



CANADA NICKEL COMPANY

Canada Nickel Signs Definitive Agreements For Creation of ExploreCo and Consolidation of Crawford Surface Rights

TORONTO, January 07, 2025 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSX-V:CNC) (OTCQB: CNIKF) is pleased to announce the signing of two definitive agreements on January 6, 2025 – the previously announced transaction with Noble Mineral Exploration ("Noble") (see July 8, 2024 news release) and a definitive agreement with the primary surface rights holder ("Surface Rights Holder") in Crawford and surrounding townships to secure access to 32,000 acres of surface rights required to build the Crawford Nickel Sulphide project ("Crawford").

Mark Selby, CEO said, "Today's announcements secure access to 32,000 acres of surface rights and is another critical step for the Company as we complete our permitting and move toward a construction decision on Crawford in 2025. As part of the surface rights agreement, the Company will transfer 47,750 acres of mining rights in Kingsmill and Mabee townships—where no known exploration targets exist—to the Surface Rights Holder. This transfer aims to create future certainty over a substantial area of land, facilitating the effective development of sustainable forestry and wildlife habitat preservation. We are proud of our progress in unlocking the potential of the Crawford project and the Timmins Nickel District, building a future that benefits the environment and supports future generations."

ExploreCo Subsidiary Formation and Consolidation Transaction

Per the prior news release on July 8, 2024, Canada Nickel and Noble have now entered into a definitive agreement whereby Canada Nickel and Noble will contribute certain mining properties, including the existing Mann joint venture, into a new private company ("ExploreCo") to consolidate their respective interests in the portfolio of nickel projects northeast of Timmins, Ontario. As part of the transaction, Canada Nickel will consolidate ownership of the mining rights and access to the surface rights for certain key patents in Aubin, Crawford, Carnegie, Dargavel, Kidd, Lennox, Lucas, Nesbitt, Prosser, and Wark townships currently held by Noble, which facilitates and simplifies future development of Crawford and other nearby regional properties held by Canada Nickel.

The transaction and formal formation of ExploreCo is expected to close by January 31, 2025 and is subject to any required approvals of the TSX Venture Exchange (the "TSXV").

Surface Rights Transaction

Canada Nickel has entered into a definitive agreement with the Surface Rights Holder (the "Surface Rights Transaction") for an option to acquire 32,000 acres of surface rights in Crawford and surrounding townships. As part of the transaction, Canada Nickel has agreed to issue 5.5 million shares and will transfer mining rights (not required for any exploration target) to approximately 47,750 acres in Kingsmill and Mabee townships. The Surface Rights Transaction is subject to the approval of the TSXV. Additional consideration will be paid to exercise the

option on a construction decision. The Company has the right to exercise the option by December 31, 2026 and can extend the option annually up to a further five years for an additional payment for each extension. The Surface Rights Holder has asked that all other terms remain confidential. The additional consideration to acquire the surface rights is not material in the context of the overall Crawford project capital cost and the extension payment is also not material.

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™, 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. Generally, forward-looking information can be identified by the use of forward looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward looking information in this news release includes, but is not limited to: the use of proceeds of the Offering; the timing and ability of the Company, if at all, to obtain final approval of the Offering from the TSX Venture Exchange; the tax treatment of the FT Shares; the timing of incurring the Qualifying Expenditures and the renunciation of the Qualifying Expenditures; upgrading existing mineral resources; publishing new mineral resources on additional properties, including the timing thereof; and statements regarding exploration results, exploration plans and other corporate and technical objectives. Forward-looking information is necessarily based upon a number of 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 Company's properties, 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, and failure to obtain regulatory or shareholder approvals. 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 as a result 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.