CANADA NICKEL
COMPANY

2024 ESG REPORT

ACRONYM	DEFINITION
AAN	Apitipi Anicinapek Nation
AODA	*Accessibility for Ontarians with Disabilities Act, 2005*
BAT	Best Available Technologies
BEP	Best Environmental Practices
CA	Certified Accountant
CAD	Canadian Dollars
CCUS	Carbon Capture, Utilization, and Storage
CEAA	*Canadian Environmental Assessment Act*
CEM	Clean Energy Ministerial
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMIF	Critical Minerals Infrastructure Fund
CNC	Canada Nickel Company
CH_4	Methane
CO_2	Carbon Dioxide
CO_2e	Carbon Dioxide Equivalent
COSEWIC	Committee on the Status of Endangered Wildlife in Canada
CPA	Certified Professional Accountant
CPR	Cardiopulmonary Resuscitation
DEI	Diversity, Equity, and Inclusion
EDC	Export Development Canada
ESG	Environment, Social, and Governance
ESTMA	*Extractive Sector Transparency Measures Act (Canada)*

ACRONYM	DEFINITION
EV	Electric Vehicle
FPFN	Flying Post First Nation
GBA+	Gender-Based Analysis Plus
GHG	Greenhouse Gas
GRI	Global Reporting Initiatives
HR	Human Resources
HRCC	Human Resources and Compensation Committee of the Board of Directors of CNC
IAAC	Impact Assessment Agency of Canada
IEA	International Energy Agency
IFR	Incident Frequency Rate
IPT	In-Process Tailings
JHSC	Joint Health and Safety Committee
LGBTQQIP2SA	Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Intersex, Pansexual, Two-spirited, and Asexual
MNO	Métis Nation of Ontario
MGFN	Mattagami First Nation
MTFN	Matachewan First Nation
MPP	Member of Provincial Parliament
MJ	Megajoules
ML	Megalitres
N_2O	Nitrous Oxide
NEOFACS	Northeastern Ontario Family and Children's Service
NGO	Non-Governmental Organization
NORCAT	Northern Centre for Advanced Technology

ACRONYM	DEFINITION
OBCA	*Business Corporations Act (Ontario)*
OVIN	Ontario Vehicle Innovation Network
PDAC	Prospectors and Developers Association of Canada
PEA	Preliminary Economic Assessment
PGE	Platinum Group Elements
PIC	Public Information Centre
RTDS	Regional Technology Development Site
SACC	Strategic Assessment of Climate Change
SEDAR	System for Electronic Data Analysis and Retrieval (Canada)
tCO_2e	Tonnes of Carbon Dioxide Equivalent
TCFD	Task Force on Climate-Related Financial Disclosures
TISG	Tailored Impact Statement Guidelines
TMF	Tailings Management Facility
TKLU	Traditional Knowledge and Land Use
TSXV	TSX Venture Exchange
TTN	Taykwa Tagamou Nation
TWG	Technical Working Group
UK	United Kingdom
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals
WHMIS	Workplace Hazardous Materials Information System
WTC	Wabun Tribal Council

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Overview of Canada Nickel's 2024 ESG Report

CNC's 2024 Sustainability Report (Report) is the third report documenting our performance, progress, and objectives for material environmental, social, governance, health and safety, and economic topics for the period of January 1st to December 31st, 2024.[1]

This Report details CNC's contributions to the United Nations Sustainable Development Goals (UN SDGs) and is informed by the 2021 Global Reporting Initiatives (GRI) Standards. Additionally, this marks the second year of alignment with the Task Force on Climate-related Financial Disclosures (TCFD) (refer to Appendix C). As a proud signatory of the United Nations Global Compact (UNGC), this Report also serves as our 'Communication on Progress.'

1 The 2024 ESG Report includes material items that occurred in early 2025; in such cases, timelines are documented to ensure accurate reporting and context.

Report Scope

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

Performance data is reported for those projects and properties owned by CNC where activity took place during the reporting period (i.e., Bannockburn, Crawford, Deloro, Mann, Midlothian, Nesbitt, Newmarket, Powell, Reaume, Reid, and Texmont). CNC has no active mining operations on which to report. Material topics included in this Report align to best practices and industry standards; and reflect Environment, Social, and Governance (ESG) topics that matter the most to our organization and our partners.

CNC is the only operator responsible for the management and operational performance of all sites reported. Performance data and descriptions of activities are reflective of the 2024 calendar year, unless otherwise specified. Note that the reporting period for the ESG Report differs from CNC’s period for financial reporting, as the Company has elected to align our ESG reporting to the calendar year.

For additional information on our annual financial results, please consult our 2024 Extractive Sector Transparency Measures Act (ESTMA) and Financial Statements.

CNC’s Board of Directors ESG Committee, CEO, and Senior Management have reviewed and approved this Report.

United Nations Sustainable Development Goals (UN SDGs)

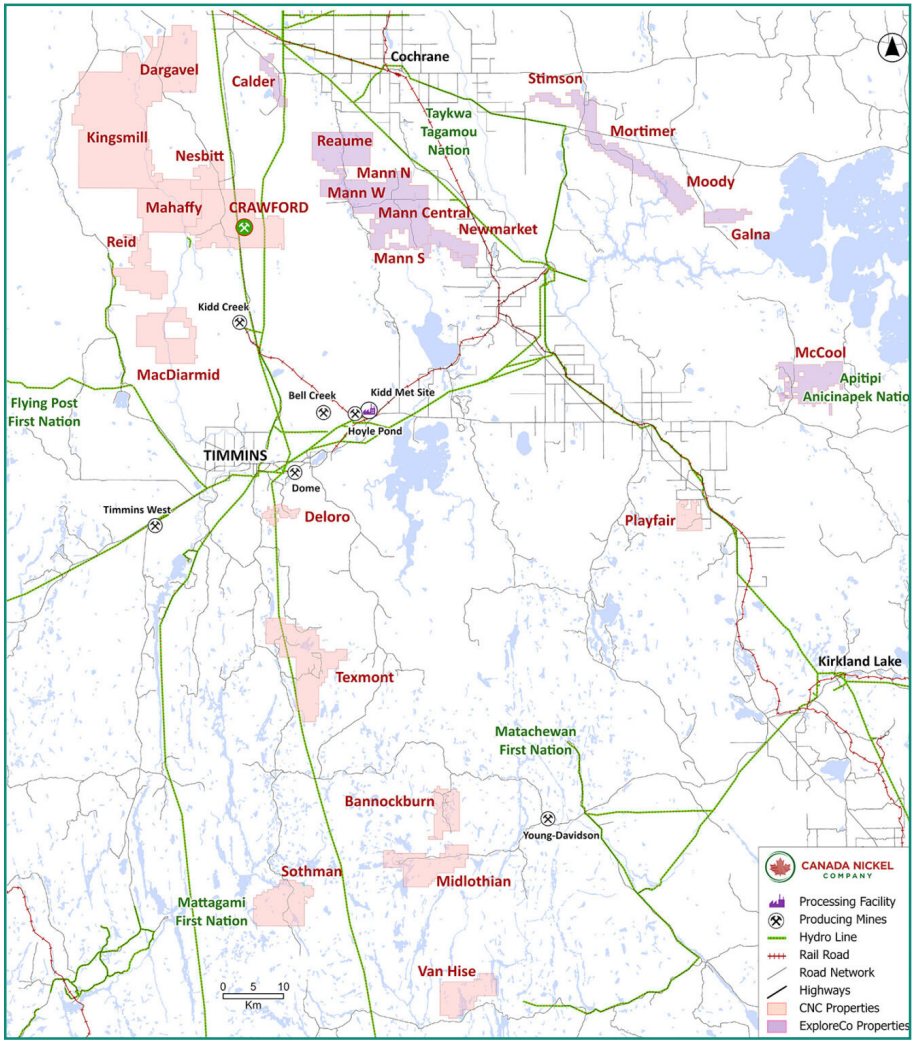
UN Global Compact Principles

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Businesses should make sure that they are not complicit in human rights abuses.
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.

Who We Are

IN THIS SECTION:

Our Operations and Exploration Activities



CNC is a Canadian exploration and development company headquartered in Toronto, Ontario, Canada with operations located in Northeastern Ontario. We are rapidly advancing the next generation of low carbon nickel-cobalt projects, preparing to supply the metals essential not only for electric vehicles (EVs) and stainless steel, but also for national defense, secure energy systems, and advanced technologies that underpin modern infrastructure and technology.

CNC operates through several subsidiaries that support its strategic goals, including:

- NetZero Metals Inc. – a wholly owned subsidiary focused on developing low carbon production methods for nickel, cobalt, and iron.

- East Timmins Nickel Ltd. – established to consolidate certain of CNC's and Noble Mineral Exploration Inc.'s ("Noble") exploration assets in the Timmins region through a joint venture arrangement; CNC holds an 80% interest.

CNC's common shares are widely held, trading on both the TSX Venture Exchange (TSXV) under the symbol "CNC" and the OTCQX Best Market under the symbol "CNIKF".

Along with our flagship Crawford Project, CNC has acquired 29 exploration projects in the region, 27 of which are deemed active. In 2024, exploration activities took place on the following:

Crawford-Flagship Project (100%)[2] Completed drilling of platinum group element (PGE) "reefs" within the current pit design. This drilling will allow CNC to define a resource in material previously classified as waste rock, adding further project value.	**Newmarket (100%)** Nickel Exploration Property. Preliminary drilling was conducted to define the lithology and mineralogy of the target area.	**Reid (100%)** Nickel Exploration Property. Infill drilling was completed to refine the geological model, leading to the publication of an Initial Mineral Resource at the end of 2024.	**Deloro (100%)** Nickel Exploration Property. Infill drilling was completed to refine the geological model, with an Initial Mineral Resource published in September of 2024.
Mann Central, Mann South, and Mann West (80%) Nickel Exploration Property. Extensive drilling was conducted to define the extent and characteristics of four target areas. Mineral Resource estimations for Mann West and Mann Central are scheduled for completion in 2025.	**Texmont (100%)**[3] Nickel Exploration Property. Infill and exploratory drilling expanded the strike length of the deposit, supporting a Mineral Resource estimation planned for 2025.	**Reaume (100%)** Nickel Exploration Property. Exploratory drilling helped define the morphology and geological characteristics of the target. The area remains of interest, with further work needed in unexplored zones.	**Powell (100%)** Exploration Property. Preliminary drilling tested the geological characteristics of the target. Results indicate the area lacks potential for nickel exploration.
Bannockburn (100%) Nickel Exploration Property. Exploratory and infill drilling were completed to model the geology, supporting a Mineral Resource publication planned for 2025. High-grade nickel intercepts were discovered in addition to the known high-tonnage, low-grade main target.	**Midlothian (Option to acquire 100%)** Nickel Exploration Property. Exploratory and infill drilling were conducted to refine the geological model and support the publication of an Initial Mineral Resource in 2025.	**Nesbitt (100%)** Nickel Exploration Property. Infill drilling was completed to define and publish an Initial Mineral Resource in 2025. Located only 7 km from Crawford, Nesbitt contains accessible aggregate material that can support the Crawford Mine.	

2 Percentages indicate Canada Nickel Company's ownership interest in each property.

3 The Texmont property saw brief production from July 1971 to December 1972, with Sheridan Geophysics Ltd. operating a 500-ton-per-day mill and with the capacity of producing 200,000 lbs of refined nickel products monthly. Power for the mine was supplied by diesel generators, but the high cost of diesel, exacerbated by the 1971 "Energy Crisis" and a burdensome fuel-oil tax, led to the operation's closure. The Texmont deposit is interpreted as having higher grade mineralization in thinner (<20 m) horizons.

Our Purpose

At CNC, we are committed to be a global leader toward a future where critical mineral extraction and sustainability go hand-in-hand. Our Crawford Nickel Sulphide Project ("Crawford," "the Project," "the Crawford Project"), located in the Timmins Nickel District of Northeastern Ontario, is redefining global standards for sustainable, responsible, and innovative mining. Through our proprietary In-Process Tailings (IPT) Carbonation process, we are actively working toward the ability to sequester an annual average of over 1.3 million tonnes of carbon, with up to 1.5 million tonnes annually during peak production years. This natural process not only mitigates climate change but also represents a groundbreaking advancement in low-impact mining.

Our commitment to responsible mining and cutting-edge technology places us at the forefront of the global shift to a low-carbon economy. **At CNC, we are not just participants in this transition—we are driving it**. The achievements at our Crawford Project already position us as pioneers in innovation and sustainability, proving that economic progress and environmental responsibility are not mutually exclusive.

With insights from Indigenous partners, industry experts, employees, environmental, social, and governance (ESG) leaders, executives, stakeholders, and driven by our Board of Directors, we have carefully evaluated our role, responsibilities, and opportunities to create lasting value. This process led to the development of our **Social Purpose**—a statement that will guide our values and strategic decisions as we advance toward a more sustainable future.

"We originate materials to responsibly power the energy transition."

ORIGINATE

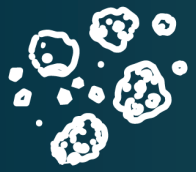
We are committed to the responsible production of metals that can be recycled for generations, while also supporting the immediate supply needed to meet rising global demand.

MATERIALS

Our deposits hold the potential to produce not just nickel but also chromium, cobalt, iron, and platinum group metals, which are key sources for a rapidly evolving technical market.

RESPONSIBLY

We leverage modern technologies such as CNC's unique IPT Carbonation process, low-carbon grid power, and industry-leading environmental expertise to target net-zero carbon emissions while creating positive impacts for communities and society.



POWER

With demand reaching unprecedented levels, we contribute to the supply of critical minerals in Canada while staying innovative, resourceful, and open to new technologies.

ENERGY TRANSITION

We are committed to the responsible production of metals that can be recycled for generations, while also supporting the immediate supply needed to meet rising global demand.

Through our actions, we are building a legacy of sustainable development and setting new industry benchmarks. As we move forward, our social purpose will continue to guide us: **We originate materials to responsibly power the energy transition.**

A Message from the CEO

IN THIS SECTION:

A Message from Mark Selby

I have always believed that progress is built on the idea that everyday materials can transform the way we live. Today, we know that our journey towards a sustainable future is powered by nickel.

This remarkable metal has grown by nearly 9% per year since the start of this decade – outpacing the growth of many other materials such as copper and steel. This growth has been driven by its historic uses in stainless steel and alloys, and its new uses as the metal which gives EV batteries maximum range. Nickel and stainless steel will continue to grow strongly as their properties of being highly recyclable, corrosion resistant (long life), and high strength-to-weight materials are exactly what's needed by a modern economy. Nickel powers EV batteries in our cars, supports renewable energy systems that light up our homes, enables advanced manufacturing behind everyday devices such as smartphones, laptops, and tablets. As governments and industries set net-zero targets, the demand for responsibly sourced nickel and other critical minerals grows every day. Our work is not just about mining— it is about powering the modern world.

From the start, Canada Nickel has been guided by strong ESG principles which sadly is in stark contrast to the emerging leader in global nickel supply in Indonesia, which now controls more than two-thirds of global supply. Most Indonesia nickel operations show little regard for the environment, the communities where they operate, and the massive carbon footprint (> 50 tonnes CO_2 per tonne of nickel) generated by some of their production processes.

By contrast, sustainability is built into every decision Canada Nickel makes. In 2024, we reached several key milestones that reaffirmed our commitment to responsible resource development: We became the first mining company to submit an Impact Statement under Canada's modernized regulatory process which has been in place

since 2019 (*Impact Assessment Act*, 2019). This milestone for the Crawford Project is the result of years of hard work, dedicated effort, rigorous environmental research, and early, open, continuous, and meaningful engagement with Indigenous and community partners. I want to personally thank Pierre-Philippe Dupont, Vice President of Sustainability and his team, Mathieu Boucher, Environmental Manager for leading this monumental file, as well as Sydney Oakes, Director of Indigenous Relations and Public Affairs and Lauri Corlett, Sustainable Communities Coordinator for their outstanding work on the Impact Statement. I also extend my gratitude to the entire Sustainability team for their dedication to responsible mining.

Working with Indigenous Nations remains at the core of our approach across all of our operations. In 2024, we signed a significant contracting agreement with Mattagami, Matachewan, and Flying Post First Nations to ensure that these potentially impacted First Nations are active partners in our projects and receive equitable economic benefits. In December 2024, Taykwa Tagamou Nation (TTN) announced a landmark $20-million investment in CNC— the largest known investment by a First Nation in a Canadian critical minerals project— further strengthening our commitment to own-source revenue generation and company participation. We believe that meaningful relationships are built on dialogue that starts from day one and continues throughout every phase of our projects.

Our drive for low carbon innovation continues. In 2024, we began the process of filing patents for our IPT Carbonation process, a breakthrough technology developed by our small but mighty team that can permanently store megatonnes of CO2 by turning tailings into carbon sinks. Through NetZero Metals, our downstream processing facilities, CNC is positioning itself as a supplier of choice for battery manufacturers and EV producers.

Nickel, cobalt and iron are essential not only for clean energy and EV batteries, but also for defense technologies. Secure domestic supply chains are a national priority in both Canada and allied nations and they highlight the strategic importance of our work.

Yet, our responsibility goes beyond mining. We believe that investing in the Traditional Territories and communities in which we are fortunate to operate is investing in our collective futures. CNC is committed to creating opportunities for local businesses, building a skilled workforce, and supporting education and training initiatives. Our goal is to develop a supply chain that benefits Northern Ontario and drives long-term economic growth that reaches well beyond the Crawford Project.

Safety and workforce development remain our top priorities. Over the past year, CNC increased exploration from zero drills to nine before scaling back operations without any safety incidents. This is a testament to the culture we are building, where safety, responsibility, and sustainability guide every step.

Looking ahead, 2025 promises to be a transformative year. With construction of the Crawford Project expected to begin pending federal and provincial approvals, we remain focused on advancing permits, securing financing and finalizing long term agreements with Indigenous partners. At the same time, we continue to explore opportunities to expand our low carbon business initiatives, ensuring CNC stays at the forefront of responsible resource development.

Since our founding in 2019, ESG principles have been built into everything we do. In just five years, we have proven that sustainability and business growth can go hand-in-hand. As we move from development to construction, our focus remains on delivering value to investors, employees, and communities. We're not just building a mine—we're setting a new benchmark for responsible mining and critical minerals development in Canada, contributing to a global supply chain that powers economic growth.

I look forward to continuing this work together.

Mark Selby, CEO and Director

2024 Company Highlights

Awarded a **$20-million** investment from Taykwa Tagamou Nation

Export Development Canada provided a letter of intent to provide a loan of up to **$500 million** for the Crawford Project

Samsung SDI invested **US $18.5 million** for an 8.7% equity stake in CNC

Nearly **120 km** of drilling was completed across the district

Began the process to file patents for **IPT Carbonation**

Awarded a **$3.4 million grant** from Natural Resources Canada's Energy Innovation Program Innovation Fund (ON)

Awarded **$500,000** from the Critical Minerals Innovation Fund (ON)

Awarded a **$4.38 million grant** from Natural Resources Canada's Critical Minerals Infrastructure Fund (CMIF)

Joined the Government of Canada's **Equal by 30 campaign**

Women represent **33%** of CNC's board and **34%** of its workplace

Agnico Eagle invested **$34.7 million** for an 11.0% equity stake in CNC.

Indigenous Partnerships and Regulatory Progress

- Filed the federal Impact Statement for the Crawford Project with the Impact Assessment Agency of Canada, advancing federal environmental assessments and further solidifying mitigation measures with Apitipi Anicinapek Nation, Flying Post First Nation, Matachewan First Nation, Mattagami First Nation, Taykwa Tagamou Nation, and The Métis Nation of Ontario (Region 3)

- Awarded a $20-million investment from Taykwa Tagamou Nation, which could convert to an 8.4% equity stake in CNC (based on the CNC outstanding shares on December 14, 2024) and an option for a Board of Directors seat. The transaction is expected to close in Q2 2025.

- Signed a significant contracting agreement with Flying Post, Matachewan, and Mattagami First Nations for infrastructure critical to the Crawford Project (Highway 655 relocation, Highway 655 temporary overpass, and railway extension) to ensure impacted First Nations and their businesses are active partners, receiving equitable economic benefits and opportunities for own-source revenue generation.

Project Advancements and Strategic Investments

- Samsung SDI, one of the world's largest battery manufacturers, invested US$18.5 million for an 8.7% equity stake in CNC, reinforcing our key role in the EV battery supply chain.
- Filed a National Instrument 43-101 Technical Report for the Reid Exploration Property (see press release). The Company believes that the Reid property has significant further exploration upside, including the potential to expand mineral resources.
- Announced an initial mineral resource estimate for the Deloro Exploration Property (see press release). The project benefits from year-round access, is located only 8 km south of Timmins, is close to existing powerlines, and has a much lower overburden thickness.
- Delivered strong drill results at Mann West and Central, where higher-grade nickel and strong platinum group metals mineralization were intersected. Nearly 120 km of drilling was completed across the district, with the best results to date at Mann West, Reid, Bannockburn, and Midlothian, highlighting the potential of the Timmins Nickel District.

Low-Carbon Innovation and NetZero Metals

- Began the process to file patents for IPT Carbonation, a breakthrough technology that can permanently store CO_2 by turning tailings into carbon sinks.
- Through NetZero Metals, CNC is positioning itself as a supplier of choice for battery manufacturers, electric vehicle producers, and the expansive stainless-steel market.

Government Support and Industry Leadership

- Export Development Canada (EDC) provided a letter of intent to provide a loan of up to US$500 million for the Crawford Project and agreed to act as mandated lead arranger for the project debt facility, demonstrating governmental support for critical mineral development.
- Received a support letter from a leading financial institution for up to $500 million in long-term debt financing for the Crawford Project, bringing the Company closer to securing its full project funding.
- Awarded $500,000 from the Critical Minerals Innovation Fund (ON) to support the development of its nickel processing facility through our wholly owned subsidiary, NetZero Metals Inc. This funding will aid in developing and validating a process flowsheet to convert Crawford's nickel concentrate and third-party feeds into nickel and nickel-cobalt products essential for battery plants in southern Ontario.
- Awarded a $3.4 million grant from Natural Resources Canada's Energy Innovation Program to advance our IPT Carbonation process at the pilot plant stage, a key step in developing Carbon Capture, Utilization, and Storage (CCUS) technology.
- Awarded a $4.38 million grant from Natural Resources Canada's Critical Minerals Infrastructure Fund (CMIF) to support pre-implementation studies for electrical infrastructure at the Crawford Project.
- Agnico Eagle invested $34.7 million for an 11.0% equity stake in CNC.

Advancing Gender Equality

- Joined the Government of Canada's Equal by 30 campaign, part of the Equality in Energy Transitions Initiative, which works to accelerate gender equality and diversity in clean energy transitions and close the gender gap by 2030. It is a joint Clean Energy Ministerial (CEM) and International Energy Agency (IEA) initiative to which CNC is a signatory that has made its commitments public.
- Women represent 33% of CNC's board and 34% of its workforce— more than double the industry average (MiHR, 2024).

2024 ESG Report Highlights

GOVERNANCE

Governance and Ethical Conduct

- **60% of staff** employed during the 2024 calendar year were local.[4]
- Julian Ovens appointed as an Independent Non-Executive Director of the Board, bringing extensive experience in government relations, corporate strategy, and the mining sector.

4 Local consisting of Cochrane District (Northeastern Ontario)

Environmental Stewardship

- Progressed through the Federal Impact Assessment Process with the submission of our Impact Statement for the Crawford Project, marking a key regulatory milestone.
- Pursued multi-year environmental baseline programs to support regulatory approvals, assess annual fluctuations, fill identified data gaps and inform ongoing environmental management.
- Improved measurement accuracy for water takings and greenhouse gas emissions, enhancing the reliability of environmental performance data.
- Recorded zero environmental non-compliance incidents, with no spills, fines, or regulatory exceedances, despite a 464% increase in drilling activity—highlighting the effectiveness of CNC's environmental management practices.
- Achieved a 464% increase in metres drilled, driving a record exploration campaign across multiple properties. This expansion resulted in higher Scope 1 greenhouse gas emissions, primarily due to increased helicopter usage for remote site access, the construction of an access road to the Reid regional property, and greater fuel consumption to support intensified drilling activities.
- While helicopter usage contributed to increased emissions, it also reduced the need for ground-based access, helping to minimize environmental disturbance and ecosystem impact in remote exploration areas.

Social Responsibility

- **$32,454,700 total spend** on local investments[5]
- **1,540 comments/questions** (1,413) and concerns (127) recorded

- **Continued participation in regional events**, including but not limited to:
  - Matachewan First Nation's Annual Traditional Pow Wow
  - Mattagami First Nation's Beaverfest, Annual Traditional Pow Wow, and Witches Walk
  - Taykwa Tagamou Nation's Creefest, Annual General Meeting, and Career Fair
  - Wabun Tribal Council's 30th Annual Golf Tournament
  - Canadian Institute of Mining Porcupine Golf Tournament
  - Timmins Chamber State of Mining Event
  - Timmins Mining Expo
  - Timmins Santa Clause Parade

- **Collaboration with local organizations** to support families in need, including assisting the Northeastern Ontario Family and Children's Service (NEOFACS) and Timmins Anti-Hunger Coalition with packing and delivering holiday food boxes in December
- **69 meetings** with Indigenous Nations
- **$712,530 in payments** to Indigenous Nations[6]
- **Continuous engagement** with Apitipi Anicinapek Nation, Flying Post First Nation, Matachewan First Nation, Mattagami First Nation, Taykwa Tagamou Nation, and The Métis Nation of Ontario (Region 3) for the Crawford Project
- **One signed agreement** with three First Nations (Flying Post First Nation, Matachewan First Nation, and Mattagami First Nation) working collaboratively through Wabun Tribal Council
- **750+ communications** (meetings and emails) with Indigenous Nations – equating to 53% of all external logged communications.[7]

5 Local investments include all sponsorships and donations from CNC's Contributions Program, consulting fees associated with hosting and attending public events within the Timmins region, membership payments for participation in community organizations, fees affiliated with Indigenous Nation consultations, as well as equipment rentals and purchases made within the Timmins region. The 2024 community investment spend is based on the fiscal year and includes the $712,530 in payments to Indigenous Nations. Total spend is rounded to nearest hundred.

6 Payment is based on 2024 fiscal year. Refer to CNC's 2024 ESTMA Report for additional details related to payment types. Dollar values and communication numbers have been rounded to the nearest ten for simplicity and consistency in reporting. All payments are recorded in CAD unless otherwise specified.

7 A logged communication refers to any correspondence recorded in CNC's communications database (NetBenefit). Not all communications are entered into the database; it primarily captures correspondence with Rightsholders and community stakeholders for tracking and reporting purposes.

TALENT AND CULTURE

Talent and Culture

- CNC continued to grow the team throughout 2024 by hiring an Accounts Payable Coordinator, Director of Indigenous Relations and Public Affairs, Executive Human Resource (HR) Advisor, HR Coordinator, Project and Financial Analyst, Senior Electrical Lead, Senior Project Manager, and Sustainable Communities Coordinator.
- 8 temporary Core Technicians were also hired through employee referral[8] and local career fairs, as well as three environmental and exploration students in the Sustainability Department.[9]

HEALTH, SAFETY, AND WELLBEING

Health, Safety, and Wellbeing

8 While Canada Nickel Company does not currently have a formal Employee Referral Program, we are proud that our employees continue to recommend CNC as a great place to work. These referrals have contributed to strong staff retention and reflect the positive workplace culture we strive to maintain.

9 These positions are not captured under total employee count, as contracts ended prior to December 31, 2024

A Message from the Chair of the Board of Directors

The past year has been a defining one for CNC as we continue to advance our goal of building a world-class nickel mine with responsible mining practices at the core of everything we do. As we publish our third ESG Report, I want to reflect on the progress we have made, the milestones we have reached, and the work ahead to ensure that we deliver lasting benefits for Indigenous Nations, communities, investors, and future generations.

In 2024, the Board of Directors remained focused on supporting the advancement of critical permitting processes, particularly the successful filing of the Impact Statement through the Impact Assessment Agency of Canada for the Crawford Project. On behalf of the Board, I want to recognize Mark Selby, our Chief Executive Officer (CEO), and the entire CNC team for their dedication and leadership in reaching this significant milestone. Their hard work and commitment to responsible development have been instrumental in moving the Project forward.

The Board has also seen significant progress in strengthening relationships with Indigenous Nations, resulting in landmark agreements, including those with Taykwa Tagamou Nation and three Wabun Tribal Council member First Nations. These agreements reinforce our commitment to meaningful partnerships built on transparency, respect, and shared economic opportunities.

As CNC continues to grow and move closer to production at record speeds, strong governance remains a priority. Through the ESG Committee and ongoing engagement with Senior Management, the Board ensures that sustainability considerations are embedded in our decision-making. Responsible development is about making sure that the benefits of our projects reach potentially impacted Indigenous Nations, local businesses, and workers across the region. This year, the Board was also pleased to see significant progress in formalizing operations as CNC moves much closer to production. Continuously strengthening our governance framework based on best-practices remains a priority, ensuring the Company is well-positioned for long-term success.

Looking ahead, the Board remains committed to ensuring CNC plays a leading role in strengthening Canada's critical minerals supply chain. The global demand for responsibly sourced nickel is growing, and we are proud to be developing a project that aligns with Canada's sustainability priorities. With the goal of net-zero operations and industry-leading carbon capture innovation, we are not just building a mine, but a sustainable resource that will create long-term value for generations to come.

On behalf of the Board, I want to extend my sincere appreciation to our management team, employees, Indigenous Nations, local communities and stakeholders who have contributed to our success this year. To Indigenous partners, investors, and local communities, we acknowledge your perspectives, your input is valuable to us, and we are committed to ensuring our projects are developed in a way that reflects our shared commitments and benefit us all.

David Smith,
Chair of the Board

Our Approach to Sustainability

IN THIS SECTION:

Responsible Contractor and Supplier Practices

At CNC, we recognize that our success is built on strong partnerships with our suppliers, contractors, and consultants. The activities carried out at our exploration properties rely on the expertise and dedication of this network, and we hold all partners to the highest standards of responsible and safe exploration.

When working on CNC properties, all contractors are required to comply with our policies regarding environmental responsibility, workplace safety, and respectful engagement with Indigenous Peoples and the public.

CNC enforces a zero-tolerance policy for non-compliance.

Any failure to meet our rigorous standards may result in immediate removal from the property and termination of the contract. By upholding these expectations, we ensure that our operations align with our commitment to safety and ethical business practices.

Responsible Procurement

At CNC, we prioritize sourcing goods and services from Indigenous and local businesses whenever possible while ensuring safety, quality, and cost-effectiveness. As outlined in our Local Procurement Policy, preference in competitive bids is given first to Indigenous-owned and operated businesses of those Nations potentially impacted by the Project, as well as members of potentially impacts Nations operating through Indigenous joint ventures or partnerships.

Beyond Indigenous partnerships, we defined local suppliers in consultation with CNC's Socioeconomic Committee, which includes social, economic, and municipal subject matter experts from Cochrane, Iroquois Falls, Smooth Rock Falls, and Timmins.

- Tier 1 Local Companies: Suppliers located within the Cochrane District, including Iroquois Falls, Cochrane, Timmins, Hearst, Kapuskasing, Matheson, Moosonee, and Smooth Rock Falls.

- Tier 2 Local Companies: Suppliers situated within Northeastern Ontario (Algoma, Sudbury, Cochrane, Timiskaming, Nipissing, and Manitoulin) and Abitibi-Témiscamingue, Québec (Abitibi, Abitibi-Ouest, Vallée-de-l'Or, Rouyn-Noranda, and Témiscamingue).

When evaluating procurement opportunities, all other factors being equal, Tier 1 suppliers receive preference over Tier 2 suppliers. This approach ensures that our procurement strategy supports economic growth in the regions where we operate while aligning with CNC's commitment to Indigenous and community partnerships.

In 2024, 37.3% of CNC's total spending was allocated to Tier 1 and Tier 2 suppliers, with the majority directed toward Tier 1 contractors

34.1%
of total spending was on 129 Tier 1 suppliers.

3.2%
of total spending was on 29 Tier 2 suppliers.

Environmental Stewardship in Exploration

At CNC, we recognize that responsible exploration and environmental stewardship are closely aligned. Our commitment to sustainability is embedded in every stage of our project lifecycle— from early exploration to construction and operations— ensuring that we minimize environmental and social impacts while responsibly supplying critical minerals to support a low-carbon future. This approach aligns with CNC's long-term strategy to transition to net-zero mining operations by 2050 while also contributing to broader industrial decarbonization efforts.

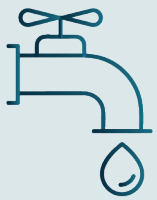
Our Responsible Exploration Policy, guided by industry best practices and regulatory standards, ensures that exploration activities on CNC properties meet the highest environmental, safety, and community engagement standards. Since 2021, CNC has implemented the Responsible Exploration Program, using the Prospectors and Developers Association of Canada's (PDAC) E3 Plus Program as a framework to guide our operations.

We strive for excellence, leadership, and continuous improvement in environmental performance, recognizing that the health of local ecosystems directly impacts the well-being of traditional lifestyles and the communities of Northeastern Ontario, alongside the success of our operations. Through innovation, sustainable land management, and a passion to achieve net-zero carbon emissions, CNC is positioned as a leader in responsible resource development.

All employees and contractors conducting exploration on CNC properties must adhere to the following:

Site Selection

- Minimize vegetation removal whenever possible.
- Utilize existing access routes to reduce environmental disturbance.
- Strive to maintain a 100-metre buffer from permanent water bodies or waterways, exceeding the regulatory requirement of 30 metres as per Ontario's Provincial Standards for Early Exploration (O. Reg. 308/12 of the *Mining Act*, 1990).



Water Management

- Monitor and report water usage, with a focus on minimizing water consumption and ensuring responsible resource management.
- Implement strict controls on water discharge and containment.

Site Remediation and Waste Management

- Conduct post-activity site remediation to restore natural conditions.
- Require the use of biodegradable drilling fluids to reduce environmental impact.

Environmental Oversight and Monitoring

- Perform pre-, active-, and post-drill site inspections led by CNC's Environment team.
- Follow best practices in handling:
  - Wildlife interactions
  - Water body crossings
  - Protection of fish health and habitat
  - Archaeological and cultural site protection
  - Spill response and reporting (both reportable and non-reportable incidents)
  - Equipment and vehicle operation to minimize land disturbance

We originate materials to responsibly power the energy transition.

By prioritizing environmental stewardship, responsible practices, and ethical exploration, we are not only meeting today's demands but setting a new standard for how resource development can align with a low-impact, forward-thinking future.

"In 2024, we achieved a record-breaking year for exploration—drilling over four times more than 2023. This unprecedented campaign was driven by our commitment to unlock the full potential of the Timmins Nickel District and supported by best-in-class practices grounded in safety, environmental stewardship, and respect for Indigenous lands."

Steve Balch, Vice President of Exploration

A Message from the Chair of the ESG Committee

In 2024, the ESG Committee continued to support CNC in advancing its ESG commitments, working closely with the Board of Directors and Finance Team to ensure ESG considerations remain embedded in decision-making. As CNC strengthened its Indigenous partnerships, expanded its drilling program, and deepened community engagement, the ESG Committee provided guidance to help align these efforts with sustainability best practices and stakeholder priorities at the forefront.

The ESG Committee has played an important role in guiding CNC's approach to engagement and consultation, ensuring that project development reflects the priorities of Indigenous partners, stakeholders, and local communities. This commitment was reinforced through the submission of the Impact Statement under Canada's modernized regulatory process. The filing marked a significant step forward in CNC's efforts to maintain transparency, uphold environmental responsibility, and meet regulatory requirements. Throughout this process, the ESG Committee provided guidance, supporting CNC in integrating ESG considerations into decision-making, and ensuring alignment with evolving industry expectations.

Over the past year, the ESG Committee has also helped CNC navigate climate-related risk management, providing insight into evolving regulatory expectations and investor priorities. CNC strives to consider reporting standards, including Task Force on Climate-related Financial Disclosures, Global Reporting Initiative, and United Nations Global Compact, to enhance transparency and investor confidence. These efforts help inform Board discussions and long-term planning, ensuring effective risk management and identify opportunities for sustainable growth.

The Company's commitment to diversity, equity, and inclusion (DEI) remains a key pillar of its long-term vision. As a signatory of the Equal by 30 Campaign, CNC continues to champion gender

balance in leadership with strong representation of women at both the board and management levels to recognize the value of diverse perspectives in driving innovation and success. I am proud of the talented individuals across CNC who contribute to an inclusive, forward-thinking workplace, and of the Company's dedication to fostering leadership that reflects inclusive talent, strength, and diversity.

Continuing to build and strengthen authentic relationships with Indigenous Nations was a big focus in 2024. The ESG Committee has supported CNC in advancing initiatives that prioritize Indigenous businesses in procurement and contracting and develop long-term agreements that create meaningful economic diversity and own-source revenue. The Company has also worked closely with different levels of government to help advance these initiatives and support broader industry collaboration.

Looking ahead, the ESG Committee remains committed to supporting CNC's ESG efforts as we continue to evolve. Whether through the design of the Crawford Project, procurement practices, or operational decisions, ESG remains a fundamental part of CNC's long-term approach. I am encouraged by the progress made this year and look forward to continuing this work in 2025.

Sincerely,

Francisca Quinn, Chair, ESG Committee,
Canada Nickel Company

Governance and Ethical Conduct

IN THIS SECTION:

CNC operates in accordance with the highest standards of corporate governance and ethics. A commitment to ongoing engagement with Indigenous Nations, stakeholders, and local communities ensures that community concerns are addressed honestly and transparently while maximizing the potential benefits of CNC's projects. This approach is embedded in leadership and extends to all employees and contractors.

Our commitment to ESG work is reflected in every aspect of our operations. Oversight and approval of ESG strategies, goals, purpose, and values rest with the Board of Directors and CEO. Development and execution are led by the Vice President of Sustainability, who collaborates closely with senior management, management, and employees. A team of technical experts ensures ESG protocols, policies, and standards are properly implemented, and any concerns or incidents are addressed promptly and effectively.

Governance Structure

Board Composition [10]

CNC's Board of Directors is responsible for overseeing the Company's strategic direction, governance, and for acting in the best interests of the Company. Directors are elected annually by shareholders at the Annual Meeting of Shareholders. Candidates are nominated by the Board of Directors and the Corporate Governance and Nominating Committee. Shareholders may also nominate candidates through a shareholder proposal, provided they comply with the requirements of the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, (OBCA), and the advance notice provisions in the Company's by-laws. The Board of Directors also sets the number of directors to be elected at the Annual Meeting of Shareholders. In the event of a vacancy between annual meetings, the Board of Directors may appoint members to serve until the next Annual Meeting of Shareholders, subject to the OBCA and CNC's by-laws.

CNC is committed to establishing itself as a next-generation leader supporting the global energy transition, guided by a Board of Directors with diverse expertise. Each Director was selected for their unique knowledge in areas including ESG, finance and capital markets, mining and processing, alongside the highest standards of integrity, ethics, and values. Together, they are dedicated to advancing CNC's ambitious objectives.

Additional information on Directors and their competencies can be found on CNC's website under Team.

10 Board of Directors composition is defined according to representation during the 2024 calendar year.

- All committees independent
- Annual director elections
- Diverse representation on the Board of Directors and executive management
- Directors elected individually
- Separate Chair and CEO
- All Board Committees had an attendance rate of 100%, with the exception of the Human Resources and Compensation Committee, which had an attendance rate of 96% across 5 meetings.

Meet One of Our New Board Members

Julian Ovens brings more than two decades of international experience in mining, finance, and government to his role on CNC's board. He has worked across sectors and continents, leading commercial strategy, advancing complex development projects, and advising on trade policy at the federal level.

Julian began his career in investment banking and moved into global mergers and acquisitions, working from Paris, London, and Montreal. He then transitioned into the mining sector, where he spent more than 15 years in senior positions, including leadership roles at BHP and Rio Tinto Alcan. His work took him across five continents, with responsibilities spanning commercial strategy, infrastructure planning, and project development. He served as Project Director for iron ore exploration in West Africa and later led strategy for BHP's potash and diamonds business in Saskatoon.

The corporate chapters of his career were followed by a term in public service. He served as Chief of Staff to Canada's Minister of Foreign Affairs and two Ministers of International Trade, playing a key role in trade negotiations and policy development. He helped guide Canada's response during the North American Free Trade Agreement (NAFTA) renegotiations and worked to include equity-focused provisions in modernized trade agreements. His time in public service underscored the importance of meaningful engagement, particularly with Indigenous and underrepresented communities, and continues to shape how he approaches resource development today.

He holds an ESG Global Competent Boards designation and sits on CNC's ESG Committee. With cross-sector and international experience, he views ESG as a longstanding set of responsibilities that the mining industry must now address with greater urgency and accountability. His focus is on helping ensure those considerations are integrated from the outset and backed by transparent, measurable outcomes.

His decision to join CNC's board was deeply personal. With family roots in northern Ontario and time spent in the region growing up, he sees the Crawford Project as both a major economic opportunity for the region and a chance to approach mining differently. The scale and promise of the project reminds him of the Sudbury Basin, but with the potential to build it using modern methods, improved environmental practices, and meaningful partnerships from the outset.

Since joining the board, Ovens has come to genuinely respect the entire team at CNC. "Working with Mark Selby, Pierre-Philippe Dupont, Sydney Oakes, and the broader leadership team has only strengthened my belief in what CNC is building," he said. "There's a real sense of purpose across the company. People know why the work matters, and they're pushing for innovation, collaboration, and community engagement. The same goes for the board. It's a group that brings different perspectives, but is fully aligned on doing things the right way."

At the board level, he helps guide CNC's approach to risk, strategy, and long-term planning. "It's about staying aligned with our values and working with people who see the same future for this region that we do."

Board of Directors Committees

The Board of Directors has five Committees supporting CNC's activities:

Audit Committee

Responsible for overseeing the integrity of financial reporting and disclosure requirements, financial risk management, internal controls, and the performance and independence of external auditors.

Corporate Governance and Nominating Committee

Oversees corporate governance matters, including Board nominations, disclosures, legal compliance, and the development and administration of policies, charters, and procedures. The Committee also promotes a culture of integrity throughout the corporation.

Additionally, the Corporate Governance and Nominating Committee conducts an annual assessment to evaluate:

(ii) the effectiveness of the Board of Directors, its committees, and individual Directors

(ii) The skill levels of Directors across key categories.

Environment, Social, and Governance (ESG) Committee

Oversees CNC's health and safety, Indigenous relations, climate, environmental sustainability, and social responsibilities, ensuring ESG practices align with the Company's net-zero objectives and social purpose.

Reviews management reports, performance results, and audits on sustainability, environmental, and social matters, including Indigenous and stakeholder engagement, environmental incidents, and policy implementation. Ensures operational procedures are in place to mitigate social and environmental risks while providing recommendations on risk management, regulatory impacts, and emerging trends.

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.

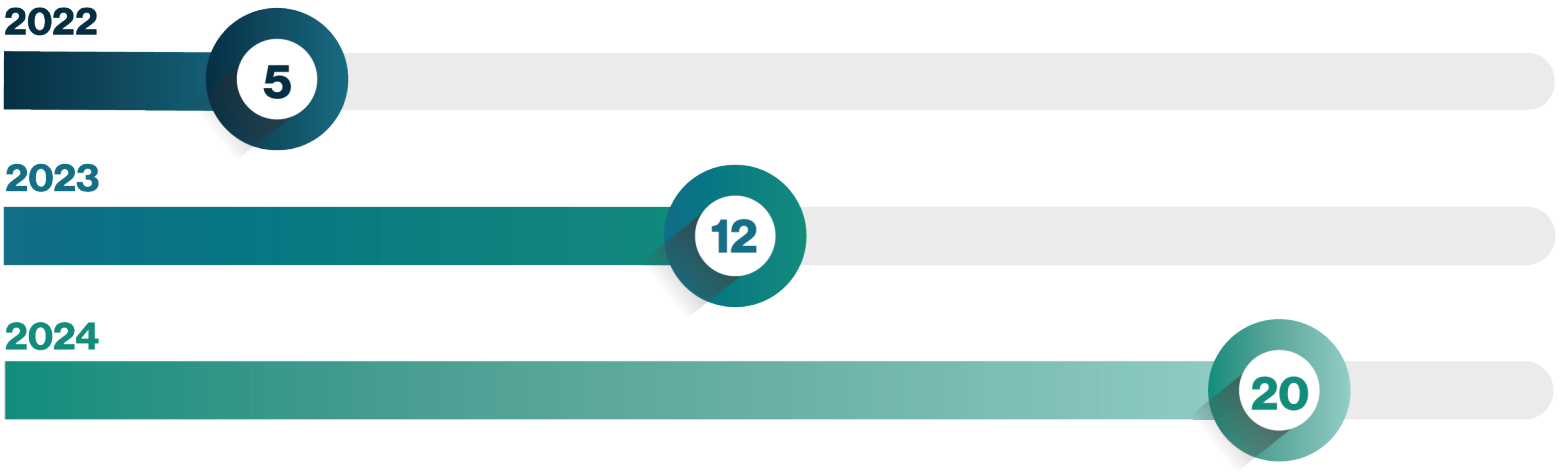
Human Resources and Compensation Committee

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

Technical Committee

Oversees the Company's obligations and responsibilities related to technical matters, operational strategy and performance, innovation, and research and development.

Number of Board of Directors Committee Meetings



Strategic Subsidiaries Supporting Sustainable Growth

To further its mission of advancing responsible, low-carbon resource development, CNC has established several strategic subsidiaries. Each plays a key role in supporting the Company's long-term sustainability, governance, and economic development objectives, both in Canada and globally. These include NetZero Metals Inc and East Timmins Nickel Ltd. ("ETN").

NetZero Metals Inc.

NetZero Metals is CNC's wholly owned subsidiary focused on building North America's largest nickel processing and stainless-steel production facilities. Planned for the Timmins Nickel District, these facilities will utilize innovative, low-footprint technologies to enable low-carbon production of nickel, cobalt, and iron. The initiative aims to bridge a critical gap in the North American EV and stainless steel supply chains by providing a domestic source of clean, ethically sourced materials.

In 2024, NetZero Metals appointed an experienced leadership team, including CEO Mike Cox, a 35-year veteran of global nickel processing operations. The company also established a technical Advisory Board with expertise in metallurgy, stainless steel, and alloy production. NetZero Metals is working closely with our engineering partners and is nearing completion of the initial scoping study. These facilities are expected to drive significant local job creation and economic growth while maintaining world-leading environmental standards.

East Timmins Nickel Ltd.

ETN was established in February 2025 through a joint venture between CNC and Noble Mineral Exploration Inc. This subsidiary consolidates multiple exploration-stage assets in the Timmins region, forming one of the most extensive nickel exploration portfolios in Canada. CNC holds an 80% interest in ETN, which is focused on unlocking the long-term mineral potential of the region through targeted drilling, resource estimation, and development planning. ETN enhances CNC's ability to advance multiple properties while maintaining operational focus on the Crawford Project.

Risk Management

CNC has developed and maintains a comprehensive Risk Register that addresses a broad range of corporate risks, including health and safety, human resources, financial, administrative, technical, environmental, legal, political, social, and reputational factors. The Risk Register is reviewed annually by the Board of Directors and updated regularly through collaborative discussions with designated risk owners across senior management. This process ensures timely identification, analysis, and mitigation of both project-specific and enterprise-wide risks. The register is a core tool in supporting proactive decision-making and reinforcing CNC's commitment to responsible project development.

Corporate Governance Policies

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

To further demonstrate this commitment, CNC develops and manages comprehensive policies to ensure legal compliance, employee safety and regulatory risk mitigation.

The following policies were a key focus for 2024:

- Code of Business Conduct and Ethics (the Code), was completed for implementation in 2024 and the workforce was formally trained on the policy across the organization. Awareness and understanding of the Code for all CNC employees will continue to make CNC a better place to work. A copy of the policy can be found under *Appendix D* of CNC's 2023 ESG Report (Canada Nickel Company, 2023).

- Workplace Violence, Harassment, and Discrimination Policy, was updated in 2024 and rolled out with the Code to all employees. This policy can be found under A*ppendix E* of CNC's 2023 ESG Report (Canada Nickel Company, 2023).

- Issue Resolution (Whistleblower) Policy, was completed in 2024 and rolled out to all employees and communication was combined with the Code and the Workplace Violence, Harassment and Workplace Discrimination Policy. A copy of this policy can be found under *Appendix F* of CNC's 2023 ESG Report (Canada Nickel Company, 2023).

- The Environmental, Social, and Governance (ESG) Policy was finalized in Q2 2025. It will be reviewed by all staff during 2025 and incorporated into the onboarding process for new employees. A copy of this policy can be found under *Appendix D* of this report.

Additional policies currently under review include the:

- Anti-Corruption and Bribery Policy

Meet the Vice President of Sustainability

Pierre-Philippe Dupont

Pierre-Philippe Dupont recognized the need for a stronger environmental and social focus in mining and wanted to be part of the solution. This led him to pursue a career dedicated to making the industry more sustainable. With nearly 20 years of experience in environmental leadership, permitting, and community engagement, he has supported numerous mining projects in meeting their highest ESG standards.

Throughout his career, Pierre-Philippe has led environmental and permitting strategies for major mining developments across Canada, including nickel and gold. Among his proudest achievements is securing the environmental authorization for the Dumont Nickel Project, a 100,000-tonne-per-day open-pit nickel mine in Québec.

At CNC, he leads the company's efforts to responsibly develop critical minerals while minimizing adverse environmental, social, and economic impacts. Over the past year, Pierre-Philippe played a key role in advancing CNC's sustainability agenda, including the successful filing of the Impact Statement for the Crawford Project—the first submitted under the amended Impact Assessment Act (2019). This milestone marked the culmination of months of extensive collaboration and integration of environmental, social, and economic mitigation strategies.

With a long-standing view of the mining industry's evolution, Pierre-Philippe explains, "Fifteen years ago, environmental assessments were mostly about fish and animals. Now, they reflect a much broader understanding of social responsibility and the long-term well-being of mining communities." This shift affirmed what he has always believed: "You can't separate environmental goals from people's lives anymore; it's all interconnected."

A major highlight in 2024 was the signing of a transformative contracting agreement with Wabun Tribal Council, representing Mattagami, Matachewan, and Flying Post First Nations. This agreement ensures First Nation businesses will lead key infrastructure developments for the Crawford Project. In parallel, CNC continues to prioritize long-term agreements with Indigenous Nations, reinforcing its commitment to transparency, respect, and shared prosperity.

As CNC's ESG strategy matures, Pierre-Philippe remains focused on turning commitments into measurable outcomes, integrating sustainability across company operations and tackling key challenges such as carbon capture recognition and responsible land use. He is also a leading voice in government discussions about modernizing Ontario's regulatory framework to recognize carbon sequestration potential in mine tailings, a critical step toward positioning Canada a global leader in low-carbon mining.

With a Master of Science from Laval University, Pierre-Philippe brings both technical expertise with a forward-thinking mindset. His leadership is defined by collaboration, accountability, and transparency— qualities that make him a trusted advisor as CNC scales its sustainability goals. "Sustainability isn't just a box to check anymore," he says. "It's about working alongside communities to build something that lasts— economically, socially, and environmentally."

Environmental Stewardship

IN THIS SECTION:

Permitting and Regulatory Compliance

Both Ontario and Canada, as operating jurisdictions, uphold strict regulatory frameworks to ensure high environmental standards in the mining industry, enforced through rigorous monitoring, compliance assessments, and permitting requirements. CNC's Crawford Project is subject to both provincial and federal regulations, requiring ongoing communication with regulators. CNC proactively assesses and manages regulatory risks to minimize delays and maintain compliance.

Federal Impact Assessment Process

The Crawford Project is currently undergoing a five-phase federal Impact Assessment led by the Impact Assessment Agency of Canada (IAAC). This process evaluates the Project's potential environmental, social, and economic effects through rigorous scientific analysis and Indigenous and community consultation. CNC, as the Project proponent, collaborates with the IAAC to ensure a comprehensive review at each stage.

At the time of this reporting, the Project remains in the Impact Statement Phase (phase 2). The Impact Statement, prepared by CNC, identifies both positive and adverse effects and includes baseline data, scientific analysis, Indigenous and community knowledge, and proposed mitigation measures. It conforms to Tailored Impact Statement Guidelines (TISG) developed by IAAC, which reflect project-specific factors and feedback from Indigenous Nations, the public, experts, and government agencies. The IAAC reviewed CNC's submission to assess compliance with the TISG and the adequacy of proposed mitigation strategies.

Submission of the Impact Statement for the Crawford Project

CNC submitted its Impact Statement on November 22, 2024, becoming the first company to do so under the amended *Impact Assessment Act (2019)*. While previous Impact Statements have been submitted since 2019, they followed the earlier CEAA 2012 framework. On December 9, 2024, the IAAC posted the Impact Statement on its website and invited all Indigenous Nations and stakeholders to provide comments, as well as the public, non-governmental organizations (NGOs), federal agencies, and provincial ministries to provide feedback. The formal comment period ended on February 7, 2025, with 207 comments recorded, which includes feedback received prior to the Impact Statement's formal submission.

Anticipated Residual Impacts and Mitigation Measures

To complete the Impact Statement, CNC studied an extensive list of social, environmental, and economic factors and assessed their potential positive and adverse impacts.

ENVIRONMENTAL

- Soil, sediment, and geological hazards
- Atmospheric and acoustic environment
- Surface and ground water
- Vegetation, riparian, and wetland environments
- Wildlife and wildlife habitat
- Birds and bird habitat
- Fish and fish habitat
- Climate change

SOCIAL

- Rights and interests of Indigenous Nations
- Changes in demand for services and infrastructure
- Housing availability
- Transportation infrastructure needs
- Land use
- Private property considerations
- Recreation
- Resource use

ECONOMIC

- Changes in employment
- Business opportunities
- Local, provincial, and national economy resulting from project construction and operations

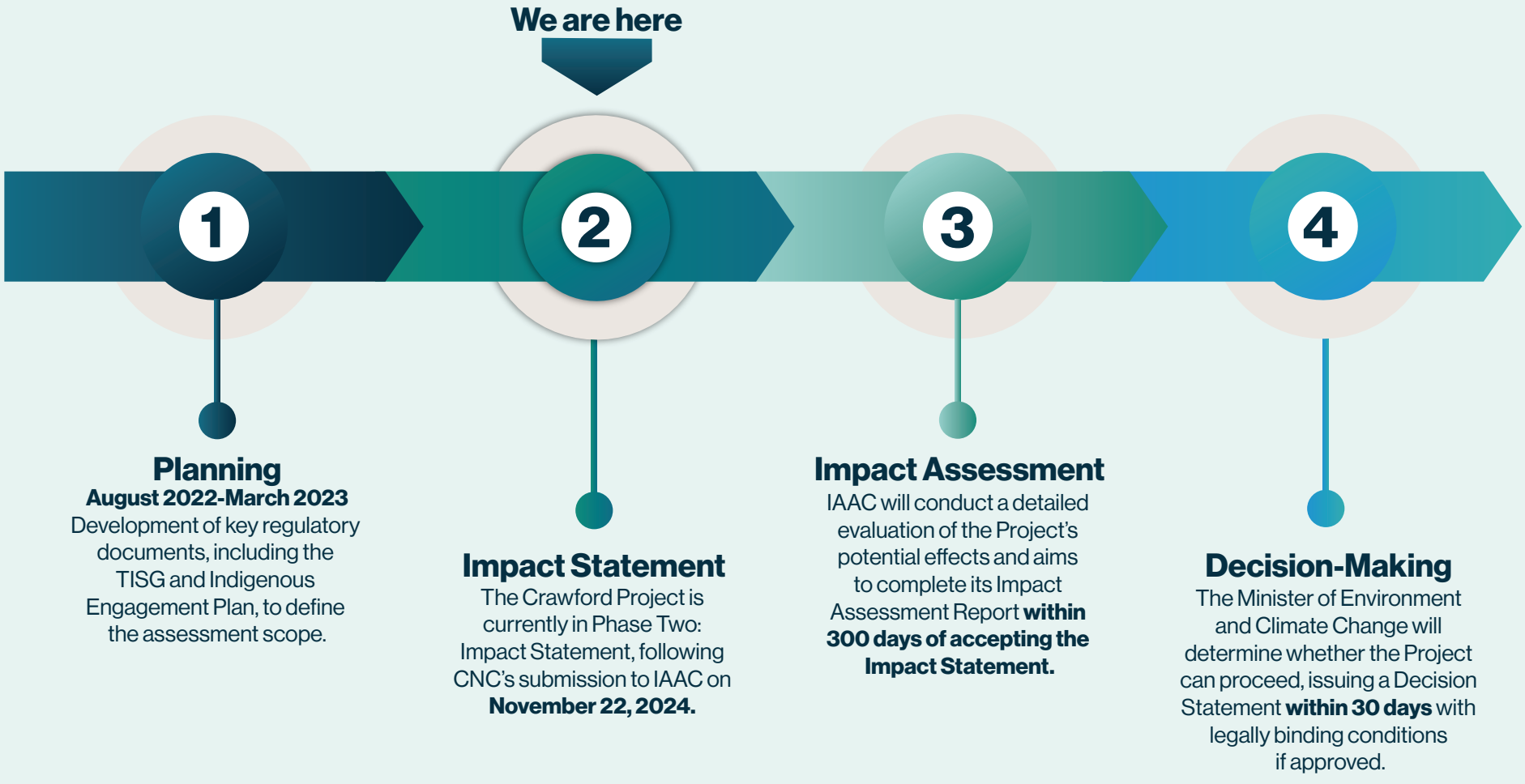
HEALTH

- Physical health
- Mental health
- Social well-being
- Community safety

The Impact Statement presents a comprehensive set of mitigation measures designed to eliminate, reduce, control, or offset adverse effects of the Project. For potential environmental residual impacts, these measures include:

- Progressive site rehabilitation
- Stringent water and air quality management
- CNC's In-Process Tailings Carbonation (IPT) process
- Numerous management plans
- Hiring strategy prioritizing employment Indigenous, local, and regional residents before expanding recruitment beyond the Cochrane District

Canada Nickel's Federal Impact Assessment Timeline



This timeline reflects CNC's commitment to advancing the Project efficiently while ensuring a thorough regulatory review.

Monitoring and Incident Management

Baseline Environmental Monitoring Programs

To support the federal Impact Assessment and future permitting of the Crawford Project, CNC has completed comprehensive baseline studies to inform these processes. A summary of baseline programs conducted to date is provided in the table below.

Crawford Baseline Programs				
Program	**2021**	**2022**	**2023**	**2024**
Air Quality Monitoring	X	X	X	-
Hydrology Monitoring	X	X	X	X
Aquatics Resources	X	X	X	X
Terrestrial Ecology Study	X	X	X	X
Archaeological and Cultural Heritage Assessment	-	X (desktop)	X (desktop)	X (desktop)
Noise and Vibration Study	-	-	X	-
Surface Water	X	X	X	X
Groundwater	X	X	X	X
Light Level Monitoring	-	X	X	-
Soil and Sediment Sampling	-	-	X	-
Country Foods Sampling	-	-	X	-
Environmental Geochemistry	X	X	X	X

Proactive Environmental Management

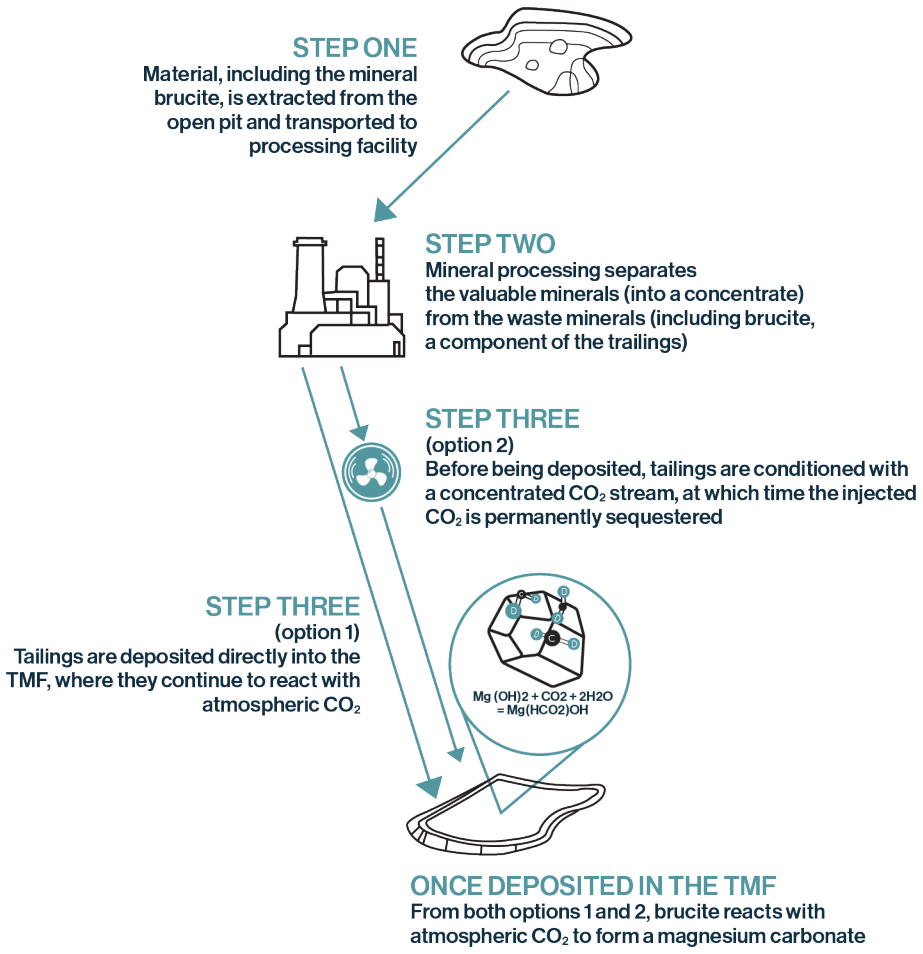
Prior to conducting any activities that may impact the environment, our environmental team performs a risk assessment aligned with CNC's Responsible Exploration Policy, now in its third revision and updated regularly to reflect evolving best practices. The assessment evaluates proximity to environmentally sensitive areas and watercourses, potential hazards, third-party land use, accessibility, and species at risk. This information is shared with the exploration team to guide the safe and responsible planning of drill locations, timing, and access.

We actively engage with Indigenous Nations, stakeholders, and regulators, and to address concerns, incorporate local expertise on environmental conditions and land use, and discuss baseline studies, monitoring programs, potential impacts, and mitigation measures. These efforts are strengthened by the Environmental Committee and the Impact Assessment Committees.

In 2024, CNC had zero instances of environmental non-compliance, fines, exceedances, or reportable spills.

Climate Change and Carbon Management

In-Process Tailings Carbonation Technology [11]



The Crawford Project, hosted within ultramafic rock formations, presents a significant opportunity for large-scale carbon sequestration through mineral carbonation. The rock formations contain minerals—primarily brucite—that naturally absorb and store carbon dioxide (CO_2) by forming stable carbonate minerals. To leverage this natural advantage, CNC has developed IPT Carbonation, a novel carbon sequestration method that enhances CO_2 capture within the tailings stream. This method is supported by extensive research and pilot-scale testing conducted as part of CNC's 2023 Feasibility Study (see Section 13.13, p. 208).

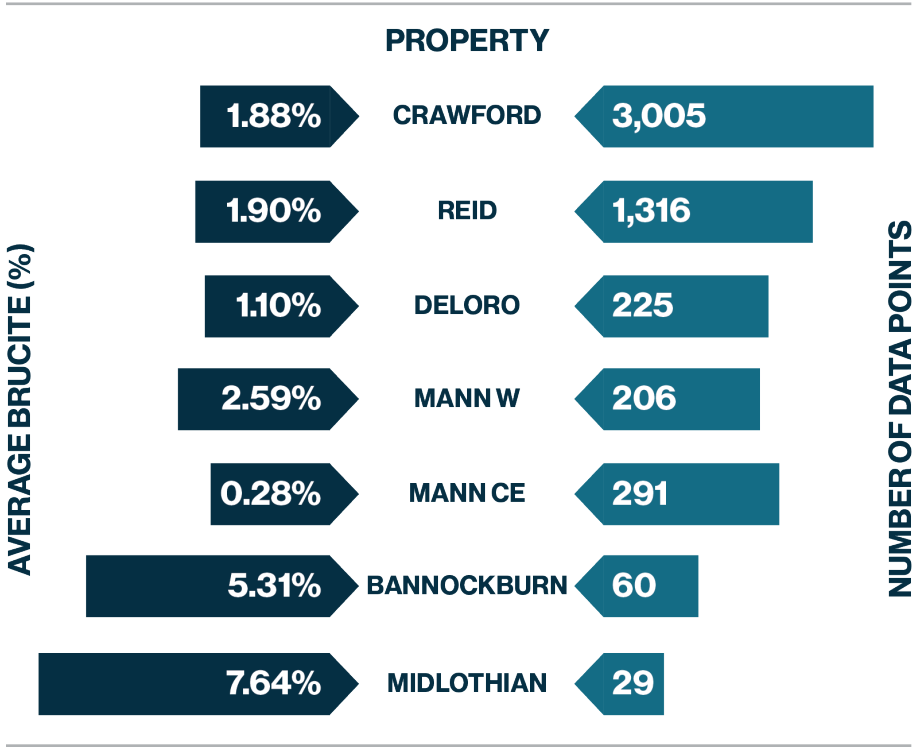
IPT Carbonation involves injecting concentrated CO_2 into tailings at the final stage of the milling process—after tailings thickening and before discharge to the Tailings Management Facility (TMF). The CO_2 reacts with brucite and other sequestration minerals in the tailings, forming permanent carbonate minerals and effectively locking away carbon. This process ensures that CO_2 is mineralized before tailings are deposited, accelerating a process that would otherwise take decades or centuries in a passive setting. This approach draws on well-established scientific principles related to ultramafic mineral carbonation, as described in academic literature (e.g., Power et al., 2013).

By integrating IPT Carbonation into its opserations, CNC aims to achieve significant reductions in greenhouse gas (GHG) emissions. Based on test work conducted throughout 2023, the Crawford Project is estimated to sequester an average 1.5

11 Information, values, and definitions provided in this section are accurate as of March 2024, and may reflect some information dated outside of the 2024 reporting period.

million tonnes of CO_2 annually during the peak 27-year period. This would position Crawford as one of Canada's largest permanent CO_2 sequestration facilities, helping drive regional decarbonization. In the future, CNC envisions the Timmins region as a Low-Carbon Industrial Hub, leveraging the CO_2 storage capacity of the Crawford Project's tailings to capture emissions from nearby industrial facilities.

CNC has evaluated brucite content as a preliminary indicator of carbon sequestration potential across several regional exploration properties. Mineralogical analyses were conducted on drill core samples, and the average brucite content is summarized in the table below in relation to the Crawford Project.



How it Works

Mineral carbonation occurs when CO_2 reacts with minerals such as brucite ($Mg(OH)_2$), serpentine, and olivine, forming stable carbonates such as hydromagnesite ($MgCO_3 \cdot 3H_2O$). The reaction, when integrated into CNC's processing circuit, allows CO_2 sequestration to occur at an accelerated rate when compared to a passive process.

There are two primary routes for mineral carbonation:

1. **Passive Carbonation:** This occurs naturally when atmospheric CO_2 interacts with tailings and exposed rock surfaces. However, passive carbonation is slow and limited by surface exposure and the low concentration of CO_2 in the atmosphere (~0.04%). Studies examining passive carbonation in mine tailings can be found in Hitch et al., 2016 and Wilson et al., 2014

2. **Active IPT Carbonation:** This process accelerates carbonation by injecting a concentrated CO_2 stream (≥70% CO_2) into tailings. The reaction occurs within hours, as opposed to months or years for passive carbonation. Pilot-scale test work has shown that 65-70% of injected CO_2 can be sequestered in a single pass. The process has been designed to recirculate the remaining 30 – 35% of un-sequestered CO2 in the headspace to target a 100% CO2 sequestration rate. This approach aligns with peer-reviewed findings on accelerated mineral carbonation using ultramafic material (e.g., Allen and Brent, 2010)

This approach ensures rapid, scalable, and verifiable carbon sequestration, making IPT Carbonation a potential game-changer in the mining sector's response to climate change.

IPT Carbonation Highlights

CNC has conducted extensive research, development, and pilot-scale testing to advance IPT Carbonation:

IPT Carbonation Variability Testing

- Comprehensive variability testing was conducted across the Crawford deposit to assess CO_2 sequestration potential based on brucite content.

- A predictive model for CO_2 storage capacity was developed.

Pilot Program Results

- Canada Nickel has successfully demonstrated the process at various scales. In the first pilot program in mid-2023, the process was scaled by over 50 times, from bench scale (3L) to pilot scale (175-200 L). In 2024, the process was further scaled to 1800 L, which is an increase in scale of 600 times from the bench scale and over 9 times when compared to the previous pilot plant.

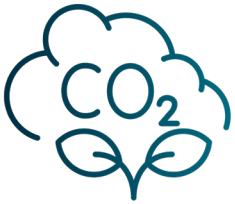
- The first pilot plant, operated at SGS Lakefield in mid-2023, demonstrated that CO_2 storage metrics met or exceeded expectations, with up to 35 kg of CO_2 stored per tonne of tailings. Additionally, the data suggested that it may be possible to reduce the residence time from 6.5 to 3 hours

- The second pilot plant, which was completed in the summer of 2024, was done at SGS Lakefield using 130 tonnes of ore from Crawford from a variety of locations and lithologies. The pilot plant, which demonstrated the full process flowsheet including the IPT Carbonation step, was the largest pilot plant ever executed at SGS Lakefield. This

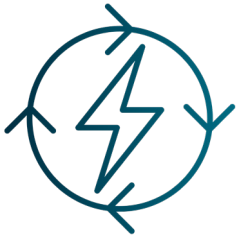
pilot demonstrated the ability to scale up and operate the IPT Carbonation process with fresh feed in a continuous operating environment. This pilot demonstration was successful, helping to prepare CNC for commercial operation. The results of the 2024 pilot study are still being compiled.

Path Forward and Expansion Opportunities

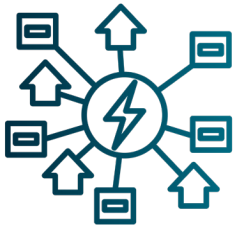
CNC remains committed to further refining IPT Carbonation to maximize sequestration efficiency, optimize operating conditions, and reduce capital costs. As the Project advances, key next steps in 2025 include:



Regulatory Approvals and Carbon Credit Certification: Engaging with regulatory bodies and carbon credit markets to secure approvals for CO_2 sequestration accounting, which will enable CNC to monetize sequestered CO_2 by generating credits as specified by the Ontario Emissions Standards program.



Lifecycle Analysis and Long-Term Monitoring Program: Establishing a framework for long-term CO_2 sequestration verification to ensure stored CO_2 remains stable over time and supports CNC's commitment to net-zero mining operations by 2050.



Optimization of Process Efficiency and Cost Reductions: Refining process conditions to increase CO_2 uptake efficiency, reduce reagent consumption, and enhance integration within the milling circuit to minimize operational costs.

Patenting and Intellectual Property Protection: CNC continues to advance the patenting process for IPT Carbonation to safeguard the technology and support future commercialization opportunities.

With the potential to integrate large-scale CO_2 sequestration into critical minerals production, IPT Carbonation could set a new industry standard for low-carbon and net-zero mining worldwide.

This approach ensures rapid, scalable, and verifiable carbon sequestration, making IPT Carbonation a potential game-changer in the mining sector's response to climate change.

Greenhouse Gas Emissions and Energy Use

We have estimated our Scope 1 and Scope 2 emissions and energy consumption as they relate to our current activities. Drilling remains the primary contributor to these metrics, with an emissions intensity of 43 kg CO_2 equivalent per metre drilled and an energy intensity of 531 megajoules (MJ) per metre drilled. 2024 marks the third year this information has been compiled.

In 2024, the increase in energy and emissions intensity is not due to the size of the campaign, but is largely attributed to an exploration campaign that involved a higher reliance on helicopter support, particularly for drilling on remote properties. Helicopter used to transport drill rigs require Jet-A fuel (aviation fuel), and are significantly more energy intensive than conventional diesel-powered ground transport for rigs. Jet-A fuel consumption increased by 9,173% from 2023 to 2024 and accounted for 18% of non-renewable energy consumption in 2024, compared to just 1% in 2023. This shift highlights the substantial carbon and energy impact of helicopter-supported exploration.

Additionally, CNC executed the construction of an access road into the Reid exploration property, which contributed an additional 5,367 kg CO_2 equivalent (CO_2 e) and 7,593,000 MJ of energy consumption.

If construction activities for the Reid Road development were excluded, energy intensity would be 470 MJ per metre drilled, making it more comparable to previous years. However, the emissions intensity (kg CO_2 equivalent per metre drilled) remains unchanged at 43 kg CO_2e/m drilled, as emissions from the Reid Road works were negligible in comparison to overall drilling-related emissions.

As a junior mining company, CNC's current operations are limited in scale and primarily focused on exploration and early-stage development. For this reason, Scope 3 emissions such as those associated with business travel or office-related activities are not currently included in our inventory, consistent with standard practice at this stage of project development.

Scope 1 (direct) emissions:
5,399 tonnes CO_2e[12] (33 tonnes CO_2e attributable to Reid Road construction)

688% increase from 2023 (685 tonnes CO_2e)
88% increase from 2022 (2,879 tonnes CO_2e)

Scope 2 (indirect) emissions:
2 tonnes of CO_2e[13]
No change from 2022 or 2023 (2 tonnes of CO_2e)

12 Includes CO2, CH4, N2O, across all CNC's exploration properties active in 2024.
13 Value is rounded to nearest tonne

Energy Consumption[14]

DIESEL
46,000,000 MJ[15]
(includes 7,438,400 MJ[16] for Reid Road construction)
49% increase from 2022 (30,900,000 MJ)
530% increase from 2023 (7,300,000 MJ)

GASOLINE
2,100,000 MJ[17]
(includes 154,700 MJ[18] for Reid Road construction)
61% decrease from 2022 (5,400,000 MJ)
17% increase from 2023 (1,800,000 MJ)

JET FUEL
11,591,000 MJ[19]
Note that no jet fuel was consumed for the Reid Road construction
183% increase from 2022 (4,100,000 MJ)
9,173% increase from 2023 (125,000 MJ)

PROPANE
5,367,000 MJ[20]
Note that no propane was consumed for the Reid Road construction
Propane emissions were not recorded in 2022
1,058% increase from 2023 (463,000 MJ)

NATURAL GAS
664,000 MJ[21]
Note that no natural gas was consumed for the Reid Road construction *Natural gas emissions were not recorded in 2022 or 2023*

ELECTRICITY + HEATING
168,330 kW/h[22]
(600,000 MJ[23])
20% increase from 2022 and 2023 (500,000 MJ)

TOTAL: 66,300,000 MJ[24]
(includes 7,593,000 MJ[25] for the Reid Road construction)
62% increase from 2022 (40,900,000 MJ) 584% increase from 2023 (9,700,000 MJ)

Energy Intensity (Megajoules/metre drilled)

GHG Emissions Intensity (kg of CO_2/drilled metre)

14 Energy consumption calculations include emissions from the Reid Road construction.
15 Rounded to nearest hundred thousand
16 Rounded to nearest hundred
17 Rounded to nearest hundred thousand
18 Rounded to nearest hundred
19 Rounded to nearest thousand
20 Rounded to nearest thousand
21 Rounded to nearest thousand
22 Rounded to the nearest ten
23 Rounded to nearest hundred thousand
24 Rounded to nearest hundred thousand. The 464% increase in metres drilled between 2023 and 2024, along with the 7,593,000 MJ of energy consumption for the Reid access road development, contributed to higher overall energy consumption rates in 2024. Additionally, increased helicopter usage for exploration drilling operations led to a 9,173% increase in jet fuel energy consumption compared to the previous year. Refer to the 2024 Data Tables in Appendix A and ESG Performance Summary for detailed emission intensity values. Emission intensity provides a clearer comparison by normalizing emissions relative to production or output, offering better insight into the company's performance in reducing environmental impact over time.
25 Rounded to nearest thousand

Advancing Net-Zero Goals and Climate Leadership

Aligning with our social purpose and Canada's national target of net-zero emissions by 2050, CNC has placed mitigating climate change at the forefront of the Crawford Project. The Project is being designed to achieve net-zero carbon nickel and steel production by 2050. We believe net-zero is achievable through: the use of CO2 sequestration using our IPT Carbonation technology which employs a pilot-scale proven CO2 sequestration by mineralization technology; the substitution of anthracite coal with qualified biochar; and the use of electric trolley assist for the uphill haul portions in the open pit. In these boundaries we include direct combustion from the use of fuels and low-carbon electricity from the Ontario grid. These emissions are commonly known as scope 1 and 2 under the Greenhouse Gas Protocol. Excluded are emissions from our supply chain and the end use of the metals. However, the Project will support the global energy transition and the shift to cleaner technologies such as EVs and renewable energy storage. See disclosure regarding Forward Looking Information on page [75] below.

As part of this commitment, CNC has developed a comprehensive climate action strategy, integrating industry-leading low-carbon technologies, leveraging Ontario's clean energy grid, and maximizing the Project's carbon sequestration potential. These efforts are underpinned by the Strategic Assessment of Climate Change (SACC) framework and CNC's commitment to adopting the Best Available Technologies (BAT) and Best Environmental Practices (BEP).

INTEGRATING RENEWABLE AND LOW-CARBON INFRASTRUCTURE

- The Crawford Project will capitalize on Ontario's electricity grid, significantly reducing Scope 2 emissions.
- The Project is strategically located near existing transportation, power, and community infrastructure, minimizing new land disturbances and their associated emissions.

LEVERAGING ELECTRIFICATION AND SMART TECHNOLOGIES

- The mining fleet will incorporate trolley-assist haul trucks, which reduce diesel consumption and emissions from overhead power lines on uphill hauls, significantly cutting fuel use in high-energy-demand areas.
- The Project will feature electric rope shovels, lowering reliance on fossil fuel-based equipment.
- Automation and digital optimization will enhance efficiency through real-time data monitoring, predictive maintenance, and automated haul truck dispatching, optimizing fuel and energy use while reducing idle time and emissions.

INNOVATIVE CARBON SEQUESTRATION THROUGH MINERALIZATION

- CNC is pioneering a patent-pending IPT carbonation process, which enhances the natural ability of ultramafic tailings to absorb and permanently store CO_2. At peak operation, this method is projected to sequester up to 1.5 million tonnes of CO_2 annually, making the Crawford Project one of the largest carbon storage sites in North America.

COMPREHENSIVE GHG EMISSIONS MANAGEMENT AND RISK ASSESSMENT

- The Project has undertaken a detailed assessment of Scope 1 and Scope 2 emissions, ensuring transparency in reporting and identifying mitigation opportunities.
- Climate risk assessments have been integrated into project planning, ensuring resilience to changing climate conditions and reducing the carbon footprint across all project phases.

POWERING THE ENERGY TRANSITION

- CNC aims to supply low carbon nickel and steel feedstock to the EV battery and renewable energy industries, supporting the development of a climate-resilient, sustainable supply chain for critical minerals.
- Through responsible production, CNC is positioned to provide a sustainable alternative to high-emission nickel suppliers such as Indonesia, where mining is powered by coal-fired electricity.
- NetZero Metals aims to integrate biochar into its processing operations, utilizing this carbon-rich material to offset emissions and enhance the sustainability of nickel production.

CNC is committed to achieving net-zero operations through continuous innovation, collaboration, and investment in sustainable technologies. As the Project advances, ongoing research, partnerships with industry and academia, and engagement with Indigenous Nations and stakeholders will play a key role in optimizing emissions reductions and enhancing the Project's contribution to global decarbonization goals.

Water and Biodiversity Management

Water Monitoring and Use

Located primarily within the Southwestern Hudson Bay watershed, we recognize that our properties intersect watercourses vital to the well-being of downstream and neighbouring communities. We are committed to modelling, monitoring, and managing water withdrawal and discharge, integrating water stewardship into all stages of project design and operation. Guided by executive leadership and the Environment team, 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 potential operational impacts; and
- Conducting risk assessments to identify potential hazards, sensitive aquatic environments, and potential discharge contaminants.

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.

While water withdrawal is required for exploration programs, we operate with the understanding that a balance between our needs and those of the broader ecosystem must be maintained. Our primary source of water withdrawal is exploration drilling, where water is pumped from either groundwater or local waterbodies and injected into boreholes to extract drill cuttings. The cuttings-

water mixture is brought back to the surface and managed using natural lowlands or manmade sumps to separate solids, allowing water to return to the environment. When there is a risk of drill cuttings entering a waterbody or watercourse, secondary mitigation measures, such as silt fencing and hay bales, are implemented to filter out solid particles.

Though operations are relatively small-scale, best practices are in place to minimize or eliminate potential impacts. These include maintaining minimum setbacks from surface water bodies, implementing erosion and sedimentation control measures to eliminate the risk of suspended solids entering watercourses and water bodies, requiring biodegradable drilling fluids, conducting visual site inspections, and limiting water withdrawal.

In 2024, we enhanced measurement accuracy by installing flow meters on most drilling water sources, relying on estimations for only a small portion of withdrawals. This improved confidence in reported data. The total volume withdrawn increased from 2023, mainly due to the expanded 2024 drilling campaign. However, water intensity declined, indicating more efficient water use—achieving more metres drilled per cubic meter of water withdrawn. In 2024, water intensity was measured at 0.38 m^3/m, reinforcing continued efficiency improvements in water consumption.

Total water withdrawal from all areas:
(Surface water + Groundwater)
47.7 megalitres (ML)[26]

No water withdrawn from areas with water stress[27]

Total water discharge from all areas in megalitres (Surface water + Groundwater, assumed) = 47.7 ML[28]

Biodiversity Conservation

Biodiversity, a cornerstone of ecosystem stability and resilience is a key consideration in evaluating our environmental performance.

Average Water Taking Per Drill Per Day (m^3 water/drill)

26 All drills were equipped with flow meters reading in cubic meters in 2024. Daily water readings were taken in the field by the drill crews and data was compiled, analyzed, and distributed by CNC environmental staff. These calculations do not account for domestic water consumption by staff at the corporate or site offices.

27 Water stress refers to the ratio of water use to available renewable freshwater resources in a given area. Regions facing high water stress typically experience limited water availability relative to demand, often due to factors such as overuse, drought, or poor infrastructure. Ontario is not considered a water-stressed region, as it maintains a positive water balance—with abundant surface and groundwater resources exceeding current use levels.

28 Primary substances of concern for water discharge are suspended solids, as targeted by exploration standards and Ontario's regulatory regime. In the case no discharge criteria is imposed, best practices are implemented to minimize the risk of suspended solids migration to receiving water destinations, including the use of erosion and sedimentation control measures such as silt fencing and hay bales, as well as natural lowlands or manmade sumps to manage and filter water prior to release.

Though the impacts of our current operations are temporary and confined to a relatively small footprint, we implement robust planning and operational 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, and usage of a helicopter as needed, to keep necessary clearing contained and to a minimum;
- Wildlife encounter protocols outlined in the Emergency Response Plan and Responsible Exploration Policy;
- Modelling and assessing potential impacts to biodiversity across project development, operation, and closure, and developing corresponding mitigation measures;
- Collaborating with Indigenous Nations 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.

CNC's exploration properties are located within Northeastern Ontario, a habitat primarily consisting of coniferous forests and swamps. As the Crawford Project progresses toward development, terrestrial and aquatic studies have significantly advanced, focusing on species at risk, mammals, bats, birds/ breeding birds, fish and fish habitat, and vegetation communities.

A comprehensive set of mitigation measures has been identified in the Impact Statement, which will be supplemented by monitoring programs in partnership with Indigenous Nations, incorporating their Traditional Knowledge of the land and species.

Social Responsibility

IN THIS SECTION:

Indigenous Rights and Relationships

A True Seat at the Table: Taykwa Tagamou Nation's Historic Investment in CNC

In December 2024, Taykwa Tagamou Nation (TTN) made history by becoming the first First Nation to announce a direct equity investment of this scale in a Canadian critical minerals mining project. TTN's $20 million investment in CNC marks a significant step toward economic self-determination, sustainable development, and shared governance in Canada's resource sector, setting a true seat at the decision-making table for the First Nation. This investment secures TTN an approximately 8.4% ownership stake in CNC (upon conversion of a convertible debt instrument) and also grants a seat on the Board of Directors, ensuring direct participation in shaping the future of the Crawford Project. The agreement exemplifies CNC's commitment to First Nation partnership, responsible governance, and supporting the self-determination efforts of those First Nations potentially impacted by the Project.

"By utilizing our own capital to secure a significant stake in Canada Nickel, we're ensuring we have a true seat at the decision-making table," said Chief Bruce Archibald of TTN. "This collaboration paves the way for future generations to thrive while maintaining our commitment to environmental stewardship and community well-being."

The partnership between CNC and TTN has evolved significantly since the inception of the Crawford Project. TTN has played a pivotal role in ensuring sustainable, First Nation-led infrastructure solutions for the Project, demonstrating the power of First Nations' leadership in creative own-source revenue generating solutions to resource development occurring on their Traditional Territory. TTN is developing and will own the 230kV transmission line supplying clean energy to the Crawford Project. The First Nation will also own and lease the fleet of electric haul trucks to CNC, providing own-source revenue while delivering essential mining services. This model ensures TTN's long-term financial security; funding critical programs, employment, and infrastructure within their community for future generations.

"This agreement demonstrates what can be achieved when First Nations are creative with their own-source revenues, and respect, collaboration, and equity are at the forefront," said Deputy Chief Derek Archibald of TTN.

CNC and TTN's partnership reinforces Canada's leadership in sustainable mining and critical minerals development. As the world transitions toward low-carbon technologies, the Crawford Project is poised to become a key supplier of net-zero nickel for EVs, stainless steel, and battery supply chains. CNC is committed to making the Crawford Project a net-zero operation, utilizing IPT carbonation to sequester up to 1.5 million tonnes of CO_2 annually. TTN's investment and commitment to environmental stewardship over their Traditional Territory aligns with this sustainability vision, ensuring that critical mineral extraction contributes to global decarbonization efforts.

"TTN's leadership and vision have been instrumental in shaping this partnership. As we advance the Crawford Nickel Project towards a construction decision, we also plan to unlock the potential of the Timmins Nickel District together, building a future that benefits both the environment and future generations," said Mark Selby, CEO of CNC.

This agreement is a new model for corporate governance, where potentially impacted First Nations are not just consulted but directly involved in decision-making. TTN's seat on CNC's Board of Directors ensures that First Nations' perspectives are incorporated in project planning, environmental strategy, and economic prudence. This approach is a model for future mining projects, ensuring that First Nations benefit in a new way from Canada's critical mineral boom.

Ontario's Minister of Northern Economic Development and Growth, Hon. George Pirie, recognized the importance of this agreement, stating,

"This landmark agreement will ensure that local communities and First Nations can share in the benefit of mineral development in Ontario."

As CNC and TTN move toward project construction, this partnership will continue to shape a responsible, inclusive, and sustainable mining industry. This agreement is not just about mining—it's about First Nation economic self-determination, environmental leadership in critical minerals, and sustainable governance in shared decision-making. This historic investment sets a new standard for how industry and First Nations can work together, ensuring that economic growth, environmental stewardship, and First Nation leadership work together in parallel.

Together, we are not just mining nickel.

We are building a legacy.

Building Prosperity Together: CNC and WTC Forge Landmark Contracting Agreement for the Crawford Project

In January 2025, CNC and Wabun Tribal Council (WTC), representing Mattagami, Matachewan, and Flying Post First Nations, signed a transformative contracting agreement for the Crawford Project. This agreement ensures that First Nation businesses from these Nations will directly lead and benefit from the construction of three major infrastructure projects: the Highway 655 temporary overpass, the realignment of a 25.7-kilometre section of Highway 655, and the construction of a 25.2-kilometre railway line connecting the Crawford Project to Ontario Northland Railway's existing network.

This agreement is more than a business arrangement—it is a model for First Nation economic participation in Canada's resource sector. By securing contracts for these essential infrastructure projects, First Nation-owned businesses will oversee construction, workforce development, and long-term revenue generation. This ensures that the economic benefits of the Crawford Project remain within these First Nations and strengthen their local economies.

WTC has a long history of securing industry-leading agreements for its member First Nations. Known for its structured, transparent approach to negotiation, WTC has consistently ensured that First Nation interests are protected while fostering economic growth. Its award-winning negotiation model, recognized by the Skookum Jim Award for Excellence in First Nation Participation from the Prospectors and Developers Association of Canada (PDAC), reflects a commitment to securing long-term benefits for First Nations through resource development partnerships. This latest agreement with CNC builds upon that legacy, reinforcing WTC's role as a national leader in First Nation-industry negotiations.

"This agreement provides a genuine starting point for addressing the impacts of the Crawford Nickel Project on our lands and people. It's a positive step towards ensuring Matachewan First Nation's members' voices are heard and our rights are respected," said Chief Alex 'Sonny' Batisse of Matachewan First Nation.

Chief Jennifer Constant of Mattagami First Nation highlighted the significance of the agreement, stating, "This agreement reflects an important recognition of our role as stewards of our Traditional Territory and speaks to Mattagami First Nation's history of, and continued, economic success through partnerships with proponents. While more work lies ahead through our ongoing IBA negotiations, I am extremely optimistic about the opportunities that working in partnership with CNC will bring for our members".

Flying Post First Nation's Chief Murray Ray emphasized the importance of long-term benefits, saying, "Flying Post First Nation has a long history of protecting our lands and advocating for equitable partnerships, which is why we are pleased to be partnering with a company that has sustainability at the forefront of its operations. This agreement, and our partnership, is just the beginning of a much longer journey".

Through this agreement, CNC ensures that First Nation businesses are positioned at the center of these critical infrastructure projects. Open-book negotiations have been a key element of this partnership, providing transparency and fairness in contract discussions, but the true impact comes from First Nation leadership in executing these developments.

Mark Selby, CEO of CNC, recognized the transformative nature of this agreement, "This agreement is a milestone in the development of the Crawford Nickel Project and reflects our commitment to meaningful partnerships with First Nations and our respect for the Traditional Territories in which we are fortunate to operate. We value our ongoing work with Flying Post, Mattagami, and Matachewan First Nations, and the collective advocacy efforts of Wabun Tribal Council, and we look forward to building on this foundation to deliver long-term benefits for their membership, our Project, and the region writ large".

Jason Batise, Executive Director and Lead Negotiator for WTC, underscored the strength of First Nation negotiation and self-determination, stating, "This agreement demonstrates the strength of collaboration and our ability to negotiate meaningful opportunities when the rights of First Nations are respected. As recipients of the Skookum Jim Award from the PDAC for Excellence in First Nation Participation, we take pride in our success negotiating collective benefits for the First Nations we represent. While there is still much work to be done, it is a step in the right direction as we continue to work towards an IBA that fully respects the rights and maximizes the benefits for our members".

By directly awarding major infrastructure projects to First Nation businesses, CNC and WTC are setting a new standard for First Nation economic participation in the mining sector. These projects will create well-paying jobs, increase local contracting opportunities, and provide a model for responsible resource development where First Nations are rightfully industry leaders. This agreement ensures that prosperity from the Crawford Project flows directly to First Nations, establishing a legacy of economic self-sufficiency and long-term sustainability.

A Collaborative Model for Impact Assessment: First Nation Leadership in ESG Stewardship for the Crawford Project

As part of its commitment to meaningful and proactive Indigenous engagement, CNC collaborated with Apitipi Anicinapek Nation (AAN), Flying Post First Nation (FPFN), Mattagami First Nation (MGFN), Matachewan First Nation (MTFN), Taykwa Tagamou Nation (TTN), and the Metis Nation of Ontario (MNO) to develop a collaborative and transparent approach to the Impact Assessment Agency of Canada's (IAAC) Impact Statement process for the Crawford Project.

The Impact Statement process, overseen by the IAAC, requires proponents like CNC to conduct detailed environmental, social, and economic assessments of major projects. This process ensures that potential impacts on Indigenous rights, culture, and land use are rigorously evaluated and that mitigation strategies are co-developed with Indigenous Nations. To facilitate this, CNC engaged the five potentially impacted First Nations above through the Technical Working Group, which provided a forum for collaboration between First Nations, CNC, the IAAC, and relative provincial and federal ministries[29].

Additionally, CNC provided funding for Nation-led Traditional Knowledge and Land Use (TKLU) Socioeconomic Studies to each Indigenous Nation, ensuring that Indigenous knowledge and priorities were incorporated into the assessment process.

CNC's support for Nation-led TKLU and Socioeconomic Studies was a critical component of this engagement, supporting all Indigenous Nations involved assess project impacts through their own knowledge systems and priorities. These studies informed mitigation measures that go beyond avoiding negative impacts—they are designed to enhance Indigenous economic and social participation and create long-term community well-being throughout the project's life cycle.

To further enhance participation and decision-making, CNC partnered with FPFN, MGFN, MTFN, and TTN to establish dedicated First Nation Impact Assessment Coordinators. These Coordinators played a unique and direct role in shaping how project effects were assessed, ensuring that the process was not solely industry-driven but guided by First Nation priorities and expertise. Through their involvement, these First Nations helped co-develop mitigation efforts, refined project planning, and enhanced long-term benefits.

The First Nation Impact Assessment Coordinators were responsible for identifying valued environmental, social, cultural, and economic components based on their respective Nations' knowledge and priorities. Their work ensured the assessment meaningfully reflected First Nation concerns, rather than being solely shaped by industry or regulatory expectations. They reviewed technical reports, provided direct input on impact assessments, and engaged in iterative discussions with CNC to refine mitigation strategies. This included co-developing Nation-

29 The MNO, although not part of the Technical Working Group, provided input through its funded studies and direct engagement with CNC, allowing Métis-specific interests to be reflected in the assessment process.

specific mitigation measures that addressed key concerns while maximizing environmental protections, economic opportunities, and social benefits[30].

A key outcome of all engagement was the co-development of Tailored Chapters within CNC's Impact Statement submission. Each participating Indigenous Nation contributed to a chapter that reflected their unique concerns, priorities, and perspectives. This ensured that CNC's submission was not just a compliance exercise but an authentic representation of Indigenous knowledge, values, and recommendations. The Tailored Chapters incorporated findings from the TKLU studies, socio-economic assessments, and technical reviews to ensure mitigation measures aligned with each Indigenous Nation's environmental, cultural, and economic priorities.

This structured engagement model resulted in a transparent and consistent process, with regular meetings and engagement sessions fostering meaningful Indigenous participation. Environmental mitigation measures focused on land conservation, water resource management, emissions reduction, biodiversity protection, and site reclamation planning.

By working alongside CNC and regulatory bodies, the contributions of each Indigenous Nation played a critical role in strengthening the credibility of the Impact Statement, ensuring that the assessment meets both regulatory requirements and Indigenous expectations. CNC acknowledges the feedback shared by the Nations through the IAAC process and remains committed to ongoing engagement and collaboration throughout the life of mine.

The model implemented for the Crawford Project is one of the first of its kind in Canada, demonstrating that integrating Indigenous-led impact assessment work based on how each Indigenous Nation wishes to be engaged in ways that reflect authentic input results in stronger environmental protections, more sustainable economic opportunities, and increased trust between industry and Indigenous Nations. CNC recognizes that this framework should serve as a model for future projects, where Indigenous Nations play a key role in shaping the environmental, social, and economic considerations of major developments through meaningful engagement and collaboration.

With the groundwork laid by the Impact Assessment process, CNC is committed to continuing this collaborative engagement model throughout the lifecycle of the Crawford Project. Their leadership and contributions will guide ongoing monitoring, adaptive management strategies, and long-term initiatives that benefit both the Project and the surrounding region. By incorporating Indigenous expertise, knowledge, and decision-making at the heart of the Impact Statement process, CNC and potentially impacted Indigenous Nations have demonstrated that responsible mining must be built on trust, inclusion, and a shared vision for the future—one that maximizes benefits while upholding environmental stewardship.

30 While AAN did not have dedicated Impact Assessment Coordinator, their Impact Statement outcomes were similar, based on how they wanted to be engaged.

Meet the Impact Assessment Coordinators

Julie McKay, Mattagami First Nation

Julie McKay is the Director of Lands and Resources and the Impact Assessment Coordinator for Mattagami First Nation. She works closely with leadership and members to ensure the community's perspective is reflected in resource development decisions. Her work includes assessing social and environmental impacts, coordinating technical guidance, and engaging with external partners.

With a background in health administration, Julie previously served as a Program Manager and Assistant Health Director. She holds diplomas in Office Administration from Northern College and Social Services from Sheridan College. She first joined the Impact Assessment Department as a Coordinator and now leads the team as Director, bringing a strong focus on transparency and meaningful community involvement.

She takes an active approach to engagement, meeting with members through discussions, surveys, and community sessions. Since many Mattagami First Nation members live in Timmins, she holds sessions there and collaborates with other First Nations to expand outreach and encourage participation. While she does not have a traditional background, she works closely with Elders and leadership to ensure Traditional Knowledge is respected and included in the impact assessment process.

Outside of her role, Julie stays actively involved in the community. She helped produce a French children's show through TVO, featuring Mattagami youth and highlighting the strengths of the community. She also volunteers with the Timmins Festival Events Committee, assisting with major events like Rock on the River.

She sees every project as a chance to learn and strengthen relationships. Her advice to someone looking to enter the field of Impact Assessment in the mining industry is simple: ask questions, stay involved, and take advantage of every opportunity to learn.

Kayla Schram, Matachewan First Nation

Kayla Schram is the Mineral Development Advisor and Impact Assessment Coordinator for Matachewan First Nation. She leads consultation and engagement on the Nation's Traditional Territory, working to ensure that community interests are reflected in project planning. Her work involves assessing environmental and social impacts, advocating for Indigenous rights, and ensuring Traditional Knowledge is integrated into decision-making.

She was introduced to mining through the Women in Mining course offered by Keepers of the Circle. She began her career in Matachewan First Nation's Finance Department but was drawn to a more hands-on role in resource management. Moving into the Lands and Resources Department, she gained experience in land stewardship, consultation, and Impact Assessment. She has spent the past 10 years in her current role, working to ensure Matachewan First Nation's priorities are represented in discussions about development projects.

One of the most meaningful aspects of her work has been learning from Elders and community members about the Nation's history, sacred sites, and traditional practices. Having lost her grandmother at a young age, she considers it an honour to work closely with Elders and carry forward their knowledge. She is a certified drone pilot and holds a Blue Heron Environmental Monitor certificate.

Outside of work, she enjoys hunting, fishing, foraging, and spending time on the land with family.

Her advice to those entering the Impact Assessment field is to listen first. Understanding the perspectives of First Nation communities and involving them early leads to stronger relationships and better outcomes.

Shane Woodhouse, Flying Post First Nation

Shane Woodhouse is the Impact Assessment Coordinator for Flying Post First Nation. He works to ensure community perspectives are included in resource development, conducting socio-economic studies, meeting with members, and participating in environmental fieldwork. His role is focused on supporting open communication, transparency, and ensuring members stay informed and involved throughout the process.

Originally from Foleyet, Shane now lives in Timmins. He graduated from Timmins High and completed environmental coordination and monitoring training through Blue Heron. His work often takes him into the field, where he assists with environmental studies, site assessments, and pre-, post-, and active drill inspections.

A father of six, Shane values time outdoors with his family, teaching his children about the land, edible plants, and survival skills. Hunting and fishing are lifelong passions, and he spends time at his camp whenever possible. He also plays in a local men's hockey league and is a die-hard Bruins fan.

What he enjoys most about his work is the relationships he has built along the way. He believes meaningful engagement happens through honest conversations, involvement in the process, and respect for different perspectives. His advice to those entering the field is to stay open-minded, listen to all viewpoints, and focus on building trust with the people around you.

Devon Archibald, Taykwa Tagamou Nation

Devon Archibald is the Environmental and Impact Assessment Coordinator for TTN. He ensures the Nation's concerns and priorities are reflected in the Impact Assessment process, coordinating engagement sessions, gathering feedback from members, and advising on environmental and social impacts. He also reviews technical studies and provides updates to TTN leadership.

Before stepping into this role, Devon served as a Youth Councillor for TTN's Chief and Council. That experience gave him firsthand insight into governance and strengthened his ability to advocate for his community. He now applies those skills to ensure TTN plays an active role in discussions with CNC and other stakeholders.

A key part of his work is incorporating Traditional Knowledge into project planning. He helped lead a Traditional Knowledge and Land-Use Study, gathering insights from TTN members to guide decision-making. Recognizing that many members live off-reserve, he ensures engagement sessions are accessible both in-person and virtually.

For Devon, the most rewarding part of his role is building relationships. He understands the long history of First Nations being excluded from decision-making and sees every conversation as a step toward stronger partnerships. His advice to those entering this field is to be patient, listen, and respect different perspectives. Trust takes time to build. It is not given, it is earned.

Outside of work, he enjoys golfing, playing hockey, cooking, and travelling. Fun fact: He has visited the Vatican, the Colosseum, and the Trevi Fountain in Rome, and even swam with dolphins in Cuba!

Women in Mining

Alignment with Gender-based Analysis Plus (GBA+)

Since the beginning of the Crawford Project in 2021, we have integrated Gender-Based Analysis Plus (GBA+) into every phase of our projects. GBA+ is an analytical tool used to assess how gender, race, disability, and other identity factors influence how individuals experience project impacts and opportunities. By adopting a GBA+ approach, we can better understand who may be affected by our projects and identify mitigation measures that promote equitable access to benefits while reducing or offsetting adverse effects.

GBA+ considers multiple identity factors, including sex, gender, race, ethnicity, religion, age, income level, and disability, as well as how these intersect. Collecting disaggregated baseline data in early project stages is critical to ensuring a thorough understanding of potential impacts.

Throughout the Planning and Impact Statement phases of the federal impact assessment process, we collected disaggregated baseline data from multiple sources, including Indigenous Nations, municipal authorities, socio-economic studies, and government statistics (e.g., Statistics Canada). These data have helped us assess potentially disproportionate effects on diverse groups in the areas surrounding the Crawford Project. In cases where information could not be disaggregated by group (such as intimate partner violence statistics), we relied on literature reviews and national-level reports to provide additional context on social considerations.

To strengthen our GBA+ analysis, we have also adapted our engagement methods by identifying and working with organizations that represent potentially impacted communities. These include supportive housing and shelter organizations, advocacy groups for minority populations, and service providers for vulnerable communities. Additionally, we conducted an analysis of pre-operation socio-economic conditions, incorporating the GBA+ framework and validating findings with regional municipalities. This will support future assessments of project impacts and the effectiveness of mitigation measures.

Equal by 30: Canada Nickel's Commitment to Inclusion

In the fall of 2024, we proudly committed to Equal by 30, a global initiative under the Equality in Energy Transitions Initiative, jointly led by the International Energy Agency (IEA) and the Clean Energy Ministerial (CEM). This campaign aims to close the gender gap in the energy sector by 2030. By endorsing Equal by 30, we are reinforcing our commitment to equal pay, equal leadership, and equal opportunities for women and other marginalized groups in mining and clean energy.

As a company operating in an industry where women currently represent only 16% of the workforce, we recognize the need for change. Today, women make up 34% of our workforce and 33% of our Board of Directors, and we are striving to increase representation to 50% as our workforce continues to grow. Our participation in Equal by 30 aligns with our broader DEI initiatives, ensuring that gender equity is not just a commitment but is embedded into our policies and workplace culture.

As part of this initiative, we are taking concrete steps to support gender equity, including:

- Developing a phased DEI program over the next 1-3 years, designed to increase awareness and understanding of gender equality across our workforce.
- Building relationships with local non-profits and stakeholder groups, including Women in Mining, to create opportunities and mentorship for women in the industry.
- Conducting an annual, external market analysis with industry experts to ensure that our compensation aligns with best practices and supports pay equity.
- Providing comprehensive Workplace Harassment, Violence, and Discrimination Prevention training for all employees, with specialized training for managers to ensure a safe and respectful work environment.

Our commitment to DEI best practices extends beyond Equal by 30. In addition to advancing gender equity, we are actively working to foster an inclusive environment by supporting underrepresented groups, enhancing leadership opportunities, and ensuring equitable workplace policies.

We firmly believe that a more inclusive mining industry benefits not only our company, but also the communities where we operate. By prioritizing gender diversity and equity in leadership, hiring, and workplace culture, we are helping to create a stronger, more innovative, and sustainable industry for the future.

Women in Leadership

Wendy Kaufman, Chief Financial Officer

Wendy Kaufman is the Chief Financial Officer (CFO) at CNC, bringing more than 30 years of experience as a senior financial executive and corporate director in the mining industry. As CFO of an advanced exploration company listed on the TSXV, she oversees financial management and planning, corporate governance, accounting and reporting, corporate strategy, capital markets, and people strategy.

Her career in mining began unexpectedly with a junior role at a mid-tier mining company. The complexity of the sector, its global reach, and exposure to diverse cultures made a lasting impression. Over the years, she has led major financings, strategic initiatives, and corporate transformations, including the upcoming debt financing for the Crawford Project—similar to her work on Cobre Panama in 2011.

A Chartered Professional Accountant (CPA), Chartered Accountant (CA), she holds a Bachelor of Business Administration from Wilfrid Laurier University. She believes leadership is built on respect, listening, and challenging teams in a way that fosters growth. She values developing talent from within, recognizing it as both an investment in the company's success and a source of motivation for employees.

She is also passionate about sharing the many career paths available in mining. Through her work, she has traveled extensively, witnessed environmental rehabilitation efforts, seen advancements in technology and safety, and contributed to projects that strengthen communities. She believes the young generation should explore these opportunities and the impact they can have on the mining industry's future.

Outside of work, she stays active through sports and travel. Whether cycling up mountains, golfing along the coast, or relaxing in the Kawartha Lakes, she believes in maintaining a balanced and active lifestyle.

Her advice to future leaders: stay true to your values. Hard work and intelligence matter, but relationships and mentorship are just as important. And in a male-dominated industry, knowing a thing or two about sports can help. Go Leafs!

Katrina Damouni, Director of Investor Relations

Katrina Damouni joined CNC in January 2022 as Director of Investor Relations, bringing more than 15 years of experience in investor relations, corporate development, and capital markets functions primarily within the junior mining sector. She specializes in equity and debt financing, assisting mergers and acquisitions, and driving strategic initiatives. Her extensive network across the United Kingdom , Europe, and North America has strengthened CNC's industry connections and partnerships.

Katrina's career encompasses a range of roles including institutional equity sales and investment banking in the United Kingdom and Canada. She holds a Bachelor of Economics from McGill University in Montreal.

As a member of Women in Mining UK since 2012, Katrina has been an advocate for diversity and mentorship in the mining sector. She believes leadership is built on collaboration and

leveraging individual strengths to achieve shared success. She fosters an environment where diverse skill sets complement one another, prioritizing teamwork and mentorship.

Katrina sees greater representation of women in senior roles as key to shaping the future of mining by bringing fresh perspectives to policy decisions, strengthening workplace culture and driving innovation. Her advice to women entering the sector is simple: be yourself, build strong professional networks and earn a reputation for integrity, collaboration, and excellence in your field.

Sydney Oakes, Director of Indigenous Relations and Public Affairs

Sydney Oakes is the Director of Indigenous Relations and Public Affairs at CNC. She leads Indigenous engagement, public affairs, and government relations. She has spent her career working in policy, governance, and public affairs, including international diplomacy. Before joining CNC, she advised First Nations leaders, governments, and industry in senior roles, including Director of Policy and Provincial Affairs for the Chiefs of Ontario and Director of Intergovernmental Affairs for the National Chief's Office. She co-founded Provoke Public Affairs and contributed to *Indigenous Futures: Research Sovereignty in a Changing Social Science Landscape*. Sydney has built a strong track record of developing solutions that create shared value for Indigenous Nations, industry and government, ensuring long-term benefits for all partners. She holds a degree in Politics and Indigenous Studies from Trent University and a Master of Arts degree in Public Policy and Administration from McMaster University.

She joined CNC for its commitment to redefining responsible mining. The Company's proactive approach to sustainability, advancing low-carbon nickel production, and fostering genuine relationships with Indigenous Nations based on respect and creative own-source revenue generation was particularly appealing to her. She saw CNC as an exciting and rewarding place to contribute her professional efforts, one that was innovative and groundbreaking.

She believes leadership is about accountability and precision, making sure commitments lead to real action. At CNC, she has worked to advance mentorship and leadership opportunities for women in mining, collaborating with organizations to remove barriers and create career pathways in the sector.

Her advice to young women considering a career in mining is to take up space. She encourages them to seek mentors, trust their expertise, and contribute with confidence. Leadership is about stepping forward, shaping change, and making sure those who follow you have more opportunities to succeed.

Jennifer Gignac, Geologist, Database Manager

Jennifer Gignac is a Geologist at CNC with more than 15 years of experience advancing grassroots exploration projects to feasibility. She joined CNC in July 2020 and supports the Exploration Team with geological database management, diamond drill core examination, and geological model reviews. She also plays an active role in promoting health and safety in the workplace and participates in community engagement initiatives.

Originally from Oakville, Ontario, with roots in Kawartha Lakes, Gignac has lived in Timmins since 2017 with her partner Ken and their children. She holds a Geotechnical Engineering Diploma

from Sir Sandford Fleming College, a Bachelor of Science in Geology from Acadia University, and is currently working toward an Applied Master's Degree focused on the Crawford Project at Laurentian University. In her free time, she enjoys spending time outdoors and gardening.

Jennifer leads by example, believing the best way to motivate a team is to work alongside them. She is both task and people oriented, recognizing that those doing the work often know the most practical way to get it done. Respect and recognition are central to her leadership approach, ensuring that people feel appreciated for their contributions and stay engaged in their work.

Jennifer supports a competency-based approach to hiring, believing that skill, experience, and dedication should drive opportunities in the industry. She sees diversity as both a challenge and an opportunity— one that, when embraced, leads to stronger teams and better solutions. Creating an inclusive environment ensures all voices are heard, fostering innovation and strengthening the industry.

Her advice to young women considering a career in mining is straightforward: just do it. She encourages them to pursue their goals without being influenced by self-doubt or negative perspectives.

Stacey Lefebvre,
Manager of Human Resources,
Health, Safety, and Wellness

Stacey Lefebvre is the Manager of Human Resources, Health and Safety, and Employee Wellness at CNC. With 22 years of experience in human resources, including over a decade in the mining sector, she ensures that health and safety are integrated into all activities while supporting recruitment, retention, and workforce development. She works closely with teams across the company to foster a strong workplace culture and a safe, inclusive environment.

Her career in mining started with a mentor who encouraged her to take on new challenges. The fast pace and complexity of the industry quickly drew her in. Since then, she has been involved in major projects, including the start-up of Ontario's first diamond mine and a gold mine expansion. She has also shared her expertise at industry conferences, presenting on Prior Learning Assessments.

Born and raised in Iroquois Falls, Lefebvre understands the importance of mining to Northern Ontario communities, where she continues to enjoy the lifestyle of the North. She is a strong advocate for mentorship and career development, particularly in encouraging more women to explore male-dominated roles in mining like engineering and the trades. She believes greater representation in these areas will strengthen the industry and create a more diverse and skilled workforce.

Stacey's leadership approach emphasizes adaptability and alignment with CNC's priorities, particularly as the Company advances its ESG commitments. Stacey believes effective leadership requires both strategic foresight and operational execution, driving innovation when needed while maintaining stability. By fostering collaboration and empowering employees at all levels, she supports CNC's efforts to build a safe, inclusive, and resilient workforce prepared to meet the industry's sustainability challenges.

Enhancing Sustainable Mining in the Timmins Region from a Gendered Lens

Michelle Boileau, Mayor of Timmins

Mayor Michelle Boileau is guiding Timmins through a period of significant economic opportunity. With global demand for critical minerals on the rise and CNC's Crawford Project advancing, the region is entering a new phase of growth. In a city with deep mining roots, the mayor's leadership is helping ensure that Timmins is not only supporting resource development, but also preparing to respond to the rapid growth that will follow.

In two sectors that have historically been male-dominated, politics and mining, Mayor Boileau brings a different kind of leadership style: results-driven, inclusive, and grounded in the needs of the community. She is focused on building strong partnerships, aligning municipal planning with long-term project needs, and investing in infrastructure and services that support sustainable, community-driven development. For the Mayor of Timmins, responsible growth means balancing economic opportunity with environmental responsibility and overall quality of life.

> **"Mining has always been a part of life in Timmins," she says. "Now we have a chance to shape how it continues, in a way that reflects where we're going, not just where we've been."**

Mayor Boileau has worked to strengthen the local supply and service sector while addressing existing gaps, from housing and transportation to education and workforce development.

Early conversations around infrastructure and sustainability are already influencing how the city is preparing for future economic growth.

She sees the Crawford Project as an important driver, not just for mining, but for regional development.

> **"There's real interest in what this project could mean for families, for business owners, for people looking to build a life here," she says. "The more we've been involved in the process, the more people feel they have a role to play in it."**

Through her work on CNC's Socioeconomic Committee, Mayor Boileau has helped ensure the city's priorities are shaping the conversation. The committee focuses on long-term local needs like infrastructure, health care, housing, and education.

"What CNC is doing is helping us look ahead. It's not just about jobs; it's about the kind of community we're building around those jobs.

The mayor credits CNC for establishing open, ongoing communication early in the process.

"CNC has been a strong partner," she says. "By bringing us in from the beginning, they've helped build trust, and that's a critical piece of any project with long-term community impact."

Mayor Boileau's leadership has also helped shift public perceptions for the better. When she had her second child in office, she brought her baby to city hall and adjusted her schedule around essential parenting needs.

"It changed expectations in a good way," she says. "People saw that leadership doesn't need to follow a traditional schedule or model. It made space for others to think differently, too."

She also learned the value of delegating.

"It taught me to focus on what matters most, and let go of the idea that I had to manage every detail myself."

That approach has shaped her work as mayor. She sits on the district childcare board and continues to push for better access; especially for women in mining, where shift work doesn't always align with traditional child care models.

"If we want more women in the workforce, especially in mining, we need to make sure the support systems are there. Otherwise, we're setting them up to fail."

She also co-founded the Northern Ontario Women's Association to support women in leadership across the region.

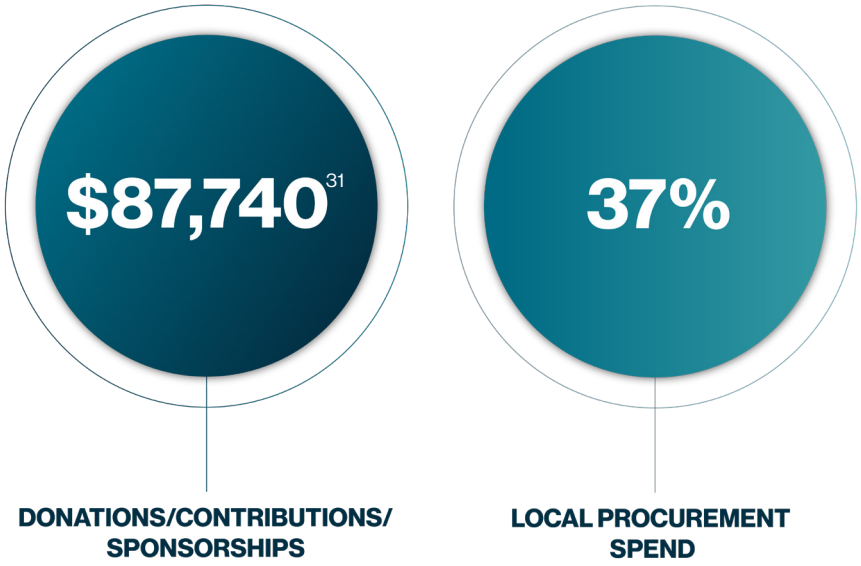
"I didn't have many women to look to when I started out," she says. "But the mentorship from those who were there meant so much. That's why it was important to create something where we could support each other."

Her message to women in leadership, whether in mining, government, or any other field—is clear:

"There are still rooms where it's hard to be heard," she says. "But don't wait to be invited into the conversation. Speak up. And if you didn't get the chance in a meeting or conversation, say it afterwards. You can still shape the outcome."

As Timmins moves forward, Mayor Boileau sees the city's next phase of growth as a shared effort, one that depends on collaboration, thoughtful planning, and strong, inclusive partnerships.

Building Stronger Communities



Community engagement has been a cornerstone of CNC's approach since its founding. From exploration to project development, we remain committed to fostering positive social and economic outcomes in the regions where we operate.

Early, ongoing, and meaningful engagement ensures that CNC brings tangible benefits to those living and working near our operations while proactively addressing challenges in a collaborative and efficient manner. Through partnerships with Indigenous Nations and project stakeholders, CNC has established a set of core guidelines and best practices for social performance, emphasizing transparency, attentiveness, and collaboration:

- Early, ongoing, and proactive engagement, developed cooperatively to ensure opportunities for all interested individuals, including marginalized populations, to participate.
- Accessible and continuous information sharing, transparently addressing concerns, questions, and environmental Impact Assessments through diverse mediums such as presentations, newsletters, fact sheets, meeting reports, regulatory documents, media, and email.
- Decision-making informed by diverse perspectives, incorporating external feedback alongside engineering, environmental, economic, and regulatory considerations.
- Participation in collaborative decision-making forums, including CNC-led initiatives and existing committees and working groups.
- Support for sustainable communities through local procurement, employment, sponsorships, and donation programs.
- Acknowledgment of both positive and negative community impacts, ensuring open discussions with project stakeholders and Indigenous Nations to analyze and address potential concerns before project development.
- Transparent record-keeping of Indigenous Nation, public, and stakeholder feedback, disclosing responses and actions taken.

31 Value reflects contributions paid to applicants between January 1, 2024, and December 31, 2024. Includes $10,000 in regional funding that was provided outside of CNC's Community Contributions Program.

Financial transparency, including disclosure of financial performance and taxation through Financial Statements and ESTMA reporting.

Multiple grievance reporting channels, allowing concerns to be raised directly with CNC team members, submitted via a community email address, or shared confidentially through our website, with all grievances handled promptly and seriously.

Since our earliest stages, CNC has contributed to the economic and social well-being of the regions where we operate through partnerships with Indigenous Nations, employment opportunities, local procurement, and community contributions. Looking ahead, CNC's growth as a regional employer presents an opportunity to attract and retain critical talent while supporting further economic development, including the potential to stimulate complementary businesses and industries.

Community Partnerships – Core 5

As the world moves toward cleaner energy, advancing battery and EV technology is more important than ever. CNC is a proud partner and member of Core5, or the Northern Ontario Regional Technology Development Site (RTDS), alongside the Timmins Economic Development Corporation and the Northern Centre for Advanced Technology (NORCAT). Bringing together leaders and entrepreneurs of manufacturing and mining, Core5 works to connect mineral producers, local enterprises, and EV manufacturers throughout Canada with the support, expertise, and relationships to build the next generation of low-carbon technologies in our region.

CNC is investing in Core5 to support research, testing, and commercialization of new innovations that highlight the role

of nickel in the transition to a low-carbon future. By working with Core5, CNC is helping businesses access the resources they need to develop and scale new technologies while driving economic growth in Northern Ontario.

Core5 is a collaborative initiative that connects research and development centres, testing facilities, academic institutions, and municipalities to support startups and small to medium enterprises developing clean technology. The program fosters industry partnerships, provides access to cutting-edge research, and helps companies bring innovations to market. As part of this effort, CNC provides financial and in-kind support to help advance Core5's mission in accelerating clean technology solutions.

Core5 receives funding through the Ontario Vehicle Innovation Network (OVIN). In December 2022, the Ontario government invested $19 million in seven regional technology development sites, including Core5, to accelerate clean technology innovation.

The success of Core5 is built on a broad network of partners. Core partners provide infrastructure, expertise, and facilities that support research, testing, and development. Industry partners, including Vale, Agnico Eagle, Ernst & Young, Frontier Lithium, Glencore, MacLean Engineering, Worley, and CNC contribute funding, specialized knowledge, and technical support to help commercialize new technologies. Community partners strengthen regional impact by connecting businesses with economic development networks and fostering collaboration.

By investing in Core5, CNC is helping to drive innovation, support responsible resource development, and advance clean energy solutions. This partnership is part of CNC's broader commitment to building a sustainable future by supporting the technologies and industries that will shape the low-carbon economy.

Summary of Public Engagement Related to the Impact Statement

Many key issues and corresponding mitigation measures outlined in the Impact Statement were identified through ongoing consultation with Indigenous Nations and local communities. Since the Project's outset in 2021, CNC has been committed to accessible and ongoing engagement that is tailored to the interests and expectations of project stakeholders, Indigenous Nations, and local communities. For example, CNC engaged with Indigenous Nations to understand how the Project may affect their rights and interests, including land use, cultural practices, community well-being, and environmental changes. For more details on how CNC has engaged with Indigenous Nations throughout the federal impact assessment process, please refer to the section "A Collaborative Model for Impact Assessment: First Nation Leadership in ESG Stewardship for the Crawford Project."

CNC has actively engaged the public throughout the Impact Assessment process, prioritizing transparency, accessibility, and meaningful participation. While there were no legal requirements for public engagement during the development of the Impact Statement, CNC voluntarily initiated engagement efforts in 2021. This early engagement helped inform project planning and provided opportunities for public input before the formal Impact Assessment process began.

Following the official Notice of Commencement of the Impact Statement in March 2023, CNC transitioned to a more structured engagement approach—one that not only aligned with best practices and regulatory expectations, but also helped set the tone for engagement in Ontario. To facilitate public participation, CNC implemented multiple engagement methods, including, but not limited to:

- A dedicated Project website, providing easy access to key documents, updates, and a feedback submission form.
- A community relations email, allowing Indigenous Nations, the public, and stakeholders to submit questions and receive timely responses.
- Public notices and newsletters, issued regularly to inform the public of consultation opportunities and Project milestones.
- Virtual and in-person Public Information Centres (PICs, or Open Houses), hosted in Timmins, Cochrane, and Smooth Rock Falls, featuring over twenty information boards that focused on key topics of the Impact Statement. Refer to the "Community Open Houses" section in this report for additional details.
- A Technical Working Group (TWG), organized in collaboration with the IAAC, consisting of potentially affected Indigenous Nations and select governmental agencies, particularly those with mandates that directly align with federal regulatory concerns likely to be associated with the Project. TWG meetings focus on a subset of key issues related to the Project's potential impact, identified in the TISG and by TWG members.
- Community committees, including the Socioeconomic Committee and Environmental Committee, which have been meeting since 2022 to discuss key issues, provide feedback, and help shape mitigation measures.
- Ad-hoc technical meetings with Indigenous Nations and stakeholders, including industry representatives, environmental groups, and community organizations, to discuss specific concerns and solutions.
- Targeted engagement with diverse populations, ensuring participation from youth, Elders, women, and underrepresented groups, and applying Gender-Based Analysis Plus (GBA Plus) to assess potential differential impacts.

Community Open Houses

As part of ongoing public engagement efforts, CNC hosted three in-person and one virtual community Open House in 2024 to provide updates on the Crawford Project and gather public feedback. These sessions aimed to share project details, address any community concerns, and ensure stakeholders and Rightsholders had an opportunity to provide input.

Three Open Houses were held in 2024 in Cochrane, Smooth Rock Falls, and Timmins, generating approximately 300 visitors in total.

The virtual Open House was accessible via CNC's website from January 31 to February 22, 2024, generating 880 website visits and receiving three completed questionnaires and seven email submissions.

Each Open House featured informational boards covering key aspects of the Crawford Project, including:

- Project Overview and Environmental Assessments: Outlined the permitting process and regulatory requirements.
- Engagement and Consultation to Date: Summarized past and ongoing public consultation efforts related to the Crawford Project.
- Project Alternatives: Discussed potential variations in project design and infrastructure.
- Anticipated Project Impacts and Mitigation Measures: Provided an overview of expected environmental and social effects, along with proposed mitigation strategies.
- Conceptual Closure Plan: Highlighted plans for mine closure and site rehabilitation.
- Next Steps: Outlined the timeline for project approvals and future engagement opportunities.

The Cochrane Open House was well attended by community members, Rightsholders, and key stakeholders, including Chief Bruce Archibald, Deputy Chief Derek Archibald, Director of Lands and Resources Dwight Sutherland (all of the above noted from TTN), Member of Provincial Parliament (MPP) for Timiskaming-Cochrane John Vanthof, and Mayor of Cochrane

Peter Politis. Their participation underscored the importance of continued collaboration between CNC, Indigenous Nations, and government representatives. Mayor Patrick Roberts attended the Smooth Rock Falls Open House, demonstrating the town's continued engagement with CNC.

During the in-person sessions, 129 verbal comments and questions were documented from 197 participants. Feedback from these sessions was incorporated into the Impact Statement submission, with key concerns informing updates to the Project design, environmental mitigation strategies, socio-economic considerations, and closure planning. Public input also contributed to refinements in CNC's engagement approach to ensure continued transparency and responsiveness to Indigenous Nations, stakeholders, and general public priorities.

Looking ahead, CNC remains committed to ongoing engagement and plans to host four Open Houses in 2025 in Cochrane, Iroquois Falls, Timmins, and Smooth Rock Falls to provide further project updates and maintain open dialogue with the communities.

Canada Nickel Company's Contributions Program

Recognizing the unique needs of our region, CNC has developed and implemented a Contributions Program in collaboration with local stakeholders and our Socioeconomic Committee, which comprises two components: the Short-Term Contributions Program and the Legacy Contributions Program. These initiatives aim to address existing or potential challenges within the region that may be triggered or amplified by our operations. These programs are reviewed and audited by our Socioeconomic Committee and follow strict guidelines that give priority to programs that support vulnerable populations, contribute to economic, social, health/wellbeing, education, or environmental improvement, and address the urgent topics of greatest importance to the communities within our region. Applications to CNC's Contributions Program are evaluated based on the following criteria:

- Whether the organization is a non-profit or partners with non-profit organizations
- The novelty of the program
- The extent of the program's impact
- Relevance to vulnerable populations
- Ability to address urgent needs
- Overall quality of the application
- Realism of the program's budget, timeline, and work plan

Programs are more likely to be successful if they are innovative, consider often-overlooked issues, benefit multiple communities, support various vulnerable populations, and address several urgent needs.

Short-term Contributions Program

CNC's Short-Term Contributions Program is designed for programs with budgets up to $5,000 that will be completed within a year. It focuses on addressing immediate, local needs and requires applications to be submitted by specific deadlines depending on the program period. In 2024, there were 18 successful applications received through the Short-term Contributions Program. Successful applicants were from Matachewan First Nation, Mattagami First Nation, Taykwa Tagamou Nation, Cochrane, Iroquois Falls, Smooth Rock Falls, and Timmins.

Congratulations to the successful Short-term Contribution Program applicants of 2024!

- Matachewan First Nation
- Mattagami First Nation
- Taykwa Tagamou Nation
- Wabun Tribal Council
- Canadian Institute of Mining, Metallurgy, and Petroleum
- Cochrane Classic Vintage Riders Club and Museum
- École secondaire catholique et publique l'Alliance
- Hope Air
- Iroquois Falls Ringette Association
- Seizure and Brain Injury Centre
- Smooth Rock Falls Reg Lamy Cultural Centre
- Sports for Kids Timmins
- Timmins and District Hospital Foundation
- Timmins Chamber of Commerce
- Timmins Festivals and Events Committee
- Timmins Tigers Cricket Club
- Timmins Youth Wellness Hub
- True North Basketball Championship (TNBC)

2024 Short-term Contributions Program Case Study: Timmins Youth Wellness Hub

The Timmins Youth Wellness Hub provides a full range of integrated services for youth aged 12-25 including counselling, care coordination, peer support, education, employment and training supports, and skills and wellbeing activities. With CNC's support, the hub launched a youth-led social enterprise initiative, offering hands-on experience in entrepreneurship.

The initiative included a safe food handling certification, providing participants with a recognized job qualification and foundational workplace skills. Following the successful completion of the certification, participants launched a food production project, developing their own products while learning branding, pricing, and sales.

The initiative culminated in a local farmers' market, where youth sold their products, managed transactions, and engaged with customers. The experience built self-confidence, problem-solving skills, and financial literacy, while fostering entrepreneurial thinking and workplace readiness for the next generation of workers and business leaders.

Legacy Contributions Program

The Legacy Contributions Program is aimed at larger-scale projects with budgets exceeding $5,000 and longer durations, often extending multiple years. This program addresses more significant, long-term challenges related to potential environmental and socioeconomic impacts of the Crawford Project. It also involves a more detailed application process and funding schedule. The annual deadline for applications to CNC'S Legacy Contributions Program is August 31st for programs beginning in the following calendar year.

There was one successful application to CNC's Legacy Contributions Program in 2024, which is outlined under the section "2024 Legacy Contributions Program Case Study: Timmins Learning Centre."

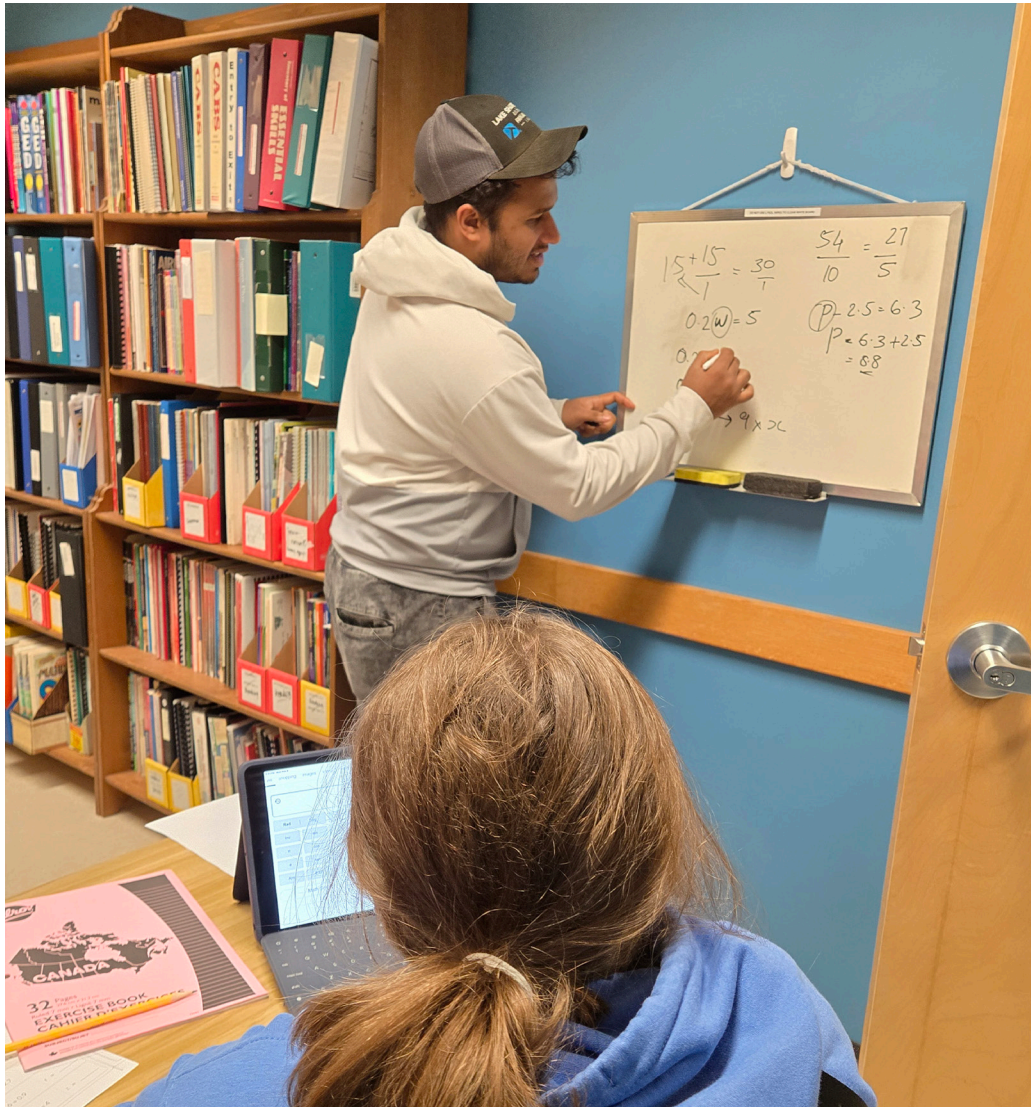
2024 Legacy Contributions Program Case Study: Timmins Learning Centre

The Timmins Learning Centre's Homework Club is a vital resource for children and families facing educational barriers. It provides tutoring in English, French, and mathematics to students grades 1 through 8 across all four local school boards, including Indigenous youth, new Canadians, and children with special needs.

The Homework Club depends on community contributions to keep tutoring and academic resources accessible to students who need extra support. CNC's funding helped sustain the program by covering wages for coordinators and tutors, keeping registration fees low, and ensuring more families could access these important services.

Participants receive one-on-one tutoring tailored to their needs, whether completing homework, reinforcing foundational skills, or following personalized lesson plans designed to support academic growth. Over the past year, the Homework Club delivered more than 130 tutoring sessions, helping students build confidence, improve their skills, and feel more connected to their community. Partnerships with the WTC and Kunuwanimano Child and Family Services have expanded its reach, ensuring more families can access the support their children need.

This contribution helps address long-term challenges related to potential environmental and socioeconomic impacts of the Crawford Project by supporting equitable access to education for vulnerable populations, including youth, low-income families, and Indigenous communities. It directly responds to anticipated pressures on local infrastructure and services, such as increased population from workforce migration, by building capacity in the education system. In doing so, it supports long-term regional resilience and enhances social well-being, helping to mitigate differential impacts on vulnerable sub-populations identified in the Project's Impact Assessment.



Funding Awarded by Contributions Program Type

Short-term Contributions Program	$52,740 (Includes $12,200 in Indigenous Donations)	Total $62,740[31]
Legacy Contributions Program	$10,000	

Amount of Funding Awarded per Capita[32]

- Timmins: 0.78
- Cochrane: 1.20
- Iroquois Falls[33]: 0.57
- Smooth Rock Falls: 3.58

Amount of Funding Awarded by Category

31 Does not include $25,000 in funding that went towards three regional programs outside of Community Contributions Program (Critical Minerals Strategy Campaign, Ontario Legislative Internship Programme, Canadian Chamber of Commerce)

32 Census data from Statistics Canada was used to calculate Funding Awarded per Capita (Statistics Canada, 2023)

33 The Town of Iroquois Falls only submitted one application to Canada Nickel's Contributions Program in 2023, which was unsuccessful

2024 Engagement Highlights

69 meetings with meetings with Indigenous Nations Indigenous Nations

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20 Board Committee meetings – 67% increase from 2023 (12); 300% increase from 2022 (5)

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5 Community Committee meetings: Environmental (2), Socioeconomic (3) 750+ communications (meetings, email correspondences, phone calls, text messages) with Indigenous Nations – equating to 53% of all external communications.

1540 comments/questions (1413) and concerns (127) recorded

$75,600 awarded through CNC's Community Contributions Program:
-Short-term Contributions ($38,900)
- Legacy Contributions ($10,000)
- First Nations Donations Program ($26,700)

An additional **$10,000** in funding provided for programs outside of the Timmins region (Ontario Chamber of Commerce's Critical Minerals Strategy Campaign and the Ontario Legislative Internship Programme)

Community Committees

Based on positive feedback during early engagement, CNC established three voluntary community committees. Each committee consists of nominated representatives from local stakeholder groups and organizations with a demonstrated interest and expertise in the committee's focus area. These committees provide a platform for meaningful discussion, knowledge sharing, and collaboration to support CNC's commitment to responsible and transparent project development.

Environmental Committee

The Environmental Committee facilitates meaningful discussions on potential environmental impacts, mitigation strategies, and CNC's environmental practices and commitments. The Committee's work is expected to extend into project operations to ensure continued dialogue on environmental stewardship.

Two Environmental Committee meetings were held in 2024[34], focusing on key environmental considerations related to the Crawford Project. The June meeting covered CNC's proposed Water Management Plan, including water diversions, process water recycling, and effluent discharge options. The November meeting addressed the Impact Statement and proposed mitigation measures, with discussions on a range of environmental topics, including soil quality and quantity, geological hazards, water quality and quantity, fish and fish habitat, air quality, noise, and climate change.

The Environmental Committee includes representatives from:

- Cochrane Local Citizen Committee
- Friends of the Porcupine River Watershed
- GreenFirst Forest Products
- Meadowlark Environmental Consulting
- Ontario Clean Water Agency
- Ontario Rivers Alliance
- Porcupine Health Unit
- The City of Timmins and Mattagami Region Source Protection Committee
- The Town of Cochrane
- The Town of Iroquois Falls

Socioeconomic Committee

The Socioeconomic Committee focuses on analyzing potential social and economic impacts of the Crawford Project while identifying and supporting mitigation measures. This Committee has played a key role in developing CNC's Local Procurement Policy and Community Contributions Guidelines, launched in late 2022.

34 Environmental Committee meeting minutes can be found on CNC's website under Environmental Committee on the Sustainability page, here.

Three meetings were held in February, June, and November of 2024[35], each addressing different socioeconomic considerations. Discussions centered on housing availability, workforce retention, childcare services, community safety, employment opportunities, and access to healthcare.

The February and June meetings focused on valued components related to health, social, and economic conditions, supporting the development of the Impact Statement for the Crawford Project. The November meeting reviewed key content included in the Impact Statement, including anticipated residual impacts related to health, social, and economic conditions, as well as proposed mitigation measures. The Socioeconomic Committee includes representatives from social and economic community organizations, as well as representatives of vulnerable populations, including:

- Aboriginal Peoples Alliance of Northern Ontario
- Cochrane District Social Services Administration Board
- Northern Ontario Angels
- The City of Timmins
- The Town of Cochrane
- The Town of Iroquois Falls
- The Town of Smooth Rock Falls
- Timmins Chamber of Commerce
- Timmins District and Multicultural Centre
- Timmins Economic Development Corporation
- Timmins Native Friendship Centre

Workforce Planning Committee

Comprised of regional education leaders and employment experts, the Workforce Planning Committee provides guidance on workforce attraction and retention challenges while identifying collaborative solutions that benefit industries across the region. No meetings were held in 2024, but if permitting is successful, meetings will resume to support workforce development, with hiring efforts progressing as needed.

CNC's Workforce Planning Committee includes representatives from:

- Apatisiwin Employment and Training
- Cochrane District Social Planning Council
- Cochrane District Social Services Administration Board
- Collège Boréal
- Keepers of the Circle
- NORCAT
- Northern College
- The Far Northeast Training Board

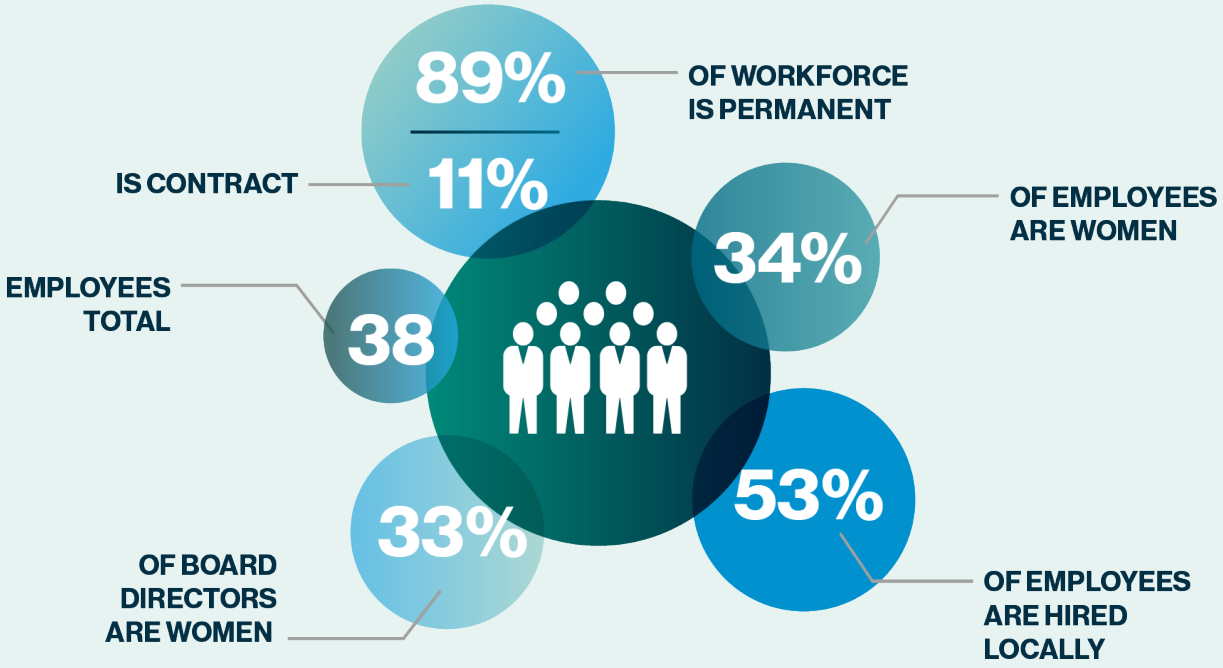
35 Socioeconomic Committee meeting minutes can be found on CNC's website under Environmental Committee on the Sustainability page, here.

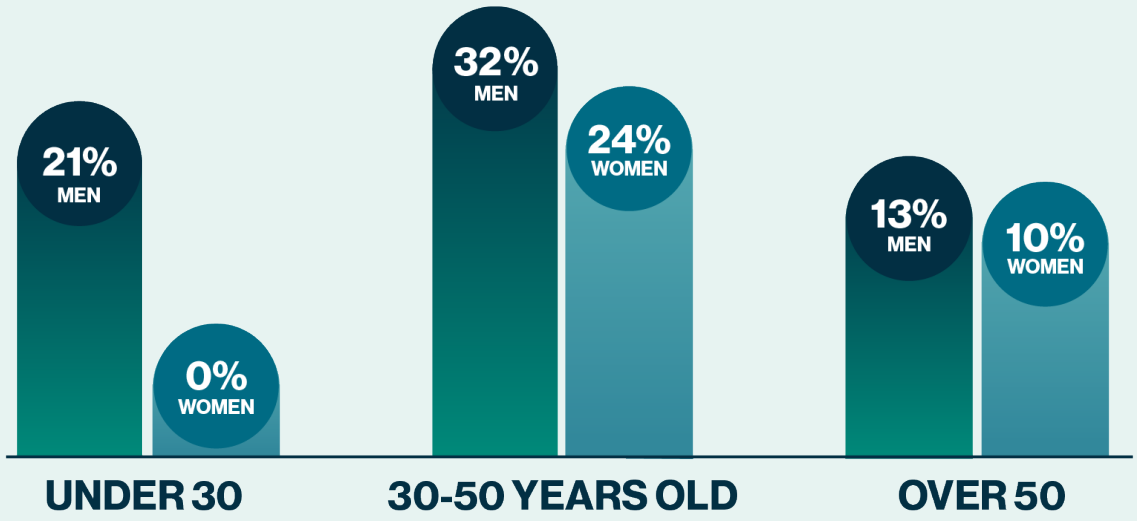
Talent and Culture

At CNC, 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. CNC supports ongoing employee development through targeted professional training opportunities as part of its commitment to building internal capacity.

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 collaboration in all key areas of the business. We understand that everyone has unique strengths and perspectives, and we celebrate those differences as key components of our collective success.

The below 2024 workforce statistics represent a cross section of demographics. These metrics are tracked with goals to ensure increasing diversity and equality in our organization, year over year:


89%
OF WORKFORCE IS PERMANENT
IS CONTRACT
11%
34%
OF EMPLOYEES ARE WOMEN
EMPLOYEES TOTAL
38
33%
OF BOARD DIRECTORS ARE WOMEN
53%
OF EMPLOYEES ARE HIRED LOCALLY


21%
MEN
0%
WOMEN
32%
MEN
24%
WOMEN
13%
MEN
10%
WOMEN
UNDER 30
30-50 YEARS OLD
OVER 50

Employee Compensation and Benefits

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

For the 2024 compensation year, the HRCC retained an independent, third-party, compensation advisor to assess the Company's approach to executive and Director compensation. This included a review of the Company's compensation philosophy and benchmarking the executive and board compensation against a peer group and the Company's overall compensation strategy.

The executive team developed a scorecard to define 2024 corporate objectives, which focused on Company's performance, initiatives to advance Crawford (e.g., funding goals), key milestones in advanced engineering and permitting, and the successful execution of an extensive regional exploration program. Additionally, the scorecard incorporated measures to foster an ESG culture and promote strong health and safety practices. It served as a basis for evaluating corporate performance in 2024 and ensuring alignment with the Company's strategic goals.

Employee Development and Inclusion

CNC takes pride in being an employer of choice in our operating region. We strive to ensure work-life balance by providing flexible scheduling, competitive compensation, and, where responsibilities permit, hybrid workplace options. Our approach to talent management is centered on attracting, retaining, and developing skilled professionals, while working closely with individuals to assess their unique abilities and career aspirations. The goal is to implement measures that enhance employee well-being both at work and at home.

Our goal is to grow alongside our employees. We encourage long-term career development through opportunities for advancement, skill enhancement, and continued education, supporting employees in reaching their full potential and building fulfilling careers at CNC. In addition to mandatory health and safety training and role-specific instruction, employees have access to leadership and management courses, higher education

programs, professional certifications, and soft skill development tailored to their interests and career goals. Financial support for external training and education is also available.

CNC aspires to build operations that harness not only the potential of natural resources but also the talent and capabilities of our people. We strive to be a catalyst for positive social change and shared prosperity, embracing the diverse cultures, backgrounds, and values that define our workforce. In alignment with this vision, we are committed to identifying and eliminating barriers to equal pay and equitable opportunities across our organization.

Recognizing that these commitments must extend beyond our employees, CNC remains dedicated to engaging underrepresented populations in the design, impact assessment, and operation of our projects. This includes Indigenous Nations, LGBTQQIP2SA communities, multicultural organizations, social service groups, and local charities. The Impact Statement outlines high-level measures to promote diversity, equity, and inclusion across hiring, procurement, and operations, including targeted engagement, training, and policy development. By integrating the perspectives, recommendations, and lived experiences of these communities, we aim to ensure that CNC's operations serve as a positive force in the lives and futures of our host communities.

Looking Ahead

Our team at the Crawford Project is projected to exceed 1,000 people as operations advance in the coming years. With this significant growth comes increased responsibility, and CNC remains steadfast in its commitment to safety, inclusion, and equal opportunity for all employees.

We recognize that success is not solely defined by operational milestones but also by our contributions to Indigenous Nations and local communities. As such, we will continue to prioritize Indigenous and local employment and training opportunities, ensuring that our expansion translates into meaningful, long-term benefits for the communities around us.

A thriving company culture is a cornerstone of our success, and we remain dedicated to fostering a work environment where all employees are treated with respect and dignity. Our workplace culture is built on accountability, purpose, and the belief in every individual's potential, ensuring that CNC continues to be an employer of choice as we grow.

Health, Safety, and Well-being

IN THIS SECTION:

Building a Safe and Healthy Workplace

Creating and maintaining a safe operating environment that protects the health and wellbeing of our people and surrounding communities is CNC's top priority. All individuals in the workplace— supervisors, workers, contractors, supplier, service providers, consultants, and visitors— must actively contribute to continuous improvement in health, safety, and wellbeing. This includes understanding the importance of individual contribution, accountability, reporting, and awareness in achieving safer operations for all.

Maintaining a safe workplace is a shared responsibility, requiring:

- Demonstrative commitment from leadership in building a safety culture;
- Relative and effective training and education programs aligned with specific roles and responsibilities;
- Accurate and timely reporting across all CNC activities;
- Effective corrective actions, supported and upheld by all involved;
- A combination of sound engineering design principles and the right tools and skills for the job; and
- The use of both leading and lagging indicators to support progressive program management.

Worker health and safety is not just a workplace consideration, but a fundamental part of an employee's overall well-being.

All CNC employees have access to comprehensive health and wellness resources, including support for mental health, family relationships, financial wellbeing, and more, through a third-party-managed Employee and Family Assistance program and medical insurance. Available services range from personal finance advisory, family and individual counseling, stress management, healthy eating guidance, medical services, and

paramedical services. We also maintain a physician on retainer for our employees.

CNC is proud to be a Canadian-owned and operated business, with all current operations based in Ontario's stringent, safety-focused, and politically stable jurisdiction. As such, all our operations are bound by the *Ontario Occupational Health and Safety Act, 2005 (OHSA)* and its Regulations enforced by the Ministry of Labour, Immigration, Training and Skills Development of Ontario. CNC is aligned to the requirements of the OHSA, and complies with all inspections, recommendations, and corrective actions issued from the Ministry.

Health and Safety Protocols and Risk Management

CNC requires all employees and project contributors 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 root-causes and contributing factors, with findings used to eliminate or reduce the risk of recurrence.

Our commitment to safety extends beyond our employees. We emphasize a reporting environment free from reprisal, ensuring that contractors, including drilling companies and environmental consultants, report any incidents occurring while conducting work for CNC. They must also provide any internal documentation used for incident recording and analysis.

To develop, maintain, and enhance our health and safety practices at our operations, we have implemented a comprehensive hazard identification and risk management program covering both routine and non-routine work environments and tasks. Our analysis is an ongoing process, supported by a comprehensive and continuously updated health and safety risk register. We have conducted a thorough assessment of workplace hazards—both in the field and at our core logging facility—with input from staff and management. This analysis has enabled us to identify risks, establish robust control measures, and implement mitigation strategies to minimize operational impacts.

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

We take employee and contractor feedback seriously, encouraging individuals to report concerns or hazards immediately. Workers are best positioned to assess the limits of their knowledge and skill—each worker has the right to refuse unsafe work without reprisal and is encouraged to collaborate with CNC to resolve issues and prevent recurrence.

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 events that may arise despite preventative efforts.

Currently, our Emergency Response Plan is tailored to our only active operations centre in Timmins, Ontario. As CNC continues to grow, we will develop site-specific Emergency Response Plans to address the unique needs of each operations centre.

These plans provide a clear, accessible framework outlining responsibilities, authority, response actions, communication protocols, and recovery procedures to protect workers, the public, and company property in the event of an emergency. All employees receive training on the ERP, which is regularly reviewed and updated by the Joint Health and Safety Committee (JHSC). The primary objectives of the Emergency Response Plan are to:

- Effectively control and manage the situation;
- Establish clear communication channels to ensure appropriate awareness and response, both internally and externally;
- Provide concise, comprehensible instructions that reinforce the authority and confidence of responsible individuals; and
- Prioritize the safety of all individuals, whether a CNC employee or otherwise, at all times, regardless of the situation.

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.

All employees receive comprehensive training for their routine tasks, with an emphasis on adhering to standard operating procedures and established safety protocols. For non-routine tasks, employees are required to consult their supervisor prior to commencing work to conduct a detailed risk analysis and develop appropriate hazard controls. Additionally, contractors are required to participate in an orientation prior to commencing work with CNC. This includes a comprehensive overview of company policies and procedures, health and safety protocols, and workplace expectations.

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

- *Accessibility for Ontarians with Disabilities Act, 2005 (AODA)*
- Equipment Operation (specific to type)
- First Aid/Cardiopulmonary Resuscitation (CPR) Training
- JHSC Training
- OHSA
- Supervisor Training
- Violence and Harassment
- Workplace Hazardous Materials Information System (WHMIS)
- Working with Asbestos

2024 Health, Safety, and Well-being Performance Metrics

0 fatalities as a result of work-related injury

0 high-consequence work related injuries[36]

0 cases of occupational diseases

0 recordable work-related injuries, primarily due to cuts or repetitive motion

0 lost-time injuries

13 near misses

29 corrective measures implemented

10 workplace inspections

66,396 employee hours worked[37]

36 High-consequence injuries refer to fatalities or other severe injuries from which the worker cannot recover (e.g., amputation of a limb) or is not expected to fully recover to pre-injury health status within six months (e.g., fracture with complications).

37 Hours worked pertain to employees only and were not tracked for contractors. All other safety parameters were tracked for both employees and non-employee workers (contractors reporting directly to CNC). Hours worked were calculated based on 35 hour work weeks.

Continuous Improvement Measures

IN THIS SECTION:

Governance and Ethical Conduct

Enhancing Board Diversity

In 2025, we will prioritize improved diversity within our team, with a specific focus on increasing representation at the board level. This initiative supports more balanced, informed decision-making throughout the organization.

Undertaking a Materiality Assessment

To guide our ESG strategy and disclosures, we will complete a comprehensive materiality assessment for the 2025 reporting cycle. This process involves identifying ESG issues that are most significant to both our stakeholders and our business. It considers financial materiality— how environmental, social, and governance factors impact the company's performance— and impact materiality— how our operations affect the environment and society. Engaging with a broad range of Rightsholders and stakeholders will help ensure our reporting remains relevant, transparent, and aligned with evolving expectations.

Developing Company Value Statements

We are also initiating the development of formal company value statements to clearly define the principles that guide our culture, decisions, and conduct. These statements will be subject to board approval and shared across the organization for review and input from all employees. This initiative is intended to foster a shared understanding of our values and reinforce ethical conduct across all levels of the company.

Social Responsibility

Advancing Community Engagement

In 2025, CNC will continue to proactively engage with potentially affected stakeholders and Rightsholders to support meaningful dialogue around project benefits, impacts, and mitigation planning. As part of this initiative, we will aim to host public open houses in each of the four potentially affected communities. These engagements will be voluntary and independent from permitting or regulatory requirements, reinforcing our commitment to relationship-building beyond compliance.

Restructuring Contribution Program Assessment Tools

To align internal processes with our values, we will begin restructuring the application assessment tools used for our Contributions Program in 2025. Once company value statements are finalized, we will integrate them into our evaluation criteria to ensure that funded programs reflect our ethical and social priorities. This update will support more transparent, inclusive, and values-based community investment decisions.

Implementing a Self-Registry Procurement Platform

In 2025, CNC will implement a centralized self-registry platform for procurement to streamline contractor onboarding, improve transparency, and support vendor readiness as project demands grow. The platform will enable vendors to register independently, submit required documentation (e.g., insurance, health and safety compliance), and view available bid packages. This tool is intended to reduce administrative burden, improve tracking, and increase accessibility—particularly for Indigenous and local businesses.

The system will also help ensure consistent standards across suppliers and enhance CNC's ability to pre-qualify contractors before engagement. Coaching and support will be made available to assist vendors with the transition, reinforcing CNC's commitment to inclusive and efficient procurement processes.

Environmental Stewardship

Installing Bat Boxes

To support local biodiversity and contribute to habitat conservation, CNC will install bat boxes across select project sites in 2025. This initiative aims to provide safe habitat for native bat populations, including species which are listed as Endangered by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) and currently under consideration for federal listing under the Species at Risk Act (2002). In addition to the ecological benefits, this program supports long-term monitoring of species presence in project areas, contributing to our environmental baseline data.

Evaluating Natural Revegetation Processes

As part of our commitment to progressive reclamation and land stewardship, CNC will evaluate the success of natural revegetation processes occurring at previously disturbed exploration sites. This work involves assessing plant species diversity, growth patterns, and soil conditions to understand the effectiveness of passive (non-intervention) restoration techniques. The findings will inform future reclamation strategies by identifying where natural regeneration may be sufficient, and where active intervention is needed to meet closure objectives and support ecosystem recovery.

Advancing IPT Carbonation for Large-Scale CO_2 Sequestration

In 2025, CNC will advance the development and commercialization of its IPT Carbonation technology by optimizing process efficiency, pursuing regulatory approvals and carbon credit certification, and establishing a long-term monitoring framework to support permanent, verifiable CO_2 sequestration as part of the Company's net-zero strategy.

Health, Safety, and Wellbeing

Strengthening Leading Safety Practices and Management Engagement

In 2025, CNC will strengthen its health and safety program by enhancing leading indicators such as site-specific orientations, pre-employment training, and supervisory development. A renewed focus will be placed on regular management inspections and leadership visibility across sites to foster a proactive safety culture. While key lagging indicators will continue to be tracked, efforts will also be made to ensure that inspection findings are addressed promptly and transparently, supporting continuous improvement and readiness as project activities scale.

Talent and Culture

Implementing Quarterly Lunch and Learns

In 2025, CNC will strengthen its health and safety program by enhancing leading indicators such as site-specific orientations, pre-employment training, and supervisory development. A renewed focus will be placed on regular management inspections and leadership visibility across sites to foster a proactive safety culture. While key lagging indicators will continue to be tracked, efforts will also be made to ensure that inspection findings are addressed promptly and transparently, supporting continuous improvement and readiness as project activities scale.

In 2025, CNC will launch a quarterly lunch-and-learn series to foster continuous learning and interdepartmental engagement. These informal sessions will offer employees an opportunity to hear from internal subject matter experts or guest speakers on topics ranging from leadership and industry trends to ESG priorities and technical innovation. This initiative supports employee development, encourages knowledge-sharing, and strengthens organizational culture.

Establishing a Policy Committee

To improve consistency and buy-in across departments, CNC will establish a cross-functional Policy Committee. This group will bring together representatives from various teams to collaboratively review and shape internal policies, particularly as they relate to evolving ESG requirements, operational procedures, and company values. The goal is to ensure that new and revised policies are relevant, clearly communicated, and grounded in the realities of day-to-day operations.

Enhancing Employee Onboarding

In 2025, CNC will enhance its employee onboarding package to provide clear guidance on company policies, ESG commitments, and safety procedures, along with a comprehensive overview of CNC's structure, projects, and culture. These updates aim to support early engagement, improve clarity around expectations, and ensure alignment with the company's values from the outset.

Enhancing Executive Scorecards

CNC will continue refining executive scorecards as part of a broader initiative to align compensation and performance with strategic objectives, including ESG leadership and cultural contributions. While the initial focus will remain at the executive level, this framework may serve as a foundation for a future company-wide performance management system that reflects both operational metrics and organizational values.

ESG Performance Summary

	2022	2023	2024	IMPROVED PERFORMANCE
EXPLORATION				
Metres Drilled	76,998	22,155	119,974[38]	-
HEALTH & SAFETY				
Recordable Work-Related Injuries	3	1	0	✔
Total Recordable Work-Related Injury Frequency (IFR)	0.29	0.02	0	✔
Number of Lost-time Injuries	1	0	0	-
Number of Near Misses	5	6	13	✔[39]
Recordable Lost-time Injury Frequency	0.02	0	0	-
Number of Fatalities	0	0	0	-

38 Corresponds with exploration drilling and does not include metallurgical drilling. Total metres drilled, including both exploration and metallurgical drilling, was 124,876 in 2024.

39 An increase in near-miss reporting indicates a positive shift in safety culture, as it demonstrates heightened awareness, proactive hazard identification, and a workforce that feels empowered to report potential risks, ultimately leading to a safer work environment.

	2022	2023	2024	IMPROVED PERFORMANCE
ENVIRONMENT				
GHG Emissions Scope 1 (tCO_2e)[40,41,42]	2,879 d	685 d	5,399[43]	✗
GHG Emissions Scope 2 (tCO_2e)[44]	2	2	2	-
GHG Emissions Intensity (kg of CO_2/drilled metre)	37	31	43[45]	✗
Water Consumption Per Drilled Metre (m^3 water/metre)[46]	0.28	0.48	0.38	✔
Average Water Taking Per Drill Per Day (m^3 water/drill)	20.26[47]	33.65	32.25	✔
Energy Intensity (Megajoules/metre drilled)	532	462	531[48]	✗

40 Emission factors adapted from the 2024 Canadian National Inventory Report (United Nations Climate Change, 2024)

41 Increase in Scope 1 GHG emissions from 2024 is directly correlated with increase in total metres drilled, as well as construction of access road at the Reid exploration property.

42 Fuel consumption is 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: CO_2, CH4 and N_2O.

43 Includes 33 tonnes CO_2 equivalent emissions from construction of access road at Reid exploration property.

44 Emission factors adapted from the 2024 Canadian National Inventory Report (United Nations Climate Change, 2024). Values are rounded to the nearest tonne.

45 Increased helicopter usage for exploration drilling operations led to a 9,173% increase in jet fuel energy consumption compared to the previous year, contributing to a higher emissions intensity.

46 All drills were equipped with flow meters reading in cubic meters in 2024. Daily water readings were taken in the field by the drill crews and data was compiled, analyzed, and distributed by CNC Environmental staff.

47 Average water use in 2022 and 2023 was based on estimates from daily flow measurements, with flow meters installed partway through 2022. In 2024, flow meters were used on all drills with daily readings recorded by crews and compiled by CNC Environmental staff, resulting in more accurate data.

48 Emissions intensity was calculated using 124,876 metres drilled, which includes both metallurgical and exploration drilling. This calculation excludes 33 tonnes CO_2 equivalent emissions from the construction of the access road at Reid exploration property, however, these emissions are negligible and emissions intensity is still 43 kg of CO_2/drilled metre when emissions from the Reid road construction are included.

	2022	2023	2024	IMPROVED PERFORMANCE
COMMUNITY RELATIONS				
Number of Logged Communications	508	1489	1441	-
Donations and Sponsorships ($)[49]	9,600	151,700	87,700	✗
Number of Comments, Recommendations, Concerns, and Questions Recorded	434	185	1540[50]	-
Local and Community Investments (% of Total Spend)	38	27	37	✔
TALENT AND CULTURE				
Number of Employees	31	31	38	-
Employee Turnover (%)	6	26	3	✔
Women/Gender Diversity in Workforce (%)	32	32	34	✔
Number of New Hires	10	6	4	-
Senior Management Hired Locally (%)	10	25	25	-
GOVERNANCE				
Independent Board Members (%)	86	83	83	-
Board Members (%)	29	33	33	-
Visible Minority Representation on the Board of Directors (%)	14	17	17	-
Number of Board of Directors Committee Meetings	5	12	20	✔

49 2022 Contributions Program was not initiated until November 2022 and therefore donation amounts are not directly comparable between years. Includes $25,000 in regional donations that were not captured through CNC's Contributions Program.

50 The increase in 2024 reflects engagement during the federal Impact Assessment process, where CNC actively sought feedback on the draft Impact Statement. Data only includes communications logged in CNC's NetBenefit database, which primarily tracks engagement with Indigenous Nations and local communities.

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Forward Looking Statements

This Report contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation about Canada Nickel Company Inc. (“CNC” or the "company"). All statements, other than statements of historical fact, are forward-looking statements and based upon expectations, estimates and projections as at the date of this Report. Often, but not always, forward-looking statements can be identified by the use of words such as "may", "will", "expect", "believe", "anticipate", "illustrative", "potential" or the negative of these terms or variations of them or similar terminology. In this Report, forward looking information includes, but is not limited to, statements regarding: the potential of the company's Crawford project, including future zero carbon production; potential size of carbon storage facilities and ability to be have a net negative carbon footprint; timing and results of economic studies, including the assumptions, qualifications and limitations contained in the company's current technical reports; mineral resource estimates and mineral reserve estimates; ability to realize on projected economic estimates, including EBITDA, NPV, IRR, all-in sustaining costs, free cash flow and C1 cash costs; scale, capital costs, operating costs and life of mine projections; potential to commercialize the IPT Carbonation process; timing of receipt of permits and commencement of construction and initial production; eligibility for Canadian federal refundable tax credits; the ability to sell marketable materials; strategic plans, including future exploration and development results; corporate and technical objectives; corporate governance and ESG initiatives, targets and objectives; statements regarding the future of the nickel market, including supplier and political risks; and exploration activities at the company's regional properties. Forward-looking information is necessarily based upon several assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Factors that could affect the outcome include, among others: future prices and the supply of metals, the future demand for metals, the results of drilling, the ability to accurately predict mineralization, inability to raise the money necessary to incur the expenditures required to retain and advance the ompany’s properties, environmental liabilities (known and unknown), general business, economic, competitive, political and social uncertainties, results of exploration programs, risks of the mining industry, delays in obtaining governmental approvals, changes in international, national and local government, legislation, controls, regulations and political or economic developments, failure to obtain regulatory or shareholder approvals, relationships with local stakeholders, and the impact public health related disruptions in relation to the company's business operations including upon its employees, suppliers, facilities and other stakeholders. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this Report is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof.

This Report has been completed by CNC. Certain corporate projects referred to herein are subject to agreements with third parties who have not prepared, reviewed or approved this Report. The Report is not intended to reflect the actual plans or exploration and development programs contemplated for such projects. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, CNC disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although CNC believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. For additional information with respect to these and other factors and assumptions underlying the forward-looking information contained herein concerning the company, please refer to the public disclosure record of the company, including the company's most recent annual and interim financial statements and related management’s discussion and analysis of the company, which are available on SEDAR+ (www.sedarplus.ca) under the company’s issuer profile.

Foreign Exchange Assumptions

All amounts discussed herein are denominated in CAD dollars unless otherwise specified.

Appendix A – 2024 Data Tables

Workforce by Gender and Employment Status

(# of employees)

Site	Gender	Total Number of Employees	Permanent Employees	Temporary Employees	Part-Time Employees
Timmins	Male	16	12	4	0
	Female	7	7	0	0
	Total	**23**	**19**	**4**	**0**
Corporate	Male	9	9	0	0
	Female	6	6	0	0
	Total	**15**	**15**	**0**	**0**
Total		**38**[51]	**34**	**4**	**0**

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

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	4	0	0	4
Technical	7	0	4	0	0	0	11
Professional	1	0	2	3	0	1	7
Manager	0	0	4	1	1	1	7
Executive	0	0	2	1	4	2	9
Total	**8**	**0**	**12**	**9**	**5**	**4**	**38**

Total Salary Ratios

	Ratio
Highest-paid individual salary to median salary	3.3
Percentage increase in salary for the highest-paid individual to the median percentage increase in salary	1.56
Average Entry Level Salary to local (Timmins) minimum wage	1.6

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

Category	Timmins	Corporate
Technical[52]	N/A	N/A
Professional	0.78	1.05
Manager	0.89	0.79
Executive	N/A	0.69

52 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	Yes	Yes
Retraining for Continued Work	Yes	Yes
Severance Pay	Yes	Yes
Assistance Transition to Non-Working Life	Yes	Yes

New Hires by Age and Gender[53]

(# of employees)

	Timmins	Corporate	Total
Under 30	2	0	**2**
30-50 years old	4	1	**5**
Over 50	0	1	**1**
Male	3	1	**4**
Female	3	1	**4**

53 Included permanent and temporary co-op students that were still employed as of December 31, 2024

Diversity, Equity, and Inclusion

(# of employees)

	Timmins	Corporate	Total
Indigenous	2	0	**2**
Racialized Groups	0	0	**0**

Employee Turnover (Voluntary and Involuntary) by Age and Gender

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

Board and Senior Management

Performance Metric	Value
Performance Metric	Value
Size of Board (#)	6
Female Board Members (%)	33
Visible Minority Board Members (%)	17
Independent Board Members (#)	5
Senior Management Hired Locally (%)[54]	25

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

Employee Development

Performance Metric	Value
Employees receiving regular performance and career development reviews (%)[55]	80

55 In 2024, CNC implemented a formal performance review program covering approximately 80% of employees. This program did not apply to executive-level staff.

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[56]	**Tonnes of CO_2e**	5, 400[57]
Scope 2 Emissions	**Tonnes of CO_2e**	2[58]
Scope 3 Emissions	**Tonnes of CO_2e**	Not calculated
Emissions Intensity	**kg of CO_2e / metre drilled**	0.43

56 Emission factors adapted from the 2024 Canadian National Inventory Report (Environment and Climate Change Canada, 2024). 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.
57 Rounded to nearest hundred. Includes 33 tonnes CO2e that was emitted during the construction of the access road to the Reid regional property.
58 Value rounded to nearest tonne.

Energy Consumption

Performance Metric	Unit	Value
Non-Renewable Fuel Consumption	**Megajoules**	[59] 63, 000, 000
Diesel	**% of total non-renewable energy consumption[60]**	71[61]
Gasoline	**% of total non-renewable energy consumption[60]**	3[62]
Aviation Fuel	**% of total non-renewable energy consumption[60]**	18
Propane	**% of total non-renewable energy consumption[60]**	8
Renewable Fuel Consumption	**Megajoules**	664, 450[63]
Electricity and Heating Consumption	**Megajoules**	605, 970[63]
Cooling and steam consumption	**Megajoules**	0
Electricity, Heating, Cooling, and Steam Sold	**Megajoules**	0
Total Energy Consumption	**Megajoules**	66, 000, 000[59, 64]
Energy Intensity[65]	**Megajoules / metre drilled**	531[66]
Energy Intensity[65]	**Megajoules / metre drilled**	531[66]

59 Value is rounded to nearest hundred thousand. Includes ~7,600,000 MJ from the construction of access road to Reid regional property.
60 Data provided by contractors and service providers (estimated or measured).
61 Construction of the Reid access road accounts for approximately 11% of diesel-based non-renewable energy consumption.
62 Construction of the Reid access road accounts for approximately 0.2% of gasoline-based non-renewable energy consumption.
63 Value is rounded to nearest ten.
64 Conversion to energy based on public sources (volume to energy), validated with Government of Canada data.
65 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).
66 Includes energy consumed during development of Reid access road. Energy intensity is 470 megajoules/metre drilled if construction works for Reid access road are excluded.

Water Management

Performance Metric	Source[67]	Value
Water Withdrawal (megalitres)[68]	**Surface and Groundwater**	47.7
Water Withdrawal from Areas with Water Stress (megalitres)	**Surface and Groundwater**	0
Water Discharge (megalitres)[69]	**Surface and Groundwater**	47.7
Water Consumption (megalitres)[70]		N/A
Water Consumption Per Metre Drilled (m3 water/metre)[71]	**Surface and Groundwater**	0.38

67 No seawater, produced water, or third-party water withdrawn or discharged

68 All drills were equipped with flow meters reading in cubic meters in 2024. Daily water readings were taken in the field by the drill crews and data was compiled, analyzed, and distributed by CNC Environmental staff.These calculations do not account for domestic water consumption by staff at the corporate or site offices.

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

70 As the water withdrawn is discharged back into the environment

71 All drills were equipped with flow meters reading in cubic meters in 2024. Daily water readings were taken in the field by the drill crews and data was compiled, analyzed, and distributed by CNC Environmental staff.

Health and Safety

Key Performance Indicators

Performance Metric	Employees	Contractors (Workers Who Are Not Employees)
Workers Covered by Occupational Health and Safety System (%)	100	100
Hours Worked	66,396	Not Tracked
Number of Fatalities	0	0
Lost-Time Injuries	0	0
Lost-time Injury Frequency (LTIF)	0	0
Recordable Work-Related Injuries	0	0
Recordable Work-Related Injury Frequency (IFR)	0	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
Near-misses	13	0

Economic Performance

Economic Value Distributed (CAD$ million)

Performance Metric	Value
Revenue	0
Operating Costs	71.8
Employee Wages and Salaries[72]	11.5
Payments to Providers of Capital	3.4
Payments to Canadian Government	0.3
Community Investments[73]	12.45
Proportion of Spending on Local Suppliers (%)	37.3
Economic Value Retained	-97.23

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

73 Community investments include all sponsorships and donations from CNC's Contributions Program, consulting fees associated with hosting and attending public events within the Timmins region, membership payments for participation in community organizations, fees affiliated with Indigenous Nation consultations, as well as equipment rentals and purchases made within the Timmins region. The 2024 community investment spend is based on the fiscal year and includes the $712,530 in payments to Indigenous Nations.

Contributions and Donations

Funding Awarded by Contributions Program Type

Program Type	Amount Awarded (CAD)
Short-term Contributions Program	$52,740 (Includes $12,200 in Indigenous Donations)
Legacy Contributions Program	$10,000
Total	**$62,740**[74]

74 Does not include $25,000 in funding that went towards three regional programs outside of Community Contributions Program (Critical Minerals Strategy Campaign, Ontario Legislative Internship Programme, Canadian Chamber of Commerce)

Funding Awarded Through Short-term[75] and Legacy Contribution Programs by Category

Category	Amount Awarded (CAD)
Health/Wellbeing	$11,500
Education	$20,500
Social	$21,840
Environmental	$4,300
Economic	$4,600

75 Includes $12,200 in Indigenous donations

Funding Awarded Through Short-term[76] and Legacy Contribution Programs by Community

Community	Amount Awarded (CAD)
Timmins	32,240
Cochrane	6,500
Iroquois Falls	2,500
Smooth Rock Falls	4,300
Other	12,200

76 Includes $12,200 in Indigenous donations

Funding Awarded Through Short-term Contributions Program Per Capita[77]

Community	Amount Awarded Per Capita (CAD)[78]
Timmins	0.78
Cochrane	1.20
Iroquois Falls	0.57
Smooth Rock Falls	3.58

77 Excludes $5,000 donation to Hope Air, as this is a regional program that serves all four communities.
78 Census data from Statistics Canada was used to calculate Funding Awarded per Capita (Statistics Canada, 2023)

Number of Successful Contribution Program Applications by Category

Category	No. Successful Applications[79]
Economic	2
Health/Wellbeing	3
Environmental	1
Education	4
Social	9
Total	**19**

79 Includes applications for Indigenous donations, Short-term Contributions Program, and Legacy Contributions Program

Number of Successful Short-term Contributions[80] Program Applications by Community

Community	No. Successful Applications
Timmins	8
Smooth Rock Falls	1
Cochrane	1
Iroquois Falls	2
All[81]	1
Other	5

80 Includes 5 donations to Indigenous groups.
81 Includes Hope Air sponsorship, which is a regional program that supports all four communities.

Appendix B – GRI Standards Content Index

Canada Nickel Company has reported information relating to the January 1, 2024 to December 31, 2024 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 2022. Note that a materiality assessment was not conducted in 2023 or 2024, but will be conducted for the 2025 ESG Report. 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. Note that reference locations correspond with 2024 ESG Report headings, not sub-headings. Some disclosure information may be presented directly in the Index, where appropriate.

ESG Report: Referring to Canada Nickel's 2024 ESG Report

ESTMA: Referring to Canada Nickel's 2024 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, 2023, and 2024

Available here

MDA: Referring to Canada Nickel's Management's Discussion & Analysis For the Year Ended October 31, 2024

Available here

GRI 2: General Disclosures 2021	
GRI Indicator	**Reference**
2-1 Organizational details	2024 ESG Report – Company Overview
2-2 Entities included in the organization's sustainability reporting	2024 ESG Report – Overview of Canada Nickel's 2024 ESG Report
2-3 Reporting period, frequency and contact point	2024 ESG Report – Overview of Canada Nickel's 2024 ESG Report
2-4 Restatements of information	Not applicable – There were no restatements of information from the 2023 ESG Report. Year-over-year metrics are presented in the 2024 ESG Report – ESG Performance Summary.

GRI 2: General Disclosures 2021	
GRI Indicator	**Reference**
2-5 External assurance	External assurances were not completed for the 2024 ESG Report.
2-6 Activities, value chain and other business relationships	2024 ESG Report – Company Overview, Responsible Contractor and Supplier Practices, Responsible Procurement, Community Relations
2-7 Employees	2024 ESG Report – Talent and Culture, 2024 Data Tables (Appendix A)
2-8 Workers who are not employees	2024 ESG Report – Talent and Culture, 2024 Data Tables (Appendix A)
2-9 Governance structure and composition	2024 ESG Report – Governance, Board Composition
2-10 Nomination and selection of the highest governance body	2024 ESG Report – Governance, Board Composition
2-11 Chair of the highest governance body	2024 ESG Report – Governance, A Message from the Chair of the Board of Directors
2-12 Role of the highest governance body in overseeing the management of impacts	2024 ESG Report – Governance, A Message from the Chair of the Board of Directors, A Message from the Chair of the ESG Committee, MDA
2-13 Delegation of responsibility for managing impacts	2024 ESG Report – Governance, A Message from the Chair of the Board of Directors, MDA
2-14 Role of the highest governance body in sustainability reporting	2024 ESG Report – Governance, A Message from the CEO, A Message from the Chair of the ESG Committee, Meet the Vice President of Sustainability
2-15 Conflicts of interest	2024 ESG Report – Governance and Ethical Conduct, Code of Business Conduct and Ethics (Appendix D)

GRI 2: General Disclosures 2021	
GRI Indicator	**Reference**
2-16 Communication of critical concerns	2024 ESG Report – Social Responsibility, Indigenous Rights and Relationships, 2024 Engagement Highlights, Community Committees
2-17 Collective knowledge of the highest governance body	2024 ESG Report – Governance Structure, Board Composition, https://canadanickel.com/team/
2-18 Evaluation of the performance of the highest governance body	2024 ESG Report – Board of Directors Committees
2-19 Remuneration policies	2024 ESG Report – Corporate Governance Policies, MDA, ACFS
2-20 Process to determine remuneration	2024 ESG Report – Corporate Governance Policies, MDA, ACFS
2-21 Annual total compensation ratio	2024 ESG Report – 2024 Data Tables (Appendix A)
2-22 Statement on sustainable development strategy	2024 ESG Report – A Message From the CEO, Our Approach to Sustainability
2-23 Policy commitments	2024 ESG Report – Corporate Governance Policies, Governance and Ethical Conduct
2-24 Embedding policy commitments	2024 ESG Report – Governance and Ethical Conduct, Environmental Stewardship, Social Responsibility
2-25 Processes to remediate negative impacts	2024 ESG Report – Social Responsibility, Indigenous Rights and Relationships, Environmental Stewardship, 2025 Objectives
2-26 Mechanisms for seeking advice and raising concerns	2024 ESG Report – Governance and Ethical Conduct, Community Committees, Summary of Public Engagement Related to the Impact Statement, Community Open Houses, Workplace Violence, Harassment and Discrimination Policy (Appendix E)
2-27 Compliance with laws and regulations	Not applicable – There were no instances of non-compliance during the reporting period.

GRI 3: Material Topics 2021	
GRI Indicator	**Reference**
3-1 Process to determine material topics	2022 ESG Report – Defining Our Priorities (p. 11-13) Note that Materiality Assessment does not need to be conducted on an annual basis and therefore was not conducted in 2023
3-2 List of material topics	2022 ESG Report – Our Material Topics (p. 12) Note that Materiality Assessment does not need to be conducted on an annual basis and therefore was not conducted in 2023
3-3 Management of Material Topics	2022, 2023, and 2024 ESG Reports - Described in the relevant section for each material topic.

GRI 101: Biodiversity 2024	
GRI Indicator	**Reference**
101-1 Policies to halt and reverse biodiversity loss	2024 ESG Report – Policies and Governance, Responsible Exploration, 2025 Objectives
101-2 Management of biodiversity impacts	2024 ESG Report – Environmental Stewardship, Water and Biodiversity Management, Impact Assessment
101-3 Access and benefit-sharing	2024 ESG Report – Indigenous Rights and Relationships, Social Responsibility
101-4 Identification of biodiversity impacts	2024 ESG Report – Environmental Stewardship, Water and Biodiversity Management
101-5 Locations with biodiversity impacts	2024 ESG Report – Environmental Stewardship. Specific sites with significant impacts were not identified in 2024 – not applicable at current size of operations
101-6 Direct drivers of biodiversity loss	2024 ESG Report – Environmental Stewardship, Impact Assessment
101-7 Changes to the state of biodiversity	Not applicable at current size of operations.
101-8 Ecosystem services	2024 ESG Report – Environmental Stewardship, Water and Biodiversity Management, Indigenous Rights and Relationships

GRI 201: Economic Performance 2016	
GRI Indicator	**Reference**
201-1 Direct economic value generated and distributed	Building Stronger Communities, Responsible Contractor and Supplier Practices, Employee Compensation and Benefits, Government Support and Industry Leadership
201-2 Financial implications and other risks and opportunities due to climate change	2024 ESG Report – Climate Change and Carbon Management, TCFD Disclosures (Appendix C)
201-3 Defined benefit plan obligations and other retirement plans	Not applicable – Canada Nickel does not have benefit plan obligations or other retirement plans.
201-4 Financial assistance received from government	2024 ESG Report – Government Support and Industry Leadership
101-8 Ecosystem services	2024 ESG Report – Environmental Stewardship, Water and Biodiversity Management, Indigenous Rights and Relationships

GRI 202: Market Presence 2016	
GRI Indicator	**Reference**
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	2024 ESG Report – 2024 Data Tables (Appendix A)
202-2 Proportion of senior management hired from the local community	2024 ESG Report – 2024 Data Tables (Appendix A)

GRI 203: Indirect Economic Impacts 2016	
GRI Indicator	**Reference**
203-1 Infrastructure investments and services supported	2024 ESG Report – Government Support and Industry Leadership, Community Contributions Program
203-2 Significant indirect economic impacts	2024 ESG Report – Building Stronger Communities, Community Contributions Program, Impact Assessment

GRI 204: Procurement Practices 2016	
GRI Indicator	**Reference**
204-1 Proportion of spending on local suppliers	2024 ESG Report – Government Support and Industry Leadership, Community Contributions Program

GRI 205: Anti-corruption 2016	
GRI Indicator	**Reference**
205-1 Operations assessed for risks related to corruption	Anti-corruption is not currently considered a material topic for CNC. No operation is considered to be at significant risk for incidents of corruption. However, CNC maintains a comprehensive Risk Register reviewed quarterly by the Board of Directors (2024 ESG Report – Governance and Ethical Conduct, Risk Management).
205-2 Communication and training about anti-corruption policies and procedures	CNC is in the process of developing an Anti-Corruption and Bribery Policy, which is anticipated for completion and implementation by year-end 2024. Training and awareness are planned to follow (2024 ESG Report – Corporate Governance Policies).
205-3 Confirmed incidents of corruption and actions taken	No confirmed incidents of corruption occurred during the reporting period.

GRI 302: Energy 2016	
GRI Indicator	**Reference**
302-1 Energy consumption within the organization	2024 ESG Report – Greenhouse Gas Emissions and Energy Use
302-2 Energy consumption outside of the organization	Not applicable.
302-3 Energy intensity	2024 ESG Report – Greenhouse Gas Emissions and Energy Use
302-4 Reduction of energy consumption	2024 ESG Report – Advancing Net-Zero Goals and Climate Leadership
302-5 Reductions in energy requirements of products and services	2024 ESG Report – Advancing Net-Zero Goals and Climate Leadership

GRI 303: Water and Effluents 2018	
GRI Indicator	**Reference**
303-1 Interactions with water as a shared resource	2024 ESG Report – Water and Biodiversity Management
303-2 Management of water discharge-related impacts	2024 ESG Report – Water and Biodiversity Management, Responsible Exploration
303-3 Water withdrawal	2024 ESG Report – Water and Biodiversity Management, 2024 Data Tables
303-4 Water discharge	2024 ESG Report – Water and Biodiversity Management, 2024 Data Tables
303-5 Water consumption	2024 ESG Report – Water and Biodiversity Management, 2024 Data Tables

GRI 305: Emissions 2016	
GRI Indicator	**Reference**
305-1 Direct (Scope 1) GHG emissions	2024 ESG Report – Greenhouse Gas Emissions and Energy Use, ESG Performance Summary, 2024 Data Tables (Appendix A)
305-2 Energy indirect (Scope 2) GHG emissions	2024 ESG Report – Greenhouse Gas Emissions and Energy Use, ESG Performance Summary, 2024 Data Tables (Appendix A)
305-3 Other indirect (Scope 3) GHG emissions	Not calculated during this reporting period.
305-4 GHG emissions intensity	2024 ESG Report – Greenhouse Gas Emissions and Energy Use, ESG Performance Summary, 2024 Data Tables (Appendix A)
305-5 Reduction of GHG emissions	2024 ESG Report – Advancing Net-Zero Goals and Climate Leadership, Greenhouse Gas Emissions and Energy Use
305-6 Emissions of ozone-depleting substances (ODS)	Not applicable at current size of operations.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable at current size of operations.

GRI 401: Employment 2016	
GRI Indicator	**Reference**
401-1 New employee hires and employee turnover	2024 ESG Report – Talent and Culture, 2024 Data Tables
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	2024 ESG Report – Employee Compensation and Benefits
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	2024 ESG Report – Health, Safety, and Well-being: Our Commitment to Safety
403-2 Hazard identification, risk assessment, and incident investigation	2024 ESG Report – Health, Safety, and Well-being: Health and Safety Protocols and Risk Management; Governance and Ethical Conduct
403-3 Occupational health services	2024 ESG Report – Health, Safety, and Well-being: Building a Safe and Healthy Workplace
403-4 Worker participation, consultation, and communication on occupational health and safety	2024 ESG Report – Health, Safety, and Well-being: Our Commitment to Safety
403-5 Worker training on occupational health and safety	2024 ESG Report – Health, Safety, and Well-being: Training
403-6 Promotion of worker health	2024 ESG Report – Health, Safety, and Well-being: Mental Health and Wellbeing
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2024 ESG Report – Health, Safety, and Well-being: Health and Safety Protocols and Risk Management
403-8 Workers covered by an occupational health and safety management system	2024 ESG Report – Health, Safety, and Well-being: Our Commitment to Safety
403-9 Work-related injuries	2024 ESG Report – Health, Safety, and Well-being: 2024 Health, Safety, and Well-being Performance Metrics; 2024 Data Tables
403-10 Work-related ill health	2024 ESG Report – Health, Safety, and Well-being: 2024 Health, Safety, and Well-being Performance Metrics; 2024 Data Tables

GRI 404: Training and Education 2016	
GRI Indicator	**Reference**
404-1 Average hours of training per year per employee	2024 ESG Report – Health, Safety, and Well-being: Training On the job training hours per individual were not tracked in 2024. 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	2024 ESG Report – Our People: Employee Development and Inclusion
404-3 Percentage of employees receiving regular performance and career development reviews	2024 ESG Report – 2024 Data Tables (Appendix A)

GRI 405: Diversity and Equal Opportunity 2016	
GRI Indicator	**Reference**
405-1 Diversity of governance bodies and employees	2024 ESG Report – Talent and Culture, Employee Development and Inclusion, 2024 Data Tables (Appendix A)
405-2 Ratio of basic salary and remuneration of women to men	2024 ESG Report – Employee Compensation and Benefits, 2024 Data Tables (Appendix A)
404-3 Percentage of employees receiving regular performance and career development reviews	2024 ESG Report – 2024 Data Tables (Appendix A)

GRI 406: Non-discrimination 2016	
GRI Indicator	**Reference**
406-1 Incidents of discrimination and corrective actions taken	Not applicable – No incidents occurred during reporting year.

GRI 411: Rights of Indigenous Peoples 2016	
GRI Indicator	**Reference**
411-1 Incidents of violations involving rights of Indigenous Peoples	Not applicable – No incidents occurred during reporting year.

GRI 413: Local Communities 2016	
GRI Indicator	**Reference**
413-1 Operations with local community engagement, impact assessments, and development programs	2024 ESG Report – Building Stronger Communities, A Collaborative Model for Impact Assessment, Community Committees, Summary of Public Engagement Related to the Impact Statement, Community Open Houses
413-2 Operations with significant actual and potential negative impacts on local communities	2024 ESG Report – Building Stronger Communities, A Collaborative Model for Impact Assessment, Summary of Public Engagement Related to the Impact Statement

Omissions	
GRI Indicator	**Reference**
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 disclosures in this area pending construction approval.
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 disclosures in this area pending construction approval. 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	

Omissions	
GRI Indicator	**Reference**
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.

80 In both Canada and Ontario, corporations are prohibited from making political contributions to ensure transparency and prevent undue influence in the political process. (Canada Elections Act; Election Finances Act)

Omissions	
GRI Indicator	**Reference**
GRI 415: Public Policy 2016	
415-1 Political contributions	No contributions made[80]
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.

Appendix C – TCFD Disclosure Index

Canada Nickel Company (CNC, the Company) is reporting information relating to the January 1, 2024 to December 31, 2024 reporting period with reference to the Task Force on Climate-Related Financial Disclosures (TCFD) guidance. Comprising 11 disclosures under 4 key pillars, TCFD provides a framework for organizations to disclose climate-related financial risks and opportunities.

TCFD Recommendation	CNC Response
Governance	
Describe the board's oversight of climate-related risks and opportunities	Canada Nickel Company's (CNC's) Board of Directors exercises oversight of climate-related risks and opportunities primarily through its Environmental, Social, and Governance (ESG) Committee. This Committee plays a key role in overseeing CNC's health and safety, Indigenous relations, environmental sustainability, and climate-related responsibilities. It ensures that CNC's ESG practices are aligned with the Company's commitment, as outlined in the Crawford Project's Impact Statement and Tailored Impact Statement Guidelines (TISG), to achieve net-zero emissions by 2050 and to advance its social purpose—to originate materials to responsibly power the energy transition. The ESG Committee regularly reviews management reports and sustainability performance, including emissions management and regulatory developments. Climate-related risks are reviewed at the Board level, while climate initiatives are primarily addressed at the project level and through the impact Statement. These efforts are supported by the Vice President of Sustainability and the Environment team, who contribute to project-level planning for emissions reduction, including the implementation of innovative technologies like In-process Tailings (IPT) Carbonation and the development of net-zero strategies specific to the Crawford Project. Board-level discussions on climate-related risks and opportunities are informed by the ESG Committee's guidance, particularly on evolving industry standards and investor expectations. In 2024, the Committee supported the Company's alignment with the Task Force on Climate-related Financial Disclosures (TCFD), the UN Sustainable Development Goals, and the Global Reporting Initiative (GRI), reinforcing CNC's governance approach with globally recognized frameworks.

Describe management's role in assessing and managing climate-related risks and opportunities	Management at CNC plays a central role in assessing and managing climate-related risks and opportunities across all phases of project development. Strategic leadership is provided by the Vice President of Sustainability, with direct support from the Environmental Manager and the broader Environment team. This team is responsible for ensuring that climate considerations are embedded into permitting, project design, and long-term planning. In 2024, CNC's Vice President of Sustainability and Environmental Manager led the preparation and submission of CNC's Impact Statement under the Impact Assessment Act (2019) – a key milestone in advancing the Crawford Project. This comprehensive document addresses the requirements of the Strategic Assessment of Climate Change (SACC), including detailed greenhouse gas (GHG) inventories, quantification of carbon sequestration potential, identification of climate-related risks and mitigation measures, and a credible plan to achieve net-zero emissions by 2050. These elements are outlined in the ESG Report section "Advancing Net-Zero Goals and Climate Leadership." Management is also accountable for the execution of CNC's broader climate strategy, including the deployment of IPT Carbonation technology, electrified mining equipment, and carbon-smart infrastructure, all of which are designed to reduce the Company's emissions profile during future construction and operations. CNC's Risk Register, reviewed quarterly by the Board and updated by senior leadership, supports ongoing climate risk integration by identifying emerging exposures such as carbon pricing, regulatory shifts, and operational vulnerabilities. Management identifies risks from physical climate change, such as water scarcity, through CNC's Risk Register and Impact Statement, which was developed with input from Indigenous Nations, regulators, and technical experts. These risks are incorporated into project design through site-specific mitigation strategies developed in accordance with the SACC. In addition, management works closely with Indigenous Nations, regulatory authorities, and technical experts to develop climate mitigation strategies that reflect both science and Traditional Knowledge. This collaborative and forward-looking approach ensures that CNC's climate risk management is inclusive, adaptive, and aligned with both regulatory obligations and long-term sustainability goals.

Strategy	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	As detailed in the section "Advancing Net-Zero Goals and Climate Leadership" of CNC's 2024 ESG Report, the Company has undertaken a robust assessment of climate-related risks and opportunities as part of the regulatory process for its flagship Crawford Project. These considerations are integrated into the Impact Statement, submitted in November 2024 under the *Impact Assessment Act (2019)*. The assessment follows guidance outlined in the SACC, which requires project proponents to evaluate GHG emissions, carbon sinks, mitigation strategies, and alignment with Canada's net-zero targets. Short-term risks are primarily associated with the pre-construction and early development phases, including vegetation clearing, land disturbance, and initial infrastructure development (e.g., road construction), all of which can result in increased GHG emissions and a temporary reduction in carbon sinks. However, mitigation efforts, such as targeted land use planning, minimized surface disturbance, and early-stage reclamation, present opportunities to reduce near-term environmental impacts. Medium-term risks are expected during the operational phase and include emissions from mobile mining equipment, energy consumption, and processing activities. To address these, CNC is advancing Best Available Technologies (BAT) and Best Environmental Practices (BEP), including the electrification of haul trucks, use of electric rope shovels, and implementation of IPT Carbonation, which is projected to sequester up to 1.5 million tonnes of CO_2 annually at peak operation. These technologies offer significant medium-term opportunities to reduce Scope 1 and Scope 2 emissions, enhance resource efficiency, and position CNC as a low-carbon supplier to the electric vehicle (EV) and clean energy sectors. Long-term risks include residual GHG emissions post-closure and the challenge of ensuring land restoration effectively restores or enhances carbon sinks. CNC views this as an opportunity to integrate land reclamation with long-term sequestration objectives and biodiversity enhancement. Reclamation plans, as outlined in the Impact Statement and under development in consultation with Indigenous Nations and local stakeholders, include the use of native vegetation and post-operational landforms designed to optimize ecological recovery and passive carbon uptake. Additionally, CNC continues to collaborate with First Nation Environmental Committees and CNC's Environmental Committee consisting of local stakeholders, to identify, amongst other things, site-specific environmental and climate risks and co-develop mitigation strategies that reflect both Traditional Knowledge and scientific analysis. These partnerships enhance CNC's ability to anticipate, respond to, and manage risks while unlocking shared opportunities in environmental stewardship, carbon innovation, and regional economic development.

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate-related risks and opportunities are central to CNC's strategic direction and long-term financial planning. The Company's goal of becoming a net-zero carbon producer by 2050 shapes its approach to project design, permitting, and investment, particularly as demand accelerates for low-carbon critical minerals that support the global energy transition. By 2050, the demand for minerals like nickel, iron, and cobalt could increase by up to 500% to support clean energy technologies (World Bank Group, 2020). Nickel is essential to the stainless-steel, alloy, aerospace, renewable energy, and electric vehicle industries. The more nickel in a battery, the further the electric vehicle can drive on a single charge. Currently, much of the world's nickel comes from China and Indonesia, where mining is powered through coal-fired electricity that has a substantial carbon footprint and where processing methods result in larger volumes of chemically reactive tailings (Bloomberg, 2024; Stambaugh et. al., 2023). Worker health and safety in this region is also a concern with multiple reports of deaths and critical injuries (Bloomberg, 2024). The Project not only aims to meet the growing demand for nickel, but would reduce Canada's reliance on these foreign suppliers, making the supply chain more secure, stable, environmentally conscious, and socially viable while simultaneously contributing to both Ontario and Canada's critical minerals strategies. Canada Nickel is aiming to not only contribute to both Ontario and Canada's critical minerals strategies, but is also aiming to contribute to federal net-zero emissions targets for 2050 through mineral carbonation to reduce global greenhouse gas emissions. Although mineral carbonation is naturally occurring, Canada Nickel is proposing active carbonation through the Company's patent-pending In-Process Tailings Carbonation process, which could permanently store (sequester) up to 1.3 million tonnes of CO2 annually, transforming the Project into a large-scale carbon sink capable of producing net-zero metals. As outlined in the "Climate Change and Carbon Management" and "Federal Impact Assessment Process" sections of the 2024 ESG Report, climate-related risks and mitigation strategies were integrated into the Crawford Project Impact Statement, in accordance with the SACC requirements under the Impact Assessment Act (2019). This includes the quantification of GHG emissions across project phases, assessment of residual impacts, and identification of opportunities to sequester carbon and reduce emissions through innovative design. These elements inform not only regulatory compliance but also CNC's broader strategy for resilient, future-focused development.

	Development plans for the Crawford Project incorporate key climate-smart technologies and infrastructure, including IPT Carbonation. This technology significantly reduces Scope 1 emissions and positions CNC to deliver net carbon benefits. CNC also leverages Ontario's low-carbon electricity grid to minimize Scope 2 emissions across exploration and anticipated operational activities. To address transitional risks (e.g., regulatory changes, investor expectations, carbon pricing), CNC has embedded climate mitigation into project engineering and infrastructure selection. CNC intends to use trolley-assisted haul trucks for the Crawford Project, as well as electric rope shovels, and digital optimization technologies for predictive maintenance and fuel use reduction. These features, highlighted in the "Climate Change and Carbon Management" section, intends to reduce fossil fuel dependency and support more stable cost structures in a carbon-constrained economy. Financially, CNC's planning accounts for upfront investments in emissions reduction technologies and infrastructure, as well as potential returns through future carbon credit monetization and stakeholder alignment. These are reflected in strategic partnerships and external support secured in 2024, such as: • A $3.4 million matching grant from Natural Resources Canada to advance IPT Carbonation through a pilot plant project. CNC anticipates receiving a significant portion of the funding, with some components subject to eligibility criteria. • Up to $500 million in potential project financing support from Export Development Canada and a leading Canadian financial institution. As CNC transitions from project development to construction of the Crawford Project, climate-related risks and opportunities will continue to influence procurement strategies, permitting schedules, technology partnerships, and stakeholder engagement.

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CNC acknowledges the importance of scenario analysis in evaluating long-term climate-related risks. While the Company has not yet conducted formal climate risk modeling aligned with a 2°C or lower scenario, such analysis is expected to be incorporated as CNC progresses into construction and operational phases. This will enable the Company to evaluate a range of physical risks (e.g., water scarcity, extreme weather) and transition risks (e.g., carbon pricing, regulatory changes) that may emerge under different climate futures. In the absence of formal scenario testing, CNC has already embedded several key strategies that strengthen resilience to climate-related impacts. As described in the ESG Report section "Climate Change and Carbon Management," the Company is actively implementing emissions reduction technologies such as IPT Carbonation, electrified mining equipment, and energy-efficient design features. These support operational flexibility in a low-carbon economy while reducing regulatory exposure and long-term cost risks. Water management remains a central focus of CNC's resilience planning. Under the Company's *Responsible Exploration Policy*, sumps are installed at drill sites located within 30–100 metres of waterbodies. These sumps capture and recycle water, as well as biodegradable drill cuttings and dewatering fluids, to minimize environmental discharge and reduce reliance on external water sources. This is especially important in areas where water is limited or where multiple drills are operating simultaneously. Sump construction is determined on a case-by-case basis and allows for water to be reused during drilling operations, lowering freshwater demand. Additionally, any drill holes encountering artesian water are plugged and sealed to prevent the uncontrolled release of groundwater, which protects subsurface resources and reduces water loss. These proactive steps ensure that CNC can continue operating sustainably under potential climate-related water stress scenarios. CNC's approach also incorporates Traditional Knowledge through meaningful engagement with Indigenous Nations, particularly with respect to local water systems and land stewardship. This collaboration strengthens adaptive capacity and enhances CNC's understanding of environmental change from both scientific and cultural perspectives. Looking ahead, CNC intends to develop a formal Climate Change Strategy that may include climate scenario analysis to inform future planning. This will support enhanced alignment with investor expectations and global climate disclosure frameworks while reinforcing CNC's net-zero commitment.

Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks.	CNC identifies and assesses climate-related risks through a structured, cross-functional process that integrates project-level environmental planning, corporate risk management, and stakeholder engagement. The Company uses a centralized Risk Register to document and monitor environmental and technical risks, including those with climate implications. This tool is updated regularly by department leads and reviewed by the Board of Directors, ensuring emerging exposures such as emissions, land disturbance, and regulatory compliance are evaluated and managed proactively. At the project level, climate-related risks are assessed as part of the federal Impact Assessment process for the Crawford Project. CNC's Impact Statement, developed under the TISG, includes detailed evaluations of GHG emissions, carbon sink impacts, and climate mitigation strategies. Risk identification is further supported by collaborative engagement. CNC works with Indigenous Nations, federal and provincial regulators, technical experts, and local communities through its Technical Working Group (TWG) and Environmental Committee to identify site-specific environmental and climate risks. These partnerships help incorporate both Traditional Knowledge and scientific insight into the Company's risk assessments.
Describe the organization's processes for managing climate-related risks.	CNC manages climate-related risks through a structured, multi-tiered process that integrates regulatory compliance, cross-functional oversight, and collaboration with Rightsholders and stakeholders. These processes are outlined in the "Risk Management" and "Federal Impact Assessment Process" sections of the 2024 ESG Report. At the corporate level, CNC uses its Risk Register to track environmental, technical, and operational risks, as well as health and safety, human resources, financial, administrative, political, social, reputational, and legal risks. This tool allows for ongoing monitoring of risk severity, likelihood, and mitigation actions. It is reviewed by the Board and updated regularly by departmental risk owners, ensuring that climate-related concerns such as emissions, permitting obligations, and land disturbance, are identified and actively managed across the organization.

CNC's most comprehensive climate risk management process has been carried out through the federal impact assessment for its proposed Crawford Project, conducted under the *Impact Assessment Act (2019)*. The Tailored Impact Statement Guidelines (TISG), issued by the IAAC, require CNC to evaluate and disclose climate-related factors in detail. This includes:

- Quantification of GHG emissions for each project phase;
- Identification of key emission sources and reporting of net emissions and emissions intensity;
- Assessment of positive and negative impacts on carbon sinks; and
- Description of mitigation measures to reduce or offset emissions and restore disturbed carbon sinks.

The TISG also require CNC to demonstrate how the Crawford Project aligns with Canada's net-zero target by 2050 and global climate commitments. To meet this requirement, CNC has developed a BAT/BEP Determination, which outlines mitigation options for all project phases from site preparation to closure.

As part of the Impact Statement submitted in November 2024, CNC has evaluated the severity and likelihood of climate-related impacts and proposed corresponding mitigation measures. These measures were developed in collaboration with Indigenous Nations and reviewed by federal regulatory agencies. This process ensures that climate risks are not only identified, but also addressed through formalized, transparent, and inclusive planning.

Additional oversight is provided by the TWG and CNC's Environmental Committee, both of which play a role in validating climate risk controls and informing project decisions. The TWG brings together First Nations, regulators, and technical experts to address climate and environmental concerns, while the Environmental Committee provides community-based insight on land use, emissions, and water stewardship.

This integrated system enables CNC to manage climate risks from both a regulatory compliance and operational readiness perspective. As the Company progresses toward development, climate-related risk management will continue to evolve through scenario analysis, enhanced emissions tracking, and alignment with emerging disclosure frameworks.

Metrics and Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	CNC uses a range of metrics to assess climate-related risks, which are aligned with the Company's strategy and risk management processes. The monitoring of GHG emissions, carbon sequestration potential, fuel consumption, and water consumption are key components of the Company's risk management system and are critical to assessing climate-related risks. CNC monitors and publicly discloses the Company's Scope 1 and Scope 2 GHG emissions. In 2024, Scope 1 emissions totalled 5,399 tonnes CO_2e, which includes 33 tonnes of CO_2e from the construction of an access road at the Reid exploration property. This represents a significant increase from 2023, with drilling activity rising by over 440% as part of the Company's expanded exploration program. The increase includes the use of helicopter-supported rigs in remote areas, which, while contributing to higher emissions, allowed CNC to limit land disturbance and avoid the need for new access roads or site clearing, thereby reducing broader environmental impacts. This approach, while minimizing surface disturbance, resulted in a 9,173% increase in jet fuel energy consumption over the previous year, contributing significantly to higher emissions and energy intensities. As a result, energy intensity rose from 443 MJ/metre drilled in 2023 to 531 MJ in 2024. CNC does not currently report on Scope 3 emissions or other operational metrics. As the Company progresses toward construction and operations, more comprehensive monitoring systems will be implemented to ensure alignment with global reporting standards. CNC currently calculates its GHG emissions by relying on fuel consumption data provided by contractors. In cases where detailed fuel data is unavailable, emissions are estimated based on other operational metrics, such as hours worked, equipment used, and standard fuel consumption per hour. CNC acknowledges that this approach introduces variability, as fuel efficiency may vary depending on equipment, site conditions, and work intensity. The Company is not yet actively implementing real-time data collection but intends to do so if the Crawford Project is approved for construction and operations, to improve the accuracy of GHG emissions reporting. CNC also monitors the carbon sequestration potential of its operations through the development of its proprietary IPT Carbonation technology. In 2024, pilot-scale testing confirmed the technology's potential to sequester up to 1.5 million tonnes of CO_2 annually during peak production years, resulting in a projected net-positive carbon sink. The Company continues to refine metrics related to the amount of CO_2 stored per tonne of processed tailings and uses brucite content as a proxy to estimate the storage capacity of future sites.

	CNC also tracks the Company's water usage to minimize its environmental footprint. This is accomplished through the installation of flow meters on water intakes used during drilling activities, allowing for consistent and transparent measurement of withdrawal volumes. In 2024, CNC withdrew 47.7 megalitres of water, with an average daily withdrawal of 32.25 m^3 per drill). To improve accuracy, CNC introduced daily water tracking protocols at drill sites, providing a more precise understanding of withdrawal patterns and supporting better alignment with regulatory and internal environmental performance goals. Water intensity decreased from 0.48 m^3/metre drilled in 2023 to 0.38 m^3 in 2024, indicating improved efficiency despite a substantial increase in total drilling activity.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	CNC does not currently have quantitative Scope 1, 2, or 3 GHG reduction targets for current operations, as the Company does not yet have an operating asset. However, CNC has established several qualitative climate-related targets focused on supporting the Company's commitment to achieving net-zero emissions by 2050. These targets are embedded into the design and planning of the Crawford Project and guide decisions related to emissions mitigation, technology deployment, and environmental compliance. - Scope 1 (Direct): 5,399 tonnes CO_2e, which includes 33 tonnes of CO_2e emissions from the construction of the access road at the Reid regional property. - Scope 2 (Indirect): 2 tonnes CO_2e - Scope 3: Not disclosed, as the Company's emissions are not yet classified as industrial-level.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	CNC does not currently have quantitative Scope 1, 2, or 3 GHG reduction targets for current operations, as the Company does not yet have an operating asset. However, CNC has established several qualitative climate-related targets focused on supporting the Company's commitment to achieving net-zero emissions by 2050. These targets are embedded into the design and planning of the Crawford Project and guide decisions related to emissions mitigation, technology deployment, and environmental compliance.

-	CNC's primary climate target is to achieve net-zero emissions by 2050 by avoiding, reducing, and offsetting greenhouse gas emissions throughout the life of the Project. This target is being advanced through the use of BAT and BEP, as required under the *Impact Assessment Act (2019)* and the SACC. One of the most significant tools supporting this target is CNC's proprietary IPT Carbonation technology. Recent pilot-scale testing in 2024 successfully demonstrated full-scale IPT operation using 130 tonnes of ore, representing a 600-fold scale-up from initial trials. Results confirmed the technology's ability to sequester up to 1.5 million tonnes of CO_2 per year at peak throughput, enabling the Crawford Project to serve as one of the largest carbon sequestration sites in North America. This would result in a net-positive carbon sink over the life of the Project and support the potential generation of verified carbon credits under Ontario's emissions performance standards. CNC also intends to achieve significant operational efficiencies through the use of electrified equipment, including trolley-assisted haul trucks and electric rope shovels, which will reduce reliance on diesel and lower future Scope 1 emissions. In addition, the Company continues to leverage Ontario's low-carbon electricity grid to minimize Scope 2 emissions associated with energy consumption. Infrastructure for the Crawford Project has been strategically sited to reduce land disturbance and support efficient energy delivery. These measures align with CNC's climate mitigation goals and reflect the Company's long-term strategy to reduce emissions intensity across all phases of development. Although CNC's climate targets remain qualitative at this stage, the Company is committed to evolving its emissions tracking, performance benchmarking, and carbon accounting systems as it advances toward construction. Future work will include third-party validation of IPT performance, engagement with regulated carbon markets, and continued refinement of climate-related targets to support investor and regulatory expectations.

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Appendix D – ESG Policy

1. PURPOSE & GUIDELINES

In this document, "Canada Nickel," and "the Company" are used interchangeably to refer to Canada Nickel Company Inc. All terms represent the same entity and should be understood as referring to the same organization.

At Canada Nickel, strong environmental, social, and governance ("ESG") practices are essential to the success of the Company's projects and the creation of long-term value. Canada Nickel's commitment to responsible resource development is driven by the Company's social purpose: **to originate materials to responsibly power the energy transition**. By embedding sustainability into every stage of its operations, Canada Nickel aims to minimize environmental impact, foster socio-economic growth, and ensure compliance with the highest standards, thereby positioning its projects for long-term success.

Canada Nickel's ESG vision is rooted in the belief that ethical and sustainable practices create long-term benefits for potentially impacted Indigenous Nations, investors, local communities, partners, stakeholders, and customers. Through meaningful partnerships and the adoption of innovative technologies, Canada Nickel strives to lead the industry in providing low-carbon, ethically sourced critical minerals. The Company is committed to advancing reconciliation through transparent, respectful, and long-term partnerships with Indigenous Nations, recognizing their rights, knowledge, and leadership in shaping responsible development. Canada Nickel believes that Indigenous partnership is fundamental to sustainable success and is working to ensure its projects create intergenerational value that aligns with community visions. Canada Nickel's dedication to transparency, biodiversity conservation, and inclusive engagement reflects the goal to align resource development with global sustainability priorities, while delivering measurable value.

Guided by the Company's social purpose, this ESG Policy has been developed, reviewed and approved by Canada Nickel's Management and Board of Directors. The ESG Policy is designed for the exploration phase of the Crawford Project and the Company's regional projects, as well as the Company's broader corporate operations. While management plans and policies will be developed when appropriate, the ESG Policy is not static — management may revise this Policy as necessary to ensure alignment with the Company's overarching ESG goals. Health and safety matters are primarily addressed under the Company's existing Health and Safety Policy, with high-level commitments referenced in the ESG Policy. The ESG Policy provides a high-level framework for guiding the Company's approach to ESG matters and outlines overarching objectives, but is distinct from a management plan, which details specific procedures, responsibilities, and actions for implementation.

This Policy prioritizes environmental protection and socio-economic considerations, establishing principles and guidelines to address potential issues and guide personnel in minimizing or mitigating adverse effects, and promote initiatives that deliver positive environmental and social outcomes. It serves as a foundational reference for Project personnel, providing a framework for

enhancing both environmental and social performance. As the Project advances, the ESG Policy will evolve to include reasonable measures that align with future permits, industry best practices, and Indigenous Knowledge, ensuring all activities meet environmental commitments and socio-economic standards.

2. APPROACH

The Company's ESG approach focuses on key material topics identified as priorities for Canada Nickel and potentially impacted Indigenous Nations and stakeholders of the Project, including but not limited to: environmental stewardship; social responsibility; governance and ethical practices; and health, safety, and wellbeing. This comprehensive focus ensures alignment with industry standards and broader social objectives.

3. OBJECTIVES

The Company's objectives include:

ENVIRONMENTAL STEWARDSHIP

- Enhancing environmental performance by using resources more efficiently, reducing waste, and preventing pollution, while also considering socio-economic impacts and benefits of the Company's operations and initiatives.
- Implementing appropriate environmental monitoring programs in collaboration with potentially impacted Indigenous Nations throughout all Project phases to ensure transparency, accountability, alignment with stewardship priorities, and open communication of results to those potentially impacted stakeholders and Rightsholders for collaborative effects monitoring.
- Incorporating biodiversity conservation and land use planning considerations throughout all decision-making processes.
- Developing strategies to address climate change by exploring opportunities to reduce greenhouse gas emissions and align with sustainable environmental practices.
- Integrating water stewardship into project planning by modelling, monitoring, and managing water withdrawal and discharge to maintain balance between operational needs and ecosystem sustainability.
- Advancing responsible mine closure planning by collaborating with potentially impacted Indigenous Nations and stakeholders and to ensure post-mining landscapes support biodiversity, habitat restoration, and long-term ecosystem resilience.

SOCIAL RESPONSIBILITY

- Contributing to socio-economic growth in and around the communities in which Canada Nickel operates by maximizing local procurement opportunities, generating employment, and collaborating with local stakeholders and potentially impacted Indigenous Nations to implement initiatives that promote regional economic development, community well-being, and environmental sustainability.
- Engaging constructively with potentially impacted Indigenous Nations, key stakeholders, and local communities to address their needs in decision-making processes.
- Integrating Traditional Knowledge into project planning, environmental management, and decision-making in collaboration with potentially impacted Indigenous Nations to ensure culturally informed and inclusive outcomes.
- Establishing accessible communication channels to provide regular updates, address concerns, and encourage feedback from potentially impacted Indigenous Nations and stakeholders throughout all stages of the Project.
- Advancing socio-economic research, environmental innovation, and the application of relevant findings to enhance sustainable development.

GOVERNANCE AND ETHICAL CONDUCT

- Setting and measuring ESG performance objectives and targets by implementing systematic environmental and socio-economic management practices, allocating appropriate resources for tracking, and ensuring continuous improvement.
- Adhering to all applicable laws and regulations applicable to project activities, ensuring compliance and striving to go beyond compliance when economically and scientifically feasible.
- Establishing and sustaining a comprehensive risk management approach and incorporating ESG considerations into the Company's annual performance review process.
- Holding routine meetings with the Board of Directors and ESG Committee to review performance metrics, risks, and necessary corrective actions to enhance the Company’s ESG outcomes.
- Providing employees and contractors with the training and resources needed to integrate ESG initiatives into daily responsibilities.
- Ensuring transparency by publishing an annual ESG Report summarizing the Company’s performance relative to the objectives outlined in this Policy.
- Promoting diversity, equity, and inclusion by fostering an inclusive workplace that values diverse perspectives and ensures equal opportunities for all.

HEALTH, SAFETY, AND WELL-BEING

- Fostering a safety-first culture, creating a safe working environment, and reducing the risk of injury while prioritizing the well-being of employees and contractors.
- Promoting mental health and well-being by providing access to employee assistance programs and training to support a healthy and balanced workplace environment.

4. REVIEW OF POLICY

This Policy will be reviewed by the Company annually to ensure ongoing compliance.

5. COMMUNICATION OF POLICY

To ensure that all Canada Nickel Representatives are aware of the Policy, a copy will be made available on the Company's shared drive, and all Canada Nickel Representatives will be informed whenever significant changes are made. New Canada Nickel Representatives will be provided with a copy of this Policy upon joining or being retained by the Company and will be educated about its importance.

REVIEW AND APPROVAL

Owner:	Pierre-Philippe Dumont - VP Sustainability
Type of Policy:	Entity Level - ESG/Sustainability
Date Approved:	July, 2025
Next Review:	Annual or As Required
Policy Number:	BL-001

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