



Canada Nickel Announces \$24 million Investment from Anglo American

Highlights

- Another key milestone for advancing Crawford Nickel Project towards production
- Anglo American to become a 9.9% shareholder

TORONTO, February 8, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) is pleased to announce that the Company has entered into a Subscription Agreement with Anglo American today to make an approximately \$24 million investment in Canada Nickel at a price of \$1.95 per Common Share, a 10% premium to the 30-day volume weighted average price ("VWAP").

Upon completion of the private placement, Anglo American will own 9.9% of the Company's issued and outstanding Common Shares on a non-diluted basis. In addition, Canada Nickel has agreed to enter into at closing a binding Offtake Term Sheet with Anglo American pursuant to which Anglo American will have an exclusive right to purchase up to ten per cent (10%) of recoveries of nickel concentrate, iron and chromium contained in the magnetite concentrates and any corresponding carbon credits from the Company's Crawford Nickel Project. Canada Nickel has also agreed to enter into a Material Transfer and Technology Testing Agreement with Anglo American to assess opportunities to add value to Crawford from its FutureSmart Mining™ technology program.

"We are very pleased to welcome Anglo American, a leading global mining company, as a cornerstone investor in Canada Nickel. Today's announcement is another key milestone as we advance Crawford towards production." said Mark Selby, Chair & CEO of Canada Nickel. "Our team is looking forward to working with Anglo American to identify opportunities to apply their industry leading mining innovation technology to add additional value to Crawford."

Anglo American is leading global mining company with a portfolio of world-class competitive operations and a broad range of future development options. For more information about Anglo American please visit www.angloamerican.com

Under the terms of the agreements, Anglo American will receive ore samples from Canada Nickel for testing, using technologies from Anglo American's FutureSmart Mining™ programme, with the aim of assessing opportunities to improve processing recoveries and reduce the project's overall energy, water and emission footprint.

Subscription Agreement and Investor Rights Agreement

These agreements contain customary investor rights. As of closing, Anglo American will have a pro rata right in any future issuance of Common Shares or any securities that are or may become convertible, exchangeable or exercisable into Common Shares to maintain its shareholding as long as they hold 7.5% or more of the issued and outstanding shares of the Company. Anglo American will also have the right to nominate one member to the Company's Technical Committee and ESG Committee. If Anglo American holds 15% or more of the issued and outstanding shares, Anglo American will have the right to nominate one director to the Company's board of directors.

Material Transfer and Technology Testing Agreement

This agreement addresses the collaboration between Canada Nickel and Anglo American to identify opportunities to utilize Anglo American's FutureSmart Mining™ programme to improve processing recoveries and reduce the project's overall water, energy and emission footprint. This Agreement will remain in force until 12 months after the delivery of a sample of ore in an amount of at least one hundred (100) tonnes by Canada Nickel to Anglo American, expected by 2024. For the duration of this agreement, Canada Nickel agrees to deal exclusively with Anglo American in those areas where FutureSmart Mining™ technologies apply.

Offtake Term Sheet

This binding term sheet grants offtake rights to Anglo American for approximately 10% of the Company's metal production and carbon credits from the Crawford project until the delivery of 65kt of nickel or a term of 15 years, whichever is later. The offtake is based on customary marketing terms and will be based on market terms for the specific products produced. If Canada Nickel utilizes any of the Anglo American technologies, Anglo American shall have the offtake rights to 100% of the incremental quantity of nickel products, related products, and carbon credits produced utilizing these technologies.

The completion of the private placement and related agreements is subject to customary closing conditions including the approval of the TSX Venture Exchange and is targeted to close on or about February 28, 2023.

This investment is a first step in financing Crawford and complements the previously announced ongoing work by our financial advisors at Deutsche Bank and Scotiabank. The Company has taken a number of steps during the past few months to advance Crawford to construction through the achievement of multiple permitting milestones, the appointment of project equity advisors, and the appointment of a project debt finance advisor expected in the coming month.

About Canada Nickel Company

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™, 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 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, completion of the transactions contemplated herein, drill and exploration results relating to the target properties described herein (the "Properties"), the potential of the Crawford Nickel Sulphide Project and the Properties, timing of economic studies and mineral resource estimates, the ability to sell marketable materials, strategic plans, including future exploration and development results, and corporate and technical objectives. 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.