



Canada Nickel Announces Corporate Updates

TORONTO, January 19, 2024 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) has extended the repayment date of the US\$12 million loan facility announced September 18, 2023, with Auramet International, Inc. ("Auramet") from January 18, 2024, to February 16, 2024. The loan will carry an interest rate of 1.25% per month for the extension period.

Canada Nickel has also entered into seven purchase and sale agreements with arm's length vendors pursuant to which the Company has agreed to acquire mining claims in the Timmins, Ontario region in exchange for the issuance by the Company of an aggregate of 723,000 common shares of the Company and the payment by the Company of an aggregate of \$67,760 in cash. Under one of the agreements, the Company agreed to grant to the vendor a 2.0% net smelter returns royalty on the applicable claims. The Company has the exclusive option at any time until the property enters into commercial production to repurchase one quarter of the royalty (being a 0.5% net returns interest) from the vendor for \$1,000,000. Under four other agreements, the Company agreed to grant to the vendors thereunder royalties equaling a 2.0% net returns interest on the applicable claims. The Company has the exclusive option at any time and from time to time to repurchase one half of each such royalty (being a 1.0% net returns interest) from the vendors for a cash purchase price of \$1,000,000 per royalty.

Canada Nickel has further agreed to issue 100,000 common shares to Taykwa Tagamou Nation ("TTN") pursuant to the terms of the exploration agreement between Canada Nickel and TTN (the "TTN Exploration Agreement") and 100,000 common shares to Apitipi Anicinapek Nation ("AAN") pursuant to the terms of the exploration agreement between Canada Nickel and AAN (together with the TTN Exploration Agreement, the "Exploration Agreements"), in each case in respect of the Company's regional properties surrounding its Crawford project. The Exploration Agreements continue important relationships through which Canada Nickel recognizes and respects the Aboriginal and Treaty rights of TTN and AAN while engaged in exploration activities on the Company's properties. The Exploration Agreements also each provide for the Company to make certain cash payments to TTN and AAN based on the cost of the Company's exploration program on the subject properties.

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 issuances.

The Company also wishes to confirm that, in connection with the private placement of flow-through units announced in the Company's news release dated January 2, 2024, the Company has agreed to pay each

of Scotiabank and Deutsche Bank a cash fee of \$520,380 (being an amount equal to 1.5% of the gross proceeds of the offering).

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.

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.

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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 in this news release includes, but is not limited to, the expected use of proceeds of the loan, the closing of the transactions described herein, the receipt of TSX Venture Exchange approvals in respect thereof, the ability of the Company to advance permitting and detailed engineering activities, and statements relating to the Company's operations a goals. 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. 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 the Company's Crawford project 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 the Company's Crawford project 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.