



CANADA NICKEL COMPANY

Canada Nickel Company Announces Maiden Resource at Crawford and Drilling Highlights

TORONTO, February 28, 2020 - Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") today announced a maiden mineral resource estimate for its 100% owned Crawford Nickel-Cobalt Sulphide Project ("Crawford") near Timmins, Ontario.

Mark Selby, Chair and CEO of Canada Nickel commented "We believe the results of this initial campaign and resource are a clear demonstration of Crawford's potential scale. The Canada Nickel team will continue to leverage the project's excellent location and infrastructure, and our team's extensive project, industry and capital markets experience to explore and advance this large-scale nickel-cobalt project. With exploration activities and mineralogy work well underway, we expect a steady stream of news flow that will underpin an exciting inaugural year for the Company. As the global demand for electric vehicle battery components shifts into high gear, the timing is ideal for the launch of this new pure play nickel-cobalt company in one of the world's best mining jurisdictions."

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.

Resource & Drilling Highlights:

- Maiden resource with 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.
- Based on metrics utilized by Wood Mackenzie and SNL, the Crawford Nickel-Cobalt Sulphide Project already ranks as one of the largest 12 nickel sulphide resources globally according to WoodMac (Table 2).
- Significant potential to expand resources as drilling has only tested <20% of the overall Crawford structure and maiden resource remains open in multiple directions.
 - The westernmost hole, CR19-22, continued with strong mineralization, highlighting additional potential at the Main anomaly and striking northwestward.

Resource & Drilling Highlights (continued)

- All drill holes intersected multi-hundred metre mineralization with multiple intersection of 19 to 92 metres in excess of 0.40% nickel and 0.014% cobalt. Hole CR19-14A intersected 901 metres of mineralization with 0.31% nickel and extended mineralization to a depth of 850 metres (well below the current modelled resource bottom of 650 metres vertical).
- Similar to other ultramafic hosted deposits where serpentinized waste rock and tailings have demonstrated the ability to capture CO₂ which provides the potential for lower carbon footprint operation.

Maiden Resource Estimate

Canada Nickel Company is pleased to announce a maiden Mineral Resource Estimate for the Crawford Nickel-Cobalt Sulphide Project. A total of 13,042 metres of core drilling in 24 drill holes was utilized to calculate the Mineral Resources in the three categories as provided in Table 1 below, and specifically Measured + Indicated Resources of approximately 600 million tonnes grading 0.25% Ni and Inferred Resources of approximately 310 million tonnes grading 0.23% Ni. A cut-off grade of 0.15% Ni was used for the low-grade domain and 0.25% Ni for the higher-grade domain (Higher Grade Core) of the Mineral Resource Estimate. Example cross-section and block model views of the resource estimate are provided in Figure 1a and Figure 1b below.

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

Table 1 – Maiden Mineral Resource Estimate for the Crawford Nickel-Cobalt Sulphide Project, Ontario

DOMAIN	CLASS	TONNES	Ni (%)	Ni Contained (kt)	Co (%)	Co Contained (kt)
HIGHER GRADE CORE	Measured	59,490,559	0.31	185	0.013	8
	Indicated	203,350,316	0.31	622	0.013	26
	Mea+Ind	262,840,875	0.31	807	0.013	34
	Inferred	66,385,504	0.29	191	0.013	8
LOWER GRADE	Measured	145,379,632	0.21	310	0.013	19
	Indicated	192,169,547	0.21	407	0.013	25
	Mea+Ind	337,549,180	0.21	718	0.013	44
	Inferred	244,110,758	0.21	516	0.013	31
DOMAIN	CLASS	TONNES	Pd (g/t)	Pd Contained (oz)	Pt (g/t)	Pt Contained (oz)
HIGHER GRADE CORE	Measured	59,490,559	0.026	49,496	0.010	19,798
	Indicated	203,350,316	0.028	180,640	0.011	73,531
	Mea+Ind	262,840,875	0.027	230,136	0.011	93,330
	Inferred	66,385,504	0.029	61,606	0.014	29,103
SUMMARY						
DOMAIN	CLASS	TONNES	Ni (%)	Ni CONTENT (kt)	Co (%)	Co CONTENT (kt)
TOTAL GRADE	Mea+Ind	600,390,054	0.25	1,525	0.013	78
	Inferred	310,496,263	0.23	707	0.013	39
DOMAIN	CLASS	TONNES	Pd (g/t)	Pd CONTENT (oz)	Pt (g/t)	Pt CONTENT (oz)
HIGHER GRADE CORE	Mea+Ind	262,840,875	0.027	230,136	0.011	93,330
	Inferred	66,385,504	0.029	61,606	0.014	29,103

1. The independent Qualified Person for the Mineral Resource Estimate, as defined by NI 43-101, is Mr. Luis Oviedo, P.Geo. (Chilean Mining Commission: RM, CMC #013), of Caracle Creek International Consulting Inc. and Atticus Chile S.A. The effective date of the Mineral Resource Estimate is February 27, 2020.

2. These Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured, however it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. A cut-off grade of 0.15% Ni was used for the low-grade domain and 0.25% Ni for the high-grade domain of the Mineral Resource Estimate, both determined on the basis of core assay geostatistics for the deposit and by comparison to analogous deposit types.
4. Geological and block models for the Mineral Resource Estimate used data from 24 surface drill holes completed by Spruce Ridge Resources (4 holes in 2018) and Noble Mineral Exploration and Canada Nickel Company (20 holes in 2019-2020). The drill database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by CNC and by comparison of umpire assays performed at a second laboratory.
5. The geological model as applied to the Mineral Resource Estimate comprises two mineralized domains hosted by variably serpentinized ultramafic rocks: a relatively high-grade core (largely dunite) and a lower grade envelope (largely peridotite). Individual wireframes were created for each domain.
6. The block model was prepared using Micromine 2020. A 20 m x 20 m x 15 m block model was created and samples were composited at 3 m intervals. Grade estimation from drill hole data was carried out for Ni and Co using the Ordinary Kriging interpolation method and Pt and Pd using Inverse Distance Cubed method.
7. Grade estimation was validated by comparison of input and output statistics (nearest neighbour and inverse distance cubed), swath plot analysis, and by manual inspection of the assay data, block model, and grade shells in cross-sections.
8. An average bulk density value for the ultramafic unit was calculated on the basis of 2,738 specific gravity measurements collected during the core logging process. Blocks within the high-grade and low-grade portions of the resource model were assigned a single bulk density value of 2.65 g/cm³ (t/m³).
9. Estimates in Table 1 have been rounded to two significant figures.
10. CIM Definition Standards for Mineral Resources and Reserves (May 10, 2014) have been followed.

Figure 1a – Example cross-section of recent drilling and the boundaries of the maiden Mineral Resource Estimate overlain on 3D Inversion magnetic intensity, Crawford Nickel-Cobalt Sulphide Project, Ontario.

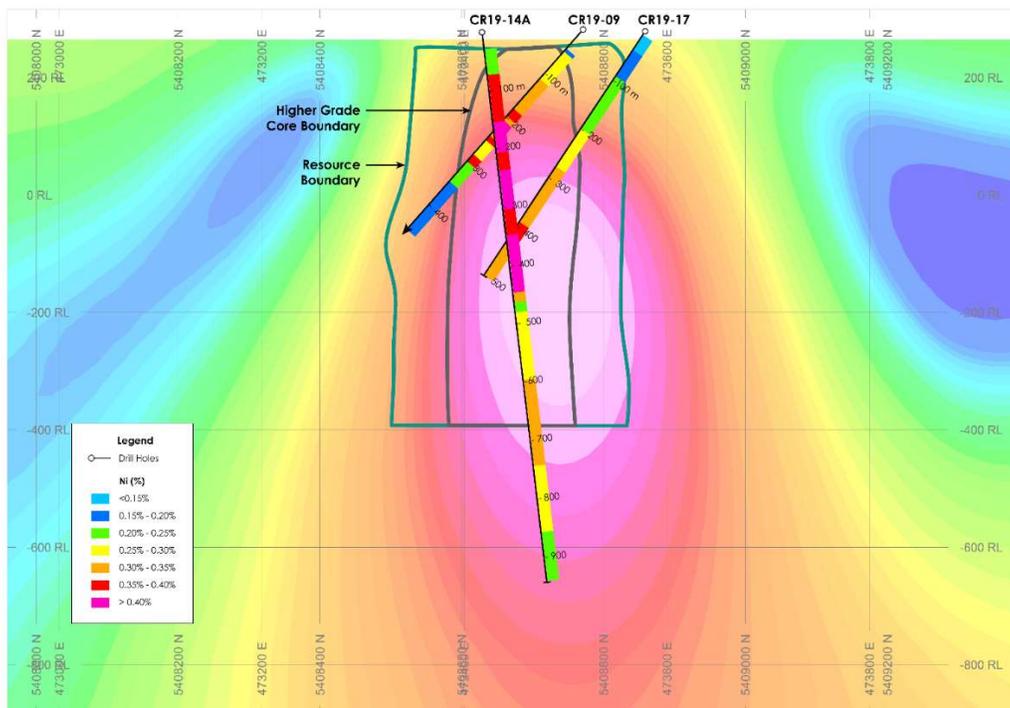
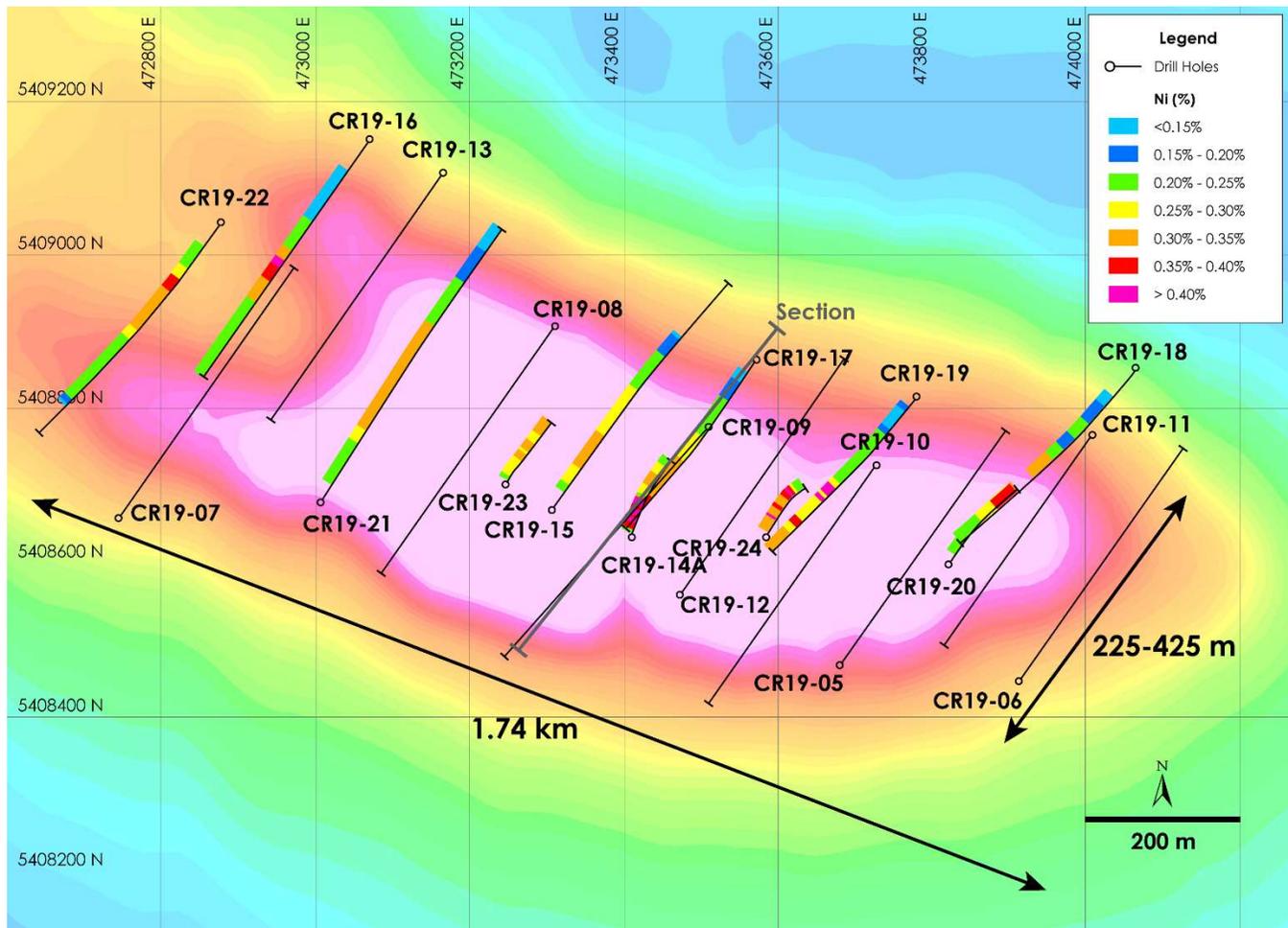


Figure 1b – Plan view of recent drilling overlain on total field magnetic intensity, Crawford Nickel-Cobalt Sulphide Project, Ontario.

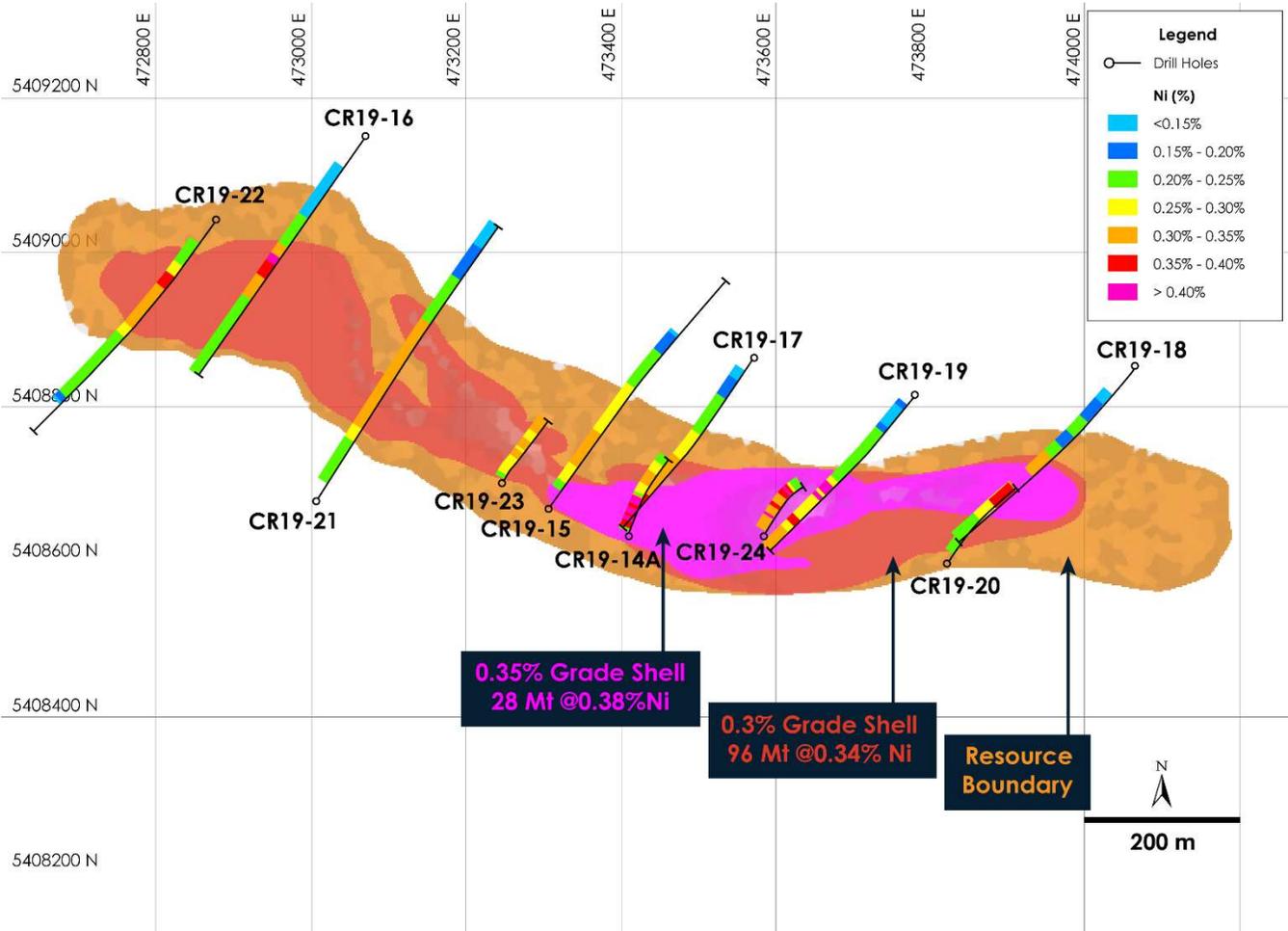


Drilling Results

The focus of the 2019 and 2020 drilling programs was to extend the mineralization after the initial discovery (see Noble Mineral Exploration release dated March 4, 2019) along strike and to begin testing the northern and southern extent of the mineralization. The 20 holes completed by Canada Nickel (CR19-05 to CR19-24) to date have successfully extended the mineralized structure to 1.7 kilometre in strike length by 225 to 425 metres wide by up to 650 metres deep (see Figure 2 below.) The host ultramafic body is approximately 1.8 km in strike length by 290-565 m wide by 650 m deep. The mineralization remains open along strike to the northwest, both north and south, and at depth based on 3D magnetic inversion and deeper drilling to date. The nearly one kilometre deep 3D magnetic inversion anomaly is only partially tested at depth (see Figure 1a above). The results of the latest drilling are summarized in Table 3 below.

These new results from recent drilling continue to confirm the higher grade area (>0.3% nickel) previously identified (see Noble Mineral Exploration release dated December 9, 2019) on the northern side of the structure. Drilling has now highlighted an area across a 1.6 kilometre strike length with intersections of 160 to 230 metres up to 650 metres deep, containing an incrementally higher grade zone (>0.35% nickel) with intersections of 35 to 134 metres (e.g., CR19-16 and CR19-19). This higher-grade zone remains open to the north, west and at depth (see Figure 2).

Figure 2 – Crawford Nickel-Cobalt Sulphide Project, Mineral Resource model showing Higher Grade Zone (orange) enveloping two grade shells of higher nickel grade (red and purple).



The modelled higher grade core portion of the host ultramafic body in Figure 2 [Higher grade (>0.25% Ni) shell (orange), enclosing a >0.30% Ni shell (red) and two >0.35% Ni shells (fuchsia)] shows good continuity along strike while the >0.30% Ni shell shows reasonable continuity which may improve given increased drill hole density. The >0.35% Ni shell has been modelled in two areas which could develop greater continuity and size with increased drill hole density. The >0.30% Ni grade shell contains an estimated 96 Mt with a mean grade of 0.34% Ni and the >0.35% Ni grade shell contains an estimated 21 Mt with a mean grade of 0.38% Ni.

Next Steps

- A technical report with respect to the maiden Mineral Resource Estimate disclosed today will be filed within 45 days as required by The National Instrument 43-101.
- The drilling program launched in Q4-2019 will continue in 2020, with the objective of 1) testing nearby targets for possible extensions and new areas of mineralization; and 2) testing the extension and the continuity of the mineralization. Mineralogical studies as part of the first phase of metallurgical testwork will continue through the second quarter 2020.

Table 2 – Ranking of Largest Resource Nickel Projects worldwide.

NICKEL SULPHIDE RESOURCES (WoodMac)

* Denotes Operating Mines. Other Projects are exploration / development / earlier stage

	<u>Company</u>	<u>Project</u>	<u>Nickel (Mt) Contained</u>
1	Norilsk	Polar/Kola	19.0*
2	Waterton	Dumont	5.8
3	Terrafame	Terrafame	4.4*
4	Jinchuan	Jinchaun	4.4*
5	Zebedelia	Zebedelia	4.0
6	GIGA Metals	Turnagain	3.7
7	FPX	Decar	2.7
8	BHP	Yakabindie	2.7
9	Ivanhoe	Platreef	2.7
10	ONEXIM	Kingashky	2.4
11	BHP	Leinster	1.8*
12	Canada Nickel	Crawford	1.5(1)

(1) Measured & Indicated resource only. All other comparators are based on total resources (measured, indicated, and inferred)

TABLE 3 – 2019 Crawford Nickel-Cobalt Project Drilling Results

DDH ID	From (m)	To (m)	Length (m)	Estimated True Width (m)	Ni (%)	Co (%)	Pd g/t	Pt g/t	S (%)
CR19-14A	43.5	944.2	900.7	n-v*	0.31	0.013	0.022	0.008	0.17
includes	93.0	457.5	364.5	n-v*	0.37	0.014	0.031	0.011	0.26
includes	174.0	225.0	51.0	n-v*	0.40	0.014	0.023	0.009	0.19
and	253.5	316.5	63.0	n-v*	0.40	0.015	0.030	0.010	0.20
and	357.0	448.5	91.5	n-v*	0.41	0.015	0.048	0.016	0.49
CR19-15	39.0	447.5	408.5	265.5	0.25	0.012	0.008	0.004	0.03
includes	60.0	301.5	241.5	157.0	0.28	0.012	0.012	0.004	0.05
includes	99.0	184.5	85.5	55.6	0.30	0.012	0.019	0.004	0.08
CR19-16	81.0	642.0	561.0	364.7	0.24	0.013	0.015	0.009	0.05
includes	217.5	642.0	424.5	275.9	0.26	0.013	0.017	0.009	0.06
includes	295.5	424.5	129.0	83.9	0.35	0.014	0.032	0.010	0.16
includes	309.0	379.5	70.5	45.8	0.38	0.014	0.032	0.010	0.20
includes	322.5	342.0	19.5	12.7	0.47	0.015	0.050	0.016	0.30
CR19-17	36.0	501.0	465.0	302.3	0.26	0.013	0.019	0.009	0.08
includes	289.5	501.0	211.5	137.5	0.32	0.013	0.034	0.015	0.17
includes	400.5	439.5	39.0	25.4	0.37	0.015	0.053	0.022	0.23

*n-v These holes were drilled at a steep angle of -82 deg. The length of intersection represents the depth extent of the mineralization.

TABLE 3 – 2019 Crawford Nickel-Cobalt Project Drilling Results (continued)

DDH ID	From	To	Length	Estimated True Width	Ni	Co	Pd	Pt	S
	(m)	(m)	(m)	(m)	(%)	(%)	g/t	g/t	(%)
CR19-18	78.0	507.0	429.0	278.9	0.25	0.013	0.015	0.007	0.08
includes	252.0	360.0	108.0	70.2	0.35	0.014	0.020	0.008	0.29
includes	303.0	360.0	57.0	37.1	0.37	0.016	0.030	0.011	0.51
CR19-19	136.5	723.0	586.5	381.2	0.26	0.012	0.013	0.006	0.22
includes	393.0	723.0	330.0	214.5	0.33	0.012	0.023	0.007	0.39
includes	403.5	442.5	39.0	25.4	0.41	0.014	0.030	0.009	0.60
and	570.0	600.0	30.0	19.5	0.39	0.012	0.022	0.007	0.26
CR19-20	34.8	702.0	667.2	n-v*	0.26	0.013	0.017	0.009	0.09
includes	249.0	702.0	453.0	n-v*	0.28	0.012	0.021	0.009	0.08
includes	676.5	702.0	25.5	n-v*	0.30	0.012	0.003	0.004	0.09
CR19-21	43.5	702.0	658.5	428.0	0.25	0.013	0.026	0.008	0.04
includes	43.5	559.5	516.0	335.4	0.27	0.012	0.032	0.010	0.04
includes	174.0	442.5	268.5	174.5	0.32	0.012	0.056	0.011	0.06
includes	376.5	442.5	66.0	42.9	0.34	0.013	0.044	0.015	0.12
CR19-22	55.5	489.0	433.5	281.8	0.25	0.013	0.019	0.010	0.05
includes	112.5	301.5	189.0	122.9	0.31	0.013	0.031	0.014	0.09
includes	139.5	172.5	33.0	21.5	0.36	0.014	0.036	0.016	0.20
CR19-23	36.0	705.0	669.0	n-v*	0.30	0.012	0.019	0.007	0.08
includes	357.0	447.0	90.0	n-v*	0.33	0.014	0.026	0.007	0.08
CR19-24	40.5	702.0	661.5	n-v*	0.32	0.013	0.023	0.008	0.24
includes	441.0	586.5	145.5	n-v*	0.38	0.013	0.029	0.008	0.32
	511.5	550.5	39.0	n-v*	0.40	0.013	0.032	0.010	0.36

*n-v These holes were drilled at a steep angle of -82 deg. The length of intersection represents the depth extent of the mineralization.

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

Dr. Scott Jobin-Bevans (P.Geo., APGO #0183), independent of the Company and a Qualified Person as defined by NI 43-101, has reviewed and approved the scientific and technical content of this news release. The independent Qualified Person for the Mineral Resource Estimate, as defined by NI 43-101, is Mr. Luis Oviedo (P.Geo., Chilean Mining Commission: RM, CMC #013), of Caracle Creek International Consulting Inc. and Atticus Chile S.A. The Quality Control-Quality Assurance review was conducted by independent engineer Mr. John Siriunas (P.Eng., APEO #42706010), a Qualified Person as defined by NI 43-101.

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.

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