



**CANADA NICKEL**  
COMPANY

# NOVEMBER

**2023**  
newsletter





CEO, Canada Nickel Company, Mark Selby

**WE ARE THRILLED TO ANNOUNCE** our comprehensive press release that provides an overview of the highlights and key findings from our feasibility study for the Crawford Project.

This bankable study is significant for Crawford and a major step forward in demonstrating the value of our Timmins Nickel District and its potential to anchor a zero carbon industrial cluster in the Timmins-Cochrane region. Crawford is poised to be a leader in the energy transition through the large-scale production of critical minerals including nickel and cobalt, and is expected to become the sole North American producer of chromium[3] while also supporting Canada's climate objectives through industrial-scale carbon capture and storage.

We are focused on pursuing our next milestones of obtaining permits, developing a financing package and moving towards a production decision by mid-2025, with a goal of first production by the end of 2027.

The path we've navigated over the last four years has been nothing short of remarkable. When we reflect on where we started, with just five drill holes at Crawford, it's astounding to see how far we've come. This transformation speaks volumes about the dedication, tenacity and unwavering commitment of our entire team.



#### LINKS TO NEWS RELEASES



[October 12](#)

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Canada Nickel's Feasibility Study confirms the Crawford Project's strong economic potential for the company, the region and the country. Discounting CNC's other regional properties, Crawford is **one of the world's 2nd largest nickel reserves and resources.**

The initial mineral reserve is  
**1.7**  
billion tonnes of ore  
at a nickel grading of  
**0.22 %**

Over the estimated  
41-years of mine life,  
Canada Nickel expects  
to produce:

**1.6 million**  
**TONNES OF NICKEL**

**490,000 OUNCES OF**  
**palladium & platinum**

**24,000**  
**tonnes of cobalt**

**58 million**  
**TONNES OF IRON**

**2.8**  
**MILLION TONNES**  
**of chromium**

The study also outlines an  
**internal rate of return**  
**of 17.1%**  
*which would increase to 18.3 %*  
with projected carbon capture  
and storage tax credits.

**The company also**  
**expects an annual**  
**EBITDA**

(earnings before interest, taxes,  
depreciation and amortization)  
of  
**\$811 million**  
**USD**

Additionally, **Crawford will be a net negative contributor to global CO<sub>2</sub> emissions**, meaning that the site will capture and store more carbon than it emits, even after accounting for the project's footprint.

Thus, **Crawford will be Canada's largest carbon storage facility**, with a projected **1.5 million tonnes per year of carbon captured and stored at the site**, during the mine's peak 27-year period of production.

## employee SPOTLIGHT

**WE ARE DELIGHTED** to shine the spotlight on our esteemed Manager of Process Engineering, Arthur Stokreef, who has been an invaluable asset to Canada Nickel Company for the past three years.

Arthur's career journey has been marked by a rich tapestry of technical excellence, research, and contributions in the field of metallurgy.

With a background steeped in mineral processing, laboratory process development, cutting edge technology commercialization and nickel pyrometallurgy, Arthur has left an indelible mark at every step of his professional trajectory. His previous roles at Teck, Kingston Process Metallurgy and the Glencore Nickel Smelter (Falconbridge) have equipped him with a comprehensive understanding of the intricate nuances of the industry.

### Professional Contributions and Achievements

Arthur's contributions to the Crawford PEA and Feasibility Study have been pivotal in shaping the company's trajectory. Notably, he worked closely with a diverse team of experts including geologists, consultants, design engineers and mining engineers. His efforts in understanding the geological characteristics of the Crawford deposit have been instrumental in shaping the metallurgical flow-sheet. Arthur's expertise in testing samples from various parts of the orebody has elucidated crucial differences in ore value and processing characteristics, providing crucial insights for the company's strategic decision-making.

Arthur's dedication to sustainable practices is exemplified through his active involvement in the company's NetZero Metals initiatives. He has played a crucial role in the development of carbon capture and storage strategies, underscoring his commitment to environmentally responsible metallurgical practices. His participation in the Carbfix Mineralization Summit in Iceland stands as a testament to his unwavering pursuit of innovative solutions in the realm of mineral carbonation.



**Arthur  
STOKREEF**

### Beyond the Office

Outside the realm of metallurgy, Arthur is an avid enthusiast of outdoor adventures. His love for skiing, biking and camping embodies his zest for life and his appreciation for nature. Furthermore, he cherishes the joys of culinary artistry, often spending quality time cooking for his cherished friends and family.

Arthur's unwavering commitment to excellence and his multi-faceted contributions to the field of metallurgy continue to inspire us all. We look forward to witnessing his continued success and invaluable contributions to Canada Nickel Company.

Stay tuned for more updates on our outstanding team members and the latest advancements at Canada Nickel Company.

### Crawford project



# Canada Nickel Company's Inaugural ESG Report

**CANADA NICKEL COMPANY** (CNC) published their first Environmental, Social, and Governance (ESG) report in early September, a significant milestone in CNC's ongoing commitment to the transparent disclosure of challenges, opportunities, and achievements. The report documents CNC's performance, progress and objectives for material, environmental, social, health and safety and economic topics for the period of January 1st to December 31st, 2022.

The report is prepared based on the standards set out by the Global Reporting Initiative (GRI) and outlines how CNC contributes to the United Nations Sustainable Development Goals (UNSDGs). The report also communicates progress in reference to the United Nations Global Compact (UNGC), which CNC is a proud signatory of.

This first ESG report outlines CNC's Social Purpose statement which will guide the values and strategic

decisions behind the company's operations in a way that is consistent with our commitment towards sustainability.

Topics addressed in the report are identified using best practices and industry standards and through a materiality assessment to prioritize the topics that matter most to CNC's organization and stakeholders. From a preliminary list of twenty-one topics, twelve priority areas have been established, based on all feedback received during the assessment. These priority areas guide the reporting content to be addressed.

Establishing these priorities prior to development of CNC's first operation ensures that sustainability is a key component of project design, decision-making and management strategies at all levels of the organization and stages of development from the outset.

These material topics will be assessed on an ongoing basis to accurately represent objectives, risks and activities, as well as stakeholder and community priorities that may evolve with time.

Performance data for each of these priority areas is presented and addressed in the report with respect to all projects and properties owned by Canada Nickel where activity took place during 2022. This includes: Bradburn, Crawford, Deloro, Macdiarmid, Reaume, Reid, Sothman and Texmont.

**“WE ORIGINATE MATERIALS  
TO RESPONSIBLY POWER  
THE ENERGY TRANSITION.”**

## PRIORITY AREAS

### Communities

Indigenous rights and relationships  
Community engagement  
Regional economic performance  
Regional social performance

### Our people

Health, safety, and wellbeing  
Personal and professional development  
Equity, diversity, and inclusion

### Environment

Climate change  
Water management  
Biodiversity

### Governance

Business ethics and conduct  
Governance structure



To consult the detailed ESG Report for 2022, click [HERE](#)

#### Commitment

At Canada Nickel, we are proud of our culture and the way we operate. We believe that treating each other with respect, equity, and dignity is foundational to our success. We are committed to creating a work environment where everyone feels valued, supported, and empowered to reach their full potential.

Trust is essential in any successful team, and we work hard to build and maintain that trust across our operations. We operate with transparency and open communication, encouraging creative thinking and collaboration in everything from project design and health and safety to corporate image and values. We understand that everyone has unique strengths and perspectives, and we celebrate those differences as key components of our collective success.

#### Out of 31 Employees:

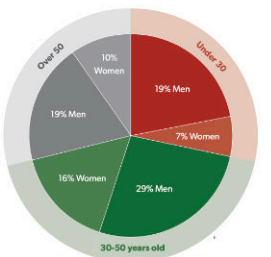


32% are women  
29% of board directors are women



10% of management is hired locally  
68% of employees are hired locally

94% of workforce is permanent,  
97% full time  
Workforce grew by 55% in 2022



7 Other areas of diversity are not yet tracked

# BULK SAMPLING

**CANADA NICKEL COMPANY** is preparing for an advanced exploration phase on the Crawford site. Bulk sampling will be occurring in early 2024. Advanced exploration is a more intensive, large scale, and expensive form of mineral exploration that is usually conducted prior to construction and operation (drill programs are usually considered early exploration).

## WHY BULK SAMPLING?

- Recover a larger sample than with surface drilling to confirm metals recovery rates and grades.
- Gain experience with overburden material handling
- Gain a better comprehension of the deposit to perfect project modeling
- Increase knowledge for water management planning
- For Anglo American, as part of our agreement announced in January 2023, to assess opportunities to add value to Crawford from its FutureSmart Mining™ technology program.



1000 tonnes of ore will be extracted from a small open pit for bulk sampling. Ore will be shipped offsite for testing.

# REGULATORY PROCESS

## NEXT STAGES

- › Canada Nickel submitted the bulk sampling project to the Ministry of Mines in July 2023
- › Advanced Exploration Closure Plan
- › Environmental Compliance Approval for Industrial Sewage Works
- › Permit to Take Water
- › Endangered Species Act (if necessary)
- › Other permits and confirmations by the Ministry of Natural Resources and Forestry, the Ministry of Transportation and the Ministry of Mines.

# PROJECT TIMELINE

## WINTER 2024

Planned for a total of 5 months: **January to June 2024**

1



Clear location, build access road, install temporary and mobile equipment/infrastructure

2



Develop storage areas for overburden and rock

3



Excavation of organic material, clay, sand and till (to be able to drill and blast)

4



Rock excavation (Ore and construction rock)

5



Shipping offsite for testing

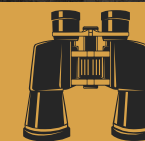
## SPRING/SUMMER 2024

Site remediation (clean up and closure)



## POST CLOSURE

Site monitoring for a period of three years



## TYPES OF EQUIPMENT THAT WILL BE USED

- Heavy equipment (excavators, haul trucks, bull dozers, drills)
- Office/Admin trailers
- Power supply (Generators)
- Storage containers (sea containers)
- Fuel serviced daily from the surrounding communities
- Waste management (garbage and recycling facilities)
- Explosives (brought to site as required)
- Washroom facilities, etc.

## Note:

There will be no on-site accommodation. Workers will travel to and from the site from Timmins. Only mobile and temporary equipment will be used.

# PROPOSED CLOSURE PLAN

## STEPS:

1

All mobile equipment and infrastructure will be removed from site upon completion of bulk sampling project.

2

The water pumping and treatment system will be decommissioned and the water discharge to the West Buskegau river will be stopped. The pit will then fill naturally with groundwater infiltration and precipitation to become a pond. (Process expected to take around two years).

3

Revegetation of disturbed areas such as the overburden stockpile, as well as roads and laydown areas no longer required for ongoing activities and technical studies for the Crawford Project.

## ENVIRONMENTAL MONITORING

- ▶ The areas which have undergone revegetation will be inspected bi-annually until vegetation is established (estimated period of three years), afterwards annual inspections will be conducted for an additional two years
- ▶ Groundwater quality monitoring will occur semi-annually for a period of two years, or until the pit has fully flooded.
- ▶ Annual report on the monitoring program (Results) to be submitted for a period of two years.

PHOTOGRAPH COURTESY: Tim Schramm - ursplash.com

## WHY FLOOD THE PIT?

Flooding has been identified as the preferred closure measure for the following reasons:

- ▷ It will mimic the current concept of the overall Crawford Nickel Project.
- ▷ It increases knowledge to support the overall Crawford Nickel Closure Plan.
- ▷ This pit is within the limits of the future Crawford Nickel Project open pit.
- ▷ Small ponds are consistent with the general aquatic habitats in the area.

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# TSXv: CNC OTCQX: CNIKF

## **DISCLOSURE STATEMENT**

### **Cautionary Statement Concerning Forward-Looking Statements**

This document contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, future exploration and development results, completion of acquisitions, and corporate and technical objectives. Forward-looking information is 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, failure to obtain regulatory or shareholder approvals and the impact of COVID-19 related disruptions in relation to the Company's business operations including upon its employees, suppliers, facilities and other stakeholders. 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 document 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 Company Inc. 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.