



**CANADA NICKEL**  
COMPANY

## **Infill Drilling Further Strengthens Higher-Grade Core at the Crawford Nickel-Cobalt Sulphide Project**

### **Highlights**

- Hole CR20-56 extended the strike length of the Main Zone by 375 metres, and is expected to expand the 0.3% higher grade shell by 168 metres which remains open along strike to the west.
- All four infill holes in this release continued to extend and better define the higher grade resource shells and intersected thick intersections of nickel mineralization, within the steeply dipping higher-grade core which varies in true thickness from 40 m to 160 m.
- Hole CR20-44 returned 0.41% nickel over core length of 51 metres within 0.33 % nickel over core length of 118 metres which further expands width of higher grade shells on this section

TORONTO, August 06, 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. Most importantly, the higher grade resource shell has been significantly extended westward and establishes a second higher grade resource shell area in the western end of mineralization. The other three infill holes extended and will help to better define the higher grade resource shells which 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. *"Drier weather will allow us to resume drilling this coming Monday. Once -infill drilling is completed, we will also follow up 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 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 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 shells. Assays from the remaining 12 in-fill holes will be released over the next several weeks. See Table 1 and Figure 1 for results.

Highlights of the drilling include:

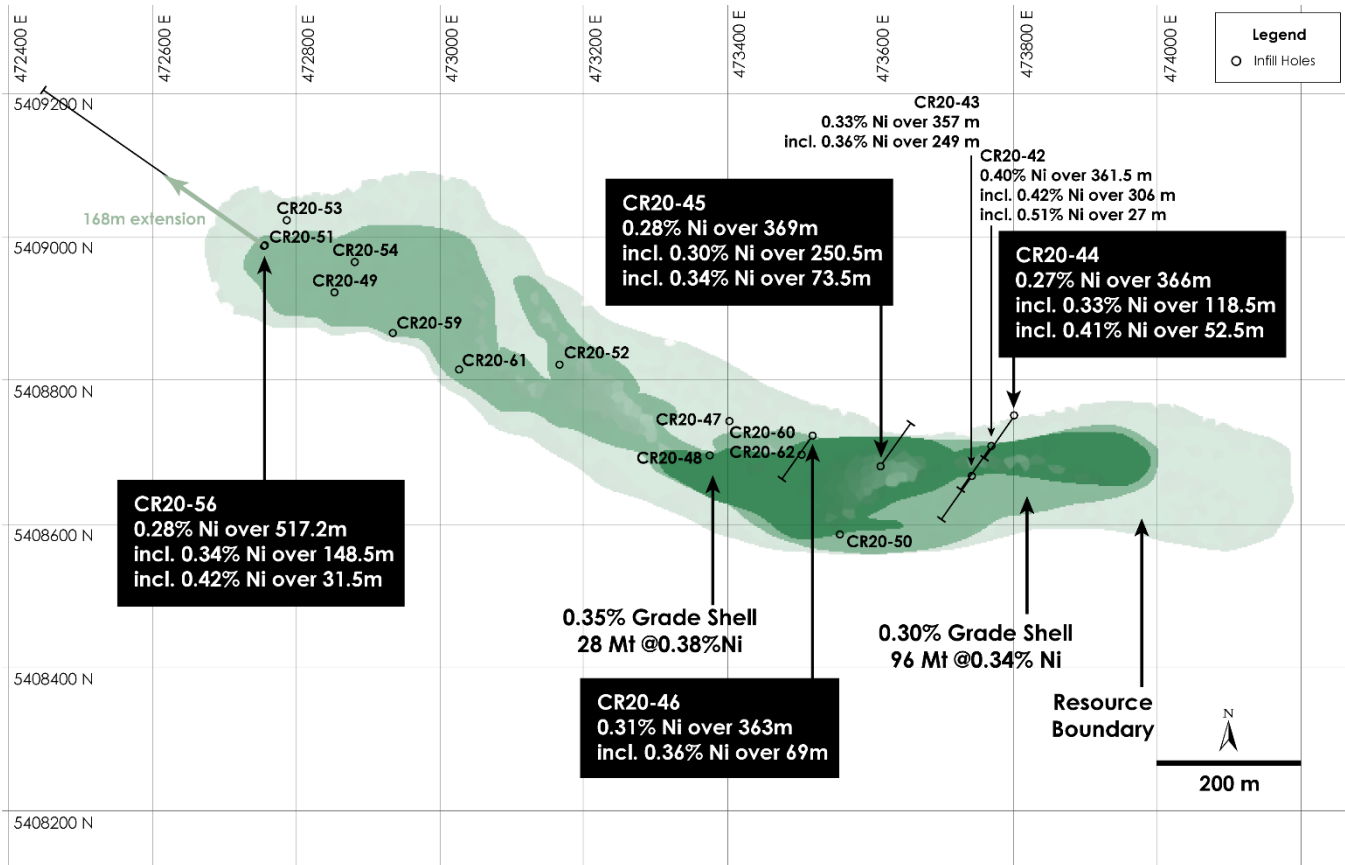
- Infill hole CR20-56 will extend the strike length of the Main Zone by 375 metres and is expected to extend the 0.3% higher grade shell by 168 metres. Mineralization remains open along strike to the west. 0.35% grade shell is expected to be created in western portion of mineralization as hole returned 0.42% nickel over core length of 31 metres from 186 metres, within 0.34% nickel over core length of 148 metres from 114 metres
- Infill hole CR20-46 intersected thick intersections of nickel mineralization with 0.31% nickel across entire core length of 363 metres within the steeply dipping higher-grade core which varies in true thickness from 40 to 160 m
- Infill hole CR20-44 returned 0.41% nickel over core length of 52 metres from 350 metres, within 0.33% nickel over core length of 118 metres from 283 metres which further expand width of higher grade shells on this section

**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)        | (%)         | (%)         |
| CR20-44          | 36.0         | 402.0        | 366.0        | 0.27        | 0.014        | 0.019        | 0.006        | 0.30        | 6.51        |
| <i>including</i> | <b>283.5</b> | <b>402.0</b> | <b>118.5</b> | <b>0.33</b> | <b>0.016</b> | <b>0.030</b> | <b>0.009</b> | <b>0.58</b> | <b>6.67</b> |
| <i>including</i> | <b>349.5</b> | <b>402.0</b> | <b>52.5</b>  | <b>0.41</b> | <b>0.020</b> | <b>0.043</b> | <b>0.013</b> | <b>0.99</b> | <b>7.35</b> |
| CR20-45          | 39.0         | 408.0        | 369.0        | 0.28        | 0.012        | 0.016        | 0.007        | 0.08        | 5.17        |
| <i>including</i> | <b>39.0</b>  | <b>289.5</b> | <b>250.5</b> | <b>0.30</b> | <b>0.012</b> | <b>0.022</b> | <b>0.008</b> | <b>0.11</b> | <b>4.70</b> |
| <i>including</i> | <b>145.5</b> | <b>219.0</b> | <b>73.5</b>  | <b>0.34</b> | <b>0.013</b> | <b>0.028</b> | <b>0.010</b> | <b>0.13</b> | <b>4.51</b> |
| CR20-46          | 48.0         | 411.0        | 363.0        | 0.31        | 0.013        | 0.030        | 0.010        | 0.29        | 5.83        |
| <i>including</i> | <b>315.0</b> | <b>384.0</b> | <b>69.0</b>  | <b>0.36</b> | <b>0.017</b> | <b>0.057</b> | <b>0.019</b> | <b>0.97</b> | <b>8.19</b> |
| CR20-56          | 70.8         | 588.0        | 517.2        | 0.28        | 0.013        | 0.013        | 0.009        | 0.08        | 6.72        |
| <i>including</i> | <b>114.0</b> | <b>262.5</b> | <b>148.5</b> | <b>0.34</b> | <b>0.013</b> | <b>0.028</b> | <b>0.010</b> | <b>0.16</b> | <b>5.99</b> |
| <i>including</i> | <b>186.0</b> | <b>217.5</b> | <b>31.5</b>  | <b>0.42</b> | <b>0.013</b> | <b>0.038</b> | <b>0.012</b> | <b>0.23</b> | <b>6.11</b> |

\*These holes were drilled at a steep angle of -80 degrees almost entirely within the higher-grade core to better determine grade. Hole CR20-56 was drilled at a -50 angle along the strike of the mineralization and the core length represents 65% of the core length. 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.**



**Next Steps**

All drill results to date will be incorporated into an updated resource now expected by the end of August. Once in-fill drilling is completed, the Company will also follow 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<br>(mE) | Northing<br>(mN) | Dip<br>(°) | Azimuth<br>(°) | Length<br>(m) |
|---------|-----------------|------------------|------------|----------------|---------------|
| CR20-44 | 473801.0        | 5408751.2        | -80        | 215            | 402           |
| CR20-45 | 473615.2        | 5408680.4        | -80        | 35             | 408           |
| CR20-46 | 473520.6        | 5408723.2        | -80        | 215            | 411           |
| CR20-56 | 472757.3        | 5408988.0        | -50        | 305            | 588           |

### **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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