



**CANADA NICKEL**  
**COMPANY**

## **Canada Nickel Provides Corporate Update, Announces Management Appointments and US\$12 Million Loan Facility with Auramet International, Inc.**

**TORONTO, (September 6, 2023) – Canada Nickel Company Inc. ("Canada Nickel" or the "Company")** (TSXV: CNC) (OTCQX: CNIKF) today provided an update on the Company's activities, including several new management appointments and a US\$12 million loan facility with Auramet International, Inc. ("Auramet").

Mark Selby, CEO of Canada Nickel, said, "I am very proud of everything our team has accomplished in just four years. As we look forward to the completion of the feasibility study later this month, we are making a number of key management appointments in anticipation of advancing the project towards a construction decision by mid-2025. I am very pleased that we have been able to attract outstanding professionals like Des Tranquilla and Chris Chang to join our team on a full-time basis. I am also pleased that our long supportive financing partner, Auramet, has agreed to provide a US\$12 million bridge facility which will allow us to remain well-funded and continue to advance our permitting and detailed engineering activities. Discussions with potential offtake partners are ongoing and expected to be completed before year end."

### **Management Appointments**

Desmond Tranquilla joins the Company as Vice-President Projects. He has been supporting the Crawford project on a part-time consulting basis through the feasibility study process since September 2021 and possesses hands-on knowledge of the Company's projects.

Desmond has more than 32 years' experience supporting major capital projects in mining, as well as experience with both major greenfield and brownfield infrastructure projects. He has held various management and leadership roles in project delivery on behalf of asset managers, mining companies, major engineering firms and P3-type partnerships. In support of full project cycles, he has experience from early scoping/planning, environmental assessment (both Federal and Provincial), PEA, PFS, FS, FEED, detailed design, project delivery (EPCM, EPC & JV) completions, operations and ramp-up. Prior to joining Canada Nickel, Desmond held the position of Director of Construction within the Project Delivery group at SNC-Lavalin North America where he supported all aspects of project planning and execution. One of his more significant contributions was supporting senior leadership on the Detour Lake Gold Project which was delivered on time and within budget. Other major projects he has provided leadership on include: Vale Copper Cliff – Atmospheric Emission Reduction Project (AER), Western Potash – Milestone Project, Potash Corporation of Saskatchewan (PCS) – Cory Project, Potash Corporation of Saskatchewan – Picadilly Project, Florida Rock Industries/Arundel Corporation – Jamer Materials Project.

Chris Chang joins the Company as Vice-President Corporate Development, after supporting the Company's Corporate Development activities on a part-time basis since 2022.

Chris has had a 17-year career in Investment Banking and Capital Markets. From 2015 to 2021, he led the Institutional Equities Mining Specialist Sales desk at various multinational foreign investment banks including Macquarie Capital Markets and Raymond James. In those roles, he has helped raise over \$1 billion of equity funding for junior and mid-cap mining companies from Institutional Investors and Private Equity groups globally. Previously, Chris was an Equity Research Mining Analyst at Laurentian Bank Securities covering Base Metals and Uranium equities, where he was responsible for company research coverage, valuations, and the bank's commodity price forecasts.

Christian Brousseau, who joined Canada Nickel in 2020, assumes a new role as Vice-President Innovation and Technical Services and will continue to lead the Company's work on IPT Carbonation. Under his leadership, IPT Carbonation has advanced from concept to feasibility study level design in just 13 months. He will also oversee other innovation initiatives targeting the multiple ultramafic deposits we have in our Timmins Nickel District.

After completing the preliminary economic assessment for the Crawford Project, Christian launched the Feasibility Study and has been leading the development of the IPT process since 2022. He has over 30 years of experience in engineering, design, and construction in the Canadian mining industry, including over six years as Project Director for the Dumont Project, and three years as the Engineering and Construction Manager for Detour Gold. Prior to Detour, he held various construction management positions at Osisko's Malartic Project (now owned by Agnico Eagle) and at Goldcorp's Éléonore Project. Mr. Brousseau also spent eight years at Falconbridge supervising and managing various capital projects at Sudbury, Raglan, Kidd Creek and the Horne Smelter.

### **Loan Facility**

The Company has arranged a US\$12 million loan facility with Auramet, which is expected to close on or before September 15, 2023. The loan will be due on about December 15, 2023, will carry an interest rate of 1.00% per month, and be subject to a 2.3% arrangement fee. At closing, Auramet will also receive 550,000 one-year warrants with a strike price of \$1.24 per common share. The loan will be subject to such terms and conditions including certain specified positive and negative covenants that are customary for a transaction of this nature. The warrants and the underlying shares will be subject to a four month hold period under applicable Canadian securities laws. The closing of the loan facility is subject to customary conditions including the approval of the TSX Venture Exchange.

### **Update on Previously Announced Texmont Acquisitions**

The Company also wishes to clarify certain disclosure included in its news release dated June 22, 2023. The Company reported the acquisition of certain mining claims within the Texmont ultramafic trend through a series of Purchase and Sale Agreements. The Company has, in fact, through a series of eleven Purchase and Sale Agreements, acquired a total of 498 mining claims within the Texmont ultramafic trend in exchange for a total of 504,500 common shares and cash payments totaling \$295,550, which is 10,900 fewer shares and \$5,000 less cash than the 515,400 common shares and cash payments totalling \$300,550 previously disclosed on June 22, 2023. The Company has also agreed, under ten of the agreements, to

grant a 2.0% net smelter returns royalty to the applicable vendors on such claims, with the Company having the exclusive option to repurchase half of each royalty for \$1,000,000 per royalty.

This correction does not change any other information reported in the June 22, 2023 news release.

In addition, the Company announces that it has entered into an option agreement with a group of optionors under which the Company had acquired an option to acquire a 100% interest in 28 single cell mining claims located in the Texmont ultramafic trend. The agreement provides the issuance by the Company of up to a total of 82,236 common shares and the payment to the optionors of a total of \$20,000 to exercise the option. In the event the option is exercised, the optionors will retain a 2.0% net smelter returns royalty with the Company having the exclusive option to repurchase half of the royalty for \$1,000,000.

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.

### **About Auramet**

Auramet is one of the largest physical precious metals merchants in the world with over US\$20 billion in annual revenues and which provides a full range of services to all participants in the precious metals supply chain. Auramet is a private company established in 2004 by seasoned professionals who have assembled a global team of industry specialists with over 350 years combined industry experience. Their business consists of three main activities: physical metals trading, metals merchant banking (including direct lending) and project finance advisory services. The company has built a consistently successful and prominent franchise in the metals space on the back of an experienced management team that has proven to be innovative and capable of delivering the highest quality service to participants in the sector. In fiscal year 2022 it purchased over 5 million ounces of gold, 78 million ounces of silver and 3.9 million ounces of PGMs, and has provided term financing facilities in excess of US\$1 billion to date. Auramet is looking to grow its capital investment business in equity, royalties and streams in the precious metals and battery-related metals mining space. Auramet is proud to have been awarded a Gold Medal for its ESG commitment by EcoVadis, the most trusted provider of ESG ratings with a network of more than 90,000 rated companies. For more information on Auramet, please visit [www.auramet.com](http://www.auramet.com).

### **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](http://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, the completion of the Auramet loan facility, the completion of the property option and purchase agreements, the receipt of all required regulatory approvals for the Auramet loan facility and the property agreements, 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, 5 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. 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.