Canada Nickel Company's NetZero Metals Intends to Develop Downstream Nickel & Stainless-Steel Processing Facilities in Timmins Region

Highlights

- *Processing facilities expected to be the largest nickel processing facility in North America and largest stainless-steel and alloy production facility in Canada, filling a key gap in the North American electric vehicle supply chain – utilizing proven, low environmental footprint technology.*
- *Both processing facilities to be designed to be net zero-carbon – utilizing Canada Nickel Company's carbon storage capacity to store CO_2 generated by each facility.*
- *NetZero Metals led by Mike Cox with 35 years of nickel processing experience and senior leadership positions with Inco Ltd. and Vale SA overseeing a global portfolio of nickel refineries.*

TIMMINS, ON, February 8, 2024 – Canada Nickel Company Inc. ("Canada Nickel"; TSXV: CNC; OTCQX: CNIKF) announced today its wholly-owned subsidiary, NetZero Metals Inc. ("NetZero Metals" or the "Company"), intends to develop two processing facilities in the Timmins Nickel District: a nickel processing facility and stainless-steel and alloy production facility.

These initiatives are expected to represent an important economic development for the Timmins Nickel District and provide significant additional capacity to fill a critical link in the development of North American critical minerals supply chains and the province's electric vehicle strategy. Each production facility is expected to utilize Canada Nickel's carbon storage capacity at its Crawford Nickel project to deliver zero carbon nickel and stainless steel and alloy production.

The Company is currently at the site-selection stage, considering several sites in the region. The Company is also in the process of choosing engineering firms to complete the design of both facilities and expects to announce the selected firms shortly. Feasibility studies are underway and expected to be completed by year-end, with the nickel processing plant expected to begin production by 2027.

"These processing facilities will position the Timmins Nickel District and Canada at the forefront of the global transition to greener energy and materials," said Mark Selby, CEO of Canada Nickel Company. "We are proud to lead the way in planning the development of new capacity to meet the growing demand for the local supply of critical minerals, and most importantly, zero carbon, environmentally responsible production in North America."

Selby added, “I am excited that we have been able to assemble a global team led by Mike Cox, who has 35 years of nickel processing experience, to build and operate these new facilities. With the growth in electric vehicle manufacturing in Ontario, NetZero Metals provides a zero-carbon solution to produce stainless steel and critical mineral alloys while powering electric vehicles with truly clean nickel.”

“We have what the world needs right in our backyard to fuel the electric vehicle revolution,” said George Pirie, MPP for Timmins and Ontario Minister of Mines. “Thanks to companies like Canada Nickel that believe in our community’s potential, Timmins is poised to become a hub for the clean nickel we need to build the supply chain for electric vehicles. This is another great example of a company committed to working in the Timmins region to create opportunity and local benefits for the people and our economy. Timmins is proud of our world-class mining operations, and we can’t wait to add another strong project to the region to grow our community and create prosperity.”

“When leaders like Canada Nickel invest in great northern cities like Timmins to expand our mineral processing capacity, it’s a momentous day for the entire province,” said Greg Rickford, Minister of Northern Development and Minister of Indigenous Affairs. “Our government will be there to support Northern communities as our processing capacity for critical minerals is built out. We have a tremendous opportunity to expand fully integrated supply chains for the electric battery future, and that starts with investments like these that create high quality jobs for hard working men and women.”

The NetZero Metals initiative represents a paradigm shift in the nickel and stainless-steel industries. By combining world-class expertise from around the globe, environmentally conscious technology, and made-in-Canada talent and solutions, Canada Nickel is not just envisioning a greener future, but actively pursuing it.

“Since the very beginning of Canada Nickel’s journey, our partnership has been based on mutual respect and ensuring our Treaty was honoured with a true seat at the decision-making table,” said Chief Bruce Archibald of Taykwa Tagamou Nation. “Our First Nation is proud to see Canada Nickel’s continued growth with their future downstream processing facilities, and we’ll proudly continue to partner with them based upon the mutual principles we’ve always shared.”

“Today’s announcement highlights Timmins’ position as a global leader in sustainable and environmentally responsible mining,” added Michelle Boileau, Mayor for the City of Timmins. “We are essential to Canada’s electric vehicle and critical mineral supply chain. This means long-term direct and indirect job creation to support Timmins Nickel District, which adds to the diversification and stability of our local economy. Canada Nickel’s commitment to investing in the Timmins’ region will benefit our people and our community.”

For more information, contact:
Mark Selby
CEO and Director

647-256-1954
info@canadanickel.com

Media contacts:
Sydney Oakes
Director of Indigenous Relations and Public Affairs, Canada Nickel Company
sydneyoakes@canadanickel.com

Dylan Moore
Director of Communications and Legislative Affairs, Minister of Mines
dylan.moore3@ontario.ca

Background

About the Nickel Processing Facility
Over three phases, the nickel processing plant is expected to reach a capacity of more than 80,000 tonnes of nickel annually, which is expected to make it the largest nickel processing facility in North America. Subject to permitting approvals, the plant plans to begin production by the start of 2027 utilizing third party feeds. The facility is expected to be further expanded with the startup and expansion of Canada Nickel's Crawford project. This plant is expected to utilize proven, low environmental footprint technology to produce high-quality nickel products, catering to the needs of both the stainless-steel/superalloy and the electric vehicle markets.

About the Stainless-Steel and Alloy Processing Facility
In addition to the nickel processing plant, a stainless steel and alloy production facility is expected to be established to process the nickel-chromium (NiCr) magnetite concentrate from the Crawford Nickel project and other feeds to be transformed into more than 1 million tonnes of alloy products, including more than 500,000 tonnes of 304-grade stainless-steel annually. The facility is expected to grow along with the expansion at Crawford Nickel project and would become the largest stainless-steel production facility in Canada.

Production is planned to begin in the latter half of 2027, aligning with the planned start-up of the Crawford mine, subject to permitting approvals. Discussions are currently underway with leading global ferroalloy and stainless producers to partner on this project.

About Zero-Carbon Nickel & Stainless-Steel Production
A cornerstone of this venture, and all of Canada Nickel's work, is its environmental stewardship. All carbon emissions from both plants are expected to be captured and stored in the tailings of the planned Crawford mine. This approach positions both NetZero Metals plants as zero carbon emitters and pioneers in the green steel industry on a global scale.

The Company has applied for trademarks for the terms NetZero Nickel™, NetZero Cobalt™, and NetZero Iron™ in the U.S., Canada, and other jurisdictions related to zero-carbon production of nickel, cobalt, and iron products.

Biographies of Global Nickel Processing Leadership

NetZero Metals has assembled a world-class team with deep nickel industry processing expertise led by Mike Cox, who led Inco and later Vale's U.K. and Asian nickel refinery network.

Mike Cox

Mr. Cox has 35 years of experience in base metal operations with Inco Ltd and Vale SA. He has held a number of senior leadership positions in Europe, Canada and Asia including the oversight of operations which have delivered nickel products to consumers for use in multiple generations of nickel batteries. Most recently, Mr. Cox was the Head of UK and Asian Refineries at Vale with responsibility for a portfolio of precious metal and nickel refineries. Mr. Cox holds a BSc (Hons) in Chemistry and an MBA, both from the University of Glamorgan.

Myung Bae Kim

Mr. Kim has more than 33 years' experience in project, procurement and production management in non-ferrous material processing, metal smelting/refining and oil & gas refining. He has held senior roles in large projects in Korea, Oman, Turkmenistan and Saudi Arabia, and most recently was Project Manager for the construction of Lithium-ion rechargeable battery plants in Poland and China. Mr. Kim holds an MSc in Metallurgical Engineering from Chonbuk National University, Korea.

Keiji Okamoto

Mr. Okamoto has 25 years of experience in the fields of base metals processing and project management. He was Head of Research and Development at Vale's Matsusaka nickel refinery in Japan before becoming the General Manager of the company's utility nickel smelter in Kaoshiung, Taiwan. Most recently, Mr. Okamoto worked as Chief Engineer on a project to construct the largest automated warehouse in Japan. Mr. Okamoto holds an MSc in Global Environmental Engineering from Kyoto University.

Cautionary Note and Statement Concerning Forward Looking Statements

This news release contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward looking information in this news release includes, but is not limited to, statements relating to: the development of a nickel processing facility and stainless-steel and alloy production facility in the Timmins Nickel District; the facilities utilizing Canada Nickel's carbon storage capacity at its Crawford Nickel project to deliver zero carbon nickel and stainless steel and alloy production; meeting the demand for the local supply of critical minerals; providing a zero-carbon solution to produce stainless steel and critical mineral alloys; benefits for the local population, community and economy; timing and completion, if at all, of feasibility studies; timing and completion, if at all, of production at the planned facilities; expected production capacity and further expansion of the facilities; timing of receipt of permits and commencement of construction and initial production at the Crawford project; 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: receipt of all required permits, results of feasibility studies, procuring appropriate sites for the facilities, partnering with leading global ferroalloy and stainless producers, 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 news 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.