



Canada Nickel Announces Closing of Partial Exercise of Over-Allotment Option

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TORONTO, March 7, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) is pleased to announce that, further to the closing of the Company's C\$44.0 million public offering and concurrent private placement on March 2, 2023 (collectively, the "**Offering**"), the syndicate of underwriters led by Scotiabank, as lead underwriter and sole bookrunner, and including Red Cloud Securities Inc., Cormark Securities Inc., Echelon Wealth Partners Inc., Haywood Securities Inc., and Research Capital Corporation (collectively, the "**Underwriters**"), have partially exercised their over-allotment option to purchase an additional 950,000 common shares of the Company (the "**Common Shares**") at a price of C\$1.77 per Common Share for aggregate gross proceeds of approximately C\$1.7 million (the "**Over-Allotment Option**").

The Underwriters received an aggregate cash commission of 6.0% of the gross proceeds raised from the sale of the Common Shares in connection under the Over-Allotment Option.

The net proceeds raised under the Offering, including the net proceeds raised from the sale of the Common Shares under the Over-Allotment Option, will be used primarily for the exploration and advancement of the Company's Crawford Nickel Project, repayment of the Auramet loan facility (made on March 3, 2023) and for general working capital purposes. The Offering remains subject to the final acceptance of the TSX Venture Exchange.

The securities offered in the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (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 shall 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 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 has successfully registered and applied for trademarks in various jurisdictions for 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 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.

For further information, please contact:

Mark Selby,
Chair and CEO
Phone: 647-
256-1954
Email: info@canadanickel.com

Cautionary Statement Concerning Forward-Looking Statements

This press 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, the use of proceeds of the Offering and the Over-Allotment Option; the timing and ability of the Company, if at all, to obtain final approval of the Offering from the TSX Venture Exchange; the ability of the Company to advance the Crawford Nickel-Cobalt Sulphide Project; and statements regarding exploration results and exploration plans. 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.

Neither the 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.