



CANADA NICKEL COMPANY

Canada Nickel Announces Airborne Geophysical Survey Underway on Recently Acquired Option Properties

Highlights

- Airborne magnetic and gravity survey will cover seven separate nickel-bearing target structures with more than 30 kilometres of total strike length and ranging from 150 to 600 metres wide. Survey provides same data that was successfully utilized in the discovery and subsequent delineation of its Crawford Nickel-Cobalt Sulphide Project
- Historic drilling yielded nickel-bearing intersections on all of the target structures, including:
 - Kingsmill – 0.30% Ni over core length of 503 metres from 118 metres in historic hole KML-12-02 (2012) and 0.31% Ni over 302 metres core length from 20 metres in historic hole 27090 (1966)
 - Nesbitt-North – 0.28% Ni over core length of 163 metres from 233 metres in historic hole 27083 (1966)
 - Mahaffy-Aubin – 0.23% Ni over core length of 127 metres from 82 metres in historic hole 31901 (1966) and core length of 276 metres of serpentinized ultramafic mineralization (similar host mineralization at Crawford) in historic hole T2-80-2 (1980) with no assays provided

TORONTO, September 23, 2020 – Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") is pleased to announce that detailed airborne magnetic and gravity surveys, similar to what was successfully utilized at the Company's flagship Crawford Nickel-Cobalt Sulphide Project, began this week on its Option Properties which were acquired earlier this year with earn-in agreements with Noble Mineral Exploration.

"This airborne survey is the critical next step in unlocking the nickel-cobalt sulphide potential of the overall land package we have assembled in addition to our Crawford project: seven different structures ranging in size from 2.2 kilometres long by 375-600 metres wide (Kingsmill), to 8 kilometres long by 200-500 metres wide (Mahaffy-Aubin). Each structure has yielded historical drill intersections indicating that the geophysical targets identified are nickel-bearing," said Mark Selby, Chair and CEO of Canada Nickel.

"With our recently announced \$13 million financing and this airborne survey underway, we look forward to building on the large resource we have already defined at our Crawford nickel-cobalt project and beginning to unlock the district scale nickel-cobalt potential we believe this region holds over the coming autumn and winter seasons."

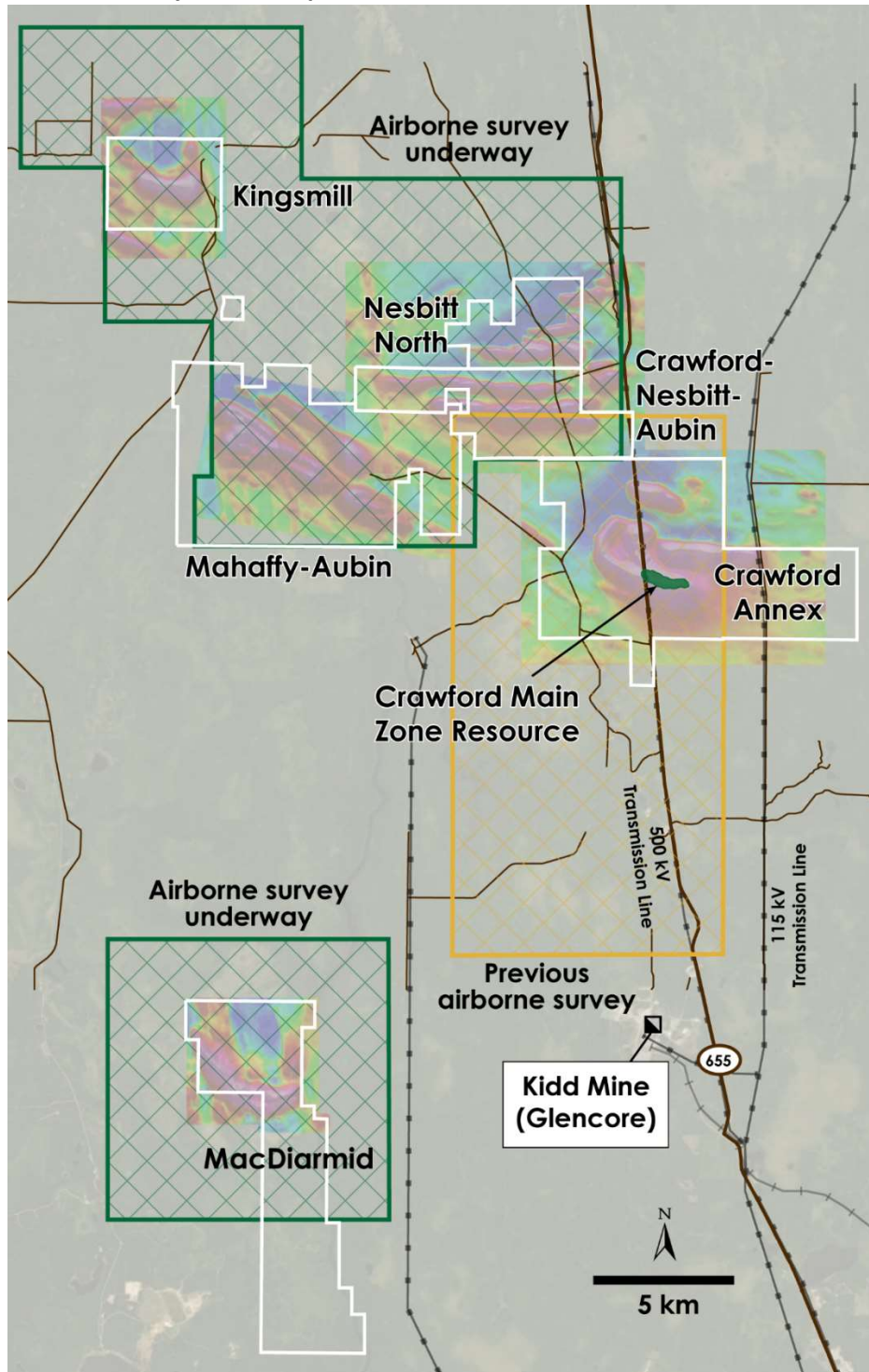
Airborne survey and drilling results from the Crawford Main and East Zones showed a strong correlation between specific magnetic and gravity signatures and nickel mineralization. This unique geophysical signature was successfully utilized for ranking drill targets at Crawford.

The Crawford Nickel-Cobalt Sulphide Project is located in the heart of the prolific Timmins-Cochrane mining camp in Ontario, Canada, and is adjacent to well-established, major infrastructure associated with over 100 years of regional mining activity.

Airborne Survey

The airborne survey, flown by CGG Canada Services Ltd. using the Falcon® system, will include measurements of the total magnetic intensity and the vertical gravity gradient made along flight lines oriented north-south and spaced 100 m apart. The current survey totals 2,731 l-km and adds to the previously acquired 2,000 l-km to completely cover Crawford and Carnegie Townships as well as the Nesbitt-North, Kingsmill, MacDiarmid and Mahaffy exploration targets. See Figure 1 below.

Figure 1 – Plan view of Planned Geophysical Survey Area over Crawford, Kingsmill, Nesbitt-Aubin, Nesbitt North, MacDiarmid and Mahaffy-Aubin Properties, Ontario.



Overview of Option Properties (Previously released on July 13, 2020)

Kingsmill

The Kingsmill target is a large serpentinized ultramafic intrusion which is 2.2 km long and between 375-600 metres wide. For reference, the Crawford Main Zone resource is 1.7 km long and 225-425 metres wide.

Initial review of historical drilling results has yielded both significant nickel and PGM intersections and the north side of the structure appears to have the same PGE enrichment as Crawford Main and East Zones: 1.0 g/t PGM over 2 metres from 96 metres within 0.3 g/t PGM over 30 metres from 69 metres in historic hole KML-12-11, 0.8 g/t PGM over 5 metres from 523 metres within 0.5 g/t PGM over 24 metres in historic hole KML-12-07.

The Company believes that the initial review points to several large portions of the structure which remain highly prospective for nickel-cobalt-PGM mineralization:

- The two sections were 1.3 km apart leaving a large portion of the overall structure completely untested
- There are several intersections which points to the potential for relatively higher quantities of recoverable minerals
 - Holes KML-12-06, KML-12-11, KML-12-12 on the Eastern section all contained intersections with significant nickel and sulphur content (which is necessary for formation of nickel sulphide minerals) across wide intersections (see Table 1 below)
 - Hole KML-12-03, yielding 0.26% nickel and 0.03% sulphur over 130 metres, was the only hole (of four holes on the Western section) drilled on the northern half of the structure, which has yielded the best mineralized portions of the Crawford Main and East Zones
 - Historic hole 27090, also drilled on north side of the structure in 1966, yielded 0.31% nickel over 302 metres (sulphur was not assayed)

The understanding of the mineralogy of these deposits has evolved significantly since the Kingsmill drilling was completed eight years ago, particularly the controls and the deportment of potentially recoverable nickel minerals across a deposit. Initial mineralogy results from Kingsmill in 2012 were inconclusive as the test was conducted on one master sample compiled from all drill cores across a distance of 2 km – not taking into account the significant variability in mineralogy between rock types, and that some ultramafic rock will have low amounts of potentially recoverable nickel minerals.

See Tables 1a and 1b and Figure 2 for results. See below caution regarding Historical Information.

Table 1a – Kingsmill Selected Historical Drilling Key Nickel Intersections – Holes 6, 11, 12 (Eastern), 3 (Western), Kingsmill Township, Ontario

DDH ID	From	To	Length	Ni	Co	Pd	Pt	S	Fe
	(m)	(m)	(m)	(%)	(%)	(g/t)	(g/t)	(%)	(%)
KML-12-02	117.1	620.6	503.5	0.30	0.012	0.003	0.003	0.01	5.36
KML-12-03	134.0	264.4	130.4	0.26	0.012	0.022	0.022	0.03	6.51
<i>including</i>	134.0	169.0	35.0	0.24	0.013	0.042	0.055	0.01	7.59
<i>Including</i>	235.0	264.4	29.4	0.27	0.011	0.008	0.003	0.06	5.94
KML-12-06	54.7	550.0	495.3	0.21	0.011	0.006	0.005	0.05	5.89
<i>including</i>	57.0	324.0	267.0	0.26	0.011	0.008	0.006	0.03	5.88
KML-12-11	112.0	304.0	192.0	0.24	0.011	0.009	0.006	0.03	6.11
<i>including</i>	181.0	303.0	122.0	0.27	0.012	0.008	0.005	0.02	6.25
KML-12-12	175.0	272.0	97.0	0.18	0.011	0.018	0.010	0.10	5.98

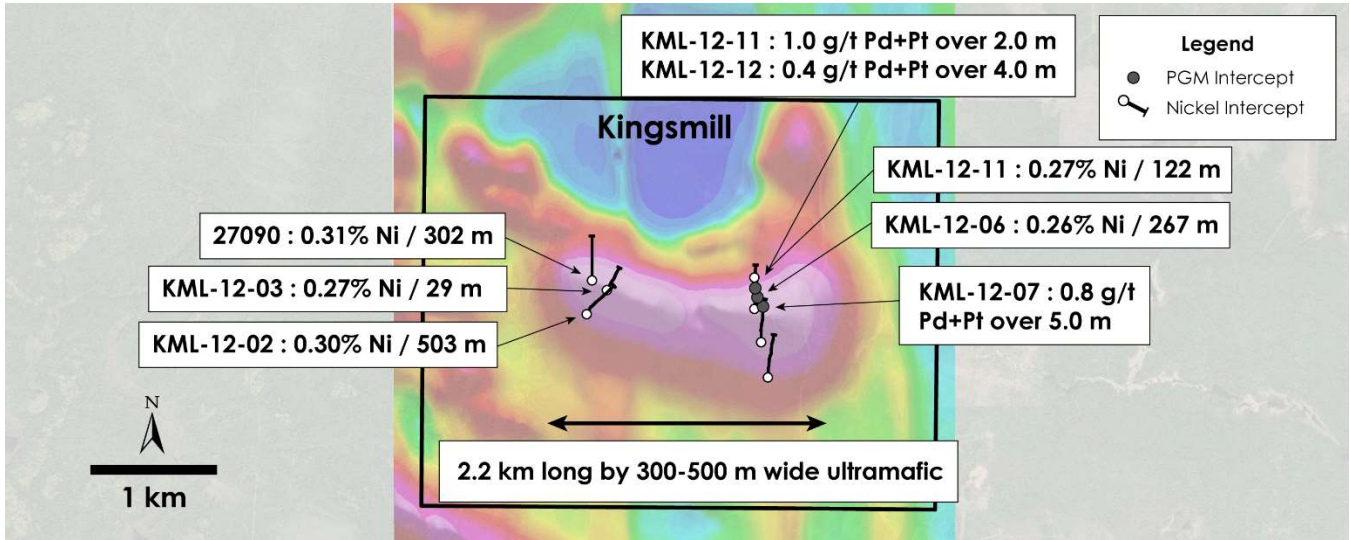
Note: the lengths reported are core lengths and not true widths. Canada Nickel has insufficient information to determine the attitude, either of the ultramafic body or of mineralized zones within it. True widths will be less than the core lengths by a number of factors. The drill hole orientations are reported in Table 2. See below caution regarding Historical Information.

Table 1b – Kingsmill Selected Historical Drilling Key PGM Intersections – Holes 6, 11, 12 (Eastern), 3 (Western), Kingsmill Township, Ontario

DDH ID	From	To	Length	Pd+Pt	Pd	Pt	Ni	Co
	(m)	(m)	(m)	(g/t)	(g/t)	(g/t)	(%)	(%)
KML-12-07	522.0	546.2	24.2	0.4	0.2	0.2	0.06	0.008
<i>including</i>	523.0	528.0	5.0	0.8	0.5	0.3	0.02	0.005
KML-12-11	69.0	99.0	30.0	0.3	0.1	0.1	0.01	0.004
<i>including</i>	96.0	98.0	2.0	1.0	0.3	0.7	0.01	0.005
KML-12-12	153.0	157.0	4.0	0.4	0.2	0.3	0.02	0.005

Note: the lengths reported are core lengths and not true widths. Canada Nickel has insufficient information to determine the attitude, either of the ultramafic body or of mineralized zones within it. True widths will be less than the core lengths by a number of factors. The drill hole orientations are reported in Table 2. See below caution regarding Historical Information.

Figure 2 – Plan view of Kingsmill Property – Historical drilling overlain on total field magnetic intensity, Kingsmill Township, Ontario.



For details on Noble Mineral Exploration Inc.'s ("Noble") 2012 drilling program, please see Noble's press release dated March 15, 2018 that is filed on www.sedar.com.

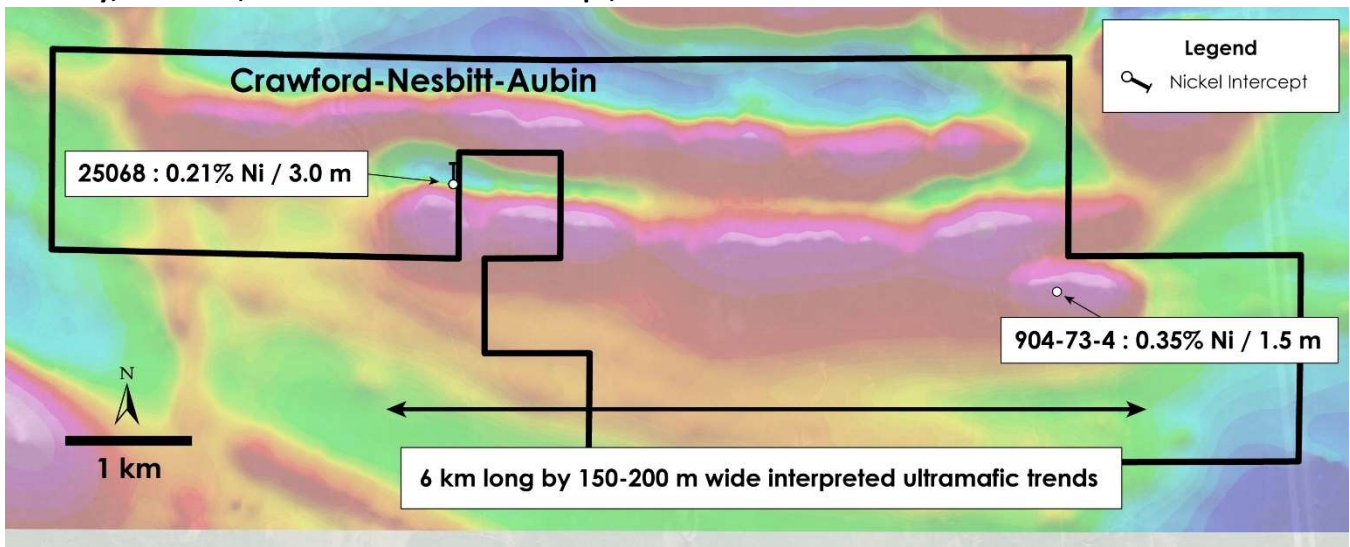
Once the resource update for Crawford is complete, the historic drilling will be re-logged based on our understanding of the geology, and mineralogical samples will be selected to understand the deportment of potentially recoverable nickel minerals (pentlandite, heazlewoodite, awaruite).

Crawford-Nesbitt-Aubin

Two targets have been identified in Crawford-Nesbitt-Aubin Township, consisting of two ultramafic units 6 km long and 150-200 metres wide containing serpentinized peridotite, much of it was not assayed. Inco drilling in 1964-66 yielded highlights including narrow intervals of up to 0.35% Ni which tested the edges of the geophysical target. For reference, the Crawford Main Zone resource is 1.7 km long and 225-425 metres wide.

See Figure 3 for results. See below caution regarding Historical Information.

Figure 3 – Plan view of Crawford-Nesbitt-Aubin Property – Historical drilling overlain on total field magnetic intensity, Crawford, Nesbitt and Aubin Townships, Ontario.

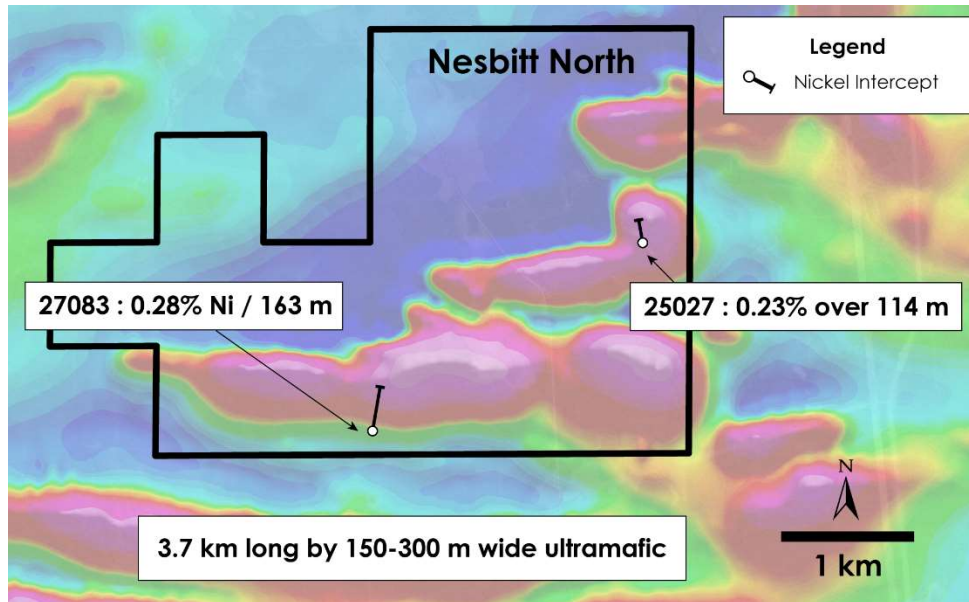


Nesbitt North

Two ultramafic units 3.7 km long by 150-300 metres wide with significant nickel intersections were identified in Nesbitt township. Inco 1966 drilling highlights included 0.28% Ni over 163 m in historic hole 27083. For reference, the Crawford Main Zone resource is 1.7 km long and 225-425 metres wide.

See Figure 4 for results. See below caution regarding Historical Information.

Figure 4 – Plan view of Nesbitt North Property – Historical drilling overlain on total field magnetic intensity, Nesbitt Township, Ontario.

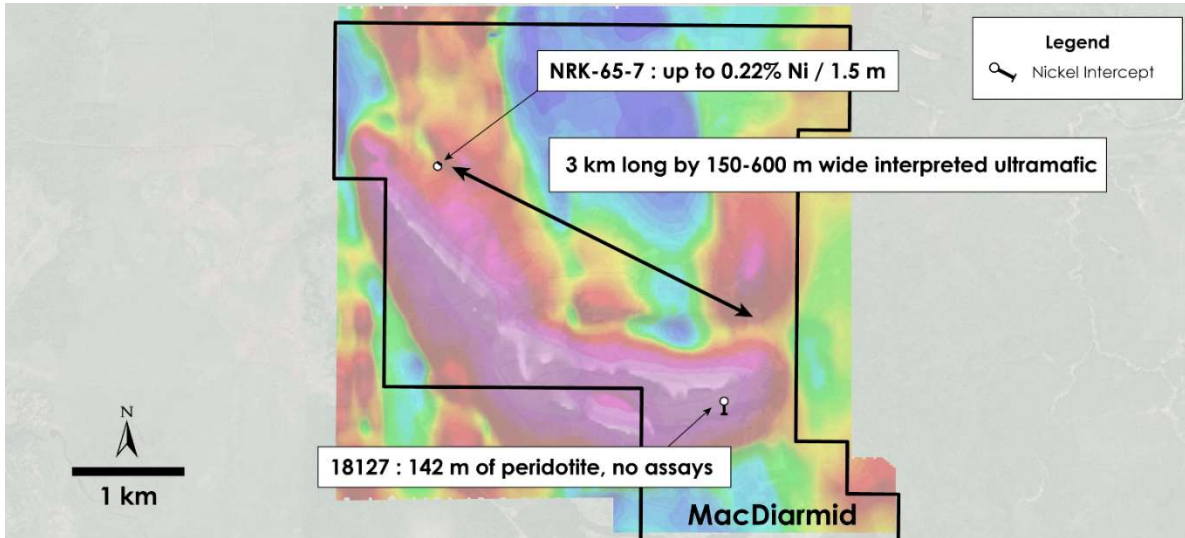


MacDiarmid

A target of 3 km by 150-600 metres wide ultramafic intrusion with serpentinized peridotite has been identified, much of it was not assayed. Highlights include historic hole 18127 which intersected 142 m of mineralized peridotite which was not assayed, and narrow intervals of up to 0.22% Ni over 1.5 m in NRK-65-7 (1965). For reference, the Crawford Main Zone resource is 1.7 km long and 225-425 metres wide.

See Figure 5 for results. See below caution regarding Historical Information.

Figure 5 – Plan view of MacDiarmid Property – Historical drilling overlain on total field magnetic intensity, MacDiarmid Township, Ontario.



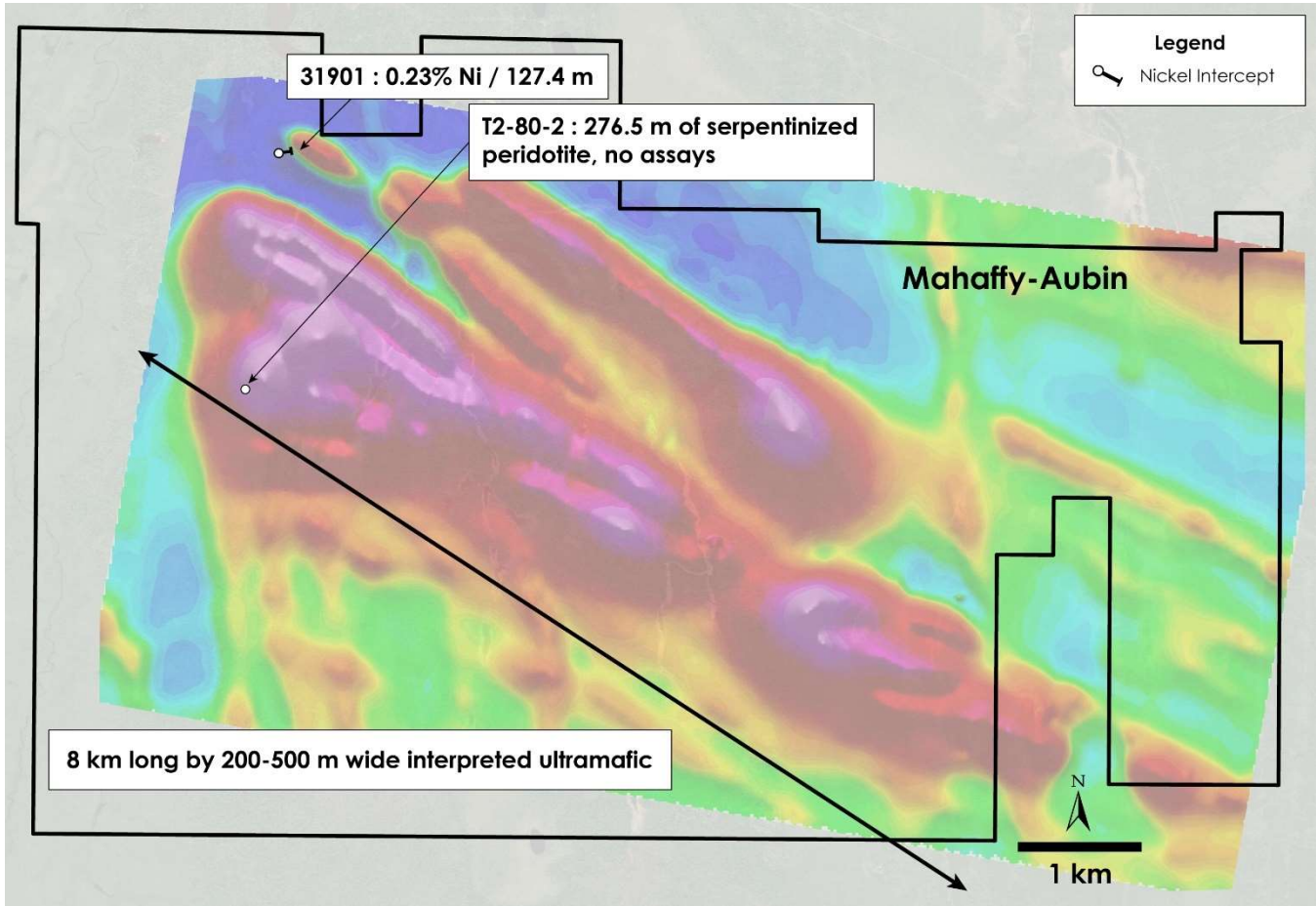
Note: Property continues beyond map boundary.

Mahaffy-Aubin

A target of 8 km by 200-500 metres wide interpreted ultramafic intrusion has been identified, much of it was not assayed. Highlights include historic hole 31901 (1966) which intersected 0.23% Ni over 127 m, and hole T2-80-2 (1980) which intersected 277 m of serpentinized ultramafic rock with no assays reported. For reference, the Crawford Main Zone resource is 1.7 km long and 225-425 metres wide.

See Figure 6 for results. See below caution regarding Historical Information.

Figure 6 – Plan view of Mahaffy-Aubin Property – Historical drilling overlain on total field magnetic intensity, Mahaffy and Aubin Townships, Ontario.



Option Terms:

As detailed in its March 4, 2020 and May 22, 2020 news releases, Canada Nickel acquired the Crawford Annex property and the option to earn up to an 80% interest in 5 additional nickel targets within the Project 81 land package. The Crawford Annex comprises 4,909 hectares in Crawford and Lucas township and the 5 option areas (Crawford-Nesbitt-Aubin, Nesbitt North, Aubin-Mahaffy, Kingsmill-Aubin, and MacDiarmid) (“Option Properties”) range in size of 903 to 5,543 hectares. See Figure 1 for a map of property locations.

Canada Nickel has the option to earn up to an 80% interest in each of the Option Properties on the following terms and conditions.

- 1) Canada Nickel can initially earn a 60% interest in each of the Option Properties within 2 years by:
 - funding at least \$500,000 of exploration and development expenditures on each option property
 - paying all property maintenance costs for each option property, including all applicable mining land taxes
 - making a payment to Noble of \$250,000 in cash or, at Noble’s election, Canada Nickel common shares.
- 2) Canada Nickel has the right to then increase their interest to 80% in each of the Option Properties within 3 years by funding an additional \$1,000,000 of exploration and development expenditures on each option property (for a total of \$1,500,000 per option property)

If the conditions to earn a 60% interest or 80% interest have been satisfied, a joint venture would be formed on that basis and a 2% net smelter return royalty (NSR) would be granted to Noble on the portion of the property which are mining claims and currently do not have any royalty on them. (The overall result would be a total 2% NSR on each property.)

Cautionary Statement Concerning Historical Information

The historical information referenced in this press release is based primarily on drilling results reported by Inco Ltd. and Noble Mineral Exploration Inc. A majority of the holes were drilled more than forty years ago, only tested the periphery of the target structures, and did not traverse entire width of the mineralized targets. This historical information has been filed with the Ontario Government and is available on-line through the Mining Lands Administration System (MLAS) website.

The company believes this information is relevant, as it was completed by reputable companies using drilling and sampling practices that were industry standard at the time. The company or its "qualified person" (for the purposes of National Instrument 43-101 – Standards of Disclosure for Mineral Projects) has reviewed the information to confirm it has been correctly reproduced from the public MLAS database, but given the company's and its qualified person's inability to access the underlying data, the company or its qualified person has not done sufficient work to verify the historical information contained in this news release.

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.

About Canada Nickel Company

Canada Nickel Company Inc. is advancing the next generation of nickel-cobalt sulphide projects to deliver nickel and cobalt 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 and cobalt 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.

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-Cobalt Sulphide Project, the potential of the Crawford Nickel-Cobalt Sulphide Project, 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, timing of the updated resource estimate, 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.

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