



Canada Nickel Company Inc. Closes Private Placement

TORONTO, September 10, 2020 - Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") is pleased to announce that it has closed its previously announced non-brokered private placement financing for aggregate gross proceeds of \$1,774,500 (the "**Offering**"). 682,500 flow-through common shares of the Company (the "**FT Shares**") were issued for \$2.60 per FT Share. The shares qualify as "flow-through share" as defined in subsection 66(15) of the *Income Tax Act* (Canada) (the "**Tax Act**").

Mark Selby, Chair & CEO of Canada Nickel commented "*With the completion of this financing, which was upsized from \$1.5 million due to strong market demand, in conjunction with the early warrant exercises by September 14th, Canada Nickel is well positioned to continue our regional exploration program currently underway and complete the PEA on the Crawford Nickel-Cobalt sulphide project by year end. We appreciate the support from our existing investors and welcome a number of new investors to Canada Nickel.*"

The gross proceeds from the sale of the FT Shares will be used to incur "Canadian exploration expenses" that qualify as "flow-through mining expenditures" (as both terms are defined in the Tax Act) related to the Company's projects in Ontario.

Mark Selby an officer and a director of the Company, subscribed for an aggregate of 10,000 shares under the Offering on the same terms as arm's length investors. The participation of Mark Selby in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities issued to Mr. Selby nor the fair market value of the consideration for the securities issued to Mr. Selby exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company did not file a material change report containing all of the disclosure required by MI 61-101 more than 21 days before the expected closing date of the Offering as the aforementioned insider participation had not been confirmed at that time and the Company wished to close the Offering as expeditiously as possible.

All securities issued under the Offering will be subject to a hold period of four months which will expire January 11, 2021. The Offering is subject to final acceptance of the TSX Venture Exchange.

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, the use of proceeds of the Offering; the timing and ability of the Company, if at all, to obtain final approval of the Offering from the TSX Venture Exchange; the tax treatment of the FT Shares; the timing of the tax renunciation to the subscribers; and statements regarding exploration results and exploration plans. 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 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.

For more information please contact:

Mark Selby, Chair and CEO

Phone: 647-256-1954

Email: info@canadanickel.com