



**Canada Nickel Reports Encouraging Initial Metallurgical Results
from its Texmont Project, Announces Consolidation of Texmont Region**

Highlights

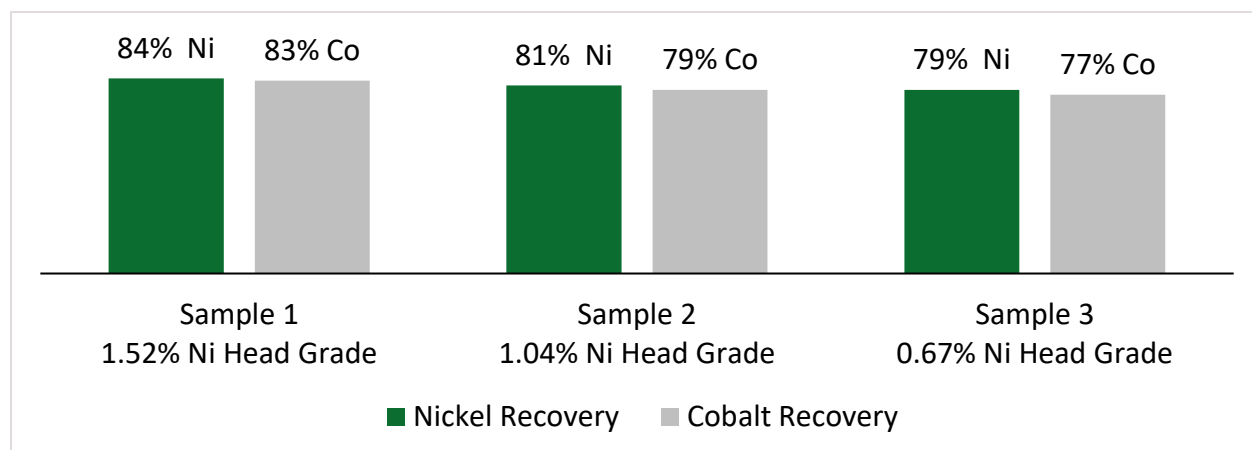
- *Initial metallurgy work yields excellent nickel and cobalt recoveries producing high-grade concentrates:*
 - *Nickel recoveries of 79 - 84%*
 - *Cobalt recoveries of 77 - 83%*
 - *Final concentrate grades of 18 - 28% nickel with up to 0.7% cobalt*
- *Simple process can be used and would provide significant flexibility for potential toll milling opportunities*
- *Company acquires 9,520 hectares of mining claims covering 20 kilometres of strike length with the potential to host Texmont style mineralization*

TORONTO, June 22, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV:CNC) (OTCQX:CNIF) is pleased to announce the initial results from preliminary metallurgical test work on the first set of samples from the Texmont Nickel Sulphide Project, which demonstrates a range of grades could be processed using a simple process flowsheet and recoveries that meet or exceed historical results.

Mark Selby, CEO said, "Texmont continues to deliver excellent results, with initial metallurgy yielding nickel and cobalt recoveries and concentrate grades exceeding our expectations. Further, these results were achieved with a simple flowsheet which will maximize potential opportunities to toll mill our initial production. I look forward to the next phases of work while we complete our initial resource on Texmont and complete a Preliminary Economic Analysis ("PEA") by year-end."

Mr. Selby continued, "Given our success at Texmont, we capitalized on the opportunity to acquire regional mining claims, consolidating 20 kilometres of property with the potential to find more Texmont-style deposits. We have signed a total of 10 agreements which consolidate 9,520 hectares of mining claims. We view this as an important and highly prospective addition to our Timmins Nickel District."

Figure 1. Preliminary Metallurgy Work - Texmont Recovery Performance



Description of Results

The Texmont property is a past producing mine, located approximately 36 kilometres south of Timmins, that contains a large ultramafic body. Through analysis of historic drill data and supported by new drilling (refer to news release June 1, 2023), Canada Nickel has identified a near surface, high grade zone of > 1% nickel wrapped within a moderate-high grade zone of 0.6 to 1.0% nickel. The company is evaluating the potential for near term production from Texmont through open pit mining of this moderate-high grade material.

Table 1 summarizes the results of open circuit testing completed at XPS (A Glencore Company), on three samples from Texmont, with head grades ranging from 0.67 – 1.52% nickel. The samples were selected to represent the moderate-high grade zone of the deposit and were tested using a simple flowsheet with samples ground to 100 microns, that does not require desliming, and which offers flexibility for toll milling. Nickel recoveries were in the range of 79 to 84%, while cobalt recoveries were similarly high, ranging from 77 to 83%. The mineralization shows excellent upgrading potential, with final cleaner concentrate grades between 18 to 28% nickel and 0.44 to 0.70% cobalt, which is considered a high-grade concentrate for material with pentlandite style mineralization. The Company is very encouraged by these results, which are in line with and exceeding the historical results documented in the 2007 Fletcher Nickel NI 43-101 report, supporting the potential for a near term open pit operation.

Table 1. Open Circuit Metallurgical Test Results at Texmont

Sample ID	Head Grades (%)			Rougher Recovery ¹ (%)		Final Cleaner Concentrate Grade ¹ (%)	
	Ni	Co	S	Ni	Co	Ni	Co
Sample 1	1.52	0.038	1.46	84	83	28	0.70
Sample 2	1.04	0.028	0.97	81	79	26	0.68
Sample 3	0.67	0.017	0.68	79	77	18	0.44

¹ The grades and recoveries in Table 1 are from open cycle tests and should be considered indicative of what could be achieved in a locked cycle test. Final results will be determined by completing locked cycle testing in the next phase of metallurgical work.

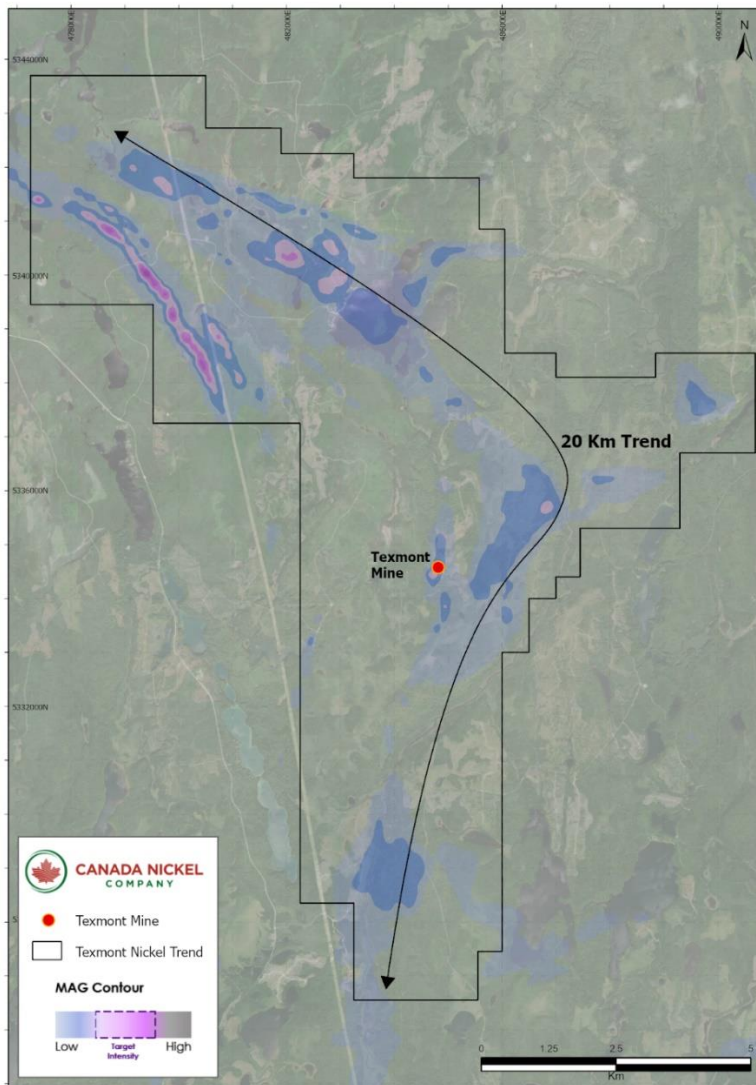
Next Steps in Metallurgical Testing

Through the summer months, Canada Nickel expects to finalize the metallurgical flowsheet by conducting locked cycle and metallurgical variability tests. This test program will be used to define recovery equations for the Texmont PEA, which is expected to be released by the end of 2023.

Acquisition of Texmont Trend

Canada Nickel, through a series of ten Purchase and Sale Agreements (including one previously announced for 54,000 common shares) has acquired 403 additional mining claims within the Texmont ultramafic trend. The Company will issue a total of 515,400 common shares (461,400 and 54,000) and make cash payments totaling \$300,550. Each of the foregoing issuances of common shares are subject to the prior approval of the TSX Venture Exchange, and the shares will be subject to a four-month hold period under Canadian securities laws from the date of the respective issuance.

Figure 2. Texmont Ultramafic Trend



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.

About XPS (A Glencore Company)

XPS (A Glencore Company) is an engineering and testing facility based in Falconbridge, Ontario. They provide Industry Relevant Solutions to the mining and metals industry, including process development for new mines. Services offered range from materials selection, process control, process modelling, mineralogy, geometallurgy, mineral processing and extractive metallurgy.

For further information, please contact:

Mark Selby, CEO

Phone: 647-256-1954

Email: info@canadanickel.com

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, drill and exploration results relating to the target properties described herein (the "Properties"), the potential of the Crawford Nickel Sulphide Project, the Texmont Project and the other Properties, timing of economic studies and mineral resource estimates, nickel and cobalt recoveries, grades of concentrates, the ability to toll mill material from Texmont, the potential for near term production at Texmont using an open pit mine, the potential to find more Texmont style deposits in the newly acquired claims, 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.