



CANADA NICKEL
COMPANY

**Canada Nickel Announces Successful Completion of
Carbon Storage Pilot Plant, Confirms Value of Carbon Storage Capacity;
Integrated Feasibility Study to be Released on October 12, 2023**

Highlights

- *Carbon Storage Pilot Plant confirms the Feasibility Study design parameters*
- *IPT Carbonation was also successfully applied to material from a third party company confirming the technologies' commercialization potential*
- *Consulting study confirms Canada Nickel Crawford project could reasonably expect more than C\$25 per tonne of CO₂ in storage fees*
- *Canada Nickel's carbon storage business bolstered by addition of Adam Schatzker as Vice-President Corporate Development focused on building our carbon-related businesses*

TORONTO, September 28, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV:CNC) (OTCQX:CNIF) today announced that it has successfully completed its carbon storage pilot plant, demonstrating the value of its novel carbon storage process, In-Process Tailings ("IPT") Carbonation.

The Company processed more than 7 tonnes of tailings and confirmed the engineering design parameters for IPT Carbonation for incorporation in the Integrated Feasibility Study ("IFS") expected to be released on October 12, 2023. The pilot plant also was utilized to successfully apply the IPT Carbonation process to material from a third party's project, demonstrating the potential to commercialize the process for other projects including the Company's regional nickel properties in the Timmins Nickel District.

In addition, a study by a leading strategy house confirms that the Canada Nickel Crawford project could reasonably expect in excess of C\$25 per tonne of CO₂ in storage fees from its IPT Carbonation process based on publicly known storage fees and given communicated carbon price & policy status. The study also confirmed the potential requirement for more than 20 million tonnes of annual storage capacity of CO₂, given communicated carbon price & CCUS ITC status, from a population of approximately 150 potential emitters, with approximately 50 emitters concentrated in four distinct clusters in Sudbury, Sault Ste. Marie, Toronto and Sarnia.

Mark Selby, CEO of Canada Nickel, said, "Our successful pilot plant results, coupled with this study, confirm the significant value potential of the Company's IPT Carbonation process. The potential demand for more than 20 million tonnes annually of CO₂ storage is well in excess of the 1 million tonne capacity for Crawford, which supports our Company's belief that our Timmins Nickel District can anchor a Zero Carbon Industrial Cluster in the Timmins-Cochrane region. The work also supports our belief that the Crawford project can qualify a portion of its capital expenditures to take advantage of the Carbon Capture and Storage refundable tax credits announced by the federal government in its 2022 budget. We look forward to the release of our Feasibility Study on October 12th, which we expect to support our belief that

Crawford is poised to be a leader in the energy transition through the large-scale production of critical minerals, including nickel and cobalt, and to become the sole North American producer of chromium, while also supporting Canada's climate objectives through large scale carbon capture and storage."

Mr. Selby continued, "As we rapidly advance Crawford towards production, the Company continues to build its team to ensure we can maximize the value from our project. I am very pleased that Adam Schatzker, has agreed to join the team as Vice-President Corporate Development focused on unlocking the value of our IPT Carbonation process and the potential for a Zero Carbon Industrial Cluster in the Timmins-Cochrane region. The Company continues to target receipt of permits by mid-2025 with construction to follow. Permitting remains on-track and good progress is being made through the second stage of the federal permitting process."

IPT Carbonation Process

Canada Nickel's Crawford Project is hosted in ultramafic rock, which naturally absorbs and sequesters CO₂. Canada Nickel has developed the novel IPT Carbonation process which involves injecting a concentrated source of CO₂ into tailings generated by the milling process for a brief period of time. This simple process captures CO₂ geologically in the tailings while they are still in the processing circuit, rather than after they have been finally deposited.

Carbon Capture, Utilization Storage and Tax Credit

The Company believes that the successful incorporation of IPT Carbonation could potentially allow a portion of the Company's project capital expenditures to become eligible for the carbon capture and storage refundable investment tax credits of 37.5% to 60% for years 2022-2030 and 18.75% to 30% for years 2031-2040, as announced in the 2022 federal budget. The interest received from multiple large multinational companies pursuing carbon storage solutions further supports the Company's belief that the mineral sequestration utilized by the Company may be considered an effective carbon storage approach that would meet Environment and Climate Change Canada requirements.

Management Appointment

Adam has had an almost 30-year career focused primarily on mining. More than 20 years of his career was on the Sell-Side in both equity research and investment banking with seven of those years at RBC Capital Markets as a Director in Equity Research covering base metals, mining royalties, uranium and fertilizers. In his equity research roles, Adam provided valuation and investment recommendations on more than 40 companies and has been responsible for commodity price forecasts for base metals, uranium and fertilizers. Adam also spent more than three years in corporate development for mining companies including as Executive Vice President, Strategy and Business Development at Uranium One, the fourth largest uranium producer. Adam has also spent time working for a mining private equity fund identifying, evaluating and executing on potential investment opportunities.

Feasibility Study Conference Call

Canada Nickel will be hosting a webcast and conference call on Thursday, October 12, 2023 at 11:00 a.m. Eastern Time to discuss the Feasibility Study.

Conference Call Details:

Date: Thursday, October 12, 2023

Time: 11:00 a.m. ET

Participants may join the webcast and call as follows:

Audience URL: <https://app.webinar.net/ONly476d2WO>

Dialing local Toronto: 416-764-8688

Dialing North American Toll Free: 888-390-0546

Dialing International Toll Free:

Australia: 1800076068

Germany: 08007240293

Switzerland: 0800312635

South Africa: 0800994942

UK (England): 448006522435

For those unable to participate, a web-based archive of the conference call will be available for playback at the same Audience URL used to access the live webcast.

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.

For further information, please contact:

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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 of the Crawford Nickel Sulphide Project, the Texmont Project and the other Properties, timing of economic studies and mineral resource estimates, potential to commercialize the IPT Carbonation process, timing of receipt of permits and commencement of construction, eligibility for Canadian federal refundable tax credits, 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. 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.