



Canada Nickel Receives Equity Investment from Samsung SDI

Highlights

- Samsung SDI to invest US\$18.5 million and acquire approximately 15.6 million shares of Canada Nickel, becomes an 8.7% shareholder
- Samsung SDI granted the right to purchase a 10% equity interest in the Crawford project for US\$100.5 million upon a final construction decision
- Samsung SDI will be granted certain offtake rights to the Crawford project's nickel-cobalt products subject to the completion of the 10% equity investment in the Crawford project

TORONTO, January 12, 2024 – 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/> - is pleased to announce that the Company has entered today into a Subscription Agreement with Samsung SDI Co., Ltd. ("Samsung SDI") to make a US\$18.5 million investment in Canada Nickel at a price of C\$1.57 per Common Share. Upon closing of the private placement contemplated in the Subscription Agreement, Samsung SDI will own approximately 15.6 million shares of the common shares of Canada Nickel, representing approximately 8.7% of the Company's issued and outstanding shares on a non-diluted basis.

"We are very pleased to welcome Samsung SDI as an investor and project partner with Canada Nickel," said Mark Selby, CEO of Canada Nickel. "As we advance the Crawford Nickel Sulphide Project, it is critical to form long-term partnerships with companies that truly understand how crucial this production is for electric vehicle supply chains across North America and Europe. As one of the world's leading electric vehicle battery manufacturers, Samsung SDI not only understands our vital role in these supply chains, but also believes in Canada Nickel's vision for responsible, large scale, net-zero carbon nickel production. Together, our companies are paving the way for a more sustainable future."

"We are pleased to partner with Canada Nickel through this opportunity," said Ikhyeon Kim, Executive Vice President of Samsung SDI. "We look forward to working with Canada Nickel to contribute to the growing battery manufacturing industry through this partnership."

Samsung SDI is a manufacturer of rechargeable batteries for the IT industry, automobiles, and energy storage systems ("ESS"), as well as cutting-edge materials used to produce semiconductors and displays. Samsung SDI's executive managers and staff members focus efforts to develop the next generation's growth drivers in order to secure Samsung SDI's place as a creative leader in the energy and materials industry.

Subscription Agreement and Investor Rights Agreement

The Subscription Agreement and the Investor Rights Agreement contain certain customary terms and conditions. Samsung SDI will have a pro rata right in any future issuance of Common Shares or any securities that are or may become convertible, exchangeable or exercisable into Common Shares to maintain its shareholding as long as it holds 7.5% or more of the issued and outstanding Common Shares of the Company.

Project Investment and Offtake Rights

At closing of the private placement, Canada Nickel will grant to Samsung the right to purchase a 10% equity interest in the Crawford project for US\$100.5 million, exercisable upon a final construction decision. By exercising this right, Samsung SDI will have the right to 10% of the nickel-cobalt production from the Crawford project over the life of mine and the right to an additional 20% of Crawford's nickel-cobalt production for 15 years extendable by mutual agreement. The offtake rights will be based on mutually agreed terms.

The closing of the private placement and related agreements is subject to customary closing conditions including the approval of the TSX Venture Exchange and is targeted to close on or about January 31, 2024

Advisors

Cutfield Freeman, Deutsche Bank, Harp Capital, and Scotiabank acted as financial advisors to 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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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; 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.