



CANADA NICKEL COMPANY

Five Additional Infill Holes Continue to Expand Higher-Grade Core, Drilling of Additional Targets Now Underway at the Crawford Nickel-Cobalt Sulphide Project

Update on Private Placement

Highlights

- Two holes continue to extend the higher grade mineralization in the western portion of the Main Zone.
 - Hole CR20-61 intersected true width of 94 metres of 0.35% nickel including 49 metres of 0.40% nickel
 - Hole CR20-53 intersected core length of 183 metres of 0.35% nickel to a depth of over 300 metres
- Three holes continue to support and extend the higher grade mineralization in the eastern portion of the Main Zone.
 - Hole CR20-60 intersected true width of 72 metres of 0.33% nickel including 49 metres of 0.36% nickel
 - Hole CR20-47 intersected 0.30% nickel across entire core length of 369 metres outside existing 0.30% grade shell and Hole CR20-60 intersected two intervals with combined core length of 250 metres of 0.30% nickel

TORONTO, September 8, 2020 – Canada Nickel Company Inc. (TSX-V:CNC) ("**Canada Nickel**" or the "**Company**") today announced additional encouraging results from infill drilling on the Main Zone at its Crawford Nickel-Cobalt Sulphide project.

"Excellent results continue from our infill drilling program. These most recent drilling results continue to expand the widths and vertical extent of the higher-grade mineralization in the western end of the Main Zone and further confirm and extend the higher grade mineralization in the eastern end of the Main Zone. These higher-grade resource areas will be the initial focus of the mine plan in the Preliminary Economic Assessment currently underway and expected to be completed by year-end," said Mark Selby, Chair and CEO of Canada Nickel.

"With the drilling necessary for the updated resource to be released later this month now complete, we will turn our attention to the other exciting exploration opportunities identified at Crawford. Three follow-up holes on the previously reported encouraging PGM results from hole CR20-32 (which yielded three separate intersections including 2.6 g/t PGM over 7.5 metres) have been completed and intersected the anticipated structures. Drilling began this week of the several other prospective geophysical nickel targets on the several kilometres of the Crawford structure which remain untested. Exploration results from these holes are expected before the end of September."

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.

Main Zone Infill Results

Infill drilling on the Main Zone continued to focus on more clearly defining and upgrading the Higher-Grade Core resource, which was previously defined as part of the resource estimate and dips steeply within the ultramafic unit and having a previously reported true thickness that varies from 40 m to 160 m. Assays from the remaining six in-fill holes will be released over the next several weeks. See Table 1 and Figure 1 and 2 for results.

Table 1 – Main Zone Nickel – Drilling Results, Crawford Nickel-Cobalt Sulphide Project, Ontario

DDH ID	From	To	Length	Estimated True Width	Ni	Co	Pd	Pt	S	Fe
	(m)	(m)	(m)	(m)	(%)	(%)	(g/t)	(g/t)	(%)	(%)
CR20-47	33.3	402.0	368.7	na	0.30	0.011	0.020	0.008	0.07	5.91
<i>including</i>	40.5	286.5	246.0	na	0.31	0.011	0.022	0.008	0.06	5.54
including	363.0	399.0	36.0	na	0.36	0.014	0.030	0.009	0.14	6.96
CR20-53	52.0	402.0	350.0	na	0.29	0.012	0.017	0.007	0.10	6.37
<i>including</i>	169.5	352.5	183.0	na	0.35	0.011	0.021	0.007	0.12	6.66
including	169.5	210.0	40.5	na	0.40	0.009	0.039	0.012	0.35	5.22
CR20-60	51.0	352.5	301.5	193.8	0.24	0.013	0.016	0.009	0.10	6.94
<i>including</i>	51.0	163.5	112.5	72.3	0.33	0.014	0.028	0.011	0.20	7.24
including	51.0	127.5	76.5	49.2	0.36	0.014	0.024	0.008	0.23	7.13
including	84.0	100.5	16.5	10.6	0.43	0.015	0.031	0.010	0.33	7.06
CR20-61*	36.8	276.0	239.2	153.8	0.30	0.013	0.022	0.008	0.14	5.39
<i>including</i>	36.8	183.0	146.2	94.0	0.35	0.014	0.030	0.010	0.20	5.01
including	36.8	156.0	119.2	76.6	0.38	0.014	0.034	0.011	0.23	4.84
including	67.5	144.0	76.5	49.2	0.40	0.015	0.039	0.012	0.26	4.92
CR20-62	45.3	402.0	356.7	na	0.29	0.013	0.018	0.007	0.28	6.83
<i>including</i>	49.5	132.0	82.5	na	0.30	0.010	0.017	0.007	0.09	5.48
including	231.0	399.0	168.0	na	0.30	0.015	0.028	0.011	0.49	7.63

These holes were drilled at steep angles of -80 degrees almost entirely within the higher-grade core to better determine grade or -50 degrees to help better define northern or southern boundaries of the higher grade core. See Table 2. The estimated true width of this zone has been determined from previous drilling to vary from 40 to 160 m depending on location of the section.

*Hole CR20-61 has only received complete assays to a depth of 276 metres of total drill length of 504 metres.

Figure 1 - Plan View of Main Zone Nickel Resource, Crawford Nickel-Cobalt Sulphide Project, Ontario.

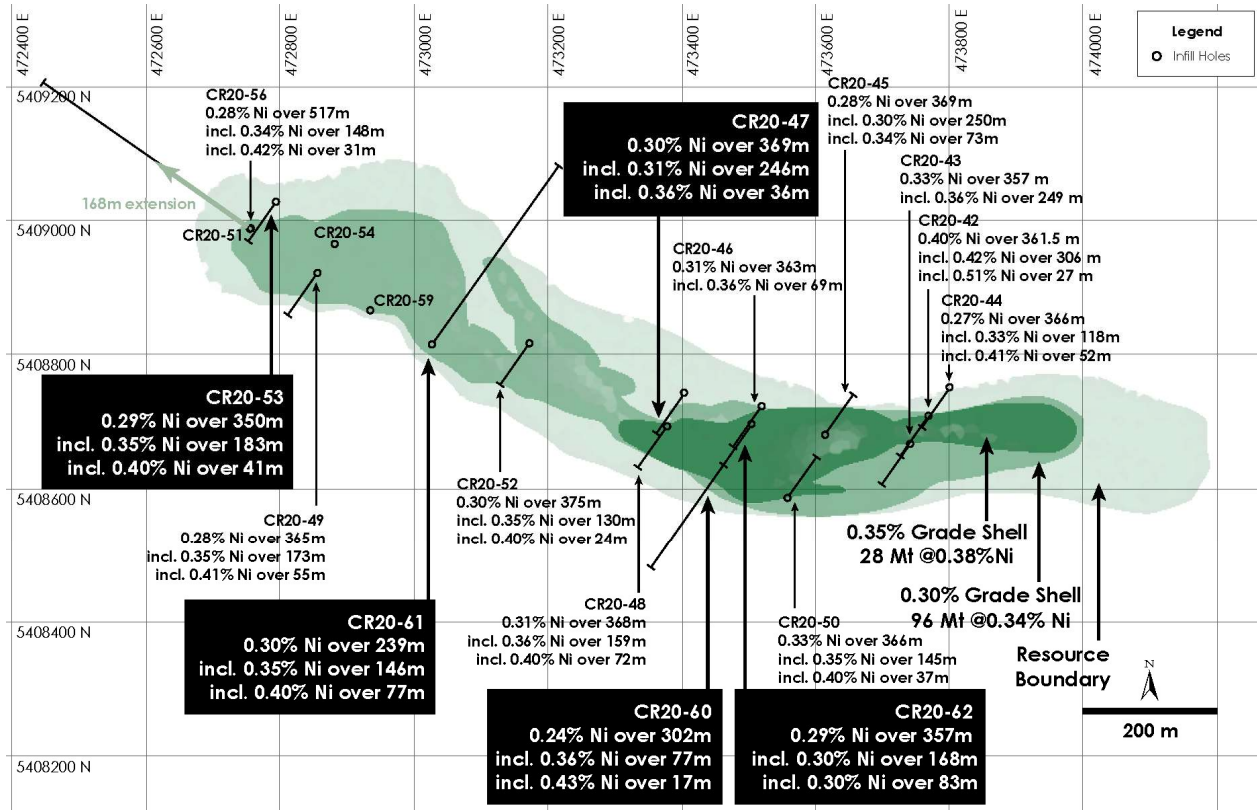
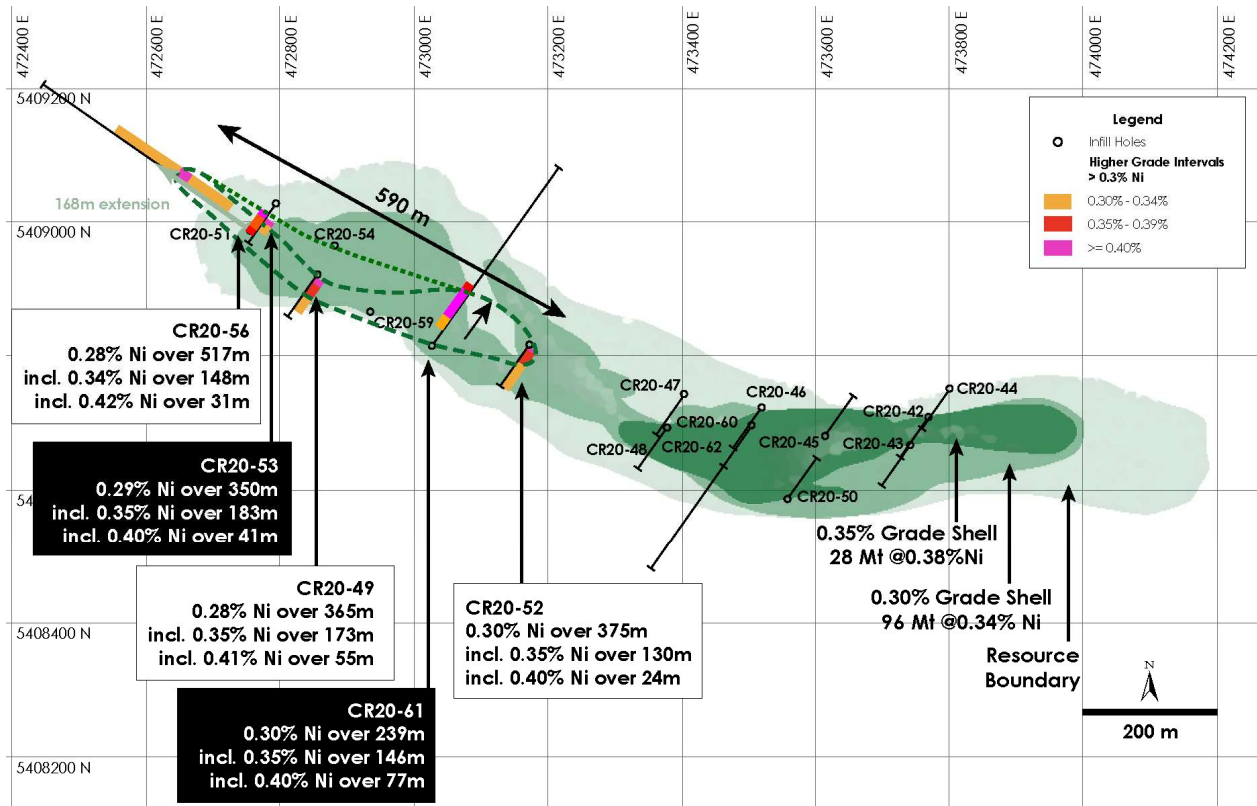


Figure 2 - Plan View of Main Zone Nickel Resource including Newly Defined Higher Grade (>0.35% nickel) Mineralization, Crawford Nickel-Cobalt Sulphide Project, Ontario.



Next Steps

Three holes have now been completed on the previously reported excellent PGM results from hole CR20-32 (three intervals including 2.6 g/t PGM over core length of 7.5 metres) and have intersected multiple sections of similar gabbro/peridotite/pyroxenite sequences encountered in the CR20-32 discovery hole. Assays from these three drill holes are expected by the end of September. All drill results to date will be incorporated into an updated resource now expected later this month. Drilling has begun on several other prospective geophysical targets on the several kilometres of the Crawford structure which remain untested on the west side of the highway.

Table 2 – Drill Hole Orientation, Crawford Nickel-Cobalt Sulphide Project, Ontario

DDH ID	Easting (mE)	Northing (mN)	Dip (°)	Azimuth (°)	Length (m)
CR20-47	473404.4	5408743.2	-80	215.2	300
CR20-53	472794.1	5409028.6	-80	212.1	402
CR20-60	473505.1	5408696.5	-50	215.3	402
CR20-61	473027.8	5408815.1	-50	35.3	504
CR20-62	473505.6	5408695.0	-80	215.3	402

Private Placement Update

The Company is also pleased to provide an update to its August 11, 2020 news release, in which it announced a best efforts offering (the "Offering") of up to 600,000 flow-through common shares ("FT Shares") at a price of \$2.60 per FT Share, for total gross proceeds of approximately \$1.5 million. The Offering is now oversubscribed and as a result will now consist of 682,500 FT Shares to raise gross proceeds of up to approximately C\$1.8 million.

For a full summary of the Private Placement, please see Canada Nickel's news release from August 11, 2020.

Assays, Quality Assurance/Quality Control and Drilling and Assay Procedures

William E. MacRae, 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. Samples are bagged with QA/QC samples inserted in batches of 35 samples per lot. Samples are transported in secure bags directly from the Canada Nickel core shack to Actlabs Timmins, an ISO/IEC 17025 accredited lab. 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 one QA/QC sample per 32 core samples making a batch of 35 samples that are submitted for analysis.

Qualified Person and Data Verification

Stephen J. Balch P.Geol. (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, timing of economic studies and resource estimates, 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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