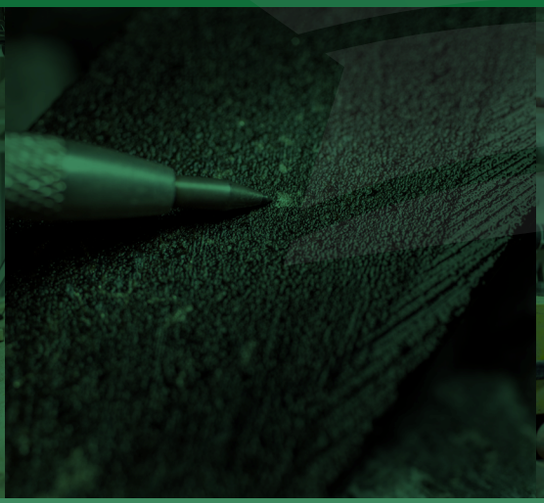


CANADA NICKEL
COMPANY

2022 ESG REPORT







United Nations Sustainable Development Goals



United Nations Global Compact 10 Principles

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Businesses should support and respect the protection of Internationally proclaimed human rights.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Businesses should uphold the elimination of all forms of forced and compulsory labour.
5. Businesses should uphold the effective abolition of child labour.
6. Businesses should uphold the elimination at discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges.
8. Businesses should undertake initiatives to promote a greater environmental responsibility.
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.

About the Report

Canada Nickel Company's 2022 Environmental, Social, and Governance (ESG) Report is our first report documenting our performance, progress, and objectives for material environmental, social, health and safety, and economic topics for the period of January 1 to December 31st, 2022.

Our report has been prepared in accordance with the 2021 Global Reporting Initiative (GRI) Standards: Core Options, and outlines how Canada Nickel is contributing to the United Nations Sustainable Development Goals (UN SDGs). As Canada Nickel is also a proud signatory of the United Nations Global Compact (UNGC), this report also serves as our Communication on Progress.

Report Scope

In this report, "Canada Nickel", "CNC", "the Company", "we", "us", and "our" refer to Canada Nickel Company Inc. and projects where Canada Nickel has controlling ownership.

Performance data are reported for those projects and properties owned by Canada Nickel where activity took place during the reporting period. (i.e., Bradburn, Crawford, Deloro, Macdiarmid, Reaume, Reid, Sothman, Texmont). Canada Nickel has no active mining operations on which to report. Material topics included in the report align to best practices and industry standards, and, per the results of a materiality assessment, are a reflection of ESG topics that matter the most to our organization and our stakeholders.

Canada Nickel is the only operator responsible for the management and operational performance of all sites reported. Note that the reporting period for the ESG Report differs from Canada Nickel's period for financial reporting, as we have elected to align our ESG Reporting to the calendar year.

Unless otherwise specified, all funds are reported in Canadian dollars. For additional information on our annual financial results, please consult our 2022 ESTMA and Financial Statements.

Canada Nickel's senior management, Chief Executive Officer and Board have reviewed and approved this report.

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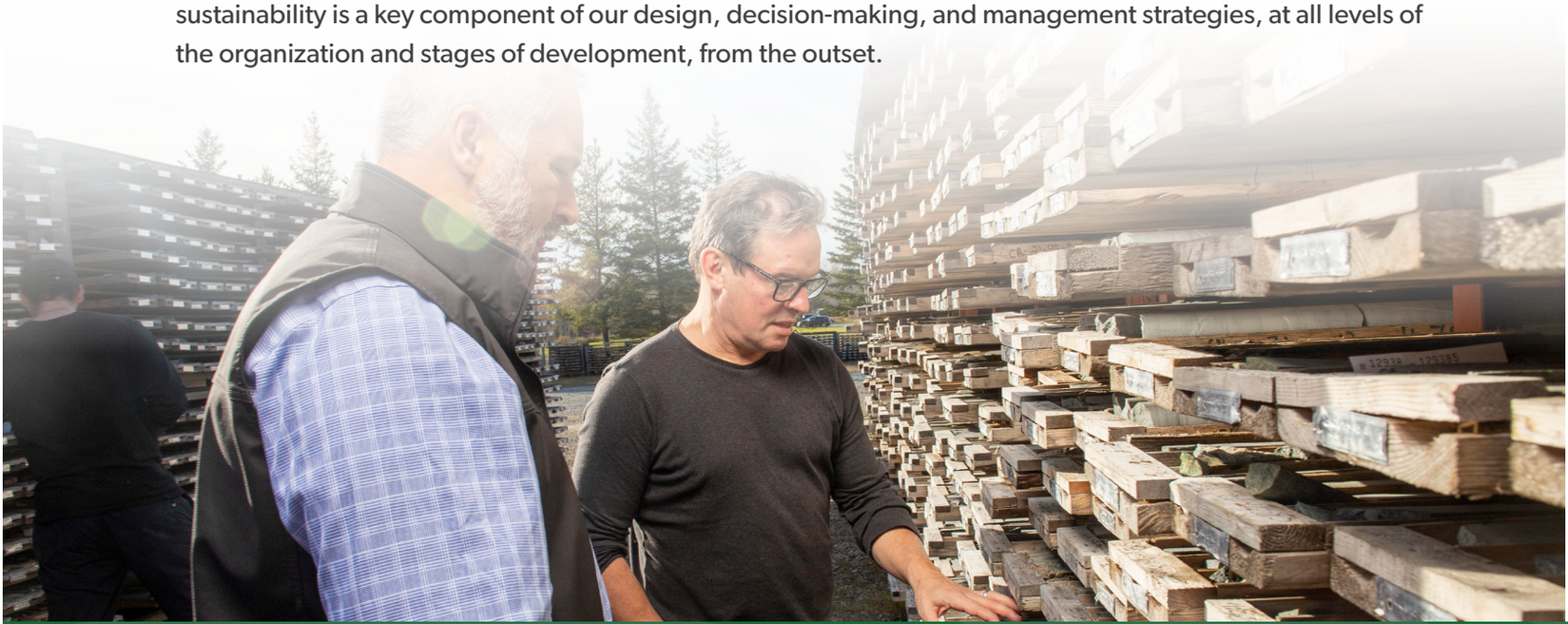
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MESSAGE FROM CANADA NICKEL'S CEO

In the summer of 2019, I was approached about a potential nickel discovery located just north of Timmins, Ontario. After seeing results from the first four drill holes, I became a believer in Crawford's potential. Less than four years and more than 300 drill holes later, this potential is becoming a reality. Crawford is now one of the world's leading up-and-coming nickel projects. We have applied in multiple jurisdictions to trademark the terms NetZero Nickel™, NetZero Cobalt™ and NetZero Iron™, all in pursuit of the development of processes to allow the production of net zero carbon nickel, cobalt, and iron products to contribute to the global transition to a low carbon economy.

Our team of industry leading experts have propelled the Crawford Nickel Project forward at astounding rates. In just over three years, we filed Crawford's Preliminary Economic Assessment, completed the first stage of its federal permitting process, made a breakthrough in carbon storage with in process tailings (IPT) carbonation, and acquired more than 20 other exploration properties within the region, which we believe can become one of the world's most important nickel districts – all with delivery of the Project's Feasibility Study set for 2023.

Every step of this rapid progress was achieved with a consistent and unwavering focus on our responsibilities and contributions towards a sustainable future. This document serves as Canada Nickel's first ever ESG Report, and we are proud to be one of the few junior exploration companies in the world to file such a report. Canada Nickel is committed to being a next generation mining company – in the technologies we use, the materials we produce, our relationships with stakeholders and communities, and the manner in which we operate. This report supports our commitment to transparent disclosure of our challenges, opportunities, and achievements, all while helping us to analyze our own performance and set goals for continuous improvement. Establishing these priorities prior to development of our first operation ensures that sustainability is a key component of our design, decision-making, and management strategies, at all levels of the organization and stages of development, from the outset.



Our Team

Both our Board of Directors and senior management comprise individuals from diverse backgrounds, bringing a mix of crucial technical and ESG expertise that has enabled efficient and thoughtful development of our corporate structure and operations. In 2022 we formed the Environment, Social and Governance Committee (ESG Committee), an oversight committee comprising a minimum of three board members and supported by senior leadership, responsible for applying their unique experiences and perspectives to Canada Nickel's environmental, social, and health and safety performance.

Our sustainability team has also grown over the last two years. Our team, headed by our Vice President Sustainability and supported by our Community Relations Coordinator, Environmental Manager, Environmental Coordinator, and Environmental Technician, ensures that our targets, commitments, and best practices are met at our operations.

In April 2023, we took the step of separating the CEO and Chair roles, both roles I had held since the company's founding. I am very pleased that we have taken this step, which is aligned with leading governance practices and reflective of our company's growth and evolution. Leadership of the Board is in excellent hands with David Smith and I look forward to working with him and my fellow directors as we continue to advance our priorities.



2022 Highlights

- Implemented Responsible Exploration Policy at all properties
- Initiated and continued multi-year environmental, social, economic, and cultural baseline programs for Crawford
- Focused R&D efforts on net zero carbon opportunities, achieving record projections of >1 million tonnes of carbon storage annually with new IPT technologies, to be incorporated into the project's feasibility study
- Established ESG Committee to strengthen governance around sustainability and health and safety strategy and performance
- Signed groundbreaking Impact Assessment Agreements with First Nations to support capacity building and participation in project permitting activities
- Developed and implemented Local Procurement Policy and Contributions Guidelines in collaboration with expert stakeholder representatives to support community programs and development projects
- Commenced federal Impact Assessment permitting process for the Crawford Nickel Project
- Filed updated resource estimate for Crawford at 3.5 million tonnes of contained nickel, making Crawford the fifth largest nickel sulphide project in the world by measured and indicated resource

Our Purpose

We originate materials to responsibly power the energy transition.

Demand for responsibly sourced minerals to supply the technologies of the future is projected to rise far beyond current global production. Alongside other global leaders, Canada's Critical Minerals Strategy has highlighted nickel and cobalt's roles in supporting global and domestic supply chain for a greener, digital economy. Canada Nickel, a Canadian owned and operated business with a strategically positioned, high value, potentially net zero carbon critical minerals hub on the horizon, has the opportunity, and obligation, to address these challenges.

We believe in mining with purpose. This means advancing the resources needed for a low carbon future, while ensuring that we bring value to the communities and environments in which we operate. Guided by the principles of early, ongoing, meaningful, and transparent engagement, we seek to obtain a plurality of perspectives from stakeholders, Indigenous communities, regulators, and worldclass consultants to guide project decisions and corporate growth. Putting these principles into practice has led to, among other things:

- The signing of groundbreaking Impact Assessment Agreements with Indigenous partners, supporting tangible participation in the Impact Assessment process and enabling capacity building that extends beyond Canada Nickel and our operations;
- Development of operational business partnerships with First Nations that ensure the Nations are a major partner in the construction and operation of Crawford; and,
- Formation of community committees tasked with providing expert, local advice to Canada Nickel on such topics as Workforce Planning, Socioeconomics, and the Environment.

Our Future

Being a partner in sustainability means planning for the future, not just the future of Canada Nickel and our operations, but of our people, our communities, our partners, and our society, as well.

Canada Nickel is committed to applying a sustainable mindset to all of our activities, and continuing to prioritize health and wellbeing, environmental stewardship, and relationships built on mutual trust and respect in our actions at the Crawford Nickel Project and beyond.



Mark Selby, CEO and Director



MESSAGE FROM CHAIR AND CHAIR OF THE ESG COMMITTEE

The Crawford Project has the potential, within the next decade, to help meet the world's rising demand for critical minerals to feed the stainless steel and lithium-ion battery markets. Canada Nickel's demonstration of bulk tonnage economics and carbon storage technologies at Crawford could be crucial to Canada's future as a critical minerals leader, giving rise to renewed investment interest in Canadian nickel exploration projects.

We take this responsibility seriously, committing to next-generation operating technologies and ESG practices that will set new industry benchmarks – all while contributing to the Canadian economy and our competitiveness on the world stage.

Over the past year, our Board oversaw the collaborative development of our material topics and social purpose, considering input from all members of the Canada Nickel team, our global shareholder network, and our local stakeholders and communities. Publishing our first ESG report is a major milestone in both demonstrating the outcome of these conversations, as well as the important role that our ESG initiatives and mindset has on our operations.

I was honoured to assume the role of Chair of Canada Nickel's Board of Directors in April 2023. Having served as a Board Member of the company since its founding, I am a firm believer in Canada Nickel's potential to be a driver of Canada's low carbon economy.

– DAVID SMITH, CHAIR

2022 was a year of momentum for Canada Nickel. Our team not only advanced our project's exploration, permitting and development activities, it did so while making significant progress with sustainability initiatives. We are proud of our inaugural ESG Report and plan to build upon it in years to come, to communicate both our successes and challenges, to demonstrate our transparency, and to track our progress. We offer our sincere gratitude to our skilled and dedicated team for their hard work and numerous contributions. And just as importantly, we thank community members and Indigenous Nations for their openness and willingness to engage in the spirit of partnership.



David Smith[1],
Chair of the Board



Francisca Quinn,
Chair of the ESG Committee

1 David Smith assumed the role of Chair of the Board in April 2023, a position previously held by Mark Selby.

OPERATING WITH A PURPOSE

Informed by industry and ESG expert insights, stakeholder and Indigenous feedback, and contributions from employees, executives, and board members, we evaluated our roles, responsibilities, and opportunities for adding value to our business, our partners, and society. The result of this evaluation was our Social Purpose, a statement which will guide the values and strategic decisions driving our company, and our operations, towards a sustainable future.

Originate:
Targeting responsible production of metals which can be recycled for generations to come, while bolstering the short-term supply needed to meet rising global demand

Materials:
Our deposits have the potential to produce not just nickel, but a host of minerals and downstream products which can supply a rapidly evolving technical market

Responsibly:
Leveraging modern technologies, access to low carbon grid power, and industry-leading design and environmental expertise to target net zero carbon emissions and net positive outcomes for communities and society

WE ORIGINATE MATERIALS TO RESPONSIBLY POWER THE ENERGY TRANSITION.

Power:
With demand for these materials rising to critical levels, we are well positioned to enact necessary change while remaining visionary, resourceful, and receptive to new technologies

Energy Transition:
We strive to be key players in the fundamental shift occurring in the global economy as the world moves towards low carbon technologies and sustainable priorities.

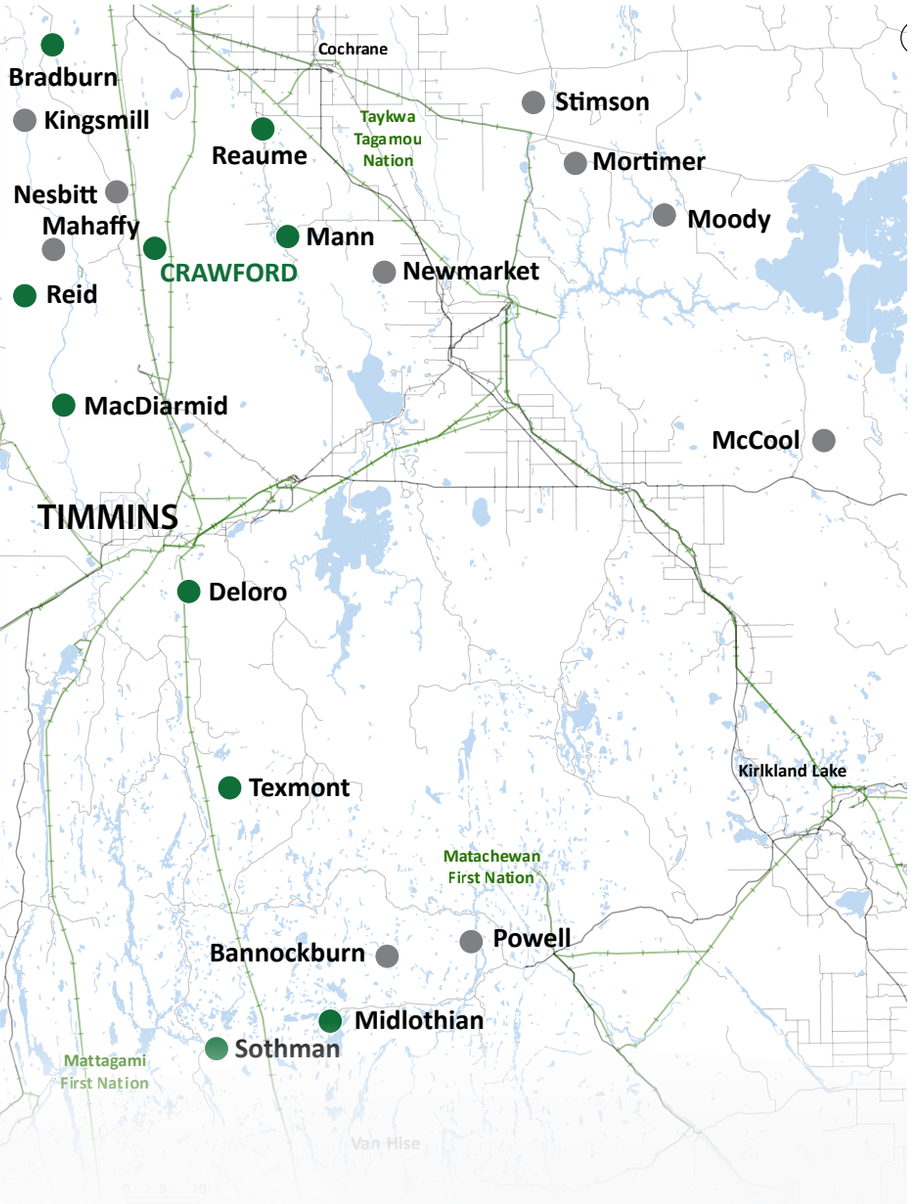
COMPANY OVERVIEW

Operational Overview

Canada Nickel Company Inc. ("Canada Nickel") is a Canadian junior exploration company headquartered in Toronto, Ontario, Canada with operations located in Northeastern Ontario. We are rapidly advancing the next generation of net zero carbon nickel-cobalt projects, preparing to supply the metals needed to power the electric vehicle revolution and high growth stainless steel market.

Canada Nickel's common shares are widely held, trading on both the Toronto Venture Stock Exchange (TSXV) under the symbol "CNC" and the OTCQB (Venture Market) under the symbol "CNIKF".

Along with our flagship Crawford Nickel Project, Canada Nickel has acquired multiple properties in the region, with exploration activities in 2022 taking place on the following:



Crawford Nickel Project (100%)
Canada Nickel's flagship project – a proposed open pit operation containing nickel, iron, cobalt, chrome, platinum, and palladium. Currently at the advanced exploration stage, Crawford has a resource of 3.5 million tonnes of contained nickel.

Bradburn (100%)
Exploration property

Deloro (100%)
Nickel exploration property

MacDiarmid (100%)
Nickel exploration property

Reaume (100%)
Nickel exploration property

Reid (100%)
Nickel exploration property

Sothman (100%)
Nickel exploration property

Texmont (85%)
A past operating underground mine from the 1970s, Canada Nickel believes Texmont is an opportunity for short term development of a small-scale open pit nickel operation.

Mann (Option to Acquire 80%)
Nickel exploration property

Midlothian (Option to Acquire 100%)

Supply Chain



Activities undertaken at our exploration properties are supported by the hard work of our supplier, consultant, and contractor network.

When working on Canada Nickel properties, contractors are required at all times to abide by our policies and expectations around Responsible Exploration and interactions with the public and Indigenous Peoples, and to report regularly on health and safety and environmental performance. Canada Nickel has a zero-tolerance policy for non-compliance with these expectations. Failure to meet them may result in removal from the property and contract termination.

Per our Local Procurement Policy, preference on competitive bids is given first to businesses that are Indigenous owned and operated, or Indigenous joint ventures or partnerships, followed by businesses that meet our definition of Local, defined in consultation with Canada Nickel's stakeholder Socioeconomic Committee.

Defining Local Procurement

Tier 1 Local Companies are those suppliers who are situated within the Cochrane District

Tier 2 Local Companies are those suppliers who are situated within Northeastern Ontario and Abitibi-Témiscamingue, Québec.

Responsible Exploration

Canada Nickel's Responsible Exploration Policy, guided by industry best practices and adapted to suit the interests and expectations of our operating regions, outlines requirements for conducting exploration activities on our properties with the intent to create minimal disturbance to the environment and people.

The Policy addresses all activities relating to mineral exploration, covering a broad spectrum of human and environmental aspects ranging from archeology and land use to air, water, and waste management and biodiversity conversation.

Any person conducting exploration activities on behalf of Canada Nickel, whether a Canada Nickel employee or a third party, must do so in accordance with the Policy.

Additional information on the Policy can be found in the Environmental section of this report.

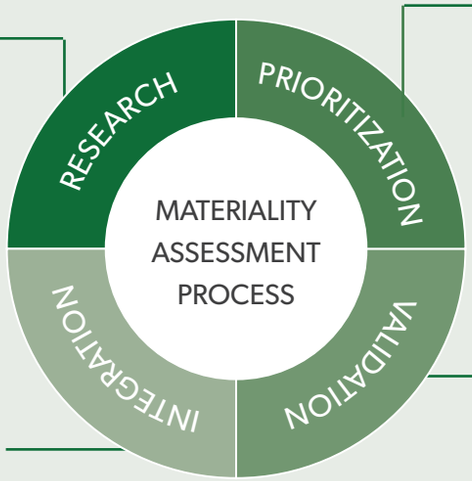
DEFINING OUR PRIORITIES

Materiality Assessment

Material topic determination was a significant focus of our inaugural ESG report. Established in 2022, these priorities will guide not only our reporting content, but ensure a sustainable mindset is applied to all facets of operation and governance.

Our materiality assessment process is conducted in four stages – research, prioritization, validation, and integration.

Research: industry benchmarking, review of guidance issued by the Global Reporting Initiative (GRI) and the United Nation's Sustainable Development Goals (UN SDGs), and analyzing historic trends in investor, stakeholder, and Indigenous feedback.



Prioritization: A two faceted approach, starting with review of company priorities and operating milestones and followed by engagement on topics with internal and external channels to evaluate 1) relevance to our activities and operating regions, and 2) importance to individuals and organizations.

Validation: validating prioritization results with senior management and the ESG Board Committee

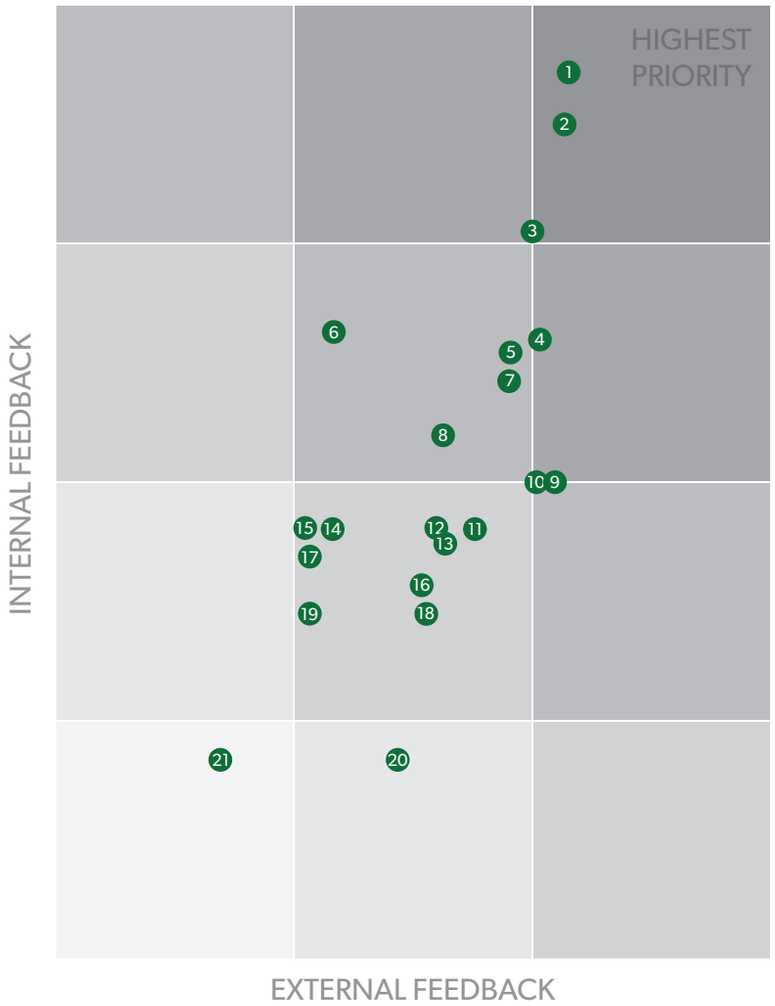
Integration: Integrating priorities into reporting and strategic planning.

Canada Nickel established its priorities based on meaningful consideration of all feedback received during the prioritization phase, based on a preliminary list of 21 topics. In our final results, we focused on 12 Priority Areas, all of which are addressed in this report.

We recognize that these priorities will shift with time to reflect changes in our organizational structure and stage of operation. Today, we conduct only early exploration activities in the politically-stable jurisdiction of Northern Ontario and we understand that assessments of our material topics must be conducted on an ongoing basis to ensure they are an accurate representation of our objectives, risks, and activities, as well as the priorities of our stakeholders and communities.

This analysis provided insight into the topics most meaningful to our communities. In addition to informing our ESG report, this information will help us to tailor future engagement activities and impact assessments. Communities – our relationships with them and our contributions to their economic and social well-being – were at the top of that list, validating the weight Canada Nickel has placed on these activities since our earliest days of operation.

Our Material Topics



1 Indigenous Rights and Relationships
2 Health, Safety, and Wellbeing
3 Community Engagement
4 Business Ethics and Conduct
5 Climate Change
6 Personal and Professional Development
7 Incident Response and Management
8 Regional Economic Performance
9 Biodiversity
10 Water Management
11 Air Quality
12 Equity, Diversity, and inclusion
13 Tailings and Waste Management
14 Financial Performance
15 Data Privacy and Cyber Security
16 Regional Social Performance
17 Human Rights
18 Closure Planning and Performance
19 Governance Structure
20 Responsible Procurement and Supply Chain Management
21 Nuisances

*Graph is an average of importance (level of interest in the topic, your feelings around its potential direct/indirect effects on yourself or your community/organization, etc.) and relevance (extent the topics is affected by, influences, or is component/aspect of our current operations). Internal stakeholders include employees and board members. External sources include stakeholder, Indigenous, and regulatory representatives, contractors, and consultants.



Priority Areas

GOVERNANCE	COMMUNITIES	OUR PEOPLE	ENVIRONMENT
• Business Ethics and Conduct • Governance Structure	• Indigenous Rights and Relationships • Community Engagement • Regional Economic Performance • Regional Social Performance	• Health, Safety, and Wellbeing • Personal and Professional Development • Equity, Diversity, and Inclusion	• Climate Change • Water Management • Biodiversity

*Some topics identified during initial research and included in the prioritization assessment, while not considered material at this stage based on relevance, interest, or available information, may still be addressed in part within other sections of the report. Incident response and management will be addressed under both Communities and Environment, as appropriate. Some information relating to Responsible Procurement and Supply Chain Management (under Company Overview), Air Quality (under Health, Safety, and Wellbeing), and Nuisances (under Communities) has been incorporated.

GOVERNANCE



5 GENDER EQUALITY

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

UN GLOBAL COMPACT

1 2 3 4 5 6 7 8 9 10

Canada Nickel works in accordance with the highest standards of corporate governance and ethics. We are guided by our commitment to ongoing engagement with stakeholders, communities and Indigenous groups so we may respond to community concerns honestly and transparently, while working to directly optimize potential benefits of our projects. This approach is instilled in our leadership and applies to every one of our people.

Our commitment to ESG work is embedded in every aspect of our operations. Responsibility for its oversight and approval of strategies, goals, purpose, and values rests directly with our Board of Directors and CEO. Development and operational execution of these elements falls primarily to our Vice President of Sustainability, who communicates regularly with senior executives, management, and employees and oversees a team of technical experts to ensure ESG protocols, policies, and standards are properly implemented, and concerns or incidents dealt with quickly and appropriately.

Separation of Chair and CEO roles

In April 2023, the Company announced that the Chair and CEO roles would be separated, in alignment with good corporate governance practices. David Smith, previously independent lead director, was appointed Chair of the Board. Mark Selby continues as CEO and director.

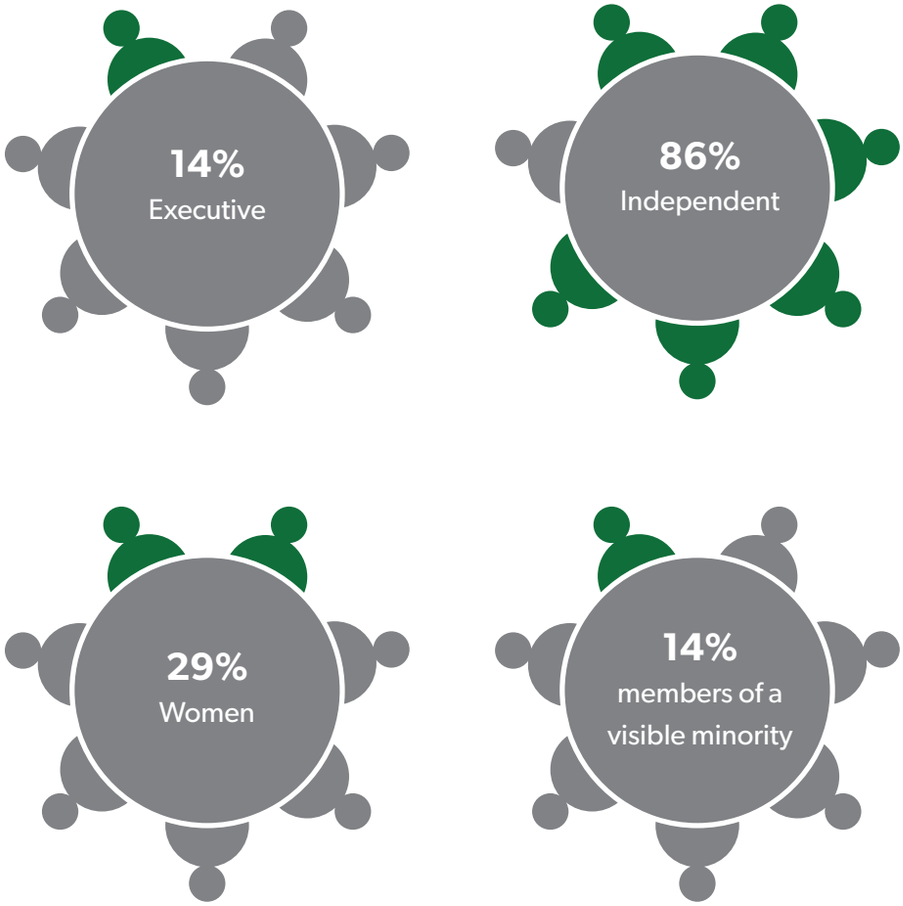
Board Composition

Canada Nickel's Board of Directors is responsible for the stewardship of the business and for acting in the best interests of the Company.

Board Members are elected each year by shareholders at the annual meeting of shareholders from individuals proposed by the Board and the Corporate Governance and Nominating Committee, or by a shareholder by means of a shareholder proposal upon compliance with the requirements prescribed by the Business Corporations Act (Ontario) ("OBCA") or by complying with the advance notice requirements of the Corporation's by-laws. The Board also recommends the number of directors to sit on the Board to shareholders for approval. Between annual meetings, the Board may appoint directors to serve until the next annual meeting.

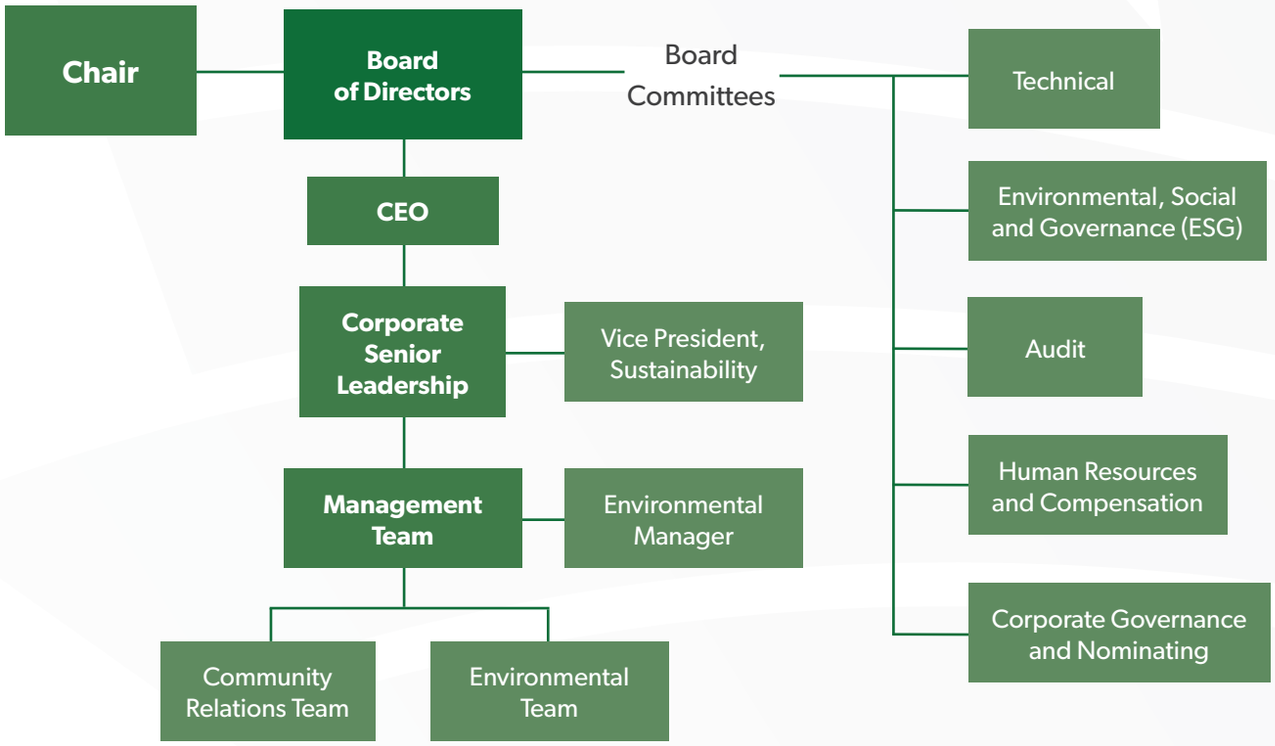
Canada Nickel is committed to building our company as a next generation leader supporting the energy transition, a commitment led by a Board comprised of diverse experiences and expertise. Each Board member was selected for their unique knowledge in areas including ESG, finance and capital markets, and mining and processing, backed by the highest personal and professional integrity, ethics, values, and a commitment to advancing Canada Nickel's ambitious objectives.

Additional information on Board Members and their competencies can be found at Team.



- ✓ All Committees independent
- ✓ Annual director elections
- ✓ Annual Say-On-Pay
- ✓ Diverse representation on the Board & executive management
- ✓ Directors elected individually
- ✓ Separate Chair and CEO
- ✓ Board Attendance

Governance Structure



TECHNICAL COMMITTEE

Oversees obligations and responsibilities of the corporation relating to technical matters, innovation, and research and development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITTEE

Oversees fulfillment of responsibilities relating to health and safety, Indigenous relations, climate change, and environmental and social matters, and advocates for integration of sustainability into Board governance, composition, strategic decision making, and external reporting.

Health and Safety

Oversees related mandates, standards, and policies while ensuring accountability for safety across all levels of operation. Ensures opportunities for training and personal/professional development and, where necessary, reviews the nature and extent of compliance and non-compliance with occupational health and safety programs, policies, and regulations.

Environment, Climate Change, Indigenous Relations, and General ESG

Conducts review of management reports, performance results, and audits on sustainability, environmental, and social matters, including stakeholder engagement outcomes, environmental incidents, and program or policy implementation. Confirms that operational procedures are in place to minimize adverse effects of social and environmental violations or incidents, and to provide recommendations relating to operational risk and risk management, monitoring and controlling environmental risk, and the effect of regulatory initiatives and trends.

AUDIT COMMITTEE

Oversees integrity of financial reporting and disclosure requirements, financial risk management and internal controls, and performance and independence of external auditors.

HUMAN RESOURCES AND COMPENSATION COMMITTEE

Oversees elements of human resources, including compensation philosophy and policies, executive compensation and incentives, retention and attraction, and succession planning.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

Oversees board nomination, disclosures, and governance, including implementation, administration, and monitoring of policies, charters, and procedures.

The Corporate Governance and Nominating Committee performs an annual assessment of: (i) the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors, and (ii) the skills level of Board members in various listed categories.

Policies and Governance

Risk Management

Canada Nickel has developed, and continues to manage and maintain, risk assessments addressing health and safety, human resources, financial, administrative, technical, environmental, political, social, and reputational risks. Risk assessments are updated and reviewed by the Board on a quarterly basis, with meetings between risk owners of senior management occurring on a more frequent basis.

Business Ethics

Canada Nickel is committed to operating to the highest standards of professional and ethical conduct across all business units and operations.

To further demonstrate this commitment, Canada Nickel is in the process of developing leading and comprehensive policies concerning our approaches to Ethics, Anti-Corruption and Bribery, and Whistleblowing. Official roll out and training are targeted for year-end 2023.

Corporate Governance Policies

- Every director, officer, and employee will be required to acknowledge that they have read and understand our corporate policies, which include:
  - » Health and Safety Policy
  - » Local Procurement Policy
  - » Responsible Exploration Policy
- Additional policies prioritized for development include:
  - » Code of Business Conduct and Ethics
  - » Environmental Policy
  - » Whistleblower Policy



COMMUNITIES



Topic Management

$9600[2]
/Contributions

38%
Local
Procurement Spend

2022 HIGHLIGHTS

- ✓ Implemented Local Procurement Policy
- ✓ Implemented Contributions Program
- ✓ Signed Impact Assessment Agreements with First Nation communities
- ✓ Initiated Crawford's social and environmental impact assessment

Canada Nickel has made community engagement a priority since its founding. From exploration to eventual project development, we want to contribute to positive social and economic development in the regions in which we operate.

Early, meaningful engagement helps us ensure that our operations bring positive benefits to the people who live and work near our operations, and that any challenges can be addressed efficiently and collaboratively.

Through collaboration with project stakeholders and Indigenous communities, Canada Nickel has established a core set of guidelines and best practices for our social performance that emphasize our dedication to remaining transparent, attentive, and collaborative.

- Early, ongoing, and proactive engagement that is developed cooperatively and enables opportunities for all interested individuals, including marginalized populations, to become involved;
- Continuous, accessible information sharing that transparently addresses concerns, questions, and disclosure of environmental and impact assessment results across a range of mediums, including presentations, quarterly newsletters, factsheets, meeting reports, regulatory documents, local media, and email;
- Taking project decisions per feedback obtained from a multitude of diverse external perspectives, in addition to engineering, environmental, economic, and regulatory limitations;
- Implementing and participating in different channels that allow for discussion and cooperative decision-making – both by creating our own and participating in existing committees and workgroups
- Contributing to sustainable communities through local procurement, local employment, and sponsorship and donation programs;
- Recognizing that our operations have the potential for both positive and negative community impacts, and taking measures to discuss, analyze, and address those potential impacts with communities prior to project development;

2 Contributed primarily between initiation of Contributions Program from November 1, 2022 to December 31, 2022.

- Maintaining and publicly disclosing a record of community and stakeholder feedback and our corresponding response or undertaken action;
- Disclosing financial performance and taxation through Financial Statements and Extractive Sector Transparency Measures Act (ESTMA) reporting;
- Providing multiple avenues for grievance reporting - either raised directly to a Canada Nickel team member, submitted to a general community email address, or shared confidentially through our website – and responding to each grievance with the same efficiency and degree of seriousness

Performance

2022 Engagement Highlights

- 93 Meetings with Indigenous Communities
- 64 Meetings with Stakeholders
- 3 Public Meetings
- 615 External Email Correspondences
- 5 Committee meetings
- 434 Comments, Recommendations, Concerns, and Questions Recorded

We want to ensure that our stakeholders and communities can access and discuss the information that interests them in a timely manner. Our approach is constantly evolving to suit community interests and needs while still conveying crucial information about our operations. We measure the success of our engagement and performance, and identify opportunities for improvement, through:

- Internal and external surveys to compare perspectives and seek opportunities for change;
- Third party review, through the Socioeconomic Committee, of successful contribution outcomes;
- External validation of potential project impacts and proposed mitigation measures by the Committees;
- Annual quantitative evaluation and disclosure of wage, procurement, tax, and contributions through the ESG Report;
- Analysis of pre-operation socioeconomic conditions which incorporate the Gender Based Analysis Plus process[3], validated and/or supplied by the communities, for future assessment of impacts and effectiveness of mitigation measures

3 GBA+ is an analytical process used to assess how different women, men and gender diverse people may experience project impacts and opportunities.


External Engagement Categories
Business or Commercial Organization
Indigenous Groups
Recreational Groups
Media
Land Users
General Public
Health Institutions
Municipal Institutions
Government (Municipal, Provincial, Federal)
Environmental Groups
Education Institution
Economic Groups
Community Groups

Main Topics of Interest Identified through engagement around the Crawford Project

Economic Opportunities/Jobs

- Awareness of economic opportunities associated with local procurement, local employment (which is projected to reach beyond 900 individuals on site), expansion of regional industry and significant economic development

Wildlife and Vegetation

- Potential impacts on wildlife habitat and species at risk, disturbance to populations and potential for species relocation, compensation planning

Land Use

- Recognizing existing or potential future recreational, traditional, cultural and other land uses occurring in proximity to exploration or development activities

Social Impacts

- Generally relating to existing local challenges that could be enhanced or triggered by project development, including housing availability, substance abuse, access to social and healthcare services, all susceptible to rapid population increases or changing economic status

Water Management

- Current management of intake water and drill cuttings, and future planning around diversions, ground and surface water management, and water treatment

Project Design and Infrastructure

- Opportunities for improved power, rail, and highway infrastructure in the north as a result of project development, concerns relating to potential scale of site footprint and future tailings management

Emissions and Climate Change

- Project's goal for Net Zero Carbon operations and related prospects for promoting investment in the region through the potential for net zero carbon industrial hubs



Community Committees

Based on positive feedback received during early engagement, Canada Nickel has formed three voluntary committees comprised of nominated representatives from stakeholder groups and organizations with a demonstrated interest and expertise in the committees' focuses.

Socio-Economic Committee

Focusing on analysis of potential social and economic project impacts, and in taking a collaborative approach to related mitigation measures that could be implemented, the committee has already supported Canada Nickel in developing and implementing our Local Procurement Policy and Community Contributions Guidelines, launched in Q4 2022. The Committee is made up of representatives from social and economic community groups, many of whom provide services for vulnerable populations.

Environmental Committee

With duties likely to extend into project operation, the committee's objectives are to engage in meaningful and productive conversations about potential environmental impacts, proposed solutions to manage or minimize those impacts, and overall Canada Nickel environmental practices and commitments.

Workforce Planning Committee

Comprised of regional education leaders and employment experts, the committee will advise on potential challenges and opportunities for worker training, attraction, and retention, while brainstorming collaborative solutions that stand to benefit industries across the region.



Contributing to Regional Growth

Even in our early stages, Canada Nickel contributes to the economic and social value of our operating region through taxes, local wage and benefits, procurement (goods and services) spending, community contributions, and infrastructure improvement planning. Looking ahead, our growing role as a leading employer in the region, offering competitive wage and benefits, presents an opportunity for us to attract and retain crucial talent to the area. As a potential major industrial customer, our communities have also expressed hopes that we may attract coincidental business and industry, furthering their economic development.

Summary of procurement numbers

Recognizing the unique needs of our region, Canada Nickel has developed and implemented, in collaboration with communities, a Contributions Program aimed at addressing existing or potential challenges within a community or the region that may be triggered or amplified by our operations. This program is reviewed and audited by our Socioeconomic Committee on a quarterly basis, and follows strict guidelines that give priority to those programs that support vulnerable populations, contribute to economic, social, health/wellbeing, education, or environmental improvement, and address urgent topics of greatest importance to our communities.

Canada Nickel is a proud partner and member of Core5, or the Northern Ontario Regional Technology Development Site (RTDS), alongside the Timmins Economic Development Corporation and NORCAT. Bringing together leaders and entrepreneurs of manufacturing and mining, Core5 works to connected mineral producers, local enterprises, and electric vehicle (EV) manufacturers throughout Canada with the support, expertise, and relationships to build the next generation of low-carbon technologies in our communities.



Indigenous Rights and Relationships

Canada Nickel strives to work in partnership with Indigenous Peoples to establish mutually beneficial, cooperative, and productive relationships centered around transparent information sharing, respectful engagement, open dialogue, and meaningful partnerships.

We recognize that each Indigenous community has their own unique values, histories, practices, beliefs, and goals. As such, we endeavor to work with each community to develop methods for engagement and participation that align with their distinct priorities. Some examples of these methods, in addition to those listed above, include:

- Signing of Early Exploration Agreements, which aim at minimizing impact and compensating for exploration activities on traditional land;
- Organizing site visits to show firsthand how we conduct our operations;
- Ensuring significant participation in baseline programs, including sharing of workplans and study results and arranging for accompaniment of consultants during field programs;
- Signing of Impact Assessment Process Agreements intended to foster full participation of Indigenous communities in the federal Impact Assessment process, outlining effective communication channels and platforms for meaningful engagement and facilitating tangible capacity building within the communities that will extend beyond the Crawford Project and Canada Nickel;
- Creating Community Committees designed to be representative of the community to support impact assessment and engagement activities, incorporating land users, elders, youth, etc.;
- Negotiating Operational Project Agreements (Impact and Benefit Agreements, Mutual Support Agreements, etc.) that address and respond to potential project impacts and opportunities; and,
- Collaborative development of business partnerships around key project components and infrastructure that ensure long term, tangible benefits and expansion of economic opportunity

Canada Nickel has signed a Transmission Service Agreement with Takywa Tagamou Nation, under which the Nation's joint venture company TIP1 will construct, own, and operate a transmission line which will provide power to the Crawford Project and, as part of TIP1's long-term goals, northern communities.

HEALTH, SAFETY, AND WELLBEING



Our Commitment

Creating and maintaining a safe operating environment that protects the health and wellbeing of our people and our communities is Canada Nickel's top priority. All individuals in the workplace – supervisors, workers, contractors, consultants, and visitors – must be dedicated to the continued improvement of health, safety, and wellbeing, and must understand the importance of individual accountability, reporting, and awareness in achieving better, safer operations for all.

Achieving a safe workplace is a group effort, one which requires:

- Fulsome commitment from leadership in building a safety culture;
- Comprehensive training and education suited to specific employee roles and responsibilities;
- Honest and transparent reporting from all individuals on Canada Nickel's sites;
- Efficient and effective corrective actions, taken through collaborative discussion; and
- A combination of sound engineering design principles and the right tools and skills for the job

Canada Nickel is proud to be a Canadian owned and operated business, with all current operations based in Ontario's stringent, safety minded, and politically stable jurisdiction. As such, all our operations are bound by the Ontario Occupational Health and Safety Act, enforced by the Ministry of Labour, Immigration, Training and Skills Development of Ontario. Canada Nickel is aligned to the requirements of the Act, and complies with any and all inspections, recommendations, and corrective actions from the Ministry.

In 2022, to support the implementation of these commitments, Canada Nickel hired a Human Resource, Health, Safety, and Wellness Manager, based in the company's Timmins office and working in close collaboration with both senior management and operations. Our health and safety commitments and initiatives are a cooperative effort between all levels of the company, with quarterly reporting to the Board's ESG Committee, weekly reporting to senior management, and monthly meetings of the Joint Health and Safety Committee and all on-site employees, with executive representation from the Vice President of Sustainability.

> *"There is no higher priority than the health and safety of everyone on our sites, period. I give you my personal commitment that I will comply with my health and safety duties and responsibilities, including taking ever reasonable precaution for the protection of people in the workplace."*
>
> – MARK SELBY, CEO

The Importance of Communication

Communications between employees, supervisors, and senior executives is crucial to ensuring awareness and resolution of health and safety concerns in the workplace.

Committees

Our operations hold monthly meetings of the Joint Health and Safety Committee, which consists of employees, trained worker and management representatives, and the Human Resources manager and Vice President of Sustainability. Meeting minutes for the Committee are approved and publicly posted within the workplace, ensuring transparency in their actions and priorities.

Monthly meetings are also held between the VP Sustainability, Director of Exploration, Human Resources Manager, and the entire operations team in Timmins. Information is shared with staff, including incident reports and the monthly health and safety highlight, followed by an open discussion period for individuals to raise any concerns, questions, or recommendations regarding Canada Nickel's health and safety culture.

Any incidents which occur, including near misses and contractor incidents, are shared with senior executives every week, and reported to the Health, Safety, and Sustainability Board Committee every quarter.

Reporting

Canada Nickel requires all employees to immediately report to their supervisor all incidents that result in injury or property damage, and all near misses with the potential for injury or property damage. Each incident is recorded and analyzed to determine causes and contributing factors, information which is then used to reduce or eliminate the risk of future incidents.

Our requirements, and the significance we place on providing a safe space free from reprisal for reporting incidents or concerns, extends beyond our own employees. Contractors operating on Canada Nickel sites, including drilling companies and environmental consultants, are required to report any incidents which occur while conducting work for Canada Nickel, and to provide any internal forms used to record and analyze such occurrences.

Hazard Identification and Risk Management

To develop, maintain, and improve our health and safety practices at our operations, we have implemented a comprehensive hazard identification and risk management program that covers routine and non-routine work environments and tasks.

Our health and safety risk analysis is an ongoing process, aided by a comprehensive and continuously maintained risk register. We have completed a thorough analysis of work hazards, in the field and at our core logging facility, involving key members of our team, including staff and management. This analysis has helped us identify potential risks, develop comprehensive control measures, and implement mitigation strategies to minimize the impact of our operations.

As part of our commitment to continuous improvement, we conduct workplace inspections to identify potential hazards, monitor compliance with safety regulations and protocols, and evaluate efficiency of control measures.

We take employee and contractor feedback seriously and encourage individuals to report any concerns or hazards immediately. Individual workers are the best equipped to evaluate the limits of their knowledge and skill – each worker has the right to refuse work that they believe is unsafe without reprisal, and are encouraged to work with the company to resolve these situations to avoid recurrence.

Training

We invest in training and education for our employees to ensure they are equipped with the skills and knowledge necessary to identify and respond to potential hazards.

We have trained all our employees in their routine tasks, emphasizing the importance of following standard operating procedures and established safety protocols. For non-routine tasks, employees are required to sit with a supervisor prior to commencing work to complete a detailed analysis of and develop controls for potential risks and hazards.

List of training topics provided to employees, subject to their specific role and responsibilities[4]:

- Occupational Health and Safety Act
- Equipment Operation
- Violence and Harassment
- Workplace Hazardous Materials Information System (WHMIS)
- Working with Asbestos
- Accessibility for Ontarians with Disabilities Act (AODA)

4 subject to their specific role and responsibilities" and include footnote saying "Sample list of Health and Safety specific training

Crisis Management and Emergency Preparedness

While our objective is to identify, evaluate, and control risks, we have an Emergency Response Plan in place to handle sudden, unexpected, or high-consequence scenarios that may arise despite best efforts to be preventative.

Currently, our Emergency Response Plan is tailored to our only active operations centre in Timmins, Ontario. Looking ahead, as Canada Nickel and our operations continue to grow, unique Emergency Response Plans will be developed that suit each operations centre.

The purpose of these plans is to provide an accessible, concise outline of responsibilities and authorities for response, communication, and recovery to ensure the safety and wellbeing of workers, the public, and company property in the event of an emergency. All employees are trained on the contents of the Plan, which is to be reviewed and updated at regular intervals by the Joint Health and Safety committee.

Primary Objectives of the Plan

- Be able to quickly and effectively control and manage the situation;
- Establish clear communication channels to ensure appropriate awareness and response, both internally and externally;
- Provide concise, comprehensible instructions which support the certainty and authority of responsible individuals;
- Ensure the safety of all individuals, whether a Canada Nickel employee or otherwise, at all times, regardless of what situations may arise.

Occupational Health and Industrial Hygiene

Canada Nickel's Health and Safety programs emphasize both the short- and long-term wellbeing of our employees, contractors, and the public.

We are firm believers in the approach of anticipation, recognition, evaluation, and control of workplace factors that could have acute, chronic, or lasting consequences. Recognizing that each role is distinct, we work closely with individuals to understand, mitigate, and monitor their working environment and personal wellbeing.



Noise: Area/task-specific PPE and sound proofing of modular cutting room



Temperature: Ventilation, air flow, and environmental awareness



Air quality: Ventilation, monitoring, and area/task-specific PPE



Ergonomics: fatigue mats, appropriately sized core racks, adjustable saws with custom lightweight core tubes



Physical hazards: Area/task-specific PPE, regular workplace inspections, SOPs

Case Study: Monitoring

Throughout 2022, we continued to pursue vigorous monitoring and management of airborne hazards in the workplace.

Crawford's core contains chrysotile – also called white asbestos, chrysotile is the most common form of asbestos and is found at many ultramafic nickel sulphide mines. We take the presence of chrysotile in our core very seriously, and have implemented measures to ensure that its presence does not pose a risk to those handling it. This includes appropriate personal protective equipment (PPE) and ventilation where required, and conducting a quantitative visual assessment of chrysotile content in the core during geological logging, supplemented by metallurgical analysis.

In 2020, we began a third party led, biannual air quality and noise dosimetry sampling program targeting asbestos, airborne respirable dust particulates, and respirable crystalline silica. The objective of this program is to improve our approach to air quality monitoring and exposure controls, thereby protecting the long-term wellbeing of our employees. The program is ongoing.

Results of the sampling to date have led to improvements in PPE requirements for all roles involved in the handling of chrysotile containing core, installation of a state of the art, modular cutting room, and upgrades to ventilation throughout the core logging facility.

Being a Good Neighbour

We recognize that our activities can have an impact on the safety and wellbeing of those outside of our team. When conducting field activities, including drilling and baseline programs, we are sharing the land and its resources with others who may be using it for recreational, traditional, cultural, or business purposes. As our presence during exploration and development is temporary, we must ensure that our impact on these activities is managed to ensure their safe and enjoyable continuation.

Prior to conducting business activities on a new property, we make best efforts to contact trappers, property owners, outfitters, businesses, recreational clubs, and other land users who we know to be active in that area. Through this contact, we are able to share workplans and coordinate to ensure safe access and conduct for all, while also establishing a communication channel for any questions or concerns for those sharing the land. At all times, we use appropriate notifications and signage to identify our work areas, and have trained all employees and contractors on appropriate conduct when interacting with external land users in the field.

Mental Health and Wellbeing

Worker health and safety is not just a factor of the workplace, but of an employee's overall physical and mental wellbeing, as well.

All Canada Nickel employees have access to a wide range of health and wellness resources, including mental health, family relationships, financial support, and more, through a third party managed Employee & Family Assistance programs and medical insurance. Scope of access ranges from personal finance advisory, family or individual counseling, stress management, healthy eating, medical services, and paramedical services. We also maintain a physician on retainer for our employees.



Performance



5 fatalities or other injuries from which the worker cannot recover (e.g., amputation of a limb), or does not or is not expected to recover fully to pre-injury health status within 6 months (e.g., fracture with complications)

6 tracked for both employees and workers who are not employees (contractors, though only contractors reporting directly to CNC). Hours are employees only, was not tracked for contractors. Make this clear in graphic presentation of info

OUR PEOPLE


3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
UN GLOBAL COMPACT
1
2
3
4
5
6
7
8
9
10

Commitment

At Canada Nickel, we are proud of our culture and the way we operate. We believe that treating each other with respect, equity, and dignity is foundational to our success. We are committed to creating a work environment where everyone feels valued, supported, and empowered to reach their full potential.

Trust is essential in any successful team, and we work hard to build and maintain that trust across our operations. We operate with transparency and open communication, encouraging creative thinking and collaboration in everything from project design and health and safety to corporate image and values. We understand that everyone has unique strengths and perspectives, and we celebrate those differences as key components of our collective success.

Out of 31 Employees:



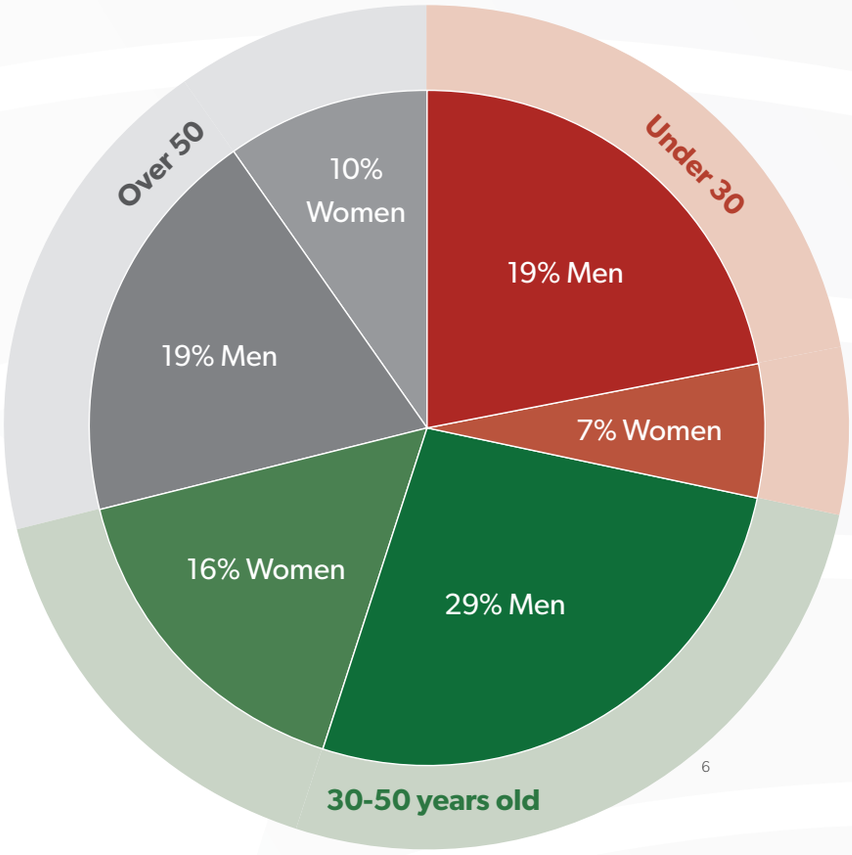
32% are women

29% of board directors are women



10% of management is hired locally

68% of employees are hired locally



94% of workforce is permanent,

97% full time

Workforce grew by **55%** in 2022

7 Other areas of diversity are not yet tracked

Personal and Professional Development

Canada Nickel takes pride in being an employer of choice in our operating region. We strive to ensure work-life balance, providing flexible scheduling, competitive compensation, and, where responsibilities permit, hybrid workplace options. We seek to attract, retain, and develop talent, with human resources working closely with individuals to assess their unique needs, skills, and interests, and implement measures necessary to ensure employee well-being both at work and at home.

Compensation

Compensation for executives is approved by the Human Resources and Compensation Committee (HRCC), taking into account factors such as market conditions, compensation practices of similar companies, and individual skills and performance. Recognizing that success is a collective effort, annual incentives are awarded on the basis of personal and company-wide achievements in the form of cash and equity.

In November 2022, the HRCC retained an independent third-party compensation advisor to assess the Corporation's approach to executive and director compensation, which included a review of the Corporation's compensation philosophy and benchmarking the Corporation's executive and board compensation arrangements against those of its chosen compensation peer group and versus its compensation strategy.

Development

Our goal is to grow alongside our employees. We encourage long-term growth and development, including opportunities for advancement, skill development, and further education, with the aim of supporting our employees in achieving their full potential and a fulfilling career with Canada Nickel. In addition to mandatory health and safety and task specific training, employees are enabled to pursue leadership and management courses, higher education, professional certification, and soft skill development per their unique interests and career targets. Funding support for external training and education is available.

Diversity, Equity, and Inclusion

Canada Nickel aspires to build operations that harness not only the potential of our natural resources, but the potential our of people. We strive to act as a catalyst for positive social change and mutual prosperity, recognizing and celebrating the cultures, backgrounds, and values that make up our diverse team. To that end, we are committed to recognizing and eliminating barriers that may stand in the way of equal say, opportunity, and recognition across our workforce.

Recognizing that these commitments must extend beyond our employees, we will continue to engage underrepresented populations in the design, impact assessment, and operation of our Projects, including Indigenous communities, LGBTQ+ organizations, multicultural groups, social services, and local charities. The views, recommendations, and experiences of these individuals will help our operations to be a positive force in the lives and futures of our host communities.

Looking Ahead

As our operations advance in the coming years, our team at the Crawford Project is projected to reach nearly 1,000 people. With this significant growth comes greater responsibility. Our company will maintain its unwavering commitment to safety, inclusion, and opportunity for all employees.

We understand that success is not just measured by operational milestones, but by our contributions to local communities and Indigenous Peoples. As such, we will continue to prioritize local and Indigenous employment and training opportunities, ensuring that our growth generates positive outcomes for those around us.

Our thriving company culture is a cornerstone of our success, and we remain committed to maintaining a work environment that treats all employees with respect and dignity, and fosters a sense of accountability, purpose, and potential.

ENVIRONMENT



Our Commitment

We acknowledge that the health, integrity, and prosperity of the environment directly impacts the wellbeing of the communities in which we operate, and therefor the success and continuity of our operations. We strive for excellence, leadership, and sustainability through continual improvement in our environmental performance and management of land, where we seek to minimize our impact on the local and global ecosystem.

For Canada Nickel, responsible development means recognizing the environmental challenges faced by our communities and the planet, and applying this understanding to foster economic growth, pursue innovation for net zero carbon emissions, and position ourselves to support the transition to a low carbon economy.

We are resolute in our commitment to prioritize the protection and sustainable management of our environment as a fundamental cornerstone of our operations and selection of development partners as we pursue production of some of the critical minerals needed to power key technologies for a low carbon future.

Topic Management

All Canada Nickel operations are bound by stringent and comprehensive internal and external controls for environmental protection and resource management, overseen as appropriate by federal and provincial regulators and the ESG Board Committee.

Impact Assessment Canada Nickel is conducting a Federal Impact Assessment for the Crawford Project, supported by substantial baseline data and effects modelling. This process aims to avoid or mitigate negative effects while optimizing socioeconomic benefits. Since early 2021, comprehensive baseline studies to support this initiative (including but not limited to aquatics, terrestrial, surface and groundwater, air, noise, and geochemistry) have been underway at the Crawford Project. These baseline studies will also feed the upcoming provincial impact assessment for the Project.

Monitoring With our operations currently limited to early exploration, most monitoring activities are focused on water taking, emissions tracking, drill inspections, and safe access. Monitoring results inform our incident response and mitigation efforts. Once Crawford is operational, monitoring activities will be expanded to encompass all potential project impacts.

Permitting and Compliance Canada as an operating jurisdiction imposes regulatory frameworks designed to ensure high standards of environmental protection in the mining industry, enforced through rigorous monitoring, compliance assessments, and permitting requirements. Canada Nickel's proposed Crawford Project is subject to provincial and federal regulations – as such, we maintain close communication with regulators. The company conducts frequent assessment and management of regulatory risks to ensure timelines and compliance are maintained.

Risk Assessment Prior to conducting any activities that may have an impact on the environment, a risk assessment compliant with our Responsible Exploration Policy is conducted by our environmental team to

determine: proximity of environmentally sensitive areas and watercourses, potential environmental hazards, third party land use, accessibility, and species at risk. This information is shared with the exploration team to support safe and responsible program planning of drill locations, timing, and access.

Incident Reporting All environmental incidents, regardless of size, are reported to our Environmental team, who take immediate remedial action and conduct an investigation into cause, effect, and corrective measures. Reports are periodically shared with the entire team (including executives and Board) and Indigenous communities, with a record of incidents published in our annual ESG report. For incidents requiring regulatory reporting or posing an immediate public safety risk, we have established a streamlined communication process that engages both internal and external stakeholders.

Controls Canada Nickel has developed a comprehensive series of best practices and the Responsible Exploration Policy to ensure environmental protection is at the heart of all our activities.

Collaboration We work with stakeholders, regulators, and Indigenous communities to understand and address concerns, obtain local expertise on environmental conditions and land and resource use, and discuss baseline/monitoring programs, potential impacts, and proposed mitigation measures. These efforts are supported by the Environmental Committee and the Impact Assessment Committees.

As our operations progress and the Crawford Project moves into development and towards production, our reporting will evolve to reflect relevant environmental topics.

In 2022, Canada Nickel had zero instances of environmental non-compliance, notices of violation, fines, exceedances, or reportable spills

Canada Nickel's Responsible Exploration Policy

Using regulation and industry best practices, including PDAC's E3 Program, as guidance, the Responsible Exploration Program was implemented in 2021. All employees and contractors conducting exploration work on behalf of Canada Nickel on our properties are required to abide by its guidelines.

Overview of Content

(not an exclusive list)

- Site selection that makes a best effort to, when possible
  - » Minimize vegetation removal
  - » Use existing access routes
  - » Maintain distance of 100 metres from any permanent waterbody or waterway (as opposed to the regulatory requirement of 30 metres)
- Tracking and reporting on water withdrawal
- Conducting post-activity site remediation
- Required use of biodegradable drilling fluids
- Pre, active, and post-drill site inspections conducted by the environmental team
- Best practices when dealing with: wildlife, water body crossings, fish management, archeological and cultural sites, spills (reportable and non-reportable), and equipment and vehicle operation

CLIMATE CHANGE

Topic Management

Aligning with our Purpose and Canada's Net-Zero by 2050 target, we have made mitigating climate change a central focus in the development of the Crawford Project. With this objective in mind, Crawford is being designed as a net zero carbon producer of nickel, iron, and cobalt to supply the future of smart technologies, including electric vehicles.

In support of our focus on climate change, we have prioritized:

Integrating Renewable Infrastructure: Capitalizing on Ontario's availability of low carbon grid power and our operations' proximity to key existing infrastructure, including road, rail, power, accommodations, and social, educational, and healthcare services.

Leveraging Technologies: Designing Crawford with smart technologies in mind, including the potential for trolley trucks and electric rope shovels, and pursuit of automation and electrification opportunities.

Innovation Thinking: Dedicating research and development resources to enhance our carbon sequestration potential, both passive and active, and collaborating with academic, commercial, government, and community partners to explore additional opportunities for environmental and technical advancement.

Risk Assessment and Impact Evaluation: Conducting R&D and impact assessment level risk assessments related to emissions, energy consumption, and carbon mineralization potential. Accurate modelling and measurement of energy consumption and emissions intensity.

Powering the Energy Transition: Pursuing production of net zero carbon nickel, iron, and cobalt to supply the rapidly advancing stainless steel and electric battery markets needed for the energy transition.

Mineral Carbonation Highlight: The Path to Net Zero Carbon Nickel[8]

Canada Nickel's Crawford Project is hosted in ultramafic rock, which naturally absorbs and permanently sequesters carbon dioxide (CO_2). Canada Nickel has developed the novel IPT Carbonation process which involves injecting a concentrated source of CO_2 into tailings generated by the milling process for a brief period of time. This process, called mineral carbonation, fixes CO_2 geologically to the tailings while they are still in the processing circuit, rather than after they have been finally deposited.

In practical terms, this natural advantage provides Canada Nickel the opportunity to capture and store carbon on a large scale while producing critical minerals. Carbon capture test work conducted in early 2023 has demonstrated the potential for Canada Nickel to capture and store approximately one million tonnes of carbon annually.

Canada Nickel believes it has the potential to become a hub for a Zero Carbon Industrial Cluster in the Timmins-Cochrane region.

How it Works

Mineral carbonation is a naturally occurring process during which carbon dioxide (CO_2) reacts with minerals in ultramafic or mafic rocks to form stable carbonates, resulting in the capture and permanent storage of CO_2. Canada Nickel's Crawford Project is hosted in ultramafic rock which contains the minerals brucite, serpentine and olivine, all of which have the ability to capture and store CO_2 through mineral carbonation. Canada Nickel has been conducting extensive research and development since its inception to harness this property to allow for net zero carbon operation.

Geologic deposits that facilitate this reaction are often called carbon sinks, which, in broader terms, are aspects of the natural environmental able to store CO_2 from the atmosphere.

There are two routes by which this reaction can occur:

Passive Carbonation happens when atmospheric CO_2 is exposed to a responsive material and reacts to store the CO_2 in mineral form. At a mine site like the proposed Crawford Project, this can occur while ore is being handled during the mining and milling processes, or once material has been deposited into a stockpile or the tailings management facility (TMF). Passive carbonation is a relatively slow form of CO_2 capture and storage.

Active Carbonation is a method of accelerating the otherwise naturally occurring process, often using a concentrated source of CO_2. Canada Nickel is undertaking extensive research and development activities to evaluate a proprietary method of active carbonation called In Process Tailings Carbonation (IPT Carbonation).

8 Information, values, and definitions provided in this section are accurate as of June 2023, and may reflect some information dated outside of the 2022 reporting period.

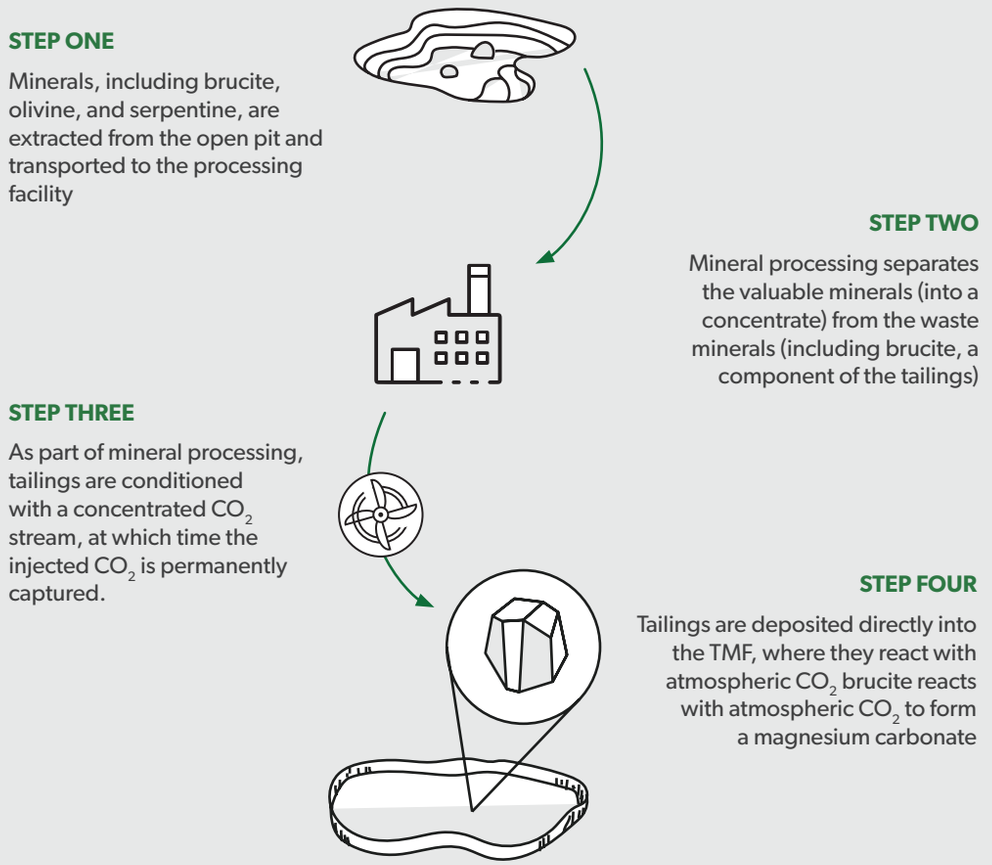
In Process Tailings Carbonation

Canada Nickel has devoted extensive resources to evaluating the potential of IPT Carbonation at the Crawford Project, and beyond.

IPT Carbonation is a cost effective, easily integrated modular add on to the process plant, in which tailings, at the end of the processing cycle and prior to deposition in the TMF, are briefly conditioned with concentrated CO_2. The injected CO_2 reacts with minerals in the tailings (in our case primarily brucite) to form carbonate minerals which stores the CO_2 in mineral form within the TMF.

Canada Nickel is completing an extensive laboratory test program to understand which process levers can be used to optimize the process in terms of CO_2 storage capacity and operational and capital cost. We believe the process enables the potential to store more than 1 million tonnes per year of CO_2 when the project is fully ramped up, which would make the project one of the largest CO_2 sinks in Ontario.

The Company is continuing to work with regulators and partner institutes to evaluate the full potential for carbon sequestration at Crawford, and the opportunities for its application that could extend beyond even our own 20+ regional properties.



Performance

We have estimated our Scope 1 and Scope 2 emissions and energy consumption as they relate to our current activities. Drilling is the primary contributor to these metrics, with an emissions intensity of 37kg CO_2 equivalent per metre drilled and an energy intensity of 532 MJ per metre drilled. This factor is prone to fluctuation subject to the number of drills active and their meterage, and accounts for the emissions and energy use that Canada Nickel has direct control over. 2022 was the first year this information was compiled.

Canada Nickel also uses energy and emits greenhouse gas emissions through our corporate and site offices and business travel, but given the negligible scale of those emissions, they are currently excluded from our inventory.

Scope 1 (direct) emissions: 2,879 tonnes CO_2e[9]

Scope 2 (indirect) emissions: 2 tonnes of CO_2e

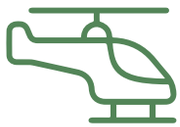
Energy Consumption[10]



DIESEL:
30,900,000 MJ



GASOLINE:
5,400,000 MJ



JET FUEL:
4,100,000 MJ



ELECTRICITY + HEATING:
145,000 kW/h (500,000MJ)

TOTAL: 40,900,000 MJ

9 includes CO2, CH4, N2, O, accounting for all of Canada Nickel's exploration properties active in 2021.

10 Data provided by contractors and service providers (estimated or measured)

WATER STEWARDSHIP

Topic Management

Located primarily within the Southwestern Hudson Bay watershed, we recognize that our properties are ripe with watercourses vital to the wellbeing of downstream and neighboring communities. We are committed to modelling, monitoring, and managing water withdrawal and discharge, and incorporating water stewardship into all stages of project design and operation.

Guided by executive leadership and the ESG Board Committee , responsible water management is achieved through:

- Continuous incident reporting and tracking water taking;
- Enforced compliance with our Responsible Exploration Policy, designed to account for and exceed industry best practices and regulatory standards;
- Ongoing baseline programs characterizing aquatic environments, geochemistry, and surface and groundwater sources;
- Estimating future water withdrawal, consumption, and discharge, and modelling for potential operational impacts; and
- Conducting risk assessments to identify potential hazards, sensitive aquatic environments, and any potential for discharge contaminants.

Performance

While water taking is required for exploration programs, we operate on the understanding that a balance between our needs and those of the greater ecosystem must be maintained.

Our leading source of water taking is exploration drilling, where water is pumped either from groundwater or local waterbodies and injected into the boreholes to extract drill cuttings. The mixture of cuttings and water is brought back to surface and managed to separate the solids using natural lowlands or manmade sumps, allowing clean water to flow back to the environment.

Though the operations are relatively small-scale, best practices are implemented to minimize or eliminate potential impacts. These requirements include measures for maintaining minimum distances from surface water bodies, implementing erosion control measures to prevent suspended solids, requiring the use of biodegradable drilling fluids, conducting visual inspections of drill sites, and limiting water withdrawal.



We have also conducted geochemistry assessments of our target geology which have shown no acid generation potential and very low metals leaching potential, demonstrating that the cuttings pose no long-term risks to water quality.

Water withdrawal is measured and reported monthly to ensure it remains below a set target, ensuring that water takings does not exceed sustainable levels.

Water Withdrawal



Total water withdrawal from all areas:
(Surface water + Groundwater) 21.7 ML (megalitres)[11]

No withdrawal of seawater, produced water, or third-party water

No water withdrawn from areas with water stress

Water Discharge



Total water discharge from all areas in megaliters
(Surface water + Groundwater, assumed) = 21.7 ML[12]

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11 Flow meters were installed on drilling water intakes at the end of March 2022. Daily flow rates have been collected by sampling daily measurements, and averaging the daily intakes. The average was multiplied by the numbers of days drilled. The 2022 result can be considered an estimation. This estimation does not account for domestic water consumption by staff at the corporate or site offices.

12 Primary substance of concern for water discharge is Suspended solids, as targeted by exploration standards and Ontario guidelines. No discharge criteria imposed, but best practices implemented to minimize the risk of migration of suspended solids to the receiving water destinations.

BIODIVERSITY

Topic Management

Biodiversity, a cornerstone of ecosystem stability, resilience, and human health is a critical factor when evaluating the success of our environmental performance.

Though the impacts of our current operations are temporary and limited to a relatively small footprint, we implement robust planning and operating systems that prioritize the protection of local species, vegetation, and interconnected ecosystems. These efforts include:

- Baseline programs documenting the presence or potential presence of species at risk, and broader characterization of wildlife and vegetation species and habitat;
- Prioritized use of existing access for exploration activities to keep necessary clearing contained and to a minimum;
- Wildlife encounter protocols outlined in the Emergency Response Plan and Responsible Exploration Policy;
- Completing modelling and assessment of potential effects to biodiversity from project development, operation, and closure, and developing corresponding mitigation measures or corrective actions;
- Working with Indigenous communities to integrate traditional knowledge and land use into our assessment of effects and baseline programs; and,
- Incorporating information on species at risk, critical habitats, and sensitive ecosystems into our pre-drilling risk assessment and project design decisions.

Performance

Canada Nickel's many exploration properties are located within Northeastern Ontario, a habitat primarily consisting of coniferous forest and swamp. With the Crawford Project progressing towards development, terrestrial and aquatics studies are underway targeting species at risk, mammals, bats, birds/breeding birds, fish and fish habitat, and flora/vegetation communities. Additional efforts, taken in collaboration with Indigenous communities, are being made towards the identification, monitoring, and protection of culturally important species.

Terrestrial baseline studies and field observations, though ongoing, have identified to date the presence of wolf, marten, snowshoe hare, grouse, bear, fox, lynx, moose, otter, and other species typical of Northern Ontario. The Crawford Project is located on the southern boundary of the Kesagami range for Woodland Caribou. Although no caribou have been reported or identified in the Project area, possibly as a result of historic disturbance and human activity, this element will be considered in the project development.

Information collected during these investigations will inform the design, operation, and closure of Canada Nickel's operations. Closure Plans for the Crawford Project are currently in development, and will be a leading topic of discussion with Indigenous communities and stakeholders to ensure that the land is returned to a state which encourages and supports biodiversity in the region.



2022 DATA TABLES

Significant locations of operation are considered Timmins and Corporate. Corporate refers to those individuals without a designated reporting location.

Our People

Workforce by Gender and Employment Status

(# of employees)

Site		Total Number of Employees	Permanent Employees	Temporary Employees	Full-time Employees	Part-Time Employees
Timmins	Male	**15**	14	1	15	0
	Female	**6**	5	1	6	0
	Total	**21**	19	2	21	0
Corporate	Male	**6**	6	0	5	1
	Female	**4**	4	0	4	0
	Total	**10**	10	0	9	1
Total		**31**	29	2	30	1

*CNC retains 2 individuals as independent contractors who are categorized as temporary employees

** The end of the reporting period was used for workforce count. Absenteeism rate has not been tracked to date.

***CNC had no significant fluctuations in workforce.

Workforce Category by Age and Gender

(# of employees)

Category	Under 30		30 – 50		Over 50		Total
	Male	Female	Male	Female	Male	Female	
Administrative	0	0	0	1	0	2	3
Technical	4	1	3	0	0	0	8
Professional	1	1	1	2	0	0	5
Supervisor	1	0	1	0	3	0	5
Manager	0	0	3	1	0	0	4
Executive	0	0	1	1	3	1	6
Total	6	2	9	5	6	3	

Total Salary Ratios

	Ratio
Highest-paid individual salary to median salary	5
Percentage increase in salary for the highest-paid individual to the median percentage increase in salary	0
Average Entry Level Salary to local (Timmins) minimum wage	2

Ratio of Average Female Salary to Average Male Salary by Category and Site

Category	Timmins	Corporate
Technical	0.97	
Professional	1.05	
Manager	0.86	
Executive		0.58

*no ratio presented for categories where both males and females are not represented.

Overview of Benefits Provided to Full-Time Employees

	Timmins	Corporate
Life Insurance	Yes	Yes
Health Care	Yes	Yes
disability and invalidity coverage	Yes	Yes
parental leave	ESA entitlement	ESA entitlement
retirement provision	No	No
stock ownership	Yes	Yes
Pre-Retirement Planning	No	No
Retraining for Continued Work	Yes	Yes
Severance Pay	Yes	Yes
Assistance Transition to Non-Working Life	No	No

New Hires by Age and Gender

(# of employees)

	Timmins	Corporate	Total
Under 30	1	1	2
30-50 years old	4	1	5
Over 50	2	1	3
Male	5	1	6
Female	2	2	4
Total	7	3	

Employee Turnover (Voluntary and Involuntary) by Age and Gender

	Timmins	Corporate	Total
Under 30	0	0	0
30-50 years old	0	1	1
Over 50	0	1	1
Male	0	0	0
Female	0	2	2
Total	0	2	

Board and Senior Management

Performance Metric	Value
Size of Board (#)	7
Female Board Members (%)	29
Visible Minority Board Members (%)	14
Independent Board Members (#)	6
Females in Senior Management (%)	30
Senior Management Hired Locally (%)	10

*Local consisting of Timmins region, with senior management considered managers and above.

Environment

Regulatory Actions

Number of Regulatory Actions	Fines (CAD$)
0	0

Reportable Spills/Releases

Number of Incidents
0

GHG Emissions

Performance Metric	Unit	Value
Scope 1 Emissions*	Tonnes of CO2 e	2,879**
Scope 2 Emissions	Tonnes of CO2 e	2
Scope 3 Emissions	Tonnes of CO2 e	Not Calculated
Emissions Intensity	kg of CO2 e / metre drilled	37

* Emission factors published by the Intergovernmental Panel on Climate Change (IPCC) were used, which are consistent with those used in the Canadian National Inventory Report 2022

** Fuel consumption reported by Contractors operating on CNC properties. When only hours worked per equipment provided, an estimation was made based on consumption rates provided by other contractors with similar machinery. Gases included in the calculation: CO2, CH4 and N2O.

Energy Consumption

Performance Metric	Unit	Value
Non-Renewable Fuel Consumption	Megajoules	40,400,000
Diesel	% of total non-renewable energy consumption	76%
Gasoline	% of total non-renewable energy consumption	14%
Aviation Fuel	% of total non-renewable energy consumption	10%
Renewable Fuel Consumption	Megajoules	0
Electricity and Heating Consumption	Megajoules	500,000
Cooling and steam consumption	Megajoules	0
Electricity, Heating, Cooling, and Steam Sold	Megajoules	0
Total Energy Consumption***	Megajoules	40,900,000
Energy Intensity***	Megajoules / metre drilled	532

* Data provided by contractors and service providers (estimated or measured).

** Conversion to energy based on public sources (volume to energy), validated with Government of Canada data.

*** Fuel and electricity (only two sources of energy used) reported for consumption within the organization, but the estimate takes into account the contractors deemed under the control of CNC (directly managed).

Water Management

Performance Metric	Source***	Value (megalitres)
Water Withdrawal*	Surface and Groundwater	21.7
Water Withdrawal from areas with water stress	Surface and Groundwater	0
Water Discharge**	Surface and Groundwater	21.7
Water Consumption****		0

* Flow meters installed on drilling water intakes at the end of March 2022. Daily flow rates have been collected by sampling daily measurements, and averaging the daily intakes. The average was multiplied by the number of days drilled. The 2022 result can be considered an estimation.

** No discharge criteria imposed, but best practices implemented to minimize the risk of migration of suspended solids to the receiving water destinations.

***no seawater, produced water, or third-party water withdrawn or discharged

**** As the water withdrawn is discharged back into the environment from where it is pumped, no water consumption is estimated.

Health and Safety

Key Performance Indicators

Performance Metric	Employees	Workers who are not employees
Workers Covered by Occupational health and safety system (%)	100	100
Hours Worked	44,224	Not Tracked
Number of fatalities	0	0
Lost-time injuries	1	0
Lost-time injury frequency (LTIF)	0.02	0
Recordable Work-Related Injuries	3	0
Recordable Work-Related Injury Frequency (IFR)	0.29	0
Total Occupational Disease Rate	0	0
High-Consequence Injuries	0	0
Recordable Work-Related Ill Health	0	0
Fatalities as a result of work-related ill health	0	0

Economic Performance

Economic Value Distributed (CAD$ million)

Performance Metric	Value
Revenue	0.0
Operating Costs	52.5
Employee Wages and Salaries*	2.3
Payments to Providers of Capital	1.0
Payments to Canadian Government	0.3
Community Investments**	0.9
Proportion of Spending on Local Suppliers (%)	38
Economic Value Retained	-57.1

*Wages include gross salaries and benefits paid to government institutions on behalf of employees, including pensions, insurance, and payroll.

** For the fiscal year ended October 31, 2022, $940 million of agreement and capacity funding payments that are declared in our 2022 ESTMA report are included in the Community Investment metric.

GRI STANDARDS CONTENT INDEX

Canada Nickel Company has reported information relating to the January 1, 2022 to December 31, 2022 reporting period with reference to the GRI Standards.

GRI 1: Foundation 2021

Canada Nickel has reported disclosures from the GRI Topic Standards for each of our material topics, determined through a materiality assessment conducted in 2023. Where information is relevant and available, additional disclosures have been included beyond our list of material topics. Guidance on where information relating to disclosures can be found is available in the Reference column of our GRI Standards Content Index. Some disclosure information may be presented directly in the Index, where appropriate.

ESG Report: Referring to Canada Nickel's 2022 ESG Report

ESTMA: Referring to Canada Nickel's 2022 Extractive Sector Transparency Measures Act – Annual Report

» Available here

ACFS: Referring to Canada Nickel's Audited Consolidated Financial Statements for Years Ended October 31, 2022 and 2021

» Available here

MDA: Referring to Canada Nickel's Management's Discussion & Analysis For the Year Ended October 31, 2022

» Available here

GRI 2: General Disclosures 2021	
GRI Indicator	**Reference**
2-1 Organizational details	ESG Report: 9 - 10
2-2 Entities included in the organization's sustainability reporting	ESG Report: 2
2-3 Reporting period, frequency and contact point	ESG Report: 2
2-4 Restatements of information	2022 is Canada Nickel's first reporting period.
2-5 External assurance	External assurances were not completed for the 2022 ESG Report.
2-6 Activities, value chain and other business relationships	ESG Report: 9 - 10

2-7 Employees	ESG Report: 37 - 38 Additional information available in 2022 Data Tables
2-8 Workers who are not employees	ESG Report: 37 - 38 Additional information available in 2022 Data Tables
2-9 Governance structure and composition	ESG Report: 15 - 18
2-10 Nomination and selection of the highest governance body	ESG Report: 15 - 18
2-11 Chair of the highest governance body	ESG Report: 7 In the 2022 reporting period, Mark Selby acted as Chair and CEO for Canada Nickel. In line with good governance practice, David Smith assumed the position of Chair in 2023.
2-12 Role of the highest governance body in overseeing the management of impacts	ESG Report: 15 - 18 MDA
2-13 Delegation of responsibility for managing impacts	ESG Report: 15 - 18 MDA
2-14 Role of the highest governance body in sustainability reporting	ESG Report: 15 - 18
2-15 Conflicts of interest	To be addressed in the Code of Business Conduct and Ethics, which is under development
2-16 Communication of critical concerns	ESG Report: 15 – 18, 21- 27
2-17 Collective knowledge of the highest governance body	ESG Report: 15 – 18 www.canadanickel.com/#team
2-18 Evaluation of the performance of the highest governance body	ESG Report: 15 – 18
2-19 Remuneration policies	ESG Report: 37 - 38 MDA ACFS
2-20 Process to determine remuneration	ESG Report: 37 - 38 MDA ACFS
2-21 Annual total compensation ratio	Information available in 2022 Data Tables
2-22 Statement on sustainable development strategy	ESG Report: 4 - 8
2-23 Policy commitments	ESG Report: 15 – 18
2-24 Embedding policy commitments	ESG Report: 15 – 18
2-25 Processes to remediate negative impacts	ESG Report: 15 – 18, 21- 27
2-26 Mechanisms for seeking advice and raising concerns	ESG Report: 15 – 18
2-27 Compliance with laws and regulations	There were no significant instances of non-compliance during the reporting period.
2-28 Membership associations	Canada Nickel was not a member of any associations during the reporting period.
2-29 Approach to stakeholder engagement	ESG Report: 21 - 27
2-30 Collective bargaining agreements	Not applicable to any operations during the reporting period.

GRI 3: Material Topics 2021	
GRI Indicator	**Reference**
3-1 Process to determine material topics	ESG Report: 11 - 13
3-2 List of material topics	ESG Report: 12
3-3 Management of Material Topics	Described in the relevant section for each material topic.

GRI 201: Economic Performance 2016	
GRI Indicator	**Reference**
201-1 Direct economic value generated and distributed	ESG Report: 21 - 27 Additional information available in 2022 Data Tables
201-2 Financial implications and other risks and opportunities due to climate change	ESG Report: 42 - 44
201-3 Defined benefit plan obligations and other retirement plans	Canada Nickel does not have benefit plan obligations or other retirement plans.
201-4 Financial assistance received from government	No government financial assistance was received during the reporting period.

GRI 202: Market Presence 2016	
GRI Indicator	**Reference**
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Information available in 2022 Data Tables
202-2 Proportion of senior management hired from the local community	Information available in 2022 Data Tables

GRI 203: Indirect Economic Impacts 2016	
GRI Indicator	**Reference**
203-1 Infrastructure investments and services supported	ESG Report: 21 - 27 There was no significant investment support to infrastructure or services provided during the reporting period.
203-2 Significant indirect economic impacts	ESG Report: 21 - 27

GRI 204: Procurement Practices 2016	
GRI Indicator	**Reference**
204-1 Proportion of spending on local suppliers	ESG Report: 21 - 27 Additional information available in 2022 Data Tables

GRI 302: Energy 2016	
GRI Indicator	**Reference**
302-1 Energy consumption within the organization	ESG Report: 42 - 44 Additional information available in 2022 Data Tables
302-2 Energy consumption outside of the organization	Not applicable.
302-3 Energy intensity	Information available in 2022 Data Tables
302-4 Reduction of energy consumption	Not applicable – first year reporting.
302-5 Reductions in energy requirements of products and services	Not applicable – first year reporting.

GRI 303: Water and Effluents 2018	
GRI Indicator	**Reference**
303-1 Interactions with water as a shared resource	ESG Report: 45 - 46
303-2 Management of water discharge-related impacts	ESG Report: 45 - 46
303-3 Water withdrawal	ESG Report: 45 - 46 Additional information available in 2022 Data Tables
303-4 Water discharge	ESG Report: 45 - 46 Additional information available in 2022 Data Tables
303-5 Water consumption	ESG Report: 45 - 46 Additional information available in 2022 Data Tables.

GRI 304: Biodiversity 2016	
GRI Indicator	**Reference**
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	ESG Report: 47 - 48
304-2 Significant impacts of activities, products and services on biodiversity	ESG Report: 47 - 48 No significant impacts during the reporting period. We will look to revisit our disclosure in this area over the coming years.
304-3 Habitats protected or restored	Not applicable. We will look to revisit our disclosure in this area over the coming years.
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	ESG Report: 47 - 48 Studies to determine species and species habitats are ongoing. Though some information is provided in the report, we will look to revisit our disclosure in this area over the coming years.

GRI 305: Emissions 2016	
GRI Indicator	**Reference**
305-1 Direct (Scope 1) GHG emissions	ESG Report: 42 - 44 Additional information available in 2022 Data Tables
305-2 Energy indirect (Scope 2) GHG emissions	ESG Report: 42 - 44 Additional information available in 2022 Data Tables
305-3 Other indirect (Scope 3) GHG emissions	Not calculated during this reporting period. We will look to revisit our disclosure in this area over the coming years.
305-4 GHG emissions intensity	ESG Report: 42 - 44 Additional information available in 2022 Data Tables
305-5 Reduction of GHG emissions	Not applicable – first year reporting.
305-6 Emissions of ozone-depleting substances (ODS)	Not applicable at current size and nature of operations.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable at current size and nature of operations.

GRI 401: Employment 2016	
GRI Indicator	**Reference**
401-1 New employee hires and employee turnover	ESG Report: 37 - 38 Additional information available in 2022 Data Tables
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Report: 37 - 38 Additional information available in 2022 Data Tables
401-3 Parental leave	All our employees are entitled to the federal parental leave. No additional monetary supplements are provided by the company. No employees took parental leave during the reporting period.

GRI 403: Occupational Health and Safety 2018	
GRI Indicator	**Reference**
403-1 Occupational health and safety management system	ESG Report: 29 - 35
403-2 Hazard identification, risk assessment, and incident investigation	ESG Report: 29 - 35
403-3 Occupational health services	ESG Report: 29 - 35
403-4 Worker participation, consultation, and communication on occupational health and safety	ESG Report: 29 - 35
403-5 Worker training on occupational health and safety	ESG Report: 29 - 35
403-6 Promotion of worker health	ESG Report: 29 - 35
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG Report: 29 - 35
403-8 Workers covered by an occupational health and safety management system	ESG Report: 29 - 35 Additional information available in 2022 Data Tables
403-9 Work-related injuries	ESG Report: 29 - 35 Additional information available in 2022 Data Tables
403-10 Work-related ill health	ESG Report: 29 - 35 Additional information available in 2022 Data Tables

GRI 404: Training and Education 2016	
GRI Indicator	**Reference**
404-1 Average hours of training per year per employee	ESG Report: 31, 37 - 38 On the job training hours per individual were not tracked in 2022. CNC estimates an approximate 7 hours of standardized onboarding training per employee, and 5 hours of onboarding training per executive (accounting primarily for health and safety, policy, and government mandated training). This does not include new task or job specific training, or continuous development and education.
404-2 Programs for upgrading employee skills and transition assistance programs	ESG Report: 31, 37 – 38 Additional information available in 2022 Data Tables.
404-3 Percentage of employees receiving regular performance and career development reviews	No system for regular performance and career development reviews currently in place.

GRI 405: Diversity and Equal Opportunity 2016	
GRI Indicator	**Reference**
405-1 Diversity of governance bodies and employees	ESG Report: 15 – 18, 38 Additional information available in 2022 Data Tables
405-2 Ratio of basic salary and remuneration of women to men	Information available in 2022 Data Tables

GRI 406: Non-discrimination 2016	
GRI Indicator	**Reference**
406-1 Incidents of discrimination and corrective actions taken	No incidents.

GRI 411: Rights of Indigenous Peoples 2016	
GRI Indicator	**Reference**
411-1 Incidents of violations involving rights of indigenous peoples	No incidents.

GRI 413: Local Communities 2016	
GRI Indicator	Reference
413-1 Operations with local community engagement, impact assessments, and development programs	ESG Report: 21 - 27
413-2 Operations with significant actual and potential negative impacts on local communities	ESG Report: 21 - 27

Omissions	
GRI Indicator	Reason for Omission
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not a material topic. No legal actions.
GRI 301: Materials 2016	
301-1 Materials used by weight or volume	Considered immaterial at this stage given scale of our operations. We will look to revisit our disclosure in this area over the coming years.
301-2 Recycled input materials used	
301-3 Reclaimed products and their packaging materials	
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Not material at current size of operations. We will look to revisit our disclosure in this area over the coming years. No reportable spills during the reporting period.
306-2 Management of significant waste-related impacts	
306-3 Waste generated	
306-4 Waste diverted from disposal	
306-5 Waste directed to disposal	
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	No minimum notice period is currently in place. We will look to revisit our disclosure in this area over the coming years.
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable to operations.
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	No operation is considered to be at significant risk for incidents of child labour.
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No operation is considered to be at significant risk for incidents of forced or compulsory labour.
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	Not considered a material topic. No security personnel are currently employed by the company. No operation is considered to require security personnel.
GRI 415: Public Policy 2016	
415-1 Political contributions	No contributions made
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	Not applicable to operations.
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	

GRI 417: Marketing and Labeling 2016	
417-1 Requirements for product and service information and labeling	Not applicable to operations.
417-2 Incidents of non-compliance concerning product and service information and labeling	
417-3 Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable to operations.

This Report contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward looking information includes, but is not limited to, strategic plans, and corporate and technical objectives. Readers should not place undue reliance on forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canada Nickel to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such information is based on a number of assumptions, any of which, if incorrect, could materially change projected outcomes. There are no assurances that Crawford or any other assets owned by Canada Nickel will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals or project costs could differ substantially and make any commercialization uneconomic; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in applicable laws; changes in project parameters as plans continue to be refined; accidents, labour disputes, the availability and productivity of skilled labour and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; mineral resource estimates relating to Crawford could prove to be inaccurate for any reason whatsoever; additional but currently unforeseen work may be required to advance to the feasibility stage; and even if Crawford or another asset owned by Canada Nickel goes into production, there is no assurance that operations will be profitable. Although Canada Nickel has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this report and Canada Nickel disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. 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 report.



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Published: September 7th, 2023

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