



NEWSLETTER

OCTOBER 2022

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CRAWFORD'S INITIAL PROJECT DESCRIPTION AND PERMITTING UPDATES

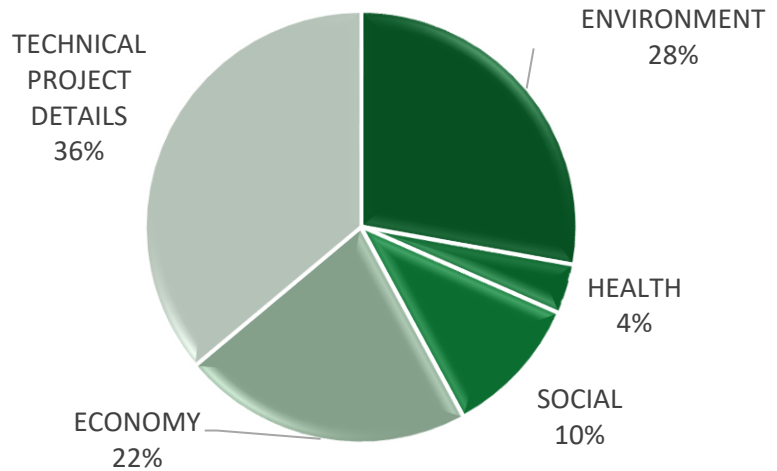
Engagement, submission, comment periods, and what comes next.

Following over twenty engagement meetings covering the *Initial Project Description (IPD)* for the Crawford Project, Canada Nickel submitted the final document to the Impact Assessment Agency of Canada (IAAC or the Agency) for final review.

The IPD was accepted by IAAC and posted to their website on August 8th, 2022, initiating the Agency's 30-day comment period. The full IPD and its French and English summaries are available at <https://iaac-aeic.gc.ca/050/evaluations/proj/83857?culture=en-CA>.

"We would like to thank all who have taken the time to provide feedback, and to reiterate the significant role each individual can play in the careful and informed design, development, and operation of the Crawford Nickel Project," said Mark Selby, Chair and CEO of Canada Nickel. "The relationships we have built since the earliest days of the project have been crucial in facilitating these conversations, and by continuing to collect, reflect upon, and integrate the comments, concerns, questions, and suggestions we receive, Canada Nickel hopes to build a project that maximizes benefits to all communities in the region."

IPD MEETING FEEDBACK Grouped by primary topic



The above figure shows a summary of the comments received by Canada Nickel during IPD engagement activities, grouped by the primary topic to which they related. An overview of all feedback received during these meetings can be found at the end of the full *Initial Project Description* document.

At the completion of the Agency's comment period, Canada Nickel was provided with the *Summary of Issues*. Our team is now in the process of completing the *Response to the Summary of Issues* and the *Detailed Project Description*. Interested individuals are encouraged to participate in meetings to review updated content in these documents. Dates for these meetings will be set in the coming months.

GEOLOGY AND EXPLORATION – THE GROWING NICKEL DISTRICT

*A message from Canada Nickel's Vice President,
Exploration - Steve Balch*



Canada Nickel is a rapidly growing exploration company, with our flagship Crawford now shown to contain over 2 billion tonnes of resource at grades of 0.24% Nickel. Our team acquired the Crawford property in 2019, and in less than 4 years we have drilled almost 300 holes into the deposit, completed a preliminary economic assessment, conducted over a year of baseline studies, and are presently working towards completion of a feasibility study scheduled to be released by year-end.

In 2021 we acquired several other properties with similar geological signatures to Crawford as part of an ongoing effort to fully evaluate the region's potential for a carbon neutral critical mineral cluster. For those familiar with geology, our main focus is large ultramafic sills that contain nickel as recoverable sulphide minerals and nickel alloy, liberated from their original silicate mineral olivine through the process of serpentinization.

With a highly trained and energetic team, we are working hard to bring Crawford into production by 2027. Our deposit will produce a high-grade concentrate that is highly sought after by the electric vehicle battery industry, and tailings that will act as a natural carbon sink.

I've been working in the mining industry as a mineral exploration geophysicist (B.Sc., P.Geo.) for over 37 years. I've worked in the Sudbury Basin for Inco, at Voiseys Bay for Voiseys Bay Nickel and on several other projects (nickel and other commodities) in Canada, Mexico, China, Russia, and Africa. Now, as the VP Exploration for Canada Nickel, I get the satisfaction of seeing such a large exploration program emerge in

my home country within a key mining district that can enable such rapid project acceleration.

Our program in Timmins is led by geologists Edwin Escarraga and Curtis Ferron. Edwin Escarraga (P.Geo.) earned a B.Sc. (Hons) in Geology from Universidad Nacional, Colombia, and a M.Sc. in Geology from Acadia University, Canada. He has worked for over 16 years on projects from grass roots to advanced exploration in Canada, USA, and Ecuador. Presently, Edwin is Director of Exploration at Canada Nickel, and is responsible for the ongoing exploration at Crawford and our regional properties.

Curtis Ferron (G.I.T.) earned his B.Sc. (Hons) and M.Sc. in Geology from McMaster University. Curtis has 4 years of experience in mineral exploration specializing in GIS mapping and database management. He has worked in both the Sudbury Basin and Timmins area focusing on Ni-Co-PGE magmatic systems. As the Lead Geologist Curtis is responsible for executing ongoing exploration activities at Canada Nickel's suite of projects.

Acting in a region with a 100-year rich history of mining, our goal is to be at the center of the Cochrane District mining scene for the next 100 years as we develop one of the world's largest nickel resources.

A handwritten signature in black ink, appearing to read 'S. Balch', written in a cursive style.

Steve Balch
VP Exploration

CONTINUED CONVERSATIONS AROUND THE CRAWFORD NICKEL PROJECT



Mark Selby, Chair and CEO, presenting project updates at the TTN AGM in August 2022.

Despite recent submission of the Initial Project Description, Canada Nickel is continuing to engage whenever the opportunity arises.

On August 12th, Canada Nickel was given the honour of presenting project updates at the Taykwa Tagamou Nation Annual General Meeting. Also in attendance were Alison Linklater, Mushkegowuk Council Grand Chief, RoseAnne Archibald, Assembly of First Nations National Chief, Victor Linklater, Nishnawbe Aski Nation Deputy Grand Chief, George Pirie, Minister of MINES, and Michael Tibollo, Minister of Mental Health and Addictions.

On September 13th, Canada Nickel took the floor at the Cochrane Town Council meeting to provide a brief, broadcasted overview of the Project, with the goal of accomplishing greater outreach within the community.

On September 26th, Mattagami First Nation invited Canada Nickel to participate in a highly successful Lands and Resources Meet and Greet – a fantastic opportunity for meaningful, one-on-one conversations about our activities.

Canada Nickel would like to express gratitude for the ongoing discussions taking place regarding the Crawford Project, and for the continued chances to address your questions, comments, and concerns about our current and upcoming activities.



CALLING ALL LAND USERS!



Canada Nickel would greatly appreciate the opportunity to meet with any land users in proximity to the proposed Crawford Project, or with activities that may be impacted by the development and operation of the project. This may include hunting, trapping, fishing, camping, ATV-ing, etc.

If you would like to speak with us further about the location of our project, and any questions or concerns you may have pertaining to your own activities, please contact Alex Armstrong, Community Relations Coordinator, at 705-363-7322, or alexandraarmstrong@canadanickel.com



Images from Minister Piccini and his team's visit to the Crawford Nickel Project, accompanied by Chair and CEO Mark Selby and VP Sustainability Pierre-Philippe Dupont.

CRAWFORD PROJECT SITE VISIT WITH THE HON. DAVID PICCINI, ONTARIO MINISTER OF THE ENVIRONMENTAL, CONSERVATION AND PARKS

On September 29th, Canada Nickel had the exciting opportunity to provide a site visit to the Honourable David Piccini and his team. With stops at the core shack and an active drill on site at the Crawford property, Canada Nickel was able to demonstrate the meaningful steps taken in line with the company's *Responsible Exploration Policy*, and the immense potential of Crawford's Net Zero critical minerals production.

Canada Nickel would like to thank Minister Piccini and his team for allowing us this opportunity.

CANADA NICKEL'S RESPONSIBLE EXPLORATION POLICY - HIGHLIGHTS

The *Responsible Exploration Policy*, first implemented in November 2021, serves to ensure best practice environmental standards at all Canada Nickel exploration operations, and includes:

- ✓ Required use of biodegradable drilling fluids
- ✓ Site selection that makes best effort to
 - Maintain a minimum distance of 100 metres from all waterbodies (as opposed to the regulatory requirement of 30 metres)
 - Use existing access routes and clearings
 - Minimize vegetation removal
- ✓ Monitoring of water taking levels
- ✓ Regular pre, post, and active drill inspections

CANADA NICKEL'S LOCAL PROCUREMENT POLICY

Canada Nickel's *Community Contributions and Local Procurement Committee* has been working diligently over the past few months to develop contributions guidelines and a local procurement policy for the Crawford Project. Presented below is a summary of the Local Procurement Policy for the Crawford Nickel Project's exploration and development phase, the culmination of numerous iterations of idea generation, advisement, and review with the Committee. To view the full policy, please visit www.canadanickel.com/sustainability.

Contributions Guidelines will be released in the coming months.

The *Community Contributions and Local Procurement Committee* is a voluntary group intended to advise and guide Canada Nickel, with the use of unique experiences and local expertise, to ensure that the related policies and guidelines will allow the company to distribute its community contributions and procurements in a way that positively benefits the region.

Meeting reports from all Committee discussions can be viewed on our website.

LOCAL PROCUREMENT POLICY

Commitment

Canada Nickel will, to the maximum extent possible while ensuring safety, quality, and economy, give preference to goods and services provided by Local Companies, provided such goods and services are competitive with goods and services obtainable elsewhere. A Tier 1 Local Company will be prioritized over a Tier 2 Local Company. Of note, Indigenous owned and operated businesses, or business with Indigenous joint ventures or partnerships, will be given highest preference during procurement.

Definitions and Procurement Status

Tier 1 Local Companies are those suppliers who are situated within the Cochrane District (including Iroquois Falls, Cochrane, Timmins, Hearst, Kapuskasing, Matheson, Moosonee, and Smooth Rock Falls)

Tier 2 Local Companies are those suppliers who are situated within Northeastern Ontario (defined as consisting of the following districts: Algoma, Sudbury, Cochrane, Timiskaming, Nipissing, and Manitoulin) and Abitibi-Témiscamingue (defined as consisting of the following regional county municipalities: Abitibi, Abitibi-Ouest, Vallée-de-l'Or, Rouyn-Noranda, and Témiscamingue)

Review

For the first two (2) years following the initial issuance of the Policy, the Policy will undergo review with the Community Contributions and Local Procurement Committee twice a year, or as needed. Following this early period of the Policy's issuance, the Policy will be reviewed annually.

NEWS RELEASE HIGHLIGHTS

Canada Nickel Provides Project Update and Announces US\$10 Million Loan Facility

September 29th, 2022

Canada Nickel is on track to deliver the feasibility study for the Crawford Project by year-end, with study work approximately 85% completed. To support this work, Canada Nickel has arranged a US\$10 million loan facility with Auramet which is expected to close on or before October 14th, 2022. The loan will be due January 14, 2023, will carry an interest rate of 1.00% per month, and be subject to a 2% arrangement fee. At closing, Auramet will also receive 325,000 1-year warrants with a strike price of \$1.52 per share.

Canada Nickel Confirms Large Scale Discovery at Reid, Provides Regional Exploration Update Highlights

September 28th, 2022

Drilling to date at Canada Nickel's Reid Property has confirmed a large-scale discovery, with a mineralized footprint already equivalent to 90% of Crawford's footprint of 1.6 km². The Reid Property is located just 16 km southwest of Crawford, or 37 km northwest of Timmins. Regional drilling has continued to validate the geophysical targeting approach used in identifying new potential targets for Canada Nickel, indicating potential at Canada Nickel's other 20 plus properties within the 42 km² of geophysical targets. For another of Canada Nickel's regional properties, Deloro, the latest assays included hole DEL22-05, which intersected 394 metres of 0.26% nickel.



Glen Coyne *Field Operations Supervisor*

After getting his start in line cutting and staking nearly 60 years ago, Glen has become a recognizable icon for prospecting in the Timmins-Cochrane mining camp. Glen discovered his passion for the mining industry early on, and has since worked at projects around the globe, including in Africa and Mexico, as a prospector, exploration supervisor, and underground miner, before joining Canada Nickel in its earliest days of exploration at the Crawford Project. During his impressive career, Glen saw the Golden Giant Mine in the Hemlo mining camp from staking to operation, earned his Lifetime Prospectors License, and raised his two sons, one of whom is still active in the mining industry. With mining running in the family, Glen, whose father made his career underground, now works alongside one of his grandsons at Canada Nickel.



EMPLOYEE SNAPSHOT

Canada Nickel Company Announces Assay Results and Confirms Discovery at Deloro Property

August 17th, 2022

The Deloro property assay results confirm expected grade over entire 487 metre core length of 0.25% nickel, marking the second significant discovery from newly acquired regional properties after results from Reid. Mineralization for Deloro was successfully defined with over 1.1 kilometres of strike length by 100 – 400 metres wide to a depth of 420 metres.

Canada Nickel Company Initiates Federal Permitting Process for Crawford Nickel Project

August 8th, 2022

Canada Nickel submits the *Initial Project Description* to the Impact Assessment Agency of Canada, initiating the federal Impact Assessment Process for the Crawford Nickel Project. Mark Selby, Chair and CEO of Canada Nickel, said “We would like to thank all who have taken the time to provide feedback, and to reiterate the significant role each individual can play in the careful and informed design, development, and operation of the Crawford Nickel Project [...] The relationships we have built since the earliest days of the project have been crucial in facilitating these conversations”.

Canada Nickel Identifies New Method for Accelerated CO2 Capture

July 20th, 2022

Lab tests of Canada Nickel’s In Process Tailings Carbonation (IPT Carbonation) indicate capture rates 8 to 12 times faster than the previously tested passive approach, showing potential for Net Zero production of nickel and generation of 21 tonnes of CO2 credits per tonne of nickel produced after emissions offsets. IPT carbonation is the process of utilizing tailings directly from the processing circuit and conditioning them with CO2 for a brief period of time, achieving the Net Zero carbon capture target in less than 36 hours.

Updated Mineral Resource Estimate Doubles Measured & Indicated Resources at Canada Nickel’s Crawford Nickel Sulphide Project

July 6th, 2022

Canada Nickel more than doubled the Crawford Project’s Measured and Indicated (M&I) resources to 1.4 billion tonnes at 0.24% nickel plus a further 670 million tonnes of Inferred resources at 0.23% nickel. This new estimate is believed to place Crawford as the fifth largest nickel sulphide resource in the work, comprising 3.5 million tonnes of contained M&I nickel.



Pictured from left to right: Christian Brousseau, Vice President Capital Projects, Mark Selby, Chair and CEO, Pierre-Philippe Dupont, Vice President Sustainability, and Curtis Ferron, Lead Geologist

HOW TO REACH US

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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 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, 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 bylaw.