



CANADA NICKEL
COMPANY

Canada Nickel Announces Latest Drill Results at Midlothian Property Confirming Significant Discovery

Highlights

- All drill holes yielded long intervals grading 0.29% nickel and ending in mineralization. All four holes collared in mineralization within 10 metres of surface
- Mineralization is delineated along 2.0 kilometres strike length and across a width of 250 metres within a target geophysical footprint 12% larger than the Crawford resource footprint
- Latest mineralogy results show significant brucite content, the mineral utilized by Canada Nickel's carbon storage process, nearly four times higher than Crawford average of 1.9%

TORONTO, July 11, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) today released assay results from the final three of four holes drilled on its Midlothian Property. Canada Nickel can earn a 100% interest in the Property through a combination of cash payments, share issuances, exploration expenditure requirements and a net smelter returns royalty as part of an Option Agreement with Canadian Gold Miner Corp. and Laurion Mineral Exploration Inc.

Mark Selby, CEO of Canada Nickel commented, "These outstanding Midlothian results, with all holes showing good nickel grades across long mineralized intervals of multi-hundred metres that start less than ten metres from surface, confirm Midlothian as a significant discovery. Midlothian is one of our ten properties with a target geophysical footprint larger than Crawford and these latest results further confirm the success of our geophysical targeting approach. As well, these latest samples with high brucite content also demonstrate the potential for substantial carbon storage at Midlothian utilizing the In-Process Tailings ("IPT") Carbonation process the Company is developing."

Midlothian Property

The Midlothian property is located 70 kilometres south-southeast of Timmins, 25 kilometres west of Matachewan and is directly accessible by road. Four drillholes were completed during the winter of 2023. All four holes intersected mineralized dunite at shallow depths (Figure 1). These holes were drilled on a target measuring 2.7 kilometres long and 0.4 to 0.9 kilometres wide with a target footprint of 1.7 km² (compared to Crawford resource of 1.5 km²). This release contains assay information on the last three holes. (see MID23-01 assay results on May 24, 2023 release, and nickel-bearing mineralogy on April 13, 2023 release for earlier results).

Table 1: Midlothian drilling downhole composite

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
MID23-01*	1.5	345.0	343.5	0.28	0.01	0.003	0.003	0.16	4.55	0.02
MID23-02	7.7	401.0	393.3	0.29	0.01	0.003	0.005	0.14	4.79	0.06
MID23-03	6.1	401.0	394.9	0.29	0.01	0.003	0.004	0.12	4.70	0.02
MID23-04	9.0	401.0	392.0	0.26	0.01	0.005	0.006	0.15	4.77	0.02
Including	80.0	401.0	321.0	0.29	0.01	0.003	0.005	0.11	4.22	0.01

*Assay results for MID23-01 were included in a previous release and are repeated here for completeness

Holes MID23-02 and MID23-03 intercepted long, uninterrupted lengths of strongly serpentinized dunite, starting close to surface at approximately six metres and still open at depth.

Hole MID23-04 collared on a serpentinized peridotite, followed by pyroxenite and a long intersection of mineralized dunite remaining open at depth.

Mineralogy Results

Mineralogical analysis from samples from hole MID23-04 indicate awaruite and heazlewoodite being the dominant nickel minerals, with awaruite representing approximately 70% of the recoverable nickel minerals. Brucite, the most reactive carbon storage mineral, averaged 7.2%, nearly four times the amounts seen at Crawford which averages 1.9% brucite, with several individual samples over 11%. See table 2.

Table 2: QEMSCAN Mineralogy results

Hole ID	From	To	Length (m)	Brucite (%)	Pentlandite (%)	Awaruite (%)	Heazlewoodite (%)
MID23-04	120.5	122.0	1.5	0.58	0.00	0.10	0.12
MID23-04	138.5	140.0	1.5	4.55	0.00	0.26	0.09
MID23-04	150.5	152.0	1.5	7.44	0.00	0.26	0.05
MID23-04	159.5	161.0	1.5	11.50	0.00	0.34	0.15
MID23-04	170.0	171.5	1.5	7.42	0.00	0.14	0.16
MID23-04	180.5	182.0	1.5	11.80	0.00	0.30	0.05
Average				7.21	0.00	0.23	0.10

Figure 1. Plan View of Midlothian drilling with assay results.

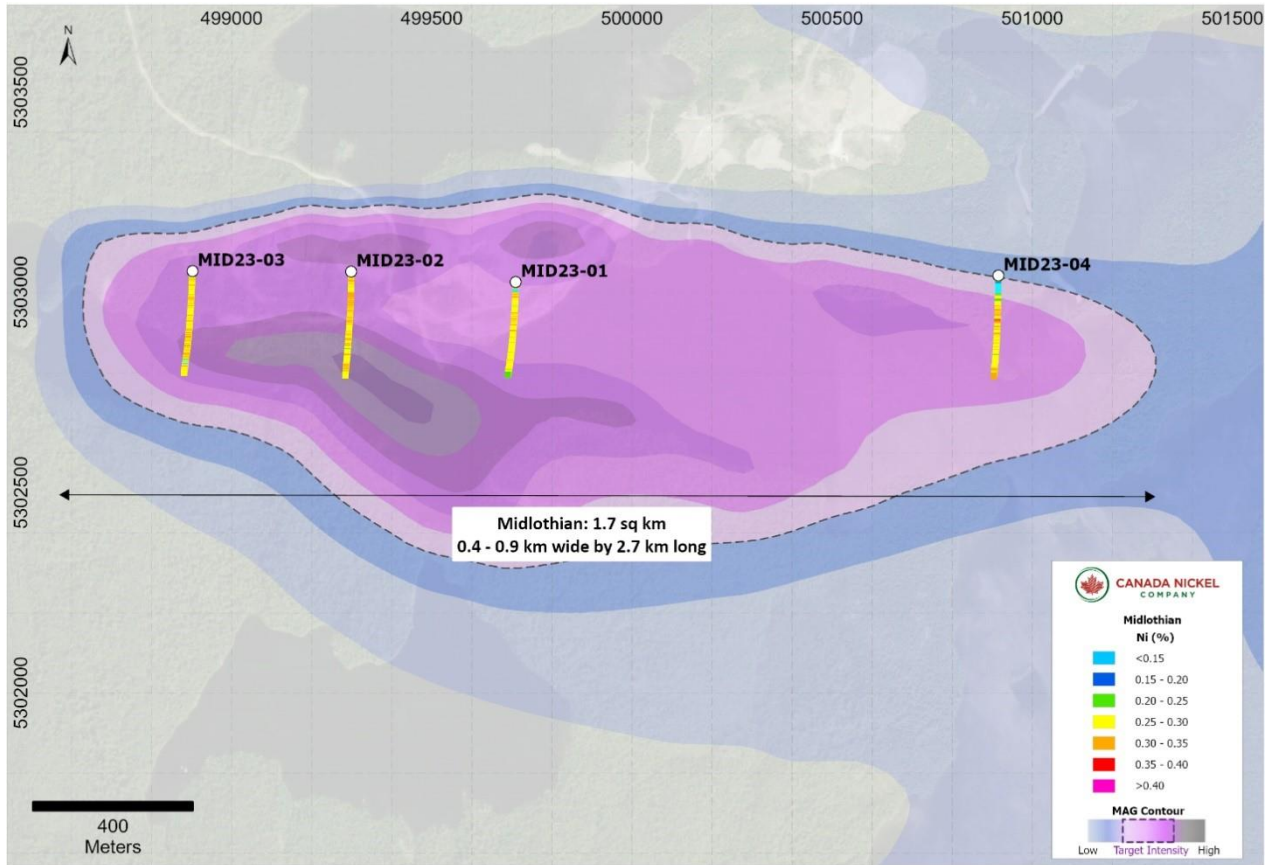


Table 3: Drillhole Orientation

Hole ID	Zone	Easting (mE)	Northing (mN)	Azimuth (°)	Dip (°)	Length (m)
MID23-01	Midlothian	499710	5303026	180	-50	345
MID23-02	Midlothian	499299	5303052	180	-50	401
MID23-03	Midlothian	498902	5303053	180	-50	401
MID23-04	Midlothian	500915	5303042	180	-50	401

Assays, Quality Assurance/Quality Control and Drilling and Assay

Edwin Escarraga, MSc, P.Geo., a "qualified person" as defined by National Instrument 43-101, is responsible for the on-going drilling and sampling program, including quality assurance (QA) and quality control (QC). The core is collected from the drill in sealed core trays and transported to the core logging facility. The core is marked and sampled at 1.5 metre lengths and cut with a diamond blade saw. One set of samples is transported in secured bags directly from the Canada Nickel core shack to Actlabs Timmins, while a second set of samples is securely shipped to SGS Lakefield for preparation, with analysis performed at SGS Burnaby or SGS Callao (Peru). All are ISO/IEC 17025 accredited labs. Analysis for precious metals (gold, platinum and palladium) are completed by Fire Assay while analysis for nickel, cobalt, sulphur and other elements are performed using a peroxide fusion and ICP-OES analysis. Certified standards and blanks are inserted at a rate of 3 QA/QC samples per 20 core samples making a batch of 60 samples that are submitted for analysis.

Qualified Person and Data Verification

Stephen J. Balch P.Geo. (ON), VP Exploration of Canada Nickel and a "qualified person" as is defined by National Instrument 43-101, has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of Canada Nickel Company Inc.

The magnetic images shown in this press release were created from Canada Nickel's interpretation of datasets provided by the Ontario Geological Survey.

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, drill and exploration results relating to the Midlothian Property, strategic plans, including future exploration and development results, and corporate and technical objectives. Readers should not place undue reliance on forwardlooking 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. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.