



CANADA NICKEL COMPANY

Four Infill Holes Further Extend Higher-Grade Core at the Crawford Nickel-Cobalt Sulphide Project

Highlights

- All four holes intersected higher grade core lengths of 130 to 175 metres of 0.35% nickel. Higher grade mineralization of 0.35% nickel or better now intersected across a strike length of 600 metres in westernmost portion of Main Zone and remains open in multiple directions.
- Three of four holes were mineralized over entire core lengths of 366 to 375 metres with 0.30% nickel or better, including core lengths of 24 to 72 metres of 0.4% nickel
- All four infill holes in this release were continuously mineralized from the beginning to the end of the holes within the steeply dipping higher-grade core which varies in true thickness from 40 m to 160 m

TORONTO, August 20, 2020 – Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") today announced additional encouraging results from infill drilling on the Main Zone at its Crawford Nickel-Cobalt Sulphide project.

"Our infill drilling program continues to deliver outstanding results. The second higher grade resource area in the western end of the Main Zone identified in our previous infill release has been further confirmed by these new holes. These higher grade resource areas will be the initial focus of the mine plan in the Preliminary Economic Assessment currently underway and expected to be completed by year-end," said Mark Selby, Chair and CEO of Canada Nickel. *"We have now completed the final three in-fill holes for the resource update and we are currently drilling the follow up holes on the previously reported excellent PGM results from hole CR20-32 (three separate intersections including 2.6 g/t PGM over 7.5 metres) and will begin testing several other prospective geophysical nickel targets on the several kilometres of the Crawford structure which remain untested."*

The Crawford Nickel-Cobalt Sulphide Project is located in the heart of the prolific Timmins-Cochrane mining camp in Ontario, Canada, and is adjacent to well-established, major infrastructure associated with over 100 years of regional mining activity.

Main Zone Infill Results

Infill drilling on the Main Zone continued to focus on more clearly defining and upgrading the Higher-Grade Core resource, which was previously defined as part of the resource estimate and dips steeply within the ultramafic unit and having a previously reported true thickness that varies from 40 m to 160 m.

All four infill holes contained in this release intersected thick intersections of nickel mineralization, and continue to extend and better define the higher grade resource areas. Assays from the remaining 11 in-fill holes will be released over the next several weeks. See Table 1 and Figure 1 and 2 for results.

Highlights of the drilling include:

- Infill hole CR20-48 intersected 0.31% nickel across entire core length of 368 metres
- Infill hole CR20-50 intersected 0.33% nickel across entire core length of 366 metres
- Infill hole CR20-52 returned 0.30% nickel across entire core length of 375 metres
- Higher grade mineralization >0.35% nickel has now been delineated across approximately 600 metre strike length in westernmost end of Main Zone. See Figure 2.
- All four infill holes in this release were continuously mineralized from the beginning to the end of the holes, and further expands dimensions of higher grade (>0.35% Ni) mineralization in the western end of mineralization of the Main Zone

Table 1 – Main Zone Nickel – Drilling Results, Crawford Nickel-Cobalt Sulphide Project, Ontario

DDH ID	From	To	Length	Ni	Co	Pd	Pt	S	Fe
	(m)	(m)	(m)	(%)	(%)	(g/t)	(g/t)	(%)	(%)
CR20-48	34.0	402.0	368.0	0.31	0.014	0.026	0.012	0.13	7.22
<i>including</i>	34.0	288.0	254.0	0.34	0.014	0.023	0.008	0.15	7.22
<i>including</i>	124.5	283.5	159.0	0.36	0.014	0.023	0.008	0.16	7.22
<i>including</i>	151.5	223.5	72.0	0.40	0.015	0.027	0.010	0.19	7.36
CR20-49	36.5	402.0	365.5	0.28	0.013	0.024	0.012	0.05	6.83
<i>including</i>	36.5	210.0	173.5	0.35	0.012	0.037	0.011	0.10	6.11
<i>including</i>	36.5	91.5	55.0	0.41	0.013	0.047	0.019	0.19	5.34
CR20-50	36.0	402.0	366.0	0.33	0.016	0.038	0.014	0.58	7.51
<i>including</i>	36.0	181.5	145.5	0.35	0.017	0.050	0.020	0.67	7.84
<i>including</i>	124.5	162.0	37.5	0.40	0.018	0.051	0.016	1.03	8.02
CR20-52	27.0	402.0	375.0	0.30	0.012	0.023	0.017	0.07	5.98
<i>including</i>	27.0	157.5	130.5	0.35	0.013	0.024	0.008	0.14	4.59
<i>including</i>	27.0	51.0	24.0	0.40	0.014	0.033	0.011	0.23	4.43

*These holes were drilled at a steep angle of -80 degrees almost entirely within the higher-grade core to better determine grade. The estimated true width of this zone has been determined from previous drilling to vary from 40 to 160 m depending on location of the section.

Figure 1 - Plan View of Main Zone Nickel Resource, Crawford Nickel-Cobalt Sulphide Project, Ontario.

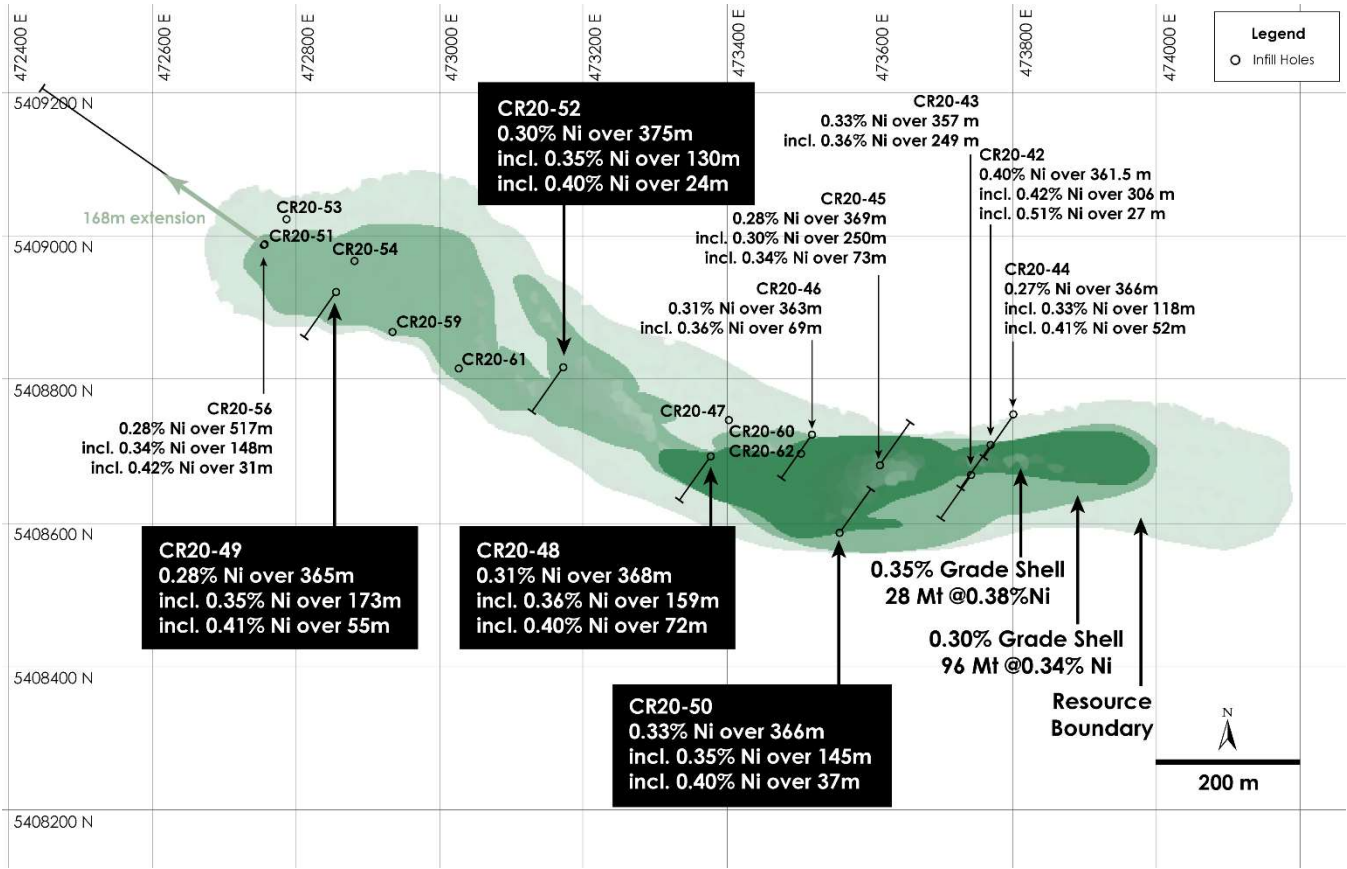
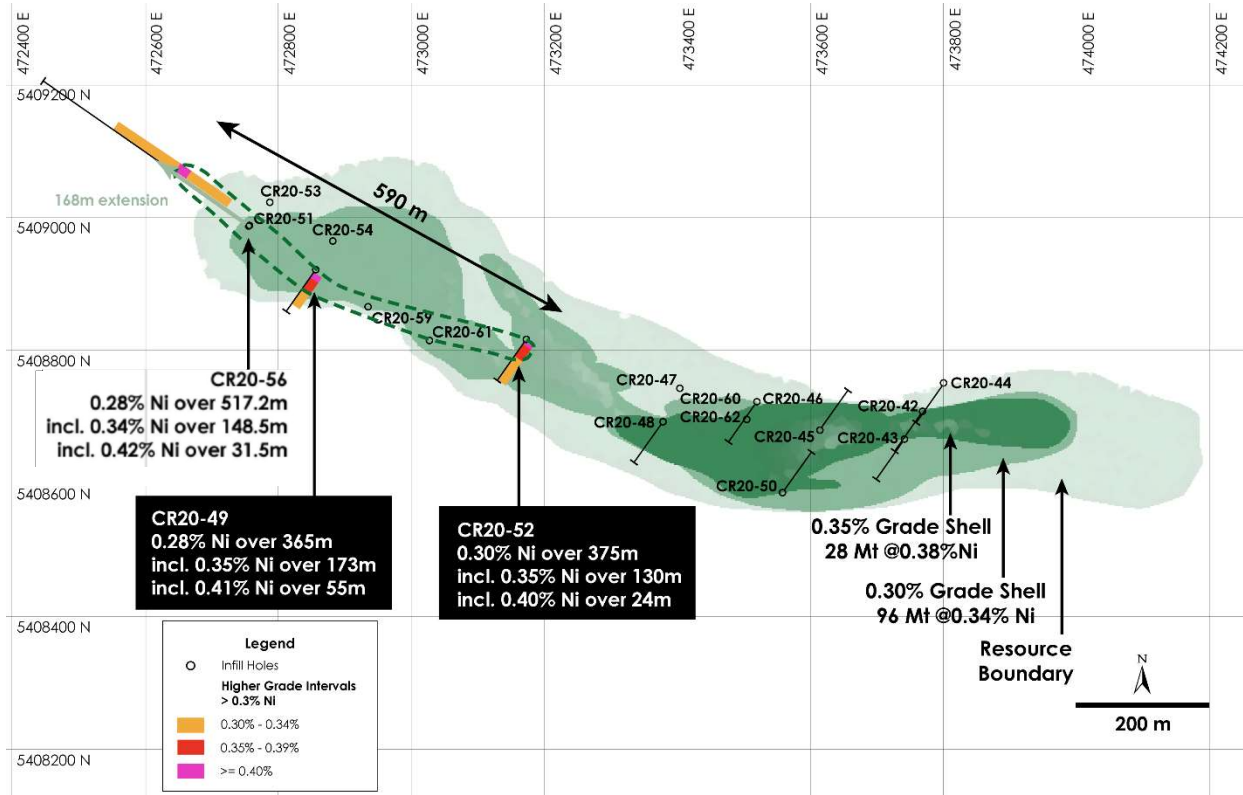


Figure 2 - Plan View of Main Zone Nickel Resource including Newly Defined Higher Grade (>0.35% nickel) Mineralization, Crawford Nickel-Cobalt Sulphide Project, Ontario.



Next Steps

All drill results to date will be incorporated into an updated resource now expected by the end of the summer. Infill drilling for this resource update is now completed and drilling is now following up on the previously reported excellent PGM results from hole CR20-32 (three intervals including 2.6 g/t PGM over core length of 7.5 metres) and several other prospective geophysical targets on the several kilometres of the Crawford structure which remain untested on the west side of the highway.

Table 2 – Drill Hole Orientation, Crawford Nickel-Cobalt Sulphide Project, Ontario

DDH ID	Easting (mE)	Northing (mN)	Dip (°)	Azimuth (°)	Length (m)
CR20-48	473378.5	5408693.0	-80	215.1	402
CR20-49	472855.7	5408922.1	-80	215.1	402
CR20-50	473559.2	5408586.4	-80	34.9	402
CR20-52	473173.1	5408816.6	-80	214.9	402

Issuance of Options and RSUs to Independent Directors

The Company also announced today that it has issued 20,000 options ("Options") to acquire Company common shares at \$1.87 per share and 10,000 restricted share units ("RSUs") to each of its three independent directors. Such Options and RSUs are subject to shareholder approval as required by the TSX Venture Exchange and to the terms and conditions of the Company's option plan and restricted share unit plan, respectively.

Assays, Quality Assurance/Quality Control and Drilling and Assay Procedures

William E. MacRae, MSc, P.Geo., a "qualified person" as defined by NI 43-101, is responsible for the on-going drilling and sampling program, including quality assurance (QA) and quality control (QC). The core is collected from the drill in sealed core trays and transported to the core logging facility. The core is marked and sampled at 1.5 metre lengths and cut with a diamond blade saw. Samples are bagged with QA/QC samples inserted in batches of 35 samples per lot. Samples are transported in secure bags directly from the Canada Nickel core shack to Actlabs Timmins, an ISO/IEC 17025 accredited lab. Analysis for precious metals (gold, platinum and palladium) are completed by Fire Assay while analysis for nickel, cobalt, sulphur and 17 other elements are performed using a peroxide fusion and ICP-OES analysis. Certified standards and blanks are inserted at a rate of one QA/QC sample per 32 core samples making a batch of 35 samples that are submitted for analysis.

Qualified Person and Data Verification

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.

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 Company has applied in multiple jurisdictions to trademark the terms NetZero Nickel™, NetZero Cobalt™, NetZero Iron™ and is pursuing the development of processes to allow the production of net zero carbon nickel, cobalt, and iron products. Canada Nickel provides investors with leverage to nickel and cobalt in low political risk jurisdictions. 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, drill results relating to the Crawford Nickel-Cobalt Sulphide Project, the potential of the Crawford Nickel-Cobalt Sulphide Project, timing of economic studies and resource estimates, 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, timing of the updated resource estimate, 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.

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