



# CANADA NICKEL COMPANY

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## **Canada Nickel Company Inc. Closes the First Tranche of "Bought Deal" Private Placement of \$8 Million of Units**

**TORONTO, September 30, 2020** - Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") is pleased to announce that it has closed the first tranche of its previously announced brokered "bought deal" private placement financing and has issued an aggregate of 5,350,000 units of the Company (the "**Units**") at an offer price of \$1.50 per Unit (the "**Issue Price**") for aggregate gross proceeds of \$8,025,000 (the "**Offering**"). The Company's second tranche of its financing consisting of an aggregate of 2,950,000 common shares of the Company designated as "flow-through shares" (the "**Flow-Through Shares**") at a price of \$1.70 per Flow-Through Share for aggregate gross proceeds of \$5,015,000 (the "**Flow-Through Offering**") is scheduled to close on or around October 14, 2020.

Each Unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company (each whole common share purchase warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one common share of the Company at a price of \$2.10 per common share until September 30, 2022 (the "**Expiry Date**"), subject to adjustment and acceleration in certain events. In accordance with the terms of the Warrants, the Company can trigger an accelerated expiry of the Warrants if the closing price of the Company's common shares on the TSX Venture Exchange (the "**Exchange**") remains higher than \$3.25 for 20 consecutive trading days (the "**Early Expiry Event**") to a date that is 30 trading days from the Early Expiry Event pursuant to written notice given to the warrant agent and the holders of Warrants and pursuant to a news release issued by the Company within two days of the Early Expiry Event specifying the accelerated expiry date.

The Offering was led by Echelon Wealth Partners Inc. on behalf of a syndicate of underwriters that included Eight Capital and Haywood Securities Inc. (together, the "**Underwriters**"). In consideration for their services, the Company paid the Underwriters a cash commission of 6.0% of the gross proceeds of the Offering and issued non-transferable compensation options (the "**Compensation Options**") equal to 6.0% of the aggregate number of Units sold under the Offering. Each Compensation Option is exercisable into one Unit at the Issue Price until September 30, 2022.

The net proceeds from the sale of the Units will be used to fund feasibility study work through 2021 on the Company's Crawford Nickel-Cobalt Sulphide Project, to accelerate exploration on the Company's option properties, and for working capital purposes.

All securities issued under the Offering will be subject to a hold period expiring January 31, 2021. The Offering is subject to final acceptance of the Exchange.

The securities offered pursuant to the Offering have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

### **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 the net proceeds of the Offering; the timing and ability of the Company, if at all, to obtain final approval of the Offering from the Exchange; the completion of the Flow-Through Offering; statements regarding exploration results and exploration plans; statements regarding trade-mark applications and statements regarding the development of production processes. 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.

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