



CANADA NICKEL COMPANY

Canada Nickel Announces Discovery at MacDiarmid Nickel Project

Highlights:

- ***First three drill holes returned significant intersections of mineralized dunite***

TORONTO, May 18, 2021 – Canada Nickel Company Inc. ("**Canada Nickel**" or the "**Company**") (TSX-V:CNC) (OTCQB: CNIKF) today announced preliminary results from the start of its drill program at the MacDiarmid Nickel Project located 23 kilometres southwest of the Company's initial Crawford discovery. Assays are pending on all holes.

Mark Selby, Chair & CEO said, *"We are very pleased to have made a second discovery, following our initial success in Crawford Township. The first three holes drilled at MacDiarmid returned significant intersections of mineralized dunite similar to the average mineralization we initially discovered at Crawford. The results of our Preliminary Economic Assessment for Crawford will now be released on May 25th with a conference call to be held the following morning at 10 am EDT May 26th."*

Steve Balch, VP Exploration said, *"These results confirm the success of our geophysical targeting approach by successfully drilling our first new target identified on our option properties. We look forward to drilling the other targets identified across our four additional nickel properties, and our recently added sixth target at Bradburn/Dargavel."*

The MacDiarmid Project is located 15 kilometres west of the world-class Kidd Creek Mine and 23 kilometres southwest of the Company's initial discoveries in Crawford Township. 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.

MacDiarmid Nickel Project

The MacDiarmid ultramafic intrusion ("MUI") is approximately 3 kilometres long and 150 to 600 metres wide with the primary target a set of coincident geophysical anomalies of 1.8 kilometres long and up to 400 metres wide. Three holes were collared on the eastern side of the intrusion spaced 200 metres apart and were designed to intersect dunite-peridotite at right angles to the strike direction of the MUI. Mineralization has been defined across a strike length of 400 metres to a maximum depth of 360 metres and widths of 150-200 metres. All holes were drilled to the south (205° azimuth) at -50° inclination.

MacDiarmid Nickel Project Drill Hole Orientation

DDH ID	Easting	Northing	Dip	Azimuth	Length
	(mE)	(mN)	(°)	(°)	(m)
MAC21-01	459643	5390614	-50	205	441
MAC21-02	459443	5390613	-50	205	411
MAC21-03	459832	5390584	-50	205	433

MAC21-01 was drilled to a depth of 411 metres and intersected primarily dunite-peridotite beginning at 26 metres including an interval of primarily dunite (156 metres true thickness) beginning at 99 metres.

MAC21-02 was collared 200 metres west of MAC21-01 into peridotite at 36 metres and drilled to a depth of 424 metres, intersecting primarily dunite-peridotite (187 metres true thickness).

MAC21-03 was collared 200 metres east of MAC21-01 close to the eastern margin of the intrusion and intersected dunite to a depth of 336 metres (199 metres true thickness) beginning at 29 metres.

All holes encountered minor (3 – 15 metres thick) felsic to intermediate dikes.

Figure 1 – Plan view of MacDiarmid Property showing reported and planned holes – outline of gravity low and magnetic high geophysics anomaly overlain on total field magnetic intensity, MacDiarmid Township, Ontario.

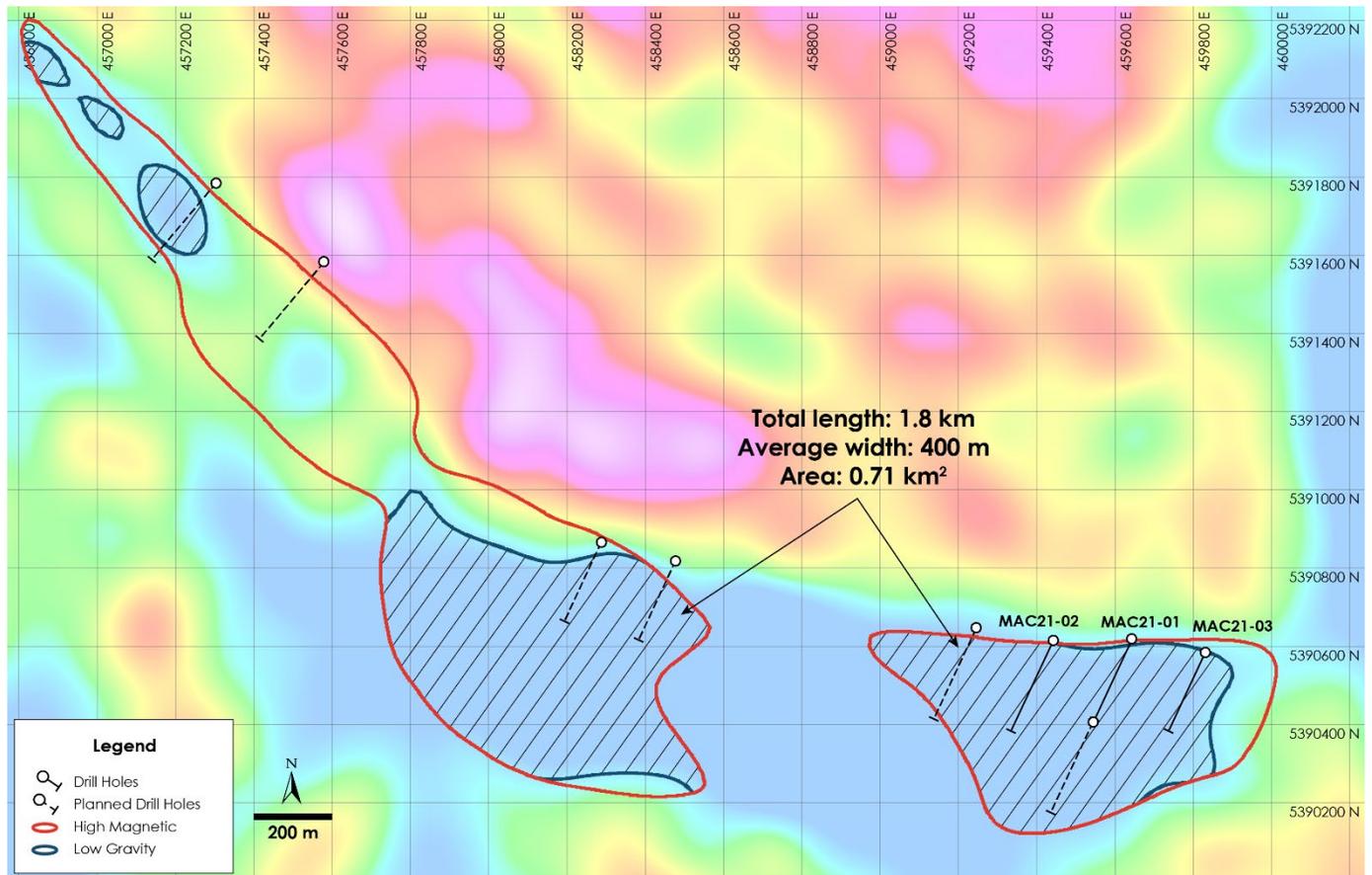
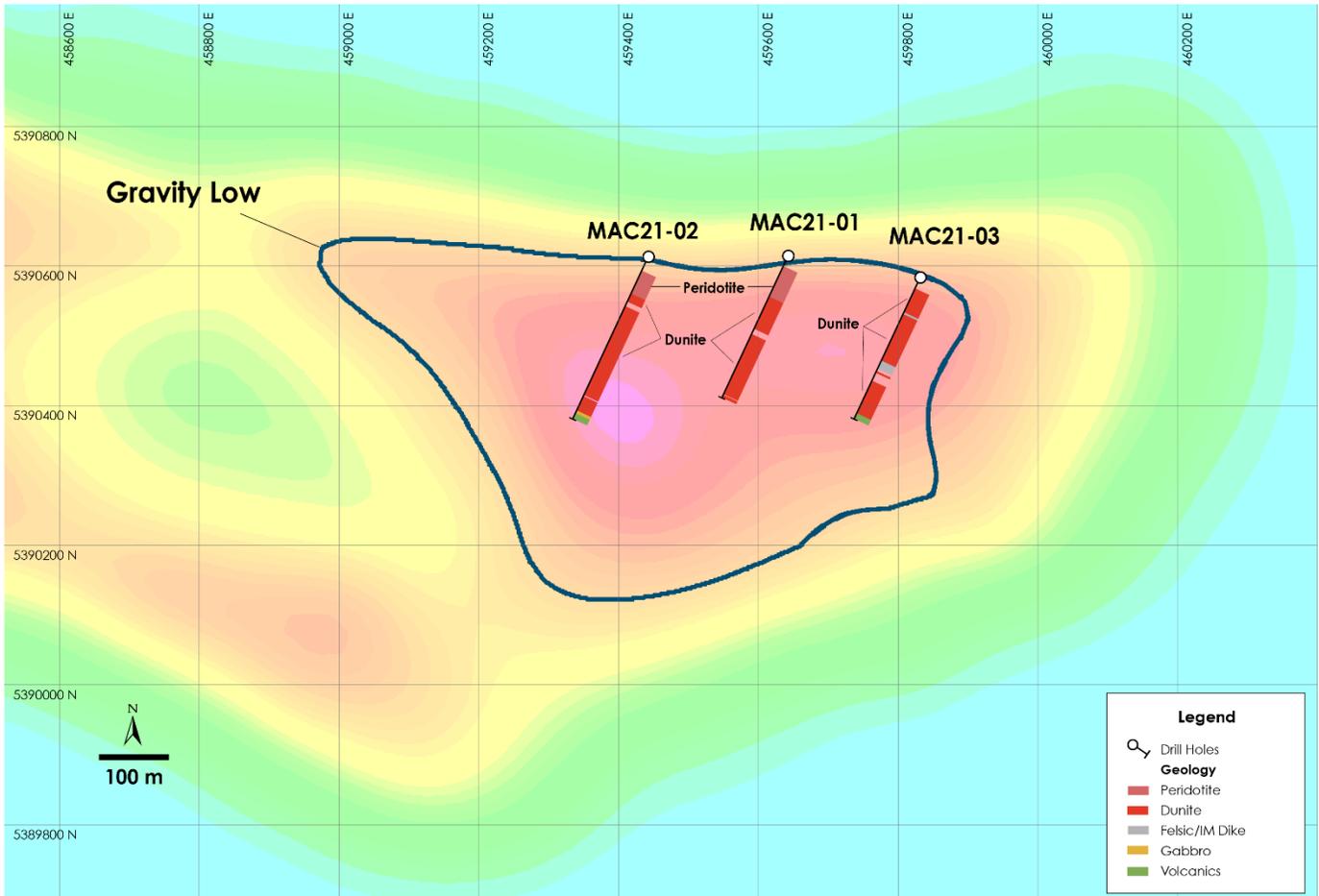


Figure 2 – MacDiarmid Property discovery holes on gravity gradient and magnetics (MacDiarmid Township airborne gravimetric survey completed in 2020)



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.

Conference Call Details for Discussion of Crawford’s Preliminary Economic Assessment

Canada Nickel is hosting a live Q&A conference call on May 26, 2021 at 10:00 a.m. EDT. Participants may join the call as follows:

Dialing local Toronto: +1-416-764-8688

Dialing North American Toll Free: +1-888-390-0546

Dialing International Toll Free: available upon request

Webcast URL: https://produceredition.webcasts.com/starthere.jsp?ei=1463704&tp_key=c92241d65a

Confirmation #: 10317274

A playback version will be available for one month after the call at +1-416-764-8677 (local or international) or North American toll free at +1-888-390-0541 (passcode 317274 #).

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. For more information, please visit www.canadanickel.com.

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 and MacDiarmid Nickel Project, the potential of the Crawford Nickel-Cobalt Sulphide Project and MacDiarmid Nickel 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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