



CANADA NICKEL COMPANY

Canada Nickel Signs Groundbreaking Memorandum of Understanding with Taykwa Tagamou Nation on The Crawford Nickel-Cobalt Sulphide Project

Ontario Government Expresses Support for First Nation - Industry Partnership

TORONTO, December 16, 2020 – Canada Nickel Company Inc. ("**Canada Nickel**" or "**The Company**") (TSX-V:CNC) (OTCQB: CNIKF) is pleased to announce that the Company has signed a Memorandum Of Understanding ("**MOU**") with Taykwa Tagamou Nation ("**TTN**") , with the objective of establishing a long-term, mutually beneficial business relationship.

"Canada Nickel is fully committed to the responsible development of the Crawford Nickel-Cobalt Sulphide project to deliver NetZero Nickel and Cobalt products. From the very beginning, our approach has been to work with First Nations and local stakeholders as partners in order to create shared value through economic opportunities, while also being respectful and responsible stewards of the natural environment. We welcome their innovative partnering approach and their support of our efforts to move forward on the development, permitting and construction of the project." said Mark Selby, Chair and CEO of Canada Nickel. *"Canada Nickel acknowledges TTN in their commitment to protect and enhance the land and resource-based economy within their Traditional Territory. We are grateful for the open and constructive communications we have had with them and look forward to moving forward together in the same spirit of partnership."*

TTN Electrical Transmission Project

As described in the MOU between TTN and Canada Nickel, TTN has already arranged access to capital so that it can own and develop the electrical transmission assets that will be necessary to supply Crawford with cost-effective and reliable power. Subject to entering definitive agreements based on this non-binding MOU, Canada Nickel would rent these assets from TTN at a fair market rate over the life of the mine or twenty years (whichever comes first) and TTN would be granted an option to acquire a direct minority interest in Canada Nickel at fair commercial terms. The Company and TTN are considering other mutually beneficial business ventures.

"Our community favours a development project like Canada Nickel's that provides a positive economic impact, minimal environmental impacts with a commitment to deliver NetZero products, and has the foresight to engage with Taykwa Tagamou during the early stages of development," said Chief Bruce Archibald, Taykwa Tagamou Nation.

TTN has made similar commitments to facilitating sustainable development through its investments to bring clean hydro electric power to industry and communities. TTN has also been a keen advocate with the Independent Electrical System Operator of Ontario (IESO) for upgrading and expanding the energy transmission network on their Traditional Lands.

The Chief concluded that, *"We are ready to support Canada Nickel's Crawford project through the backing of our strong investment consortium in Canada and the US, and with the deep utility project and operation experience we have on our team."* In 2017, TTN, through its subsidiary Coral Rapids Power, co-invested with Ontario Power Generation, in the 28 MW, Peter Sutherland Sr. Generating Station. *"Through our success stories and business partnerships, we are taking a business approach to each development opportunity within the Territory that ensures us a seat at the table. We intend on expanding our generation footprint and launch an independent*

network for all new and rebuilt transmission projects within our Territory. This network will be fully integrated into the Ontario power grid under the oversight of the IESO.”

Ontario Supports First Nation and Industry Alliances

Greg Rickford, Minister of Energy, Northern Development and Mines; Minister of Indigenous Affairs congratulated both parties on reaching such a historic agreement.

“I congratulate Taykwa Tagamou Nation and Canada Nickel on the signing of their historic Memorandum of Understanding. Our government is proud to support First Nation-industry partnerships like TTN and Canada Nickel’s that create real economic development and job opportunities in Northern Ontario,” said Greg Rickford, Minister of Energy, Northern Development and Mines; Minister of Indigenous Affairs.

“Innovative partnerships like this one are outstanding examples of how First Nations and Ontario’s mining industry are leading the way in sustainable business development and corporate social responsibility. With TTN’s partnership and leadership in the region, the Crawford Nickel-Cobalt project is well-positioned to deliver the zero-carbon nickel and cobalt that the electric vehicle industry will need in the coming decades.”

About TTN

As a signatory of Treaty 9, Taykwa Tagamou Nation is a Mushkegowuk Cree community located near Cochrane, Ontario and maintains the traditional territory within the Abitibi, Moose, and Mattagami River basins, including areas on both sides of the Highway 101 corridor. TTN is actively involved in forestry operations, mining, and hydro development.

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. For more information, please visit www.canadanickel.com.

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