



**Canada Nickel Demonstrates Robust Nickel Recoveries
at the Reid Ultramafic Nickel Project, Announces Closing of Texmont Acquisition**

Highlights

- *First metallurgical test at Reid delivers highest grade nickel sulphide concentrate yet achieved by Canada Nickel*
- *Overall nickel recovery of 63% with half of recovered nickel reporting to nickel sulphide concentrate grading 60%*
- *Results achieved utilizing existing flowsheet design developed for the Company's Crawford Nickel Sulphide project*

TORONTO, March 15, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV:CNC) (OTCQX:CNIKF) is pleased to announce robust nickel recoveries from the first metallurgical test on a sample from the Reid property.

The test utilized the same mineral processing flowsheet designed for the Company's flagship Crawford Nickel Sulphide project. The Company's Reid project is situated 16 kilometres southwest of Crawford.

Mark Selby, Chair and CEO said, "We are very pleased by this first test at Reid which achieved an overall nickel recovery of 63% and achieved expected or better than expected nickel, iron, and chromium concentrate grades. While it is early days at Reid, these results, achieved using the standard flowsheet developed for Crawford, demonstrate the potential to leverage our development work at Crawford, across the portfolio of targets throughout our entire Timmins Nickel District. I am also very pleased to announce that we have closed the acquisition of the Texmont property, where our recently announced drill results support the potential for near-term, smaller scale, open pit production."

Description of Results

This initial open circuit test was completed by the Company's third party lab partners on a sample from the higher grade area at the Reid property. The sample had a head grade of 0.35% nickel, 0.10% sulphur and 6.2% iron. This first sample achieved a nickel recovery of 63%, iron recovery of 31% and chromium recovery of 12%. The final nickel concentrates had a combined nickel grade of 46% and cobalt grade of 0.27%. The magnetite concentrate had an iron grade of 55% and chromium grade of 3.0%. All grades and recoveries, with the exception of iron and chromium recovery, were at or above expected values. Over half of the recovered nickel reported to a nickel sulphide concentrate grading 60%, which is the highest grade nickel sulphide concentrate achieved in more than 120 open cycle tests completed by the Company utilizing this flowsheet.

The sample was selected to represent higher grade, well-serpentinized material and was tested to measure the potential to transfer the Crawford metallurgical process to the Reid ultramafic nickel mineralization. The standard test procedure from the Crawford Feasibility Variability Program was used including grind sizes, reagent dosing strategies and flowsheet layout. As expected, the nickel in the flotation circuit was recovered to a high grade concentrate due to the dominance of higher nickel tenor heazlewoodite mineralization.

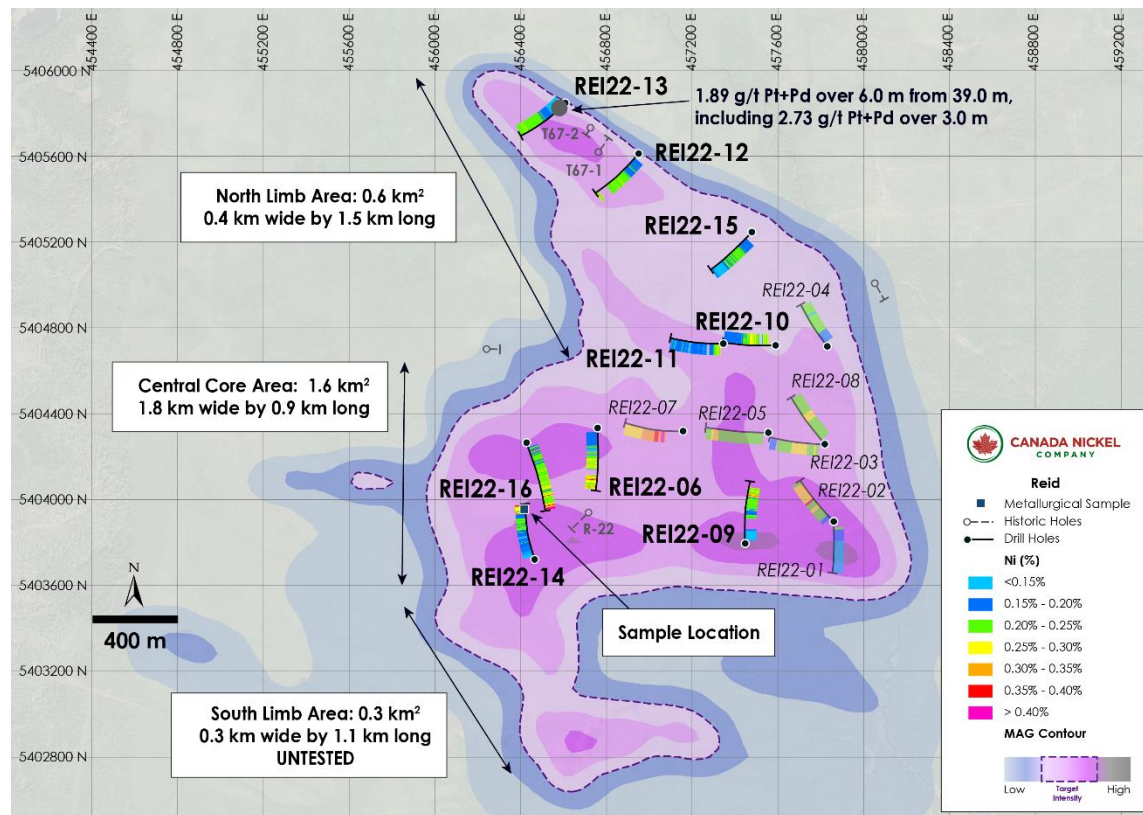
The Company will follow a similar metallurgical program path as it did with Crawford and begin a variability open circuit testing program to confirm operating parameters and performance and then begin locked cycle testing to confirm metallurgical performance.

Reid Nickel Property Overview

The Reid Property is located just 16 kilometres southwest of Crawford and 37 kilometres northwest of Timmins, and contains an ultramafic body with a target geophysical footprint of 3.9 km² compared to the Crawford target footprint of 1.6 km². In the news release dated January 23, 2023, the Company reported the results of a 16 hole drill program at Reid, which intersected multi-hundred metre intervals of mineralization. The results of this drill program show that the Reid deposit is approximately 50% wider than the Crawford Main Zone and more than 100% wider than the Crawford East Zone.

Figure 1 shows the plan view of the Reid geophysical footprint, with the sample location identified. Sample RAS-002 was taken from drill hole REI22-14 from 343.5 to 391.5 metres within the dunite lithology.

Figure 1 – Plan View of Reid – Drill Results and Sample Location Overlain on Total Magnetic Intensity



Closing of Texmont Acquisition

Canada Nickel is pleased to announce that it has closed its previously announced acquisition of a 100% interest in the past producing Texmont property situated between the Company's Deloro and Sothman properties south of Timmins, Ontario (see the Company's news release dated December 19, 2022). The Texmont property comprises 14 mining leases, which were acquired by the Company for aggregate cash consideration of \$4,000,000. In addition, the seller was granted a 2.0% net smelter returns royalty, which the company, at its option, can buy down to 1.0% for \$2,500,000. The property has a legacy ownership interest of 15% and net profits interest of 10%. The Company intends to determine whether these interests are still valid. The Company had previously acquired 14 claims surrounding these mining leases in 2022 as part of its regional property consolidation.

Issuance of Shares to Service Provider

Canada Nickel also announces today that, subject to the approval of the TSX Venture Exchange, it has agreed to issue an aggregate of 24,921 common shares of Canada Nickel in satisfaction of \$38,623 due to a service provider. The common shares will be subject to a four-month hold period under applicable securities laws.

Qualified Person and Data Verification

Arthur G. Stokreef, P.Eng (ON), Manager of Process Engineering & Geometallurgy and a "qualified person" as such term is defined by National Instrument 43-101, has reviewed and approved the technical information in this news release on behalf of Canada Nickel Company Inc.

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 Note and 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 potential for the Texmont project, the potential for the Reid Property, the carbon capture approach could allow production of Net Zero nickel and generation of an additional tonnes of CO₂ credits per tonne of nickel produced after offsetting all emissions, the potential to turn nickel mine into a generator of carbon

credits rather than generator of carbon emissions, the production of estimated average of 710,000 tonnes of carbon credits annually and 18 million total tonnes of CO₂ of credits over expected life of mine at Crawford, the ability to monetize carbon credits, the ability to quantify carbon capture, emission estimates, the brucite content of the deposit, the scalability of the process, the metallurgical results, the timing and results of the feasibility study including the viability of the inclusion of the IPT Carbonation Process and related facilities as part of the project, the results of Crawford's PEA, including statements relating to net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs, timing for permitting and environmental assessments, realization of mineral resource estimates, capital and operating cost estimates, project and life of mine estimates, ability to obtain permitting by the time targeted, size and ranking of project upon achieving production, economic return estimates, the timing and amount of estimated future production and capital, operating and exploration expenditures and potential upside and alternatives. Readers should not place undue reliance on forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canada Nickel to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The PEA results are estimates only and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. There are no assurances that Crawford will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals or project costs could differ substantially and make any commercialization uneconomic; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in applicable laws; changes in project parameters as plans continue to be refined; accidents, labour disputes, the availability and productivity of skilled labour and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; mineral resource estimates relating to Crawford could prove to be inaccurate for any reason whatsoever; additional but currently unforeseen work may be required to advance to the feasibility stage; and even if Crawford goes into production, there is no assurance that operations will be profitable.

Although Canada Nickel has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Canada Nickel disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.