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Canada Nickel Announces Closing of \$51.6 Million Bought Deal Public Offering

TORONTO, April 5, 2022 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) is pleased to announce that it has closed its previously-announced "bought deal" offering (the "Offering") for aggregate gross proceeds of C\$51,554,156.70, which includes the exercise of the Underwriters' over-allotment option. Under the Offering, the Company sold the following:

- an aggregate of 10,440,050 common shares of the Company (the "**Common Shares**") at an issue price of \$3.10 per Common Share;
- an aggregate of 3,424,658 common shares of the Company that are issued as "flow-through shares" (the "**Traditional FT Shares**") within the meaning of the *Income Tax Act* (Canada) at an issue price of \$3.65 per FT Share; and
- an aggregate of 1,500,000 common shares of the Company issued as "flow-through shares" (the "**Charity FT Shares**" and, together with the Traditional FT Shares, the "**FT Shares**") within the meaning of the *Income Tax Act* (Canada) as part of a charitable donation arrangement at a price of \$4.46 per Charity FT Share.

The Offering was completed pursuant to an underwriting agreement dated March 14, 2022 entered into among the Company and a syndicate of underwriters led by Red Cloud Securities Inc., and including Clarksons Platou Securities SA, Scotia Capital Inc., BMO Nesbitt Burns Inc., Cormark Securities Inc., Echelon Wealth Partners Inc., Haywood Securities Inc., Research Capital Corporation (collectively, the "**Underwriters**"). In connection with the Offering the Underwriters received an aggregate cash commission of \$3,086,103.40.

The gross proceeds from the sale of the FT Shares will be used by the Company to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" (within the meaning of *Income Tax Act* (Canada)) on or prior to December 31, 2023 for renunciation to subscribers of FT Shares effective December 31, 2022. The net proceeds from the sale of Common Shares will be used primarily to repay existing indebtedness, advance the Company's Crawford project through a feasibility study, and for general corporate and working capital purposes.

The Company filed a final short form prospectus (the "**Prospectus**") in the provinces of Ontario, British Columbia and Alberta, pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* to qualify for distribution the Common Shares and FT Shares offered pursuant to the Offering. Copies of the Prospectus and documents incorporated by reference therein are available electronically on SEDAR (www.sedar.com) under Canada Nickel's issuer profile.

The securities offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor will there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Canada Nickel

Canada Nickel Company Inc. is advancing the next generation of nickel-sulphide projects to deliver nickel 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™ and 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 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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Cautionary Statement Concerning Forward-Looking Information

This news release contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved".

Forward looking information includes, but is not limited to, statements with respect 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 several 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 because of new information, future events or otherwise, except as required by law.

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