficit	(307,516,166)	(293,765,926)
TOTAL EQUITY	255,530,331	268,005,522
TOTAL LIABILITIES AND EQUITY	**339,567,591**	**283,816,470**

Approved by the Board of Directors

Russell Debney

Cynthia Thomas

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

Consolidated Statements of Loss and Comprehensive Loss

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

	December 31, 2014 $	December 31, 2013 $
Operating expenses		
Exploration (Note 15)	3,581,282	4,884,141
General and administration (Note 16)	11,351,167	13,062,673
Corporate social responsibility	974,949	1,433,424
Technology	313,759	341,945
Development	2,764,730	796,656
Foreign exchange (gains)/losses	9,355	2,810,639
Operating loss	18,995,242	23,329,478
Security Deposit Expensed (Note 17)	10,000,000	-
Interest income	(207,049)	(404,909)
Rent and other income (Note 18)	(15,037,953)	(584,895)
Loss and comprehensive loss for the year	13,750,240	22,339,674
Weighted average number of shares outstanding, basic and diluted	442,263,742	350,074,988
Loss per share		
Basic and diluted	0.03	0.06

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

Consolidated Statements of Cash Flows

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

	December 31, 2014 $	December 31, 2013 $
OPERATING ACTIVITIES		
Loss for the year	(13,750,240)	(22,339,674)
Adjustments for:		
Depreciation and amortization	1,194,460	1,187,050
Unrealized foreign exchange losses/(gains)	39,425	2,801,167
Share-based payments	1,259,192	1,109,669
Security deposit expensed (Note 17)	10,000,000	-
Changes in non-cash working capital		
Prepaid expenses and advances	(207,549)	117,314
Accounts payable and accrued liabilities	(208,062)	1,200,324
Net cash used in operating activities	(1,672,774)	(15,924,150)
INVESTING ACTIVITIES		
Restricted cash	62,371	1,661,340
Purchase of plant and equipment	(12,235,806)	(34,155,001)
Exploration and evaluation assets	(3,169,800)	(2,679,591)
Joint Venture contribution (Note 12)	35,772,992	-
Security deposit expensed (Note 17)	(10,000,000)	-
Net cash generated from (used) in investing activities	10,429,757	(35,173,252)
FINANCING ACTIVITIES		
Prepaid joint venture contribution	69,418,756	-
Issuance of shares for cash - net of issue costs	15,857	36,710,066
Net cash generated from financing activities	69,434,613	36,710,066
Effect of exchange rate changes on cash and cash equivalents	(39,425)	(2,801,166)
Increase in cash and cash equivalents	78,152,171	(17,188,502)
Cash and cash equivalents - Beginning of year	40,617,963	57,806,465
Cash and cash equivalents - End of year (Note 5)	**118,770,134**	**40,617,963**

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

Consolidated Statements of Changes in Equity

(expressed in US Dollars)

	Share capital		Contributed Surplus	Deficit	Total equity
	Number of shares	Amount			
		$	$	$	$
Balance January 1, 2013	**236,947,865**	**477,413,919**	**46,537,794**	**(271,426,252)**	**252,525,461**
Exercise of shares through rights issue	200,000,000	36,710,066	-	-	36,710,066
Issue of shares in Share Loan Plan	3,825,000	-	-	-	-
Share-based payments	-	-	1,109,669	-	1,109,669
Loss and comprehensive loss for the year	-	-	-	(22,339,674)	(22,339,674)
Balance December 31, 2013	**440,772,865**	**514,123,985**	**47,647,463**	**(293,765,926)**	**268,005,522**
Exercise of share options	80,000	15,857	-	-	15,857
Share-based payments	-	-	1,259,192	-	1,259,192
Transfer of value on exercise of share options	-	9,976	(9,976)	-	-
Issue of shares in Share Loan Plan	4,450,000	-	-	-	-
Loss for the period	-	-	-	(13,750,240)	(13,750,240)
Balance December 31, 2014	**445,302,865**	**514,149,818**	**48,896,679**	**(307,516,166)**	**255,530,331**

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

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

1. Corporate Information

Nature of Operations

Nautilus Minerals Inc. (the "Company", "Nautilus" or "NMI") is a company whose common shares are listed on the Toronto Stock Exchange and quoted on OTCQX International.

Nautilus is engaged in the exploration and development of the ocean floor for copper and gold rich seafloor massive sulphide deposits and for manganese, nickel, copper and cobalt nodule deposits. To date the Company has not earned any revenues from operations and is considered to be in the exploration stage. The Company has one segment being mineral property exploration in Australasia. The exploration activity involves the search for deepwater copper and gold rich seafloor massive sulphides in the western Pacific Ocean and nodule deposits in the eastern Pacific Ocean. The Company's main focus is to create shareholder value by demonstrating the seafloor production system and establishing a pipeline of development projects to maximize the value of mineral licenses and exploration applications that Nautilus holds in various locations in the Pacific Ocean. The Company's principal project is the Solwara 1 Project in Papua New Guinea (PNG) in the Bismarck Sea. The proposed principal operations of the Company subject to permitting will be the extraction of copper, zinc, gold and silver deposits where there are economically viable discoveries.

The Company's consolidated financial statements and those of its controlled subsidiaries ("consolidated financial statements") are presented in US Dollars.

Nautilus is a company incorporated in British Columbia, Canada. The registered office, head office and principal offices of the Company are located at:

Registered Office (Vancouver, Canada)

Nautilus Minerals Inc.
Floor 10
595 Howe St
Vancouver, BC, V6C 2T5
Canada

Head Office (Vancouver, Canada)

Nautilus Minerals Inc.
Suite 1400
400 Burrard Street
Vancouver, BC, V6C 3A6
Canada

Corporate Office (Toronto, Canada)

Nautilus Minerals Inc.
Suite 1702,
141 Adelaide Street West
Toronto, Ontario M5H 3L5
Canada

Operations (Brisbane, Australia)

Nautilus Minerals Inc.
Level 7,
303 Coronation Drive
Milton Queensland, 4064
Australia

2. State of PNG's participation in Solwara 1 Project and Liquidity Risk

State of PNG Participation in Solwara 1 Project

On April 24, 2014, the Company announced that it and the Independent State of Papua New Guinea (State) had signed the PNG Equity Agreement, enabling the Solwara 1 Project to move forward toward production with the full support of the State.

Under the PNG Equity Agreement, the State has taken an initial 15% interest in the Solwara 1 Project, with an option to take up to a further 15% interest within 12 months of the PNG Equity Agreement becoming unconditional. On April 24, 2014, the State paid Nautilus a non-refundable deposit for its initial 15% interest of US$7,000,000 on the date the PNG Equity Agreement was executed.

The PNG Equity Agreement was conditional upon the State, (through its nominee Eda Kopa (Solwara) Limited ("Eda Kopa"), a subsidiary of Petromin PNG Holdings Limited), securing by July 31, 2014, the funding for the State nominee's15% share of the capital required to complete the development phase of the project up to first production, being US$113,000,000 (excluding the non-refundable deposit),

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

and was to be placed in escrow until Nautilus satisfied the conditions for their release. The PNG Equity Agreement provided further that the funds would be released to Nautilus, and an unincorporated joint venture between the parties for the ongoing operation of the project formed, if within 6 months of the funds being placed in escrow Nautilus secured the charter of a Production Support Vessel and certain intellectual property rights. After first production, the State's nominee is required to contribute funds in proportion to its interest.

On May 9, 2014, the State's nominee, Eda Kopa, placed US$113,000,000 into escrow, representing the balance of the funding for Eda Kopa's 15% share of the capital required to complete the development phase of the Solwara 1 Project up to first production.

On October 22, 2014, the Company satisfied one of the conditions precedent to completion of the PNG Equity Agreement, by securing certain intellectual property rights.

On November 6, 2014, the Company entered into an agreement for the charter of a Production Support Vessel ("PSV") to be first deployed for use at the Solwara 1 Project. Marine Assets Corporation ("MAC"), a marine solutions company based in Dubai specializing in the delivery of new build support vessels for the offshore industry, will own and provide the marine management of the vessel. The vessel will be chartered to Nautilus for a minimum period of five years at a rate of US$199,910 per day, with options to either extend the charter or purchase the vessel at the end of the five year period.

Under the terms of the arrangement, MAC entered into a shipbuilding contract (the "Shipbuilding Contract") with Fujian Mawei Shipbuilding Ltd. to design and construct the PSV in accordance with Nautilus' specifications and paid the first installment of the purchase price in November 2014, in accordance with the Shipbuilding Contract.

On December 11, 2014, in accordance with the PNG Equity Agreement, the sum of US$113,000,000 was released from escrow to Nautilus and the unincorporated joint venture between Nautilus and the State's Nominee (Eda Kopa) in respect of the Solwara 1 Project was formed (the "Solwara 1 JV"). The Solwara 1 JV is governed by the Joint Venture Agreement among the parties to the PNG Equity Agreement.

Also in accordance with the PNG Equity Agreement, as a result of completion of the condition subsequent, the arbitration between the parties in respect of the State Equity Option Agreement dated March 29, 2014 was terminated.

Liquidity Risk

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

The Company has no source of revenue and has significant cash requirements to be able to meet its administrative overhead and maintain its property interests. In order to be able to complete the ongoing sub-sea equipment construction contracts and advance the development of its mineral property interests, the Company will need to raise additional funding. Until that time, certain discretionary expenditures may be deferred and measures to reduce operating costs may be taken in order to preserve working capital. The last capital raise completed by the Company was a rights offering for net proceeds of $36.7 million which was completed on June 11, 2013.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

3.1 Basis of measurement

The consolidated financial statements of Nautilus Minerals Inc. have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the financial assets and financial liabilities at fair value through profit or loss.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as at December 31, 2014, and were approved as of March 30, 2015, the date the Board of Directors approved the statements.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.16.

3.2 Consolidation

The financial statements of the Company consolidate the accounts of Nautilus Minerals Inc and its subsidiaries. All intercompany transactions, balances and any unrealized gains and losses from intercompany transactions are eliminated on consolidation.

Subsidiaries are all entities (including structured entities) over which Nautilus Minerals Inc has control. We control an entity when we are exposed to, or have rights to, variable returns from its involvement with the entity and have the ability to affect those returns through our power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date which control is transferred to us until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

These consolidated financial statements include the accounts of the Company which is incorporated in Canada and all of its subsidiaries. The Company's significant subsidiaries include Nautilus Minerals Niugini Limited (Papua New Guinea), Nautilus Minerals Pacific Proprietary Limited (Australia), Nautilus Minerals (Tonga) #1 Limited, Tonga Offshore Mining Limited (Tonga), Nautilus Minerals Singapore Limited and Koloa Moana Resources Inc (Canada), all of which are wholly owned subsidiaries.

3.3 Foreign currency translation

a) Functional and presentational currency

The consolidated financial statements are presented in United States Dollars, which is the functional and presentational currency of Nautilus Minerals Inc. Items included in the financial statements of each consolidated entity in the Nautilus Minerals group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency for all significant entities within the consolidated group is United States Dollars.

b) Transactions and balances

Foreign currency transactions are accounted for at the rates of exchange at the date of the transaction. Monetary assets and liabilities are translated at year-end exchange rates. Gains and losses arising on settlement of such transactions and from the translation of foreign currency monetary assets and liabilities are recognized in the statement of loss.

3.4 Cash and cash equivalents

The Company considers cash and cash equivalents to comprise amounts held in banks and highly liquid investments with maturities at time of purchase of 90 days or less.

3.5 Financial assets

a) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All of the Company's financial assets are currently classified as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise restricted cash and cash and cash equivalents. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

b) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognises an impairment loss as the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

3.6 Property, plant and equipment

Equipment is recorded at cost less accumulated depreciation. The Company allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

Depreciation is calculated over the estimated useful life of the assets on a straight-line basis as follows:

	Estimated useful life (in years)
Leasehold improvements	3
Plant and equipment	3 – 15
Office equipment	1 – 20
Motor vehicles	6 - 8

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

3.7 Exploration and evaluation assets

All costs directly related to the acquisition of rights to explore for minerals are capitalized.

Once the right to explore has been obtained, the Company will incur exploration and evaluation expenditures to advance an area of interest. Such expenditures include:

- Exploratory drilling;
- Geological, geochemical and geophysical studies;
- Sampling;
- The depreciation of equipment used in the above activities, and
- Activities involved in evaluating the technical feasibility and commercial viability of extracting mineral resources.

The Company expenses all exploration and evaluation expenditures until management conclude that a future economic benefit is more likely than not to be realized. In evaluating if expenditures meet this criterion to be capitalized, management considers the following:

- The extent to which reserves or resources, as defined in National Instrument 43-101 have been identified in relation to the project in question;
- The status of cost assessments or scoping studies;
- The status of environmental permits, and
- The status of mining leases or permits.

Once the Company considers that a future economic benefit is more likely than not to be realized from an area of interest, all subsequent costs directly relating to the advancement of the related area of interest are capitalized. Capitalized costs are considered to be tangible assets as they form part of the underlying mineral property and are recorded within 'exploration and development assets' at cost less impairment charges, if applicable. No amortization is charged during the exploration and evaluation phase because the asset is not available for use. When the Company considers that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, capitalized exploration and evaluation costs are reclassified to mineral properties.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

3.8 Joint Arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are typically classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Under the terms of the unincorporated joint venture agreement between the Company and the State Nominee, Nautilus and the State Nominee each beneficially own, 85% and 15% respectively, of the Solwara 1 project and the subsea equipment tools. They are tenants in common in proportion to their ownership interest.

Accordingly, the Company records its 85% interest in the assets and liabilities and income and expenses of the unincorporated joint venture in the consolidated financial statements. The impact of this is similar to proportionate consolidation.

3.9 Impairment of non-financial assets

Property, plant and equipment, and mineral properties are considered for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an impairment indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or "CGUs"). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Fair value is determined as the amount that would be obtained by the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value of mineral assets is generally determined as the present value of the estimated cash flows expected to arise from the continued use of the asset, including any expansion projects.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal.

Impairment is normally assessed at the level of CGUs, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

Non-financial assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for depreciation that would have been recorded had the impairment not taken place.

3.10 Share based payments

The cost of equity-settled and cash settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the relevant vesting period.

The company grants either stock options or loan shares as remuneration for directors and as a part of a long term incentive plan for certain employees. Where the shared based payment is for remuneration they generally vest over 2.5 years (20% every six months) and expire after three years. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Where the share based payment is as part of a long term incentive plan they generally vest in a single tranche 2.5 years from issue and expire after 3.5 years. In both instances the fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model.

At each period end, before vesting, the cumulative expense is calculated based on management's best estimate of the number of equity instruments that will ultimately vest. The movement in this cumulative expense is recognised in the income statement, with a corresponding entry in equity.

The proceeds from the exercise of stock options in addition to the carrying value attributable to those options exercised are recorded as share capital.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

3.11 Employee Benefits

a) Annual Leave

The liability for accrued annual leave is recognised in respect of employees' services up to the end of the reporting period and is measured at the amounts expected to be paid when the liability is settled. All liabilities recognised in respect of annual leave are classified as current given the Company does not have an unconditional right to defer settlement of these amounts.

b) Long Service Leave

The provision for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using an appropriate risk-free rate at the end of the reporting period, giving consideration to the terms and currencies that match, as closely as possible to the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit and loss.

Where the Company does not have an unconditional right to defer settlement for at least the next twelve months, regardless of when the actual settlement is to occur, the liability is recognised as current, with all other amounts recognised as non-current.

3.12 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3.13 Income tax

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is measured at tax rates that are expected to apply in periods in which the temporary differences reverse based on tax rates and law enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

3.14 Share capital

Incremental external costs directly attributable to the issue of new common shares are deducted from share capital.

3.15 Loss per share

Basic loss per share is computed by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion or exercise of securities only when such conversion or exercise would have a dilutive effect on earnings per share. The dilutive effect of outstanding stock options and their equivalents is reflected in diluted earnings per share by application of the treasury stock method which assumes that any proceeds from the exercise of share options would be used to purchase common shares at the average market price during the period. During years when the Company has generated a loss, the potential shares to be issued from the assumed exercise of options are not included in the computation of diluted per share amounts because the result would be anti-dilutive.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

3.16 Significant accounting judgements and estimates

The preparation of the financial statements in conformity of IFRS requires the use of judgements and estimates that affect the amount reported and disclosed in the consolidated financial statements and related notes. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and notes to the financial statements.

The area of judgement that has the most significant effect on the amounts recognised in these consolidated financial statements is the review of asset carrying values and impairment assessment.

In considering whether any impairment indicators occurred in respect of the Company's long lived assets as at December 31, 2014, management took into account a number of factors such as metal prices, projected costs to operate equipment, availability and costs of finance, cost and state of completion of subsea equipment construction, exploration successes in other areas, the existence and terms of binding off-take agreements and the Company's market capitalization compared to its net asset value. Management has concluded, based on this analysis that no impairment was required to be recognized at December 31, 2014 in respect of the Solwara 1 project and the subsea equipment currently under construction.

4. Changes in accounting policy and disclosures

New and amended standards adopted by the Company

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after January 1, 2014 that would be expected to have a material impact on the Company.

IAS 36, 'Impairment of assets' was amended to clarify disclosure requirements when a recoverable amount is determined based on FVLCTD. The amendment was effective for annual periods beginning on January 1, 2014 and we have adopted the amendment and it did not have any material impact on the financial statements.

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after July 1, 2014. The company has reviewed the disclosure requirements of changes in IFRS 8 'Operating Segments', IFRS 9 'Financial Instruments: Classification and Measurement' (effective January 1, 2018) and IFRS 7 'Financial Instruments: Disclosure' (effective January 1, 2018), however this does not currently require any changes to disclosures within the financial statements of the Company.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on our consolidated financial statements.

5. Cash and cash equivalents

	December 31, 2014 $	December 31, 2013 $
Cash	70,901,963	2,191,787
Term Deposits	47,868,171	38,426,176
	118,770,134	40,617,963

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

6. Accounts payable and accrued liabilities

	December 31, 2014 $	December 31, 2013 $
Current		
Accounts Payable	963,995	297,500
Accrued Liabilities	2,323,975	4,031,457
Retention Payable	4,126,266	-
	7,414,236	5,117,410

	December 31, 2014 $	December 31, 2013 $
Non-current		
Retention Payable	4,570,655	8,896,457
	4,570,655	8,896,457

The non-current creditor of $4,570,655 (2013 - $8,896,457) represents the contractual retention from payments to Soil Machine Dynamics to be paid on completion of the contract. These amounts are considered non-current as payment is not due within the next 12 months.

7. Project Partner Contribution

Following the signing of the PNG Equity Agreement between the Company and the State on April 24, 2014, the Company received cash proceeds of $120,000,000 by way of a $7,000,000 non-refundable deposit received on signing and $113,000,000 released from escrow on December 11, 2014 in relation to the agreement to form the joint venture with the State Nominee. The project partner contribution liability is the unearned portion of the purchase price of the State's initial 15% interest as at December 31, 2014 totalling $70,906,854, with $10,733,912 recorded as a current liability, being 15% of the approved project budget for the next 12 months, with the balance recorded as non-current (Note 12).

8. Income Tax

a) A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	December 31, 2014 $	December 31, 2013 $
Loss before income taxes	(13,750,240)	(22,339,673)
Canadian statutory tax rate	26.00%	25.50%
Income tax recovery based on the above rates	(3,575,062)	(5,696,617)
Increase/(decrease) due to:		
Non-deductible expenses and other	9,607,982	4,447,281
Effect of change in Canadian and foreign future tax rates	1,617,512	(812,631)
Tax effect of tax losses and temporary differences not recognized	(7,650,432)	2,061,967
Income tax expense/(recovery)	-	-

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

b) The significant components of the Company's future income tax assets and liabilities are as follows:

	December 31, 2014 $	December 31, 2013 $
Future income tax assets		
Non-capital losses	33,799,763	32,071,075
Capital losses	2,885,746	3,560,661
Unamortized share issue costs	405,947	710,174
Unrealized foreign exchange losses and other	8,285,783	10,845,992
Mineral properties and property, plant and equipment	35,042,663	40,882,432
Total future income tax assets	80,419,902	88,070,334
Less: Tax benefits not utilised	(80,419,902)	(88,070,334)
Net future income tax assets/(liabilities)	-	-

c) The Company has non-capital loss carry forwards of $124,005,740 that may be available for tax purposes. The loss carry forwards expire as follows:

	Canada $	**Australia, Singapore and Tonga $**
2018	-	-
2019	-	-
2020	-	-
2021	-	-
2022	-	-
2023	205,855	-
2024	310,062	-
2025	176,095	-
2026	2,301,574	-
2027	4,436,216	-
2028	-	-
2029	5,092,609	-
2030	5,179,193	-
2031	4,851,134	-
2032	1,592,744	-
2033	2,663,714	-
2034	2,836,699	-
Not limited	-	94,359,845
Total non-capital losses	29,645,895	94,359,845

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

9. Restricted cash

$595,952 (December 31, 2013 - $658,323) has been provided as security for leases, tenements held in Papua New Guinea and Fiji.

10. Exploration and evaluation assets

In 2006, the Company through its 100% owned subsidiary Nautilus Minerals Niugini Ltd acquired a 100% interest in certain PNG subsea exploration licenses by issuing common shares with an estimated historical fair value of $12,213,367 to Barrick Gold Inc., following its acquisition on of Placer Dome.

Following the grant of the mining lease (ML154) for the Solwara 1 deposit on January 13, 2011 the Company determined that an economic benefit is more likely than not to be recovered from the Solwara 1 deposit and, accordingly, has commenced capitalizing exploration and evaluation costs associated with the Solwara 1 deposit.

With the formation of the joint venture between the Company and the State Nominee on December 11, 2014, the agreed amount of $33.1 million (Note 12) was transferred as part of the joint venture assets.

	December 31, 2014 $	December 31, 2013 $
Opening balance	**43,448,448**	**40,778,662**
Boat charter and fuel	-	-
Engineering services	735,650	498,168
Environmental consulting	230,302	15,958
Project management and oversight	2,220,764	2,037,129
Geological services and field expenses	32,400	90,380
Mineral property fees	28,371	28,151
Disposal to joint venture (Note 12)	(4,960,117)	-
	(1,712,630)	2,669,786
Closing balance	41,735,818	43,448,448

The disposal of the joint venture of $4,960,117 represents the recovery, under the terms of the PNG Equity Agreement, of 15% of the costs, as defined, previously capitalised to the Solwara 1 project that are attributable to the State Nominee (Note 12).

Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claim of title.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

11. Property, plant and equipment

	Opening Cost Balance $	Year ended December 31, 2014 Additions $	Disposals $	Closing Cost Balance $	Accum Dep'n $	Closing Carrying Value $
Leasehold improvements	2,828,884	810	-	2,829,694	(2,315,383)	514,311
Plant and equipment	778,781	7,154	-	785,935	(582,675)	203,260
Office equipment	3,205,369	15,549	-	3,220,918	(2,842,122)	378,796
Motor vehicles	165,562	-	-	165,562	(112,315)	53,247
Land	466,969	-	-	466,969	-	466,969
Subsea equipment under construction (Note 12)	195,745,530	11,150,223	(30,812,875)	176,082,878	-	176,082,878
Total property, plant & equipment	**203,191,095**	**11,173,736**	**(30,812,875)**	**183,551,956**	**(5,852,495)**	**177,699,461**

	Opening Cost Balance $	Year ended December 31, 2013 Additions $	Disposals $	Closing Cost Balance $	Accum Dep'n $	Closing Carrying Value $
Leasehold improvements	2,760,475	68,409	-	2,828,884	(1,415,713)	1,413,171
Plant and equipment	770,807	7,974	-	778,781	(507,510)	271,271
Office equipment	3,197,843	7,526	-	3,205,369	(2,642,385)	562,984
Motor vehicles	165,562	-	-	165,562	(92,428)	73,134
Land	466,969	-	-	466,969	-	466,969
Subsea equipment under construction	166,275,661	29,469,869	-	195,745,530	-	195,745,530
Total property, plant & equipment	**173,637,317**	**29,553,778**	**-**	**203,191,095**	**(4,658,036)**	**198,533,059**

The disposal amount of $30,812,875 relating to the subsea equipment under construction represents the recovery, under the terms of the PNG Equity Agreement , of 15% of the costs, as defined, previously capitalised to the equipment that are attributable to the State Nominee (Note 12).

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

12. Joint Arrangements

On December 11, 2014, the Company announced that all terms of the PNG Equity Agreement had been met and the unincorporated joint venture between Nautilus and the State Nominee in respect of the Solwara 1 Project was formed. The table below presents the carrying value of the project assets on this date that were transferred on formation of the joint venture.

	100%	Nautilus 85%	State Nominee 15%
Assets Under Construction	205,419,165	174,606,290	30,812,875
Mineral Properties	33,067,447	28,107,330	4,960,117
	238,486,412	202,713,620	35,772,992

As at 31 December 2014 Nautilus Minerals Inc recognised its share of the joint venture assets as follows

	December 31, 2014 $	December 31, 2013 $
Assets Under Construction	176,082,878	-
Mineral Properties	28,381,647	-
	204,464,525	-

The payment from the State Nominee of the funds out of escrow of $113,000,000, the non-refundable deposit of $7,000,000 and the pre-existing joint venture contribution of $1,797,081 were applied as follows:

- Cost recoveries of $30,812,875 for assets under construction and $4,960,117 for mineral properties;
- Exploration expense recoveries of $12,068,246 and capital charge of $2,740,006 (Note 18), and
- Project partner contribution of $71,215,837 (Note 7)

13. Compensation of Key Management

Key management includes the company's directors and members of the Executive Committee that includes the CEO, CFO, VP Projects, VP PNG Operations (employment commenced August 2014), VP Strategic Development & Exploration and VP Corporate Social Responsibility (employment ended August 2014). Compensation awarded to key management included:

	December 31, 2014 $	December 31, 2013 $
Salaries and short-term employee benefits	2,470,914	2,050,613
Benefits paid on termination	181,178	-
Stock based compensation	712,786	807,433
Superannuation payments	145,145	130,880
	3,510,023	2,988,926

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

14. Equity

a) Common shares issued

Gross proceeds of C$17,600 were received from the exercise of 80,000 share options at a price of C$0.22 per common share during the twelve months ended December 31, 2014. For the twelve months ended December 31, 2013 gross proceeds of C$40,000,000 were raised through the issuance of rights to subscribe for an aggregate of 200,000,000 common shares at a subscription price of C$0.20 per common share.

b) Loan shares

The Company's share loan plan (the "Loan Plan") was re-approved by the Company's shareholders at the Annual General Meeting in June 2014. The Loan Plan provides for security-based compensation in a manner similar to a stock option plan by enabling participants to acquire an equity interest in the Company using a limited recourse loan provided by a subsidiary of the Company.

The Loan Plan provides for loans to be made to eligible employees who will apply the proceeds toward a subscription for shares. The loans will be made by a subsidiary of the Company and the shares issued by Nautilus will be registered in the name of an administrative agent for the benefit of the applicable employee.

The loans will not bear interest, and the Lender's recourse will be limited to the value of the shares. If the employee elects to sell the shares, the proceeds will be used to repay the loan and any brokerage and other fees, and the employee will be entitled to any remaining balance.

Employees can only elect to sell the shares if the then-current market price is greater than the subscription price paid for those shares, such that the net proceeds of the sale will equal or exceed the outstanding loan balance in respect the shares being sold.

An employee may, during the term of the loan, elect to repay the loan and become the registered holder of the shares. If an employee ceases to be eligible to participate in the Loan Plan or if the term of the loan expires before the loan is repaid, the administrative agent will return the shares to the Company, and both the loan and the shares will be cancelled.

Outstanding share options

	Share options	Weighted average exercise price C$
At January 1, 2013	4,200,000	**1.77**
Granted	2,250,000	0.22
Expired	(2,375,000)	1.83
At December 31, 2013	**4,075,000**	**0.88**
Granted	2,250,000	0.53
Expired	(500,000)	2.91
Forfeited	(800,000)	1.07
Exercised	(80,000)	0.22
At December 31, 2014	**4,945,000**	**0.50**

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

Information relating to share options outstanding at December 31, 2014 is as follows:

Price range C$	Outstanding share options	Vested stock options	Weighted average exercise price of outstanding options C$	Weighted average exercise price of vested options C$	Weighted average remaining life of outstanding options (months)
0.00 – 0.99	4,720,000	1,040,000	0.47	0.59	22.4
1.00 – 1.99	225,000	-	1.01	-	15.3
	4,945,000	**1,040,000**	0.50	0.59	22.1

Outstanding loan shares

	Loan shares	Weighted average exercise price C$
At January 1, 2013	3,050,000	1.13
Granted	4,500,000	0.24
Forfeited	(675,000)	1.01
At December 31, 2013	**6,875,000**	**0.56**
Granted	5,450,000	0.57
Forfeited	(800,000)	0.53
Expired	(200,000)	2.91
At December 31, 2014	**11,325,000**	**0.52**

No loan shares were purchased during the year ended December 31, 2013 or for the year ended December 31, 2014.

Information relating to loan shares outstanding at December 31, 2014 is as follows:

Price range C$	Outstanding share loan shares	Vested loan shares	Weighted average exercise price of outstanding loan shares C$	Weighted average exercise price of vested loan shares C$	Weighted average remaining life of outstanding loan shares (months)
0.00 – 0.99	9,650,000	320,000	0.44	0.56	24.6
1.00 – 1.99	1,675,000	-	1.01	-	15.3
	11,325,000	320,000	0.52	0.56	23.2

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

The fair value of the share options and loan shares granted is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Options granted in 2014	**Options granted in 2013**
Expected dividend yield	Nil	Nil
Expected stock price volatility	111.28%	93.76%
Risk-free interest rate	1.13%	1.35%
Expected life of options in years	2.83	3

The weighted average fair value of the options granted was C$0.53 (2013 – C$0.22).

	Loan shares granted in 2014	**Loan shares granted in 2013**
Expected dividend yield	Nil	Nil
Expected stock price volatility	111.28%	93.76%
Risk-free interest rate	1.13%	1.35%
Expected life of loan shares in years	2.83	3

The weighted average fair value of the loan shares granted was C$0.57 (2013 – C$0.24).

The Black-Scholes pricing models used to price options and loan shares require the input of highly subjective assumptions including the estimate of the share price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

15. Exploration Expenditures

	Year ended December 31,	
	2014 $	2013 $
Boat charter and fuel	-	1,668,130
General and administration	9,590	75,150
Geological services and field expenses	99,653	465,263
Mineral property fees	1,167,213	594,465
Professional services	492,024	293,188
Travel	139,078	215,828
Wages and salaries	1,673,724	1,572,117
Total exploration expenses	3,581,282	4,884,141

In accordance with our policy on exploration and evaluation assets, all exploration expenditure incurred for the Solwara 1 project is capitalised to exploration and evaluation assets, with all other exploration expenditure expensed to the Statement of Loss.

In order to maintain the exploration leases, licenses and permits in which the Company is involved, the Company is expected to fulfil the minimum annual expenditure conditions under which the tenements are granted. These obligations may be varied from time to time, subject to approval, and are expected to be fulfilled in the normal course of operations of the Company. The exploration commitments are based on those exploration tenements that have been granted and may increase or decrease depending on whether additional applications are granted, relinquished or form joint ventures in the future. Based on tenements granted at December 31, 2014, total rental commitments are $4.7 million and total expenditure commitments are $41.4 million over the life of the licenses, which in the majority of cases extend to a maximum of two years, with the exception of the CCZ tenements where expenditure commitments extend to 5 years.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

16. General and Administration Expenditures

	Year ended December 31,	
	2014	2013
	$	$
Office and general	3,024,359	2,919,845
Professional services	1,123,702	2,927,343
Salary and wages	4,722,081	4,897,588
Shareholder related costs	496,497	493,242
Travel	790,068	637,604
Depreciation	1,194,460	1,187,051
Total general and administration expenses	11,351,167	13,062,673

17. Security Deposit Expensed

On February 2, 2015, the Company announced that it and MAC had been victims of a cyber attack by an unknown third party. The Company has engaged a cyber security consultant to investigate the cyber-attack that resulted in the Company paying a deposit of $10,000,000 owing to MAC under the vessel charter agreement to a bank account which the Company believed to be MAC's, but which MAC has advised was not its account. In the circumstances, the Company has agreed to pre-pay US$10,000,000 of the US$18,000,000 charterer's guarantee on the basis that: (i) the remaining US$8,000,000 of the charterer's guarantee will be provided to MAC by the Company on the commencement of the charter of the vessel in accordance with the original contract; and (ii) the parties have agreed to determine how to proceed in relation to the $10,000,000 deposit following the conclusion of the investigations, which may take some months.

Because of the uncertainty relating to the recovery of the deposit, the full amount has been expensed as at December 31, 2014 to the statement of loss. Should the Company be able to recognise any future economic benefit attributable to the payment following the conclusion of the relevant investigations, a credit would be recorded in the statement of loss in the period of recovery.

18. Rent and Other Income

	Year ended December 31,	
	2014	2013
	$	$
Other income	837	509,003
Rental income	228,864	75,892
Capital charge	2,740,006	-
Reimbursement of E&E expenditure	12,068,246	-
Total general and administration expenses	15,037,953	584,895

The capital charge and the reimbursement of the E&E expenditure represents items that were included in the purchase price paid by the State Nominee for its' 15% interest in the Solwara 1 project. The capital charge of $2.7 million was interest payable by the State Nominee under the PNG Equity Agreement in relation to interest accrued on outstanding amounts during the dispute resolution process. The amount of $12.1 million was the State Nominee's share of the exploration expenditure for the Solwara 1 project prior to the grant of the mining license. The exploration expenditures were expensed by the Company in prior years.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

19. Contingencies and Commitments

a) Non-cancellable commitments

	December 31, 2014 $
Non-cancellable operating leases	
Not later than 1 year	600,058
Later than 1 year and not later than 2 years	213,804
Later than 2 years and not later than 3 years	105,993
Later than 3 years and not later than 4 years	72,980,072
Later than 4 years and not later than 5 years	72,980,072
Later than 5 years	218,901,450
Total Commitments	365,781,449

The non-cancellable commitments as at December 31, 2014 include the payments to be made under the charter party arrangement with MAC for the PSV with a commencement date no later than January 1, 2018.

b) Cancellable commitments

In order to maintain the exploration leases, licenses and permits in which the Company is involved, the Company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. These obligations may be varied from time to time, subject to approval, and are expected to be fulfilled in the normal course of operations of the Company. The exploration commitments are based on those exploration tenements that have been granted and may increase if applications are granted in the future.

The Company has entered into various contracts for the design and build of the seafloor production system. As at December 31, 2014, the committed value of the contracts is $36.7 million (equivalent). The committed value of $36.7 million reflects ongoing milestone payments for continuing contracts. The contracts are cancellable by the Company at any time, however, in the event of cancellation, the Company is liable for any costs incurred up to that point, with an estimate of costs for terminated contracts included in the accrued costs at year end. No other penalties or cancellation fees are payable under these contracts.

20. Financial risk management

The Company's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

a) Capital Management

The Company's objectives in the managing of the liquidity and capital are to safeguard the Company's ability to continue as a going concern and provide financial capacity to meet its strategic objectives. The capital structure of the Company consists of equity attributable to common shareholders, comprising of issue share capital, contributed surplus and deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets to facilitate the management of its capital requirements. The Company prepares annual expenditure budgets that are updated as necessary depending upon various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. As at December 31, 2014 the Company does not have any long-term debt and is not subject to any externally imposed capital requirements. The Company has sufficient funds to meet its current operating and exploration and development obligations.

Notes to Consolidated Financial Statements

For the years ended December 31, 2014 and 2013 (expressed in US Dollars)

b) Foreign exchange risk

The Company's operations are located in several different countries, including Canada, Australia, PNG, Tonga, Solomon Islands, Fiji and New Zealand and require equipment to be purchased from several different countries. Nautilus has entered into key contracts in United States dollars, British pounds sterling and euros. Future profitability could be affected by fluctuations in foreign currencies. The Company has not entered into any foreign currency contracts or other derivatives to establish a foreign currency protection program but may consider such actions in the future.

Foreign exchange risk is mitigated by the Company maintaining its cash and cash equivalents in a "basket" of currencies that reflect its current and expected cash outflows. As at December 31, 2014 the Company held its cash and cash equivalents in the following currencies:

Currency Denomination	% of total cash in US$ terms held
USD	95
GBP	2
CAD	3
	100

c) Credit Risk

The company places its cash and cash equivalents only with banks with an S&P credit rating of A+ or better. Our maximum exposure to credit risk at reporting date is the carrying value of cash and cash equivalents and other receivables.

d) Liquidity Risk

The Company manages liquidity by maintaining adequate cash and short-term investment balances. In addition, the Company regularly monitors and reviews both actual and forecasted cash flows. The exposure of the Company to liquidity risk is considered to be minimal.

Executive Committee

MICHAEL JOHNSTON
PRESIDENT AND CEO

Mr. Michael Johnston, Nautilus' CEO joined the Company just prior to its TSX listing in 2006 as Vice President for Strategic Development and Exploration. He was initially appointed interim President and CEO in October 2012, and confirmed as President and CEO in April 2014 on the successful resolution of the dispute with the State of PNG. He has more than 30 years experience in the mining industry, and over 10 years experience in deep sea mining and exploration.

Prior to joining Nautilus, Mr. Johnston spent over 11 years in senior management positions with Placer Dome, including General Manager Exploration Asia-Pacific and Technical Services Manager for the giant Porgera Gold Mine in Papua New Guinea, where he led a large multidisciplinary team providing the technical management and design for the 210,000 tpd open Pit and 6,000 tpd underground mines and related facilities.

SHONTEL NORGATE
CHIEF FINANCIAL OFFICER

Ms. Norgate joined Nautilus Minerals in 2006 as Chief Financial Officer. Prior to this, Ms. Norgate was the financial controller of Macarthur Coal Ltd., which is a publicly-listed coal mining company on the Australian Securities Exchange. Before joining Macarthur, Ms. Norgate was the financial controller of a listed exploration company for seven years and commenced her career as an auditor with a predecessor firm of PricewaterhouseCoopers in Australia.

Ms. Norgate is a qualified Chartered Accountant and a member of the Chartered Secretaries of Australia. Ms. Norgate has over 15 years commercial experience in the resources industry including debt and equity finance, financial reporting, project management, corporate governance, commercial negotiations and business analysis.

KAREN HAUFF
GENERAL COUNSEL AND COMPANY SECRETARY

Prior to joining Nautilus in 2010, Ms. Hauff was the General Counsel and Company Secretary of then ASX listed mineral sands mining company, Bemax Resources Limited, after having spent 6 years at international legal firm, Norton Rose (formerly Deacons) as a Senior Associate in its Commercial Dispute Resolution group.

Ms. Hauff is an admitted solicitor of the Supreme Court of Queensland and the Federal and High Courts of Australia with 15 years experience in legal practice, including in the areas of risk management, compliance and corporate governance. In addition to her legal qualifications, Ms. Hauff holds a Bachelor of Commerce (Accounting) and serves as Deputy Chairman on the Board of charitable organisation, CHI.L.D. - The Association for Childhood Language and Related Disorders.

KEVIN CAIN
VP PROJECTS

Mr. Kevin Cain joined Nautilus as Project Director for Solwara 1 Project in May 2010. Mr. Cain has over 40 years experience in the offshore oil and gas industry with experience in the North Sea, Middle East, South East Asia and Australasia.

Mr. Cain's experience covers shallow and deep water projects and FEED to development of offshore projects. Prior to joining Nautilus, Mr. Cain was the Vice President Marine Construction and Fabrication for Clough Limited with assets located in the Gulf of Mexico, Thailand, Australia and South East Asia. Prior to joining Clough, Mr. Cain was Project Director for Technip Oceania.

Executive Committee

JONATHAN LOWE
VP STRATEGIC DEVELOPMENT AND EXPLORATION

Mr. Jonathan Lowe joined Nautilus in January 2007 as Chief Geophysicist. He was appointed as Exploration Manager in September 2008 and VP Strategic Development and Exploration in January 2013. During this time he has been a driving force behind the company's successful exploration programs and exploration technologies. Prior to joining Nautilus Minerals, Mr. Lowe worked for BHP Billiton where he gained 12 years of global exploration experience, initially as a geophysicist and then as a business development manager.

Mr. Lowe is a Fellow and Chartered Professional of AusIMM, and a member of the Society of Economic Geologists. He has a BSc (hons) in Geophysics from Curtin University, an MBA in Technology Management from Latrobe University and is a graduate of the Australian Institute of Company Directors.

ADAM WRIGHT
VP PNG OPERATIONS

Mr. Adam Wright has over 30 years experience in the copper and gold mining industries, having worked on projects in Europe, North America, Latin America, South East Asia, Australasia and Africa. He has been responsible for the exploration, project development, construction and operational phases of mine development, as well as working on acquisition and development opportunities in the gold and base metals sectors.

Mr. Wright was General Manager of the Hidden Valley gold mine in PNG, taking the project from exploration, through construction and in to operation. He was also responsible for the successful ramp up of operations at the Lumwana copper mine in Zambia. In both cases Mr. Wright played a significant role in the key areas of stakeholder engagement and corporate social responsibility. Mr. Wright has a Masters of Engineering degree in Mineral Process Engineering from Imperial College London.

MEL TOGOLO
PNG COUNTRY MANAGER

Mr. Mel Togolo has over 30 years of experience in senior roles, working for industry and government in Papua New Guinea and abroad. He was President of the Business Council of Papua New Guinea for six years and continues to be consulted as a mentor.

Mr. Togolo has represented industry at the board level, including roles at Westpac Bank PNG Limited, Highlands Gold Limited and Bougainville Copper Limited, and was also Deputy Chairman of the Investment Promotion Authority of Papua New Guinea. While he is no longer the Chairman of the Board of National Superannuation Fund Limited, he remains as member on the Board.

In January of 2004, Mr. Togolo was appointed Commander of the Most Excellent Order of the British Empire (CBE) for his services to commerce and industry. Prior to his appointment at Nautilus he worked for ten years as the General Manager of Corporate Affairs at Placer Dome Niugini Limited.

PAUL TAUMOEPEAU
TONGA COUNTRY MANAGER

Mr. Paul Taumoepeau grew up in Tonga, before going overseas to pursue academic studies. He returned to Tonga in 1992 working firstly in the public sector before moving to the private sector. Mr. Taumoepeau spent 13 years with the National Reserve Bank of Tonga, where he filled numerous positions, setting up domestic market and corporate services systems.

Prior to his appointment at Nautilus he worked for Leiola Group Limited, where he was the General Manager in his last two years. Mr. Taumoepeau is a Council member of the Tonga Chamber of Commerce & Industry and is also the Immediate Past Chair of PIPSO (Pacific Islands Private Sector Organisation).

Corporate Governance

Nautilus is committed to the pursuit of high standards of corporate governance, reflecting not only applicable legal and regulatory requirements but also having regard to global developments in relation to corporate governance best practices. We have adopted an approach of continuous improvement to review and develop appropriate policies and supporting systems to ensure transparency and the integrity of our business practices.

Mandate of the Board of Directors

- Setting Nautilus' strategic objectives;
- Evaluating corporate risks and opportunities;
- Approving annual budgets;
- Monitoring performance against such budgets;
- Promoting ethical and responsible corporate conduct;
- Addressing succession planning;
- Evaluating Board needs and performance; and
- Fostering a system of effective, accurate and timely public disclosure.

OVERVIEW OF COMMITTEE MANDATES

Specific responsibilities have been delegated to two Board Committees, which have access to independent expertise at the Company's expense.

AUDIT COMMITTEE

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to the Company's financial reporting and continuous disclosure; the Company's systems of internal controls and financial reporting processes; and the review and appraisal of the performance and independence of the Company's external auditors.

The Audit Committee operates in accordance with Terms of Reference adopted by the Board. The Audit Committee consists of three Board members who are all independent.

These Board members are:

- Geoff Loudon
- Russell Debney
- Cynthia Thomas

GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

The primary function of the Governance, Nomination and Remuneration Committee is to assist the Board in fulfilling its oversight responsibilities with respect to evaluating the effectiveness and performance of the Board and its Committees; ensuring the observation of good corporate governance practices; key compensation and human resources policies; executive management compensation, succession and development; and directors' compensation, succession and development.

The Governance, Nomination and Remuneration Committee operate in accordance with Terms of Reference adopted by the Board. The Governance, Nomination and Remuneration Committee consists of three Board members who are all independent.

These Board members are:

- Geoff Loudon
- Russell Debney
- Cynthia Thomas

Corporate Information

Board of Directors

Geoff Loudon, Chairman

Russell Debney, Director

Cynthia Thomas, Director

Dr. Mohammed Al Barwani, Director

Usama Barwani, Director

Mark Horn, Director

Officers and Management

Michael Johnston, President and
Chief Executive Officer

Shontel Norgate, Chief Financial Officer

Kevin Cain, VP Projects

Jonathan Lowe, VP Strategic Development
and Exploration

Adam Wright, VP PNG Operations

Karen Hauff, General Counsel and
Company Secretary

Mel Togolo, Papua New Guinea, Country Manager

Paul Taumoepeau, Tonga, Country Manager

Transfer Agent and Registrar

The transfer agent and registrar for the shares of the Company is Computershare, its offices are located at:

9th Floor, 100 University Avenue
Toronto, ON M5J 2Y1 Canada

Annual Information Form

The Company prepares an Annual Information Form ("AIF") which is filed with securities commissions in Canada. Copies of the AIF, annual and quarterly reports are available from the Canadian Securities Administrators database SEDAR (www.sedar.com).

For Shareholder Accounts

Inquiries in Canada:

Telephone: 1.800.564.6253 (toll free in North America)
International: +514.982.7555
email: service@computershare.com

Inquiries in the U.S:

U.S Investment bank Cowen and Company, serves as Nautilus Minerals' Principal American Liaison (PAL) on the OTCQX International.

Cowen and Company
599 Lexington Avenue
New York, NY 10022
email: otcqxrequest@cowen.com

Investor Relations Contact

Institutional and individual investors seeking financial information about the Company are invited to contact the Investor Relations team:

Telephone: 1.416.551.1100
email: investor@nautilusminerals.com
web: www.nautilusminerals.com

Stock Exchange Listing and Symbols

The Company's shares are listed on the Toronto Stock Exchange (TSX) under the symbol NUS and the OTCQX International under the ticker NUSMF.

Auditors

PricewaterhouseCoopers LLP

Bankers

Canadian Imperial Bank of Commerce

ANZ Banking Corporation

This Annual Report is printed with the environment in mind using FSC® certified paper containing 10% post consumer recycled content and certified fiber, it's the optimal environmental choice.

NAUTILUS
Minerals

NAUTILUS MINERALS INC.

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