



CANADA NICKEL
COMPANY

Canada Nickel Signs Memorandum of Understanding with Taykwa Tagamou Nation for Mine Fleet Financing for the Crawford Nickel-Cobalt Sulphide Project

TORONTO, April 7, 2021 – Canada Nickel Company Inc. ("**Canada Nickel**" or "**the Company**") (TSX-V: CNC) (OTCQB: CNIKF) is pleased to announce that it has signed a Memorandum of Understanding ("**MOU**") with Taykwa Tagamou Nation ("**TTN**"), regarding the financing of the Company's expected Mine Fleet for the Crawford Nickel Cobalt Sulphide Project ("**Crawford**").

"We welcome TTN as our partner in this initiative and acknowledge TTN's ongoing commitment to protect and enhance the land and resource-based economy within their Traditional Territory. Canada Nickel actively looks for ways to increase involvement in Crawford's development from the local Indigenous communities through innovative partnerships that provide opportunities for mutually beneficial business ventures," said Mark Selby, Chair and CEO of Canada Nickel.

"This initiative has the potential to substantially reduce initial capital requirements and improve Canada Nickel's ability to finance Crawford and advance it to development. Combined with our previously announced MOUs with TTN and Glencore, it also creates the potential for a much lower capital cost startup," said Selby.

Under the terms of the MOU, TTN will seek favourable financing terms to participate in the financing of all or a portion of the heavy mining equipment fleet required for Crawford's operation. Training and associated employment opportunities will also be available to TTN where specialized maintenance and operation is required for the equipment and where that equipment is financed or owned in whole or in part by TTN.

"Our community is proud of our continued innovative approach to business development partnerships – and our most recent MOU with Canada Nickel is no exception. TTN has been working diligently to address the financing, capacity, scale, policy limitations, jurisdiction questions, and project timeline challenges to initiate, construct and put into operation development partnerships within our Traditional Territory," said Chief Bruce Archibald, Taykwa Tagamou Nation. *"Canada Nickel continues to set a precedent by ensuring First Nation communities who have the financial backing to reduce capital start-up costs are not just those that need to be consulted with, but rather, are true business partners that will benefit their communities and the Northern Ontario economy writ-large."*

TTN Councillor and Economic Development Officer Derek Archibald added, *"This MOU compliments TTN's Economic Development Strategy. We want to move away from the rigid limitations of Impact Benefit Agreements to having a true seat at the table, where opportunities are continually created. Not only is this the most effective way to see the Crawford project move ahead at a lower capital cost, but it also ensures we are full participants with developments occurring in our Traditional Territory over time. With CNC and this MOU, we are leaving our lands and economy in an even better place for the next seven generations of our Nation"*.

This is the second agreement reached between the Company and TTN following the announcement by the Company in December 2020.

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

"Our government is proud to support innovative First Nation-industry partnerships that support economic growth across Northern Ontario. I am pleased to congratulate Canada Nickel and Taykwa Tagamou Nation on their

progress on their MOU and partnership," said Greg Rickford, Minister of Energy, Northern Development and Mines, Minister of Indigenous Affairs. "With TTN's leadership in the region, the Crawford-Nickel Cobalt partnership is well on its way to produce responsibly-sourced, GHG-emissions free nickel and cobalt and deliver meaningful training and career opportunities for local community members."

TTN Electrical Transmission Project

Canada Nickel and TTN had previously announced (see Canada Nickel press release dated December 16, 2020) that TTN has 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. TTN's operating company, Transmission Infrastructure Partnerships 1 Ltd., has been working with Canada Nickel in discussion with the IESO and Hydro One. Together these organizations have taken the first steps to hooking the Crawford mine up to the power grid by launching a Systems Impact Assessment Study.

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. 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.

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, 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, failure to obtain regulatory or shareholder approvals, and the impact of COVID-19 related disruptions in relation to the Company's business operations including upon its employees, suppliers, facilities and other stakeholders. 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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