



Canada Nickel Announces Positive Bankable Feasibility Study For its Crawford Nickel Sulphide Project

Highlights

- \$2.5 billion after-tax NPV_{8%} and IRR of 17.1%; increasing to \$2.6 billion after-tax NPV_{8%} and IRR of 18.3% with projected Carbon Capture & Storage tax credits
- Crawford is world's 2nd largest nickel reserve and 2nd largest resource¹. Initial mineral reserve of 1.7 billion tonnes of ore grading 0.22% nickel
- Production of 1.6 million tonnes nickel, 24 kt cobalt, 490 koz palladium & platinum, 58 million tonnes iron and 2.8 million tonnes chromium over 41-year project life
- Annual EBITDA of \$811 million, free cash flow (FCF) of \$546 million, and 48ktpa of nickel production during peak 27-year period
- One of Canada's largest carbon storage facilities with 1.5 Mtpa carbon captured and stored during peak 27-year period
- Crawford is a net *negative* contributor to global CO₂ footprint – with 30 tonnes of carbon capture and storage capacity per tonne of nickel remaining after accounting for project footprint

(All amounts in US dollars, unless otherwise indicated)

TORONTO, October 12, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV:CNC) (OTCQX:CNIKF) - <https://www.commodity-tv.com/ondemand/companies/profil/canada-nickel-company-inc/> - today released results from the Bankable Feasibility Study ("BFS") for its innovative and wholly-owned Crawford Nickel Sulphide Project ("Crawford"), confirming significantly improved economics from its Preliminary Economic Analysis ("PEA"), with an after-tax NPV_{8%} of \$2.5 billion and IRR of 17.1%. The BFS was prepared by Ausenco Engineering Canada Inc. ("Ausenco") in accordance with National Instrument 43-101 ("NI 43-101").

Crawford, located in Timmins, Ontario, Canada, is the world's second largest nickel reserve¹. Once in production, it is also expected to become one of Canada's largest carbon storage facilities and be a net negative contributor of CO₂ over the project life.

Mark Selby, CEO of Canada Nickel, said, "This bankable feasibility study is a significant milestone for Crawford and a major step forward in demonstrating the value of our Timmins Nickel District and its potential to anchor a Zero Carbon Industrial Cluster in the Timmins-Cochrane region. Crawford is poised to be a leader in the energy transition through the large-scale production of critical minerals, including

¹ Source: Wood Mackenzie, Nickel Cost Service Q3 2023 data

nickel and cobalt, and is expected to become the sole North American producer of chromium², while also supporting Canada’s climate objectives through industrial-scale carbon capture and storage.”

Mr. Selby continued, “I am very proud of our team for accomplishing this milestone in a very short ` of time. Just four years ago, Crawford had only five drill holes. Today, we believe it is a world-class project with tremendous momentum. We are fully focused on pursuing our next milestones of obtaining permits, developing a financing package, and moving towards a production decision by mid-2025, with a goal of first production by the end of 2027.”

Crawford 2023 BFS Highlights

- Robust economics
 - After-tax, \$2.5 billion NPV_{8%} and 17.1% IRR; increasing to \$2.6 billion NPV_{8%} and 18.3% IRR with projected Carbon Capture and Storage tax credits
- Large initial mineral reserve anchored by significantly larger mineral resource
 - Proven & Probable reserves of 3.8 million tonnes contained nickel from 1.7 billion tonnes ore grading 0.22% nickel make Crawford the world’s 2nd largest nickel reserve³. Reserves are hosted in a Measured & Indicated resource which increased by 74% (compared to the 2022 resource estimate) to 6.0 million tonnes. With additional Inferred mineral resources of 3.7 million tonnes contained nickel, Crawford is the world’s 2nd largest nickel resource³.
- Large scale, low cost, long-life
 - Annual average nickel production of 83 million pounds (38k tonnes) over a 41-year life, with production of 48 ktpa nickel, 0.8 ktpa cobalt, 13 koz palladium and platinum, 1.6 Mtpa iron and 76 ktpa chrome over 27-year peak period
 - Net life-of-mine C1 cash cost of \$0.39/lb nickel (by-product basis) place Crawford in the first quartile of the cost curve³. The net AISC cost, on a by-product basis, is \$1.21/lb nickel.
 - Projected revenue exceeds \$48 billion, or more than \$1 billion annually over project life.
- Significant improvement in recoveries from PEA:
 - Nickel: 10% improvement life-of-mine (41% versus 37% used in PEA), and a 23% improvement in Phase I/Phase II compared to PEA (46% versus 37% in the PEA)
 - Improvements to life of mine recovery for Iron: 46%, Cobalt: 38%, and Chrome: 5%
- Significant earnings and free cash flow generation
 - Projected annual EBITDA of \$810 million and FCF of \$540 million over peak period, annual EBITDA of \$667 million and FCF of \$431 million over project life
- Minimization of carbon footprint
 - Minimal carbon footprint of 4.8 tonnes CO₂/ tonne of nickel in concentrate, 2.3 tonnes CO₂/tonne of nickel equivalent ⁴(“NiEq”); largely due to electrically powered mining fleet, including trolley-assist trucks, that are expected to reduce diesel consumption by over 40% compared to diesel powered equipment.

² Source U.S. Geological Survey, Mineral Commodity Summaries, Chromium January 2023

³ Source: Wood Mackenzie, Nickel Cost Service Q3 2023 data

⁴ Nickel equivalent using prices of \$21,000/t Ni, \$40,000/t Co, \$1,350/oz Pd, \$1,150/oz Pt, \$325/t Fe (equivalent to \$89/t iron ore price) and \$3,860/t Cr; metallurgical recoveries based on average of 41% Ni, 11% Co, 48% Pd, 22% Pt, 53% Fe, 28% Cr.

- Implementation of the Company's proprietary IPT (In-Process Tailings) Carbonation process is anticipated to allow capture and storage of 1.5 million tonnes CO₂ annually during 27-year peak period, the bulk of which will be sold to third parties.
- Anticipated net negative carbon footprint from carbon capture and storage capacity of 30 tonnes CO₂ / tonne of nickel after accounting for project footprint

Crawford BFS Summary

Crawford will be a conventional open pit mine/mill operation constructed in two phases. The initial phase, costing \$1.9 billion, will have a mill throughput of 60 ktpd. The second phase, planned for commissioning during the fourth year following 24 months construction, will double mill throughput to 120 ktpd at a cost of \$1.6 billion. The third phase occurs after the pits have been depleted in Year 30 and the 120 ktpd milling rate is satisfied from stockpiled lower grade ore.

Crawford Bankable Feasibility Study Results

Mining & Milling	Unit	Construction	Phase 1	Phase 2	Phase 3	LOM
Duration		2.5 years	3.5 years	26.5 years	11.25 years	41.25 years
Mill Capacity	Ktpd	0	60	120	120	120
Total Mined	Mt	103	423	5,181	0	5,707
Ore Mined	Mt	14	125	1,575	0	1,715
Ore Milled	Mt	0	73	1,157	485	1,715
Strip Ratio	Waste : Ore Mined	6.17	2.37	2.29	n/a	2.33
Grade						
Nickel Head Grade	%		0.26	0.24	0.17	0.22
Cobalt Head Grade	%		0.013	0.013	0.012	0.013
Palladium & Platinum Head Grade	g/t		0.030	0.024	0.021	0.024
Iron Head Grade	%		6.20	6.43	6.49	6.44
Chromium Head Grade	%		0.63	0.60	0.49	0.57
Recovery						
Nickel Recovery	%		48%	46%	25%	41%
Cobalt Recovery	%		19%	14%	4%	11%
Palladium & Platinum Recovery	%		40%	39%	33%	38%
Iron Recovery	%		54%	56%	46%	53%
Chromium Recovery	%		28%	29%	26%	28%
Annual Production						
Recovered Nickel	Ktpa		26	48	18	38
Recovered Cobalt	Ktpa		0.5	0.8	0.2	0.6
Recovered Palladium & Platinum	Kozpa		8	13	10	12
Recovered Iron	Mtpa		0.7	1.6	1.3	1.4
Recovered Chromium	Ktpa		37	76	54	67
Carbon Capture	Mtpa		0.6	1.5	1.1	1.3
Revenue & Costs						
NSR	US\$ / tonne milled		\$34.96	\$32.31	\$16.96	\$28.08
Mining Opex	US\$ / tonne milled		\$9.82	\$6.21	\$0.62	\$4.78
Milling Opex	US\$ / tonne milled		\$5.31	\$5.18	\$5.19	\$5.19
G&A Opex	US\$ / tonne milled		\$2.35	\$1.00	\$0.50	\$0.92
Total Onsite Costs	US\$ / tonne milled		\$17.48	\$12.38	\$6.31	\$10.88
Gross C1 Cash Cost	US\$ / lb NiEq		\$4.82	\$3.72	\$3.64	\$5.96
Net C1 Cash Cost	US\$ / lb Ni		\$2.67	\$0.68	(\$2.39)	\$0.39
Net AISC	US\$ / lb Ni		\$2.96	\$1.54	(\$1.72)	\$1.21
Total Investment	US\$ millions	\$1,946	\$1,602	\$1,450	\$159	\$5,157
Cash Flow						
Annual EBITDA	US\$ millions	\$0	\$349	\$811	\$426	\$667
Annual Free Cash Flow	US\$ millions	(\$723)	\$17	\$545	\$291	\$431

More detailed information regarding annual production and costs can be at the following [link](#). The Base Case economics includes the Critical Minerals Investment Tax Credit (ITC), that was outlined during the 2023 federal budget presentation. While it is anticipated that Crawford would also qualify for the Carbon Capture, Utilization and Storage (CCUS) ITC, this will be included as an opportunity until approval to receive the credit has been obtained.

The after-tax project returns are robust: \$2.5 billion NPV_{8%} and 17.1% IRR; increasing to \$2.6 billion NPV_{8%} and 18.3% IRR with projected Carbon Capture and Storage tax credits. Overall payback is 5.6 years and peak capital requirement to build both phases is \$1.7 billion, less than initial capital cost estimate of \$1.9 billion because of the inclusion of the Critical Minerals ITC. Government tax credits are expected to exceed \$1 billion over the project life for the scenario which includes both the Critical Minerals and expected Carbon Capture tax credits.

Mining

Crawford will mine two separate open pits that contain approximately equal tonnages of ore. Mine production rates have been decoupled from the mill, resulting in a 30-year mine life compared to 41 years for the overall project. While there is an initial cost associated with stockpiling lower grade ore, economic impacts are anticipated to be more than offset by treating higher grade ore in the early years and accelerating cashflows. This strategy also allows for in-pit deposition of tailings after the first pit has been depleted in Year 17. Over the life of project, 61% of total tailings production will be impounded in-pit, significantly reducing Crawford's surficial and environmental footprint while reducing the cost of impoundment.

Approximately 89% of material mined will be rock, which will be drilled and blasted before being loaded by electrically powered rope shovels or large hydraulic excavators into 290 tonne trucks equipped with trolley assist. Over 70% of uphill hauls by this fleet will be traveled on trolley, reducing diesel consumption by approximately 1.5 billion litres while faster speeds will reduce the fleet by 12 units. The remaining material will be overburden that will not require drilling and blasting and will be loaded and hauled with a mixed fleet of smaller equipment.

Mineral Processing

The concentrator will process ore using a conventional milling circuit. Unit operations include crushing, semi-autogenous and ball mill grinding, desliming, nickel flotation, magnetic separation on the flotation tailings and carbon storage using the Company's proprietary IPT Carbonation technology. The BFS flowsheet has been optimized from the PEA and is expected to deliver improved recoveries of all base metals, improved concentrate grades, as well as large scale carbon storage.

Comparison of Key Metrics for BFS vs PEA

Mining & Milling	units	Crawford FS		Crawford	Variance: FS vs PEA	
		Phase1 -2	LOM	PEA	Phase1 -2	LOM
Life	years	30	41	25	+20%	+64%
Ore Mined	Mt	1,700	1,715	907	+87%	+89%
Ore Milled	Mt	1,230	1,715	907	+36%	+89%
Recovery						
Nickel Recovery	%	46%	41%	37%	+23%	+10%
Cobalt Recovery	%	14%	11%	8%	+69%	+38%
Palladium & Platinum Recovery	%	39%	38%	n/a		
Iron Recovery	%	56%	53%	36%	+54%	+46%
Chromium Recovery	%	29%	28%	27%	+8%	+5%
Annual Production						
Recovered Nickel	Ktpa	45	38	34	+33%	+12%
Recovered Cobalt	Ktpa	0.7	0.6	0.4	+89%	+55%
Recovered Palladium & Platinum	Kozpa	13	12	n/a		
Recovered Iron	Mtpa	1.5	1.4	0.9	+70%	+65%
Recovered Chromium	Ktpa	71	67	59	+22%	+14%
Carbon Storage	Mtpa	1.4	1.3	n/a		

Crawford will produce two concentrates with life-of-mine average concentrate grades as follows:

- Nickel concentrate: 34% nickel, 0.7% cobalt and 4.1 g/t combined Palladium and Platinum
- Iron ore concentrate: 55% iron, 0.3% nickel, 2.6% chromium

It is believed the nickel concentrate is believed to be the highest-grade concentrate in the global market and thus has a wide range of potential markets, including both the stainless steel and the battery metal sector. The iron ore concentrate contains three of the key ingredients for 300 series stainless and alloy steel market and it is expected to be a suitable direct feed for North American production of that product.

IPT Carbonation

Crawford, and the Company's other properties in the Timmins Nickel District, are hosted in ultramafic rock, which contain minerals such as brucite that naturally absorb and sequester 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 stores CO₂ chemically in the tailings while they are still in the processing circuit, rather than after they have been finally deposited. The interest already received from multiple large multinational companies pursuing carbon storage solutions further supports the Company's belief that this process is expected to be an effective carbon storage approach that would meet Environment and Climate Change Canada requirements to allow the Company to utilize the CCUS ITC.

Location & Infrastructure

Crawford is located within an established mining camp, approximately 40 kilometres north of Timmins. The project thus has access to infrastructure that has been developed over the past century to service the industry's requirements including, but not limited to, energy, water, equipment, logistics and skilled human resources.

Crawford will require connection to the electrical grid. Canada Nickel has entered into an agreement with a local First Nations service provider, Transmission Infrastructure Partnerships 1 (TIP1)⁵, that will be responsible for costs, executing the work and powerline maintenance. These costs will be recovered from Crawford over a 25-year period.

⁵ See Canada Nickel press release dated December 16, 2020

Other infrastructural requirements form part of the project scope, including those related to the realignment of Highway 655 and a 500kV power line, which currently cross the property. The realignment will total approximately 27.5 kilometres. A portion of this distance will be equipped with a new rail spur that will facilitate delivery of consumables to, and shipment of concentrates from Crawford.

Mineral Resources

Crawford's Measured and Indicated Resources with an effective date of August 31, 2023 have grown by 74% since the previous resource update in May 2022 (mineral resources are inclusive of reserves).

	Tonnage (Mt)	Grade							Contained Metal					
		Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Fe (%)	Cr (%)	Bruc (%)	Ni (kt)	Co (kt)	Pd (koz)	Pt (koz)	Fe (Mt)	Cr (kt)
Higher Grade Main Zone														
Measured	253	0.30	0.013	0.027	0.012	6.40	0.59	1.73	770	33	219	96	16.2	1,503
Indicated	296	0.28	0.013	0.023	0.012	6.93	0.57	1.36	830	39	218	112	20.5	1,694
Mea+Ind	549	0.29	0.013	0.025	0.012	6.68	0.58	1.53	1,600	72	437	207	36.7	3,197
Inferred	212	0.28	0.013	0.018	0.011	6.91	0.56	1.21	587	28	123	73	14.6	1,190
Lower Grade Main Zone														
Measured	280	0.22	0.013	0.011	0.009	6.89	0.59	1.15	607	37	96	79	19.3	1,646
Indicated	698	0.21	0.013	0.011	0.009	7.10	0.57	1.07	1,465	92	249	207	49.6	3,998
Mea+Ind	978	0.21	0.013	0.011	0.009	7.04	0.58	1.10	2,072	129	346	285	68.9	5,644
Inferred	1324	0.21	0.013	0.010	0.009	7.20	0.57	0.94	2,772	174	420	386	95.4	7,544
Higher Grade East Zone														
Measured	394	0.26	0.012	0.015	0.009	5.92	0.65	3.10	1,022	49	185	119	23.3	2,546
Indicated	300	0.26	0.013	0.011	0.007	5.85	0.63	3.19	774	38	103	69	17.5	1,887
Mea+Ind	694	0.26	0.013	0.013	0.008	5.89	0.64	3.14	1,795	87	287	188	40.9	4,432
Inferred	112	0.26	0.013	0.010	0.007	5.90	0.62	2.89	289	14	37	25	6.6	695
Lower Grade East Zone														
Measured	169	0.16	0.013	0.011	0.009	7.25	0.54	0.40	279	21	57	49	12.3	908
Indicated	172	0.17	0.012	0.011	0.009	7.11	0.52	0.93	289	21	61	52	12.2	886
Mea+Ind	341	0.17	0.012	0.011	0.009	7.18	0.53	0.67	568	43	119	102	24.5	1,794
Inferred	45	0.17	0.013	0.010	0.008	7.11	0.54	0.55	78	6	14	12	3.2	244
Total Crawford Resource														
Mea+Ind	2562	0.24	0.013	0.014	0.010	6.67	0.59	1.69	6,035	330	1,189	783	170.9	15,066
Inferred	1693	0.22	0.013	0.011	0.009	7.08	0.57	1.09	3,726	222	594	496	119.9	9,674

Mineral Resources have an effective date of August 31, 2023. Mr Scott Jobin-Bevans with Caracle Creek International Consulting Inc at the time of preparation of the estimate, is the Qualified Person responsible for the Mineral Resource Estimate. Mineral Resources are inclusive of Mineral Reserves. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Mineral resources are contained within a Lerchs-Grossmann pit shell using prices of \$20,000/t nickel, \$48,500/t cobalt, \$1350/oz palladium, \$1,150/oz platinum, \$290/t iron (equivalent to \$80/t iron ore price) and \$2,290/t chromium; metallurgical recoveries based on test work, open pit mining costs ranging from C\$1.35 – C\$3.17/t mined, depending upon depth and size of equipment, mill + G&A costs of C\$7.54/t milled and royalties to 4.1% of NSR. The QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that could potentially affect this Mineral Resource Estimate.

Mineral Reserves

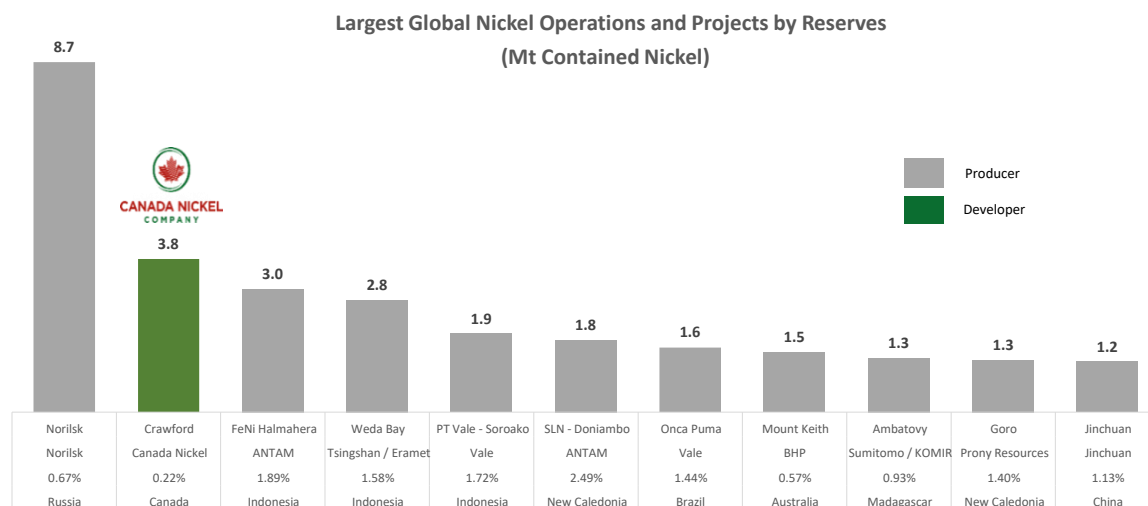
Mineral reserves are contained within an engineered pit design that has been based on a Lerchs-Grossmann (LG) pit optimization run at a Revenue Factor (RF) 65% of the base case prices; or \$13,650/t Ni, \$26,000/t Co, \$58/t iron ore, \$2,500/t Cr, \$878/oz Pd and \$748/oz Pt. Mineral reserves include unplanned dilution of 0.4%

Mineral Reserves Statement (effective date Aug 31 2023)

	Ore	Grade							Contained Metal					Mt CO ₂	
	(Mt)	Ni %	Co %	Pd g/t	Pt g/t	Fe %	Cr %	Bruc %	Ni (kt)	Co (kt)	Pd (koz)	Pt (koz)	Fe (Mt)	Cr (kt)	Capture
HG Main Zone															
Proven	208	0.31	0.013	0.027	0.011	6.23	0.60	1.78	641	27	180	74	13	1,249	8
Probable	64	0.29	0.013	0.023	0.012	6.47	0.54	1.98	185	8	47	24	4	348	3
LG Main Zone															
Proven	213	0.21	0.013	0.011	0.009	6.69	0.58	1.15	445	27	75	58	14	1,226	6
Probable	368	0.18	0.013	0.011	0.009	6.82	0.53	1.03	678	47	133	106	25	1,961	10
HG East Zone															
Proven	375	0.26	0.012	0.014	0.009	5.92	0.64	2.84	965	47	170	112	22	2,418	18
Probable	148	0.25	0.012	0.009	0.007	5.83	0.63	2.87	369	18	44	32	9	926	7
LG East Zone															
Proven	198	0.15	0.012	0.011	0.011	7.00	0.50	0.32	295	24	73	67	14	998	1
Probable	141	0.15	0.011	0.012	0.010	6.54	0.47	0.60	212	16	53	46	9	659	2
Total Crawford															
Proven	994	0.24	0.013	0.016	0.010	6.37	0.59	1.75	2,345	125	498	311	63	5,892	33
Probable	721	0.20	0.012	0.012	0.009	6.53	0.54	1.41	1,444	89	278	208	47	3,895	22
Proven + Probable	1,715	0.22	0.013	0.014	0.009	6.44	0.57	1.61	3,789	215	777	519	110	9,787	54

The Mineral Reserve Estimate was prepared in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014) by QP Dave Penswick, P.Eng who is an independent consultant. Mineral Reserves are included within the reported Mineral Resources. Mineral reserves are contained within a Lerchs-Grossmann pit shell using prices of \$15,650/t nickel, \$26,000/t cobalt, \$878/oz palladium, \$748/oz platinum, \$211/t iron (equivalent to \$58/t iron ore price) and \$2,500/t chromium; metallurgical recoveries based on test work, open pit mining costs ranging from C\$1.35 – C\$3.17/t mined, depending upon depth and size of equipment, mill + G&A costs of C\$7.54/t milled and royalties to 4.1% of NSR. The QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that could potentially affect this Mineral Resource Estimate.

Crawford is now the world's 2nd largest nickel reserve⁶.



Source: Company filings, Wood Mackenzie.

⁶ Source: Wood Mackenzie, Nickel Cost Service Q3 2023 data

Capital Cost

Total Capital	units	Phase 1	Phase 2	Sustaining	LOM
Mining	US\$ millions	\$499	\$420	\$1,304	\$2,222
Process Plant	US\$ millions	\$721	\$726	\$0	\$1,447
TMF & Water Management	US\$ millions	\$98	\$84	\$103	\$285
Infrastructure	US\$ millions	\$205	\$93	\$74	\$372
Indirects	US\$ millions	\$235	\$132	\$0	\$367
Contingency	US\$ millions	\$185	\$145	\$0	\$330
Closure and Other	US\$ millions	\$0	\$0	\$134	\$134
Total	US\$ millions	\$1,943	\$1,600	\$1,615	\$5,157

Notes:

1. Indirect Costs for Process Plant only. Indirect costs for Mining, Off-Site Infrastructure and TMF within those areas

The bankable feasibility study capital cost estimates are consistent with AACE Class 3 standards and include an allowance for growth averaging 6% within the direct estimate of applicable construction activities. In addition, a contingency averaging 11% has been applied to all direct and indirect items in the two phases of the project.

The capital estimate does not include escalation or interest.

Operating Cost

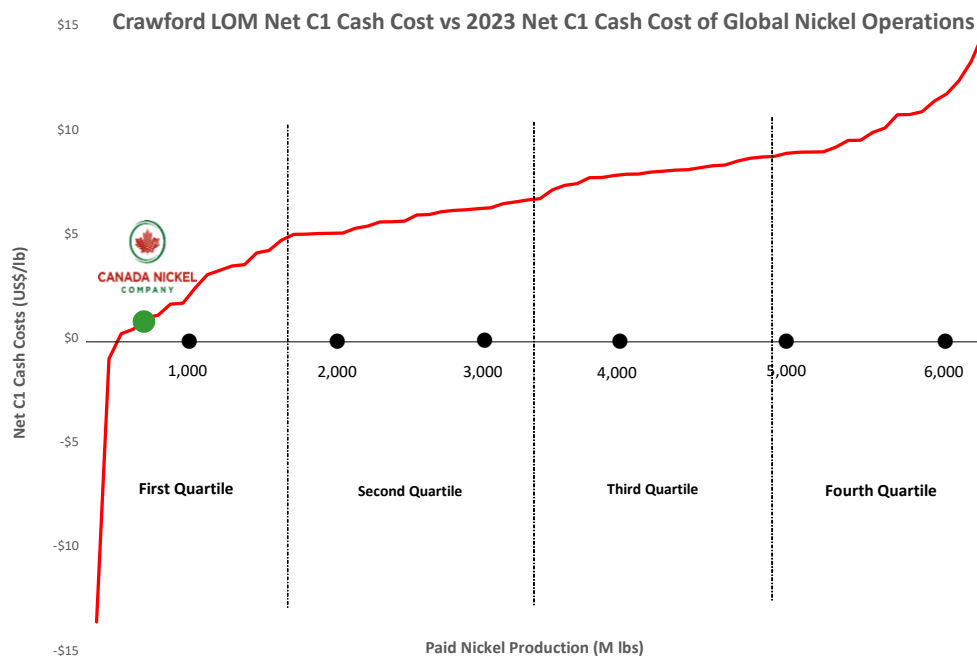
Operating Cost	units	Phase1	Phase2	Phase3	LOM
Labour	average FTE ¹	1,057	851	305	720
Labour	US\$/t milled	\$4.36	\$1.74	\$0.60	\$1.53
Consumables	US\$/t milled	\$4.12	\$3.70	\$2.41	\$3.35
Maintenance	US\$/t milled	\$2.64	\$2.19	\$0.65	\$1.78
Fuel	US\$/t milled	\$1.90	\$1.26	\$0.09	\$0.96
Power	US\$/t milled	\$2.47	\$2.62	\$2.24	\$2.50
Other	US\$/t milled	\$1.97	\$0.87	\$0.31	\$0.76
TOTAL	US\$/t milled	\$17.47	\$12.38	\$6.31	\$10.88

Note:

1. Full Time Equivalent

Operating costs were developed using a zero-based model and benchmarked against existing operations. Crawford will achieve low labour costs through the benefits of scale and utilization of proven technologies, such as trolley-assisted truck haulage. These technologies will also keep expenditure on fuel low. As a result of Crawford's low site costs, it is expected the EBITDA margin will average 57% over the life of

project. It is expected that Crawford will also be positioned in the lower half of the first quartile of Net C1 Cash Costs.



Source: Wood Mackenzie, Nickel Cost Service Q3 2023 data

Long-term price Assumptions (2023 real basis)

- Ni Price: \$21,000/t (\$9.53 /lb)
- Co Price: \$40,000/t (\$18.14 / lb)
- Pd Price: \$1,350/oz
- Pt Price: \$1,150/oz
- Iron Price: \$325/t (equivalent to iron ore price of \$89/t)
- Chromium Price: \$3,860/t (\$1.75/lb)
- C\$:US: \$0.76
- Oil Price: \$70/bbl

Sensitivities

Item	Delta NPV 8% (\$ MM)		Delta IRR (%)		Delta Net C1 Cash Cost (\$/lb)	
	+10%	-10%	+10%	-10%	+10%	-10%
Nickel Price ± 10% (\$18,900 - \$23,100)	\$508	(\$504)	1.8%	(1.8%)	\$0.00	\$0.00
Iron Price ± 10% (\$80 - \$98)	\$142	(\$141)	0.5%	(0.5%)	(\$0.30)	\$0.30
Chrome Price ± 10% (\$3,474 - \$4,246)	\$108	(\$106)	0.4%	0.4%	(\$0.22)	\$0.22
Cobalt Price ± 10% (\$36,000 - \$44,000)	\$12	(\$12)	0.0%	(0.0%)	(\$0.02)	\$0.02
Oil Price ± 10% (\$63 - \$77)	(\$44)	\$44	(0.2%)	0.2%	\$0.06	(\$0.06)
Nickel Recovery ± 10% (37% - 45%)	\$505	(\$501)	1.8%	(1.8%)	(\$0.03)	\$0.04
Initial Capex ± 10%	(\$99)	\$101	(0.8%)	1.0%	\$0.00	\$0.00
Expansion Capex ± 10%	(\$39)	\$42	(0.3%)	0.3%	\$0.00	\$0.00
Opex ± 10%	(\$339)	\$343	(1.2%)	1.3%	\$0.60	(\$0.60)

Returns are most sensitive to a variation in the price or recovery of nickel, with a 10% variation in price leading to a 20% variation in NPV, or 2.0x the variation to input. Returns are also sensitive to operating costs, at 1.4x the variation to input. Returns are less sensitive to the iron or chrome prices, at 0.6x and 0.4x the variation to input, respectively. Returns are relatively insensitive to variation in the cobalt price

while variation in palladium or platinum prices has less than a 0.1% impact on NPV. The sensitivity to initial capex (0.4x input) is double that of expansion capex (0.2x), which equals the sensitivity to fuel prices.

Next Steps

In parallel with the completion of the BFS, Canada Nickel is actively pursuing the work needed to obtain all necessary federal and provincial permits, and to develop a financing package with its advisors Scotiabank, Deutsche Bank, and Cutfield Freeman by mid-2025. This would be followed by a decision to initiate construction of Crawford with a target of first production by end 2027. In order to support this process and as part of its intention to responsibly originate materials to power the energy transition, Canada Nickel will use the BFS results to feed its ongoing innovative engagement strategy focussed on fostering meaningful and productive relationships with its Indigenous partners as well as with the surrounding communities. A technical report in support of the BFS will be filed with the Canadian securities regulatory authorities on SEDAR+ within 45 days of this news release.

Bankable Feasibility Study Conference Call

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

Conference Call Details:

Date: Today (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/0Nly476d2WO>

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

In Stephen J. Balch P.Geo. (ON), VP Exploration of Canada Nickel and a "qualified person" as such term 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.

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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Non-IFRS measures

The Company has included certain non-IFRS measures in this press release. The Company believes that these measures provide investors an improved ability to evaluate the underlying performance of the project. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Net C1 cash costs are the sum of operating costs (including all expenses related to stripping), net of by-product credits from cobalt, palladium, platinum, iron and chromium per pound of payable nickel. Net AISC (all in sustaining costs) are C1 cash costs plus royalties plus sustaining capital per pound of payable nickel. Sustaining and expansion capital are non-IFRS measures. Sustaining capital is defined as capital required to maintain operations at existing levels. Expansion capital is defined as capital expenditures for major growth projects or enhancement capital for significant infrastructure improvements at existing operations. Both measurements are used by management to assess the effectiveness of investment programs.

NSR (Net Smelter Return) includes gross revenues less refining costs. EBITDA is earnings before interest, taxes and depreciation, which comprise NSR less royalties and operating costs and for the purpose of the economic analysis assume all stripping costs following the initial construction period are expensed. Free cash flow represents operating cash flow less capital expenditures.

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 Crawford ; potential size of carbon storage facilities and ability to be a net negative carbon footprint; , timing and results of economic studies, including the BFS; mineral resource estimates and mineral reserve estimates; ability to realize on projected economic estimates, including EBITDA, NPV, IRR, all-in sustaining costs, free cash flow and C1 cash costs; scale, capital costs, operating costs and life of mine projections; potential to commercialize the IPT Carbonation process; timing of receipt of permits and commencement of construction and initial production; 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.