



CANADA NICKEL
COMPANY

Canada Nickel Announces Discovery of Higher Grade Core at Crawford East Zone

Highlights

- Infill drilling identified an extensive Higher-Grade Core in the East Zone, similar to the Main Zone.
- The higher grade cores span combined strike length of 1.6 kilometres, a width of 20 to 50 metres, to a depth of 690 metres.
- Drilling in the East Zone has successfully infilled and extended strike length to a total of 2.1 kilometres, substantially larger than previously reported resource.
- Hole 142A averaged 0.31% Ni across its entire 576 metre core length, ending in mineralization. Hole 165A (assays pending) was mineralized across its entire 690 metre core length, ending in higher grade mineralization at 735 metres. Five other holes recently completed intersected drill intervals of up to 216.6 metres of higher grade mineralization.
- Samples from East Zone Higher Grade Core yielded the highest grade concentrate from Crawford during metallurgical work reported for the previously released Preliminary Economic Assessment with 43% of the recovered nickel reporting to a 55% nickel concentrate.

TORONTO, October 26, 2021 – 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 announced the results from the infill drilling program at its Crawford Nickel-Sulphide Project ("Crawford" or the "Project"), which included the discovery of a higher-grade core in the East Zone. The East Zone has now been successfully tested for 2.1 km of its overall 3.2 km interpreted strike length.

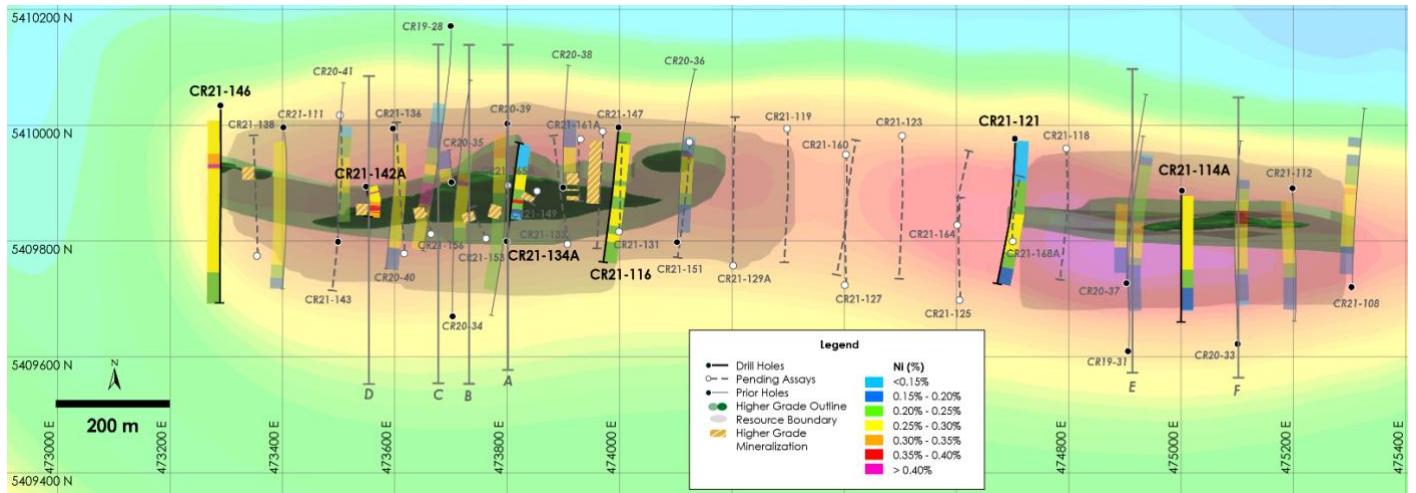
Mark Selby, Chair and Chief Executive Officer commented, "The East Zone is becoming a significant resource. The most recent infill and expansion drilling at the Crawford East Zone continues to confirm our target of increasing the East Zone resource by 2-3x and the identification of an extensive Higher Grade Core, similar to the Main Zone, has been an exciting development. This East Zone core has yielded intervals of both high-grade nickel and PGMs and the latest two holes (CR21-142A, CR21-165A), which were drilled to test this higher-grade mineralization at depth, remained in higher grade mineralization to the end of each hole at 624 and 735 metres deep respectively – more than 100 metres below the current resource. I look forward to the resource update on the Main, East, and North zones next year to support the feasibility study expected to be delivered later in 2022."

Crawford East Zone

In the East Zone, an additional 6 holes have assays reported, a further 22 holes have been drilled with assays pending. Infill drilling is expected to continue for the balance of the current year to contribute to the resource update next year that will support the feasibility study. Infill drilling, deeper drilling, and drilling beyond the resource outline along strike have all demonstrated continuity for a distance of 2.1 kilometres.

The Higher Grade Core was identified during a drill program intended to expand the current resource and was present in previous holes (CR20-28, CR19-31, CR20-33, CR20-34, CR20-35, CR20-36, CR20-37, CR20-39, CR21-112) but was thought to be discontinuous. Additional drilling is consistent with the Company’s belief that this core is more continuous and centered along the East Zone, much like the higher-grade core of the Main Zone. See Figures 1 and 2 below. This Higher-Grade Core remains open at depth and along strike.

Figure 1 – Plan View of East Zone Nickel - Drilling Results overlain on total field magnetic intensity, Crawford Nickel-Cobalt Sulphide Project, Ontario



The western portion of the higher grade core extends for 0.9 kilometres, extends from surface in some places to a depth of 730 metres (see Figure 1 above, and Figure 2 below for views of this structure).

The eastern portion of the higher grade core extends for 0.7 kilometres, extends from surface in some places to a depth of 280 metres, with more planned drillholes targeting depth extension (see Figure 1 above, and Figure 2 below for views of this structure).

Crawford East Zone Metallurgical Work

Sample EZ-33-V15, from hole CR20-33 from 327 to 349 metres (which is now part of the East Zone Higher Grade Core) and averaged 0.36% nickel, 0.08% sulphur, 0.201 g/t palladium, and 0.047 g/t platinum yielded the highest-grade concentrate produced during the PEA testwork program with 43% of the recoverable nickel in final concentrates reporting to a high grade nickel concentrate grading 55% nickel.

Figure 2 – East Zone Higher Grade Core (Section A, B, C, D, E, F)

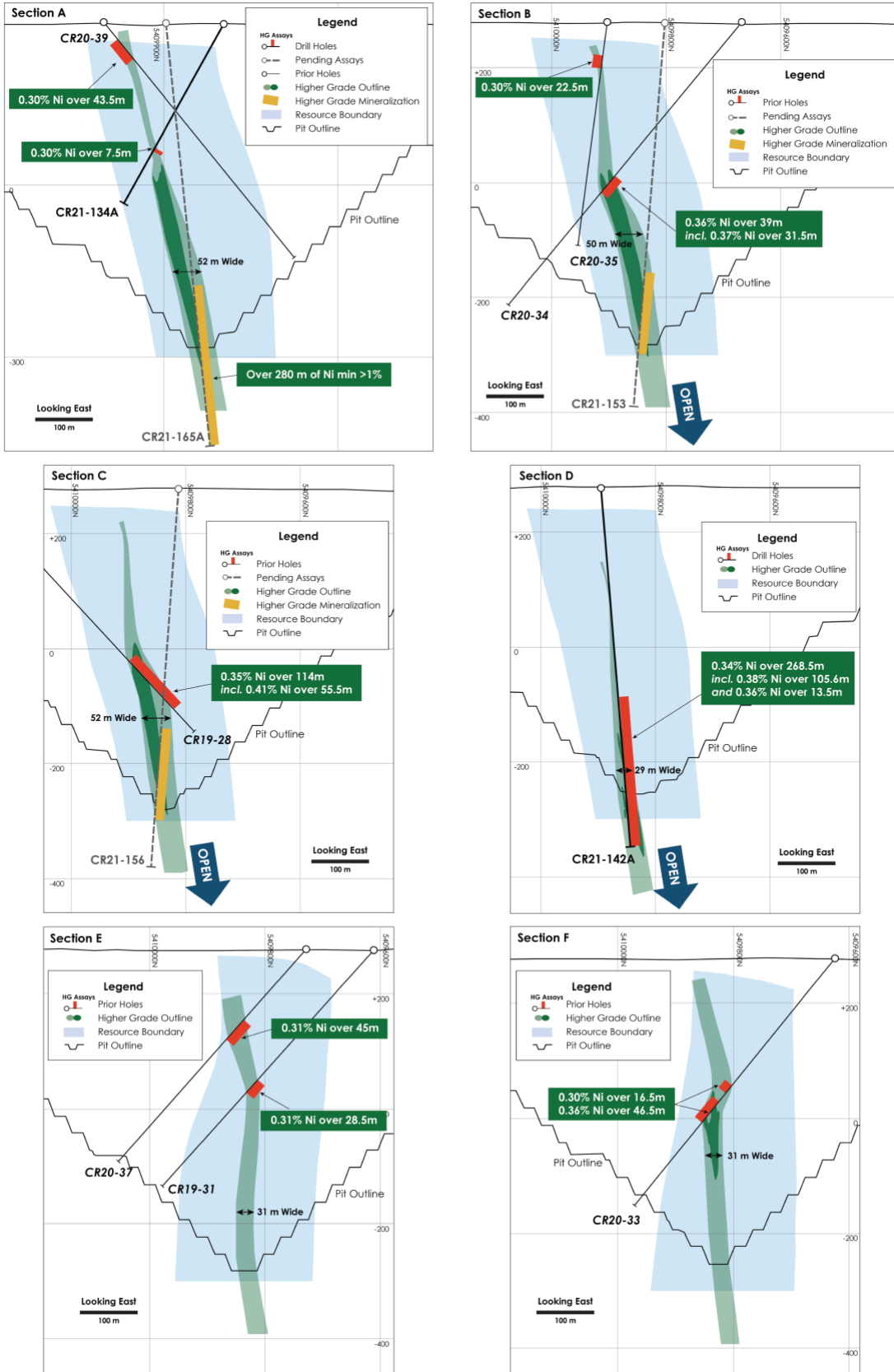


Table 1a: East Zone Infill Drilling Results, Crawford Nickel Sulphide Project, Ontario.

| BHID | From (m) | To (m) | Length (m) | Estimated | | | | | | | |
|------------------|--------------|--------------|---------------|----------------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| | | | | True Width (m) | Ni (%) | Co (%) | Pd (g/t) | Pt (g/t) | Cr (%) | Fe (%) | S (%) |
| CR21-114A | 26.0 | 494.0 | 468.0 | 197.8 | 0.21% | 0.011 | 0.008 | 0.005 | 0.61 | 5.75 | 0.02 |
| <i>Including</i> | 26.0 | 354.0 | 328.0 | 164.0 | 0.25% | 0.012 | 0.009 | 0.005 | 0.69 | 5.76 | 0.02 |
| CR21-116 | 26.3 | 510.0 | 483.7 | 277.4 | 0.24% | 0.012 | 0.003 | 0.005 | 0.62 | 5.61 | 0.03 |
| <i>Including</i> | 63.0 | 168.0 | 105.0 | 60.2 | 0.26% | 0.011 | 0.003 | 0.006 | 0.65 | 5.29 | 0.03 |
| CR21-121 | 12.0 | 507.0 | 495.0 | 209.2 | 0.21% | 0.012 | 0.007 | 0.006 | 0.58 | 5.97 | 0.01 |
| <i>Including</i> | 265.5 | 394.5 | 129.0 | 54.5 | 0.26% | 0.012 | 0.005 | 0.005 | 0.67 | 5.32 | 0.01 |
| CR21-134A | 90.0 | 319.5 | 229.5 | 114.8 | 0.22% | 0.012 | 0.006 | 0.008 | 0.60 | 6.57 | 0.03 |
| <i>Including</i> | 195.0 | 249.0 | 54.0 | 22.8 | 0.28% | 0.013 | 0.012 | 0.017 | 0.65 | 6.06 | 0.03 |
| CR21-142A | 47.5 | 624.0 | 576.5 | 10.1 | 0.32% | 0.017 | 0.017 | 0.010 | 0.67 | 5.72 | 0.12 |
| <i>Including</i> | 441.0 | 582.6 | 141.6 | 9.9 | 0.37% | 0.022 | 0.055 | 0.011 | 0.75 | 6.13 | 0.38 |
| <i>Including</i> | 472.5 | 490.5 | 18.0 | 3.6 | 0.43% | 0.015 | 0.040 | 0.014 | 0.83 | 5.57 | 0.30 |
| <i>Including</i> | 530.1 | 543.6 | 13.5 | 2.3 | 0.43% | 0.019 | 0.053 | 0.017 | 0.62 | 6.88 | 0.72 |
| CR21-146 | 44.7 | 525.0 | 480.3 | 275.5 | 0.27% | 0.013 | 0.009 | 0.007 | 0.61 | 5.75 | 0.05 |
| <i>Including</i> | 132 | 172.5 | 40.5 | 18.1 | 0.32% | 0.014 | 0.065 | 0.035 | 0.68 | 6.45 | 0.12 |
| <i>Including</i> | 159 | 169.5 | 10.5 | 6.9 | 0.44% | 0.016 | 0.155 | 0.080 | 0.78 | 6.20 | 0.15 |

Table 1b: East Zone – Completed Holes (Assays Pending) – Higher Grade Mineralization Intersections, Crawford Nickel Sulphide Project, Ontario.

| BHID | From (m) | To (m) | Length (m) | Estimated |
|-----------|-------------|-----------|---------------|----------------------|
| | | | | True Width (m) |
| CR21-138 | 261.0 | 309.0 | 48.0 | 19.5 |
| CR21-149 | 256.0 | 412.0 | 156.0 | 8.2 |
| CR21-153 | 410.0 | 597.0 | 187.0 | 6.5 |
| CR21-156 | 437.0 | 575.0 | 138.0 | 2.4 |
| CR21-161A | 239.0 | 432.0 | 193.0 | 13.2 |
| CR21-165A | 468.0 | 735.0 | 267.0 | 21.1 |

Table 1c: Previously Reported Drill Holes (Higher Grade Core intervals)

| BHID | From (m) | To (m) | Length (m) | True Width (m) | Ni (%) | Co (%) | Pd (g/t) | Pt (g/t) | Cr (%) | Fe (%) | S (%) |
|------------------|-------------|-----------|---------------|----------------------|-----------|-----------|-------------|-------------|-----------|-----------|----------|
| CR19-28 | 406.5 | 520.5 | 114.0 | 54.5 | 0.35% | 0.01 | 0.07 | 0.04 | 0.72 | 5.81 | 0.12 |
| <i>including</i> | 406.5 | 462.0 | 55.5 | 34.0 | 0.41% | 0.01 | 0.13 | 0.07 | 0.69 | 6.01 | 0.21 |
| CR19-31 | 304.5 | 333.0 | 28.5 | 23.1 | 0.31% | 0.01 | 0.02 | 0.01 | 0.73 | 6.07 | 0.04 |
| CR20-33 | 279.9 | 296.4 | 16.5 | 9.1 | 0.30% | 0.01 | 0.01 | 0.00 | 0.59 | 5.66 | 0.04 |
| <i>and</i> | 315.9 | 362.4 | 46.5 | 34.9 | 0.35% | 0.01 | 0.10 | 0.04 | 0.75 | 5.97 | 0.09 |
| CR20-34 | 348.0 | 387.0 | 39.0 | 38.7 | 0.36% | 0.01 | 0.19 | 0.07 | 0.69 | 6.04 | 0.09 |
| <i>including</i> | 349.5 | 381.0 | 31.5 | 9.8 | 0.37% | 0.01 | 0.23 | 0.08 | 0.69 | 5.94 | 0.09 |
| <i>including</i> | 349.5 | 361.5 | 12.0 | 3.9 | 0.42% | 0.01 | 0.46 | 0.17 | 0.77 | 611.0 | 0.08 |
| CR20-35 | 55.5 | 78.0 | 22.5 | 8.6 | 0.30% | 0.01 | 0.00 | 0.00 | 0.63 | 5.43 | 0.03 |
| CR20-36 | 208.5 | 247.5 | 39.0 | 31.1 | 0.31% | 0.01 | 0.02 | 0.01 | 0.69 | 6.41 | 0.12 |
| CR20-37 | 163.5 | 208.5 | 45.0 | 34.8 | 0.30% | 0.01 | 0.01 | 0.01 | 0.71 | 5.79 | 0.06 |
| CR20-39 | 36.0 | 79.5 | 43.5 | 17.0 | 0.30% | 0.01 | 0.01 | 0.01 | 0.75 | 5.77 | 0.04 |
| CR21-112 | 52.5 | 99.0 | 46.5 | 17.9 | 0.30% | 0.01 | 0.00 | 0.00 | 0.70 | 5.71 | 0.05 |

Table 2: Drill Hole Orientation

The table below lists drill locations for the results of the drill holes outlined in this news release, the holes currently in the assay lab and those in progress.

New Holes

| BHID | Target | Northing | Easting | Azimuth | Dip | Length (m) |
|-----------|-----------|----------|---------|---------|-----|------------|
| CR20-38 | East Zone | 5409893 | 473900 | 360 | -50 | 327 |
| CR20-40 | East Zone | 5409995 | 473597 | 180 | -50 | 378 |
| CR20-41 | East Zone | 5409800 | 473499 | 360 | -50 | 417 |
| CR21-108 | East Zone | 5409721 | 475304 | 360 | -50 | 501 |
| CR21-111A | East Zone | 5409997 | 473402 | 180 | -50 | 444 |
| CR21-114A | East Zone | 5409888 | 475001 | 180 | -60 | 464 |
| CR21-116 | East Zone | 5409997 | 473999 | 180 | -50 | 509 |
| CR21-118 | East Zone | 5409961 | 474795 | 180 | -60 | 504 |
| CR21-119 | East Zone | 5409995 | 474299 | 180 | -60 | 476 |
| CR21-121 | East Zone | 5409977 | 474704 | 180 | -60 | 507 |
| CR21-123 | East Zone | 5409983 | 474503 | 180 | -60 | 507 |
| CR21-140 | East Zone | 5409778 | 473361 | 245 | -60 | 267 |

Higher Grade Core

| BHID | Target | Northing | Easting | Azimuth | Dip | Length (m) |
|---------|-----------|----------|---------|---------|-----|------------|
| CR19-28 | East Zone | 5410172 | 473700 | 180 | -50 | 573 |
| CR19-31 | East Zone | 5409610 | 474905 | 360 | -50 | 552 |
| CR20-33 | East Zone | 5409623 | 475101 | 360 | -50 | 549 |
| CR20-34 | East Zone | 5409671 | 473703 | 360 | -50 | 630 |
| CR20-35 | East Zone | 5409903 | 473701 | 360 | -82 | 390 |
| CR20-36 | East Zone | 5409799 | 474103 | 360 | -50 | 483 |
| CR20-37 | East Zone | 5409728 | 474903 | 360 | -50 | 492 |
| CR20-39 | East Zone | 5410004 | 473801 | 180 | -50 | 522 |

| | | | | | | |
|-----------|-----------|---------|--------|-----|-----|-----|
| CR21-112 | East Zone | 5409892 | 475198 | 180 | -60 | 435 |
| CR21-134A | East Zone | 5409800 | 473799 | 5 | -60 | 351 |
| CR21-138 | East Zone | 5409775 | 473355 | 360 | -60 | 420 |
| CR21-142A | East Zone | 5409895 | 473549 | 178 | -86 | 624 |
| CR21-146 | East Zone | 5410035 | 473290 | 180 | -50 | 525 |
| CR21-149 | East Zone | 5409887 | 473854 | 178 | -87 | 474 |
| CR21-153 | East Zone | 5409805 | 473763 | 360 | -86 | 669 |
| CR21-156 | East Zone | 5409813 | 473665 | 0 | -86 | 658 |
| CR21-161A | East Zone | 5409975 | 473928 | 180 | -76 | 432 |
| CR21-165A | East Zone | 5409897 | 473801 | 175 | -84 | 734 |

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.

Assays, Quality Assurance/Quality Control and Drilling and Assay

Edwin Escarraga, MSc, P.Geo., a "qualified person" as defined by NI 43-101, is responsible for the on-going drilling and sampling program, including quality assurance (QA) and quality control (QC). The core is collected from the drill in sealed core trays and transported to the core logging facility. The core is marked and sampled at 1.5 metre lengths and cut with a diamond blade saw. A set of Samples are transported in secured bags directly from the Canada Nickel core shack to Actlabs Timmins, the other set of samples are securely shipped to SGS Burnaby. Both are ISO/IEC 17025 accredited labs. Analysis for precious metals (gold, platinum and palladium) are completed by Fire Assay while analysis for nickel, cobalt, sulphur and 17 other elements are performed using a peroxide fusion and ICP-OES analysis. Certified standards and blanks are inserted at a rate of 3 QA/QC samples per 20 core samples making a batch of 60 samples that are submitted for analysis.

Qualified Person and Data Verification

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 Company Inc.

Issuance of Shares

The Company also announced today that it has agreed to issue 30,000 common shares to an unrelated third party in satisfaction of certain finder's fees payable to such third party in connection the private placements completed by the Company in October 2020. Such shares will be subject to a four month hold period under applicable securities rules expiring on February 26, 2022.

About Canada Nickel Company

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. Forward looking information includes, but is not limited to, drill results relating to the Crawford Nickel Sulphide Project, the potential of the Crawford Nickel Sulphide Project, timing of economic studies and mineral resource estimates, 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 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 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 as a result of new information, future events or otherwise, except as required by law.