Canada Nickel Company Receives Positive Initial Mineralogy Results

Shows 89% of Nickel Contained in Nickel Sulphide and Nickel-Iron Alloy Minerals in Higher Grade Resource Area

TORONTO, March 12, 2020 - Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") is pleased to announce positive initial results from a mineralogical assessment of sample material from its Crawford Nickel-Cobalt Project.

Highlights:

- 89% of the nickel in the Higher Grade Core of the resource is contained in nickel sulphide and nickel-iron alloy minerals.
- 59% of the nickel in the Lower Grade Zones is contained in nickel sulphide and nickel-iron alloy minerals.
- Both the higher and lower grade areas contain significant quantities of magnetite. In the Higher Grade Core, the magnetite content averaged 8.7% and in the Lower Grade Zones averaged 6.9%.

Mark Selby, Chair and CEO of Canada Nickel, commented, "We are excited with these results, which have exceeded the Company's expectations. These initial mineralogy results support our strategy to continue to aggressively advance Crawford and represent an important first step towards understanding what the ultimate nickel recoveries will be. These mineralogy test results are very encouraging and I look forward to building on these positive results with additional samples we have already shipped to the labs for assessment."

The results are from samples from the Crawford Nickel-Cobalt Sulphide Project which announced a maiden resource on February 28th, 2020 with a Higher Grade Core of measured and indicated resource of approximately 263 million tonnes at 0.31% nickel, 0.013% cobalt, and 0.038 g/t Pd + Pt within an overall measured and indicated resource of approximately 600 million tonnes at 0.25% nickel, and 0.013% cobalt, and an additional higher grade inferred resource of approximately 66 million tonnes at 0.29% nickel and 0.013% cobalt within an overall inferred resource of approximately 310 million tonnes at 0.23% nickel and 0.013% cobalt.

The Mineral Resource Estimate was prepared by Caracle Creek International Consulting Inc. in accordance with CIM Definition Standards on Mineral Resources and Reserves, effective as of February 27, 2020. A Technical Report in support of the Mineral Resource Estimate will be filed on SEDAR (www.sedar.com) within 45 days of its announcement to the market on February 28th, 2020.

Initial Mineralogy Results

The initial results from the first phase of mineral processing work are based on the results of 89 samples processed at both XPS Expert Process Solutions ("XPS") and SGS Canada ("SGS") to determine the mineralogy and the proportion of nickel contained in nickel sulphide and nickel-iron alloy minerals(pentlandite, heazlewoodite, and awaruite). Over 600 samples have been shipped to both labs out of an initial 1,000 target samples.

89% of the nickel in the 44 samples from the Higher Grade Core of the resource was contained in nickel sulphide and nickel-iron alloy minerals (11% in unrecoverable silicate minerals). Given the relatively significant amount of sulphur in the samples, 97% of the nickel was contained in the sulphide minerals (pentlandite and heazlewoodite) and only 3% in the nickel-iron alloy mineral (awaruite).

In the Lower Grade Zones, 59% of the nickel was contained in nickel sulphide and nickel-iron alloy minerals (41% in unrecoverable silicate minerals). 89% of the nickel was contained in sulphide minerals (pentlandite and heazlewoodite) and, given the lower sulphur content, 11% of the nickel was in awaruite.

Both the higher and lower grade areas contain significant quantities of magnetite. In the Higher Grade Core, the magnetite content averaged 8.7% and in the Lower Grade Zones averaged 6.9%.

Table 1 below summarizes the results from these initial 89 samples:

Table 1 – Initial Mineralogy Results

	Higher Grade Core	**Lower Grade Zones**
# samples	44	45
% Ni in nickel sulphide and nickel-iron alloy minerals	**89%**	**59%**
% Ni in silicates	11%	41%
% Nickel	0.31	0.19
% Sulphur	0.14	0.03
% Magnetite	8.7	6.9

*"% Ni in nickel sulphide and nickel-iron alloy minerals" is a calculated value based on the modal abundances of pentlandite (Pn), heazlewoodite (Hz) and awaruite (Aw) in the sample and is calculated by multiplying the % Modal abundance of Pn * %Ni in Pn + % Modal abundance of Hz * %Ni in Hz + % Modal abundance of Aw * %Ni in Aw. The % nickel is based on the average nickel content of the initial electron microprobe analysis on 12 samples presented in Table 2 below.*

Breakdown of Nickel Sulphide and Nickel-Iron Alloy Minerals		
Minerals	**Higher Grade Core**	**Lower Grade Zones**
Pentlandite	40%	51%
Heazlewoodite	57%	38%
Awaruite	3%	11%

Table 2 – Initial Electron Microprobe Results – Selected Elements (12 samples)

	% Ni	**% Co**	**% Fe**
Pentlandite	35.0	5.1	27.0
Heazlewoodite	71.5	0.0	1.5
Awaruite	75.2	1.4	23.2
Magnetite	0.1	0.0	70.9

About Canada Nickel Company

Canada Nickel Company Inc. is advancing the next generation of nickel-cobalt sulphide projects to deliver nickel and cobalt required to feed the high growth electric vehicle and stainless steel markets. Canada Nickel provides investors with leverage to nickel and cobalt in low political risk jurisdictions in a geopolitically stable jurisdiction Canada Nickel is currently anchored by its 100% owned flagship Crawford Nickel-Cobalt Sulphide Project in the heart of the prolific Timmins-Cochrane mining camp.

Cautionary Statement Concerning Forward-Looking Statements

This press release contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward looking information includes, but is not limited to, mineral resource estimates relating to the Crawford Nickel-Cobalt Sulphide Project, the potential of the Crawford Nickel-Cobalt Sulphide Project, strategic plans, including future exploration and development results, and corporate and technical objectives. Forward-looking information is necessarily based upon a number of assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Factors that could affect the outcome include, among others: future prices and the supply of metals, the future demand for metals, the results of drilling, inability to raise the money necessary to incur the expenditures required to retain and advance the property, environmental liabilities (known and unknown), general business, economic, competitive, political and social uncertainties, results of exploration programs, risks of the mining industry, delays in obtaining governmental approvals, and failure to obtain regulatory or shareholder approvals. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. Canada Nickel disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Qualified Person

Stephen J. Balch P.Geo. (ON), VP Exploration of Canada Nickel and a "qualified person" as such term is defined by National Instrument 43-101, has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of Canada Nickel Company Inc.

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