

FIRST ATLANTIC NICKEL TO ACQUIRE STRATEGIC LAND CLAIM ADJACENT TO RPM ZONE, ADVANCING ATLANTIC NICKEL PROJECT

Vancouver, British Columbia – (GlobeNewswire - December 17, 2024) - First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") is pleased to announce that it has entered into an agreement to acquire a 100% interest in the RPM-South claims (the "Claims") located immediately south of the recent discovery at the RPM Zone (See Figure 1), which is part of the 30 kilometer nickel trend at the Atlantic Nickel project (the "Atlantic Nickel Project" or the "Project") in Newfoundland. Future drill programs will aim to test for mineralization in all directions, including at depth, from the new discovery at the RPM target zone, which is no longer constrained by proximity to project boundaries. The Claims are strategically important for future project infrastructure and mine development, while also being prospective as they have the potential to host awaruite nickel mineralization extending southward from the RPM Zone at depth.

Highlights:

- **Strategic Acquisition:** The Company will acquire licence #038152M (which consists of 12 claims), located immediately south of the RPM Zone. This strategic acquisition is necessary for future project infrastructure and development. The new licence also enables the investigation of the potential southward continuation of awaruite nickel mineralization at depth within the RPM Zone.
- **Phase 1 Drilling Update:** Phase 1 Drill core processing has resumed following successful relocation to long term drill core and processing facility.
- **Assays & Metallurgical Testing:** The initial Phase 1 drill holes have been submitted for assays, while others are currently being processed. Metallurgical testing will commence upon receipt of the assay results.
- **Phase 2 Drilling Plans:** Phase 2 drill permits were submitted on November 27, 2024, including plans for a direct vehicle access road into the RPM and Chrome Pond Zones.
- **Mineralization Expansion Potential:** The RPM Zone remains open for drilling in all directions, with mineralization appearing more substantial to the east and showing potential for further expansion along strike.
- **No Private Placement Financing:** The Company is not currently conducting or planning any private placement equity financings. First Atlantic has not engaged any third parties to solicit on its behalf. **Any such inquiries are unauthorized and should be directed to the Company.**

For further information, questions, or investor inquiries, please contact **Rob Guzman** at **First Atlantic Nickel** by phone at **+1 844 592 6337** or via email at rob@fanickel.com

The Claims will provide First Atlantic with a contiguous land package in the immediate vicinity of the RPM Zone. The RPM Zone extends south to the previous claim boundary and could potentially continue south into the newly

acquired claims. This makes the acquisition a key asset for future project development and infrastructure, as it lies in close proximity to known mineralization boundaries. Further expansion drilling will focus on defining the extent of mineralization and testing for depth, as well as east, north and south extensions of the new discovery at the RPM target zone. This strategic acquisition enables comprehensive exploration and development planning as the Project advances. The Company remains dedicated to realizing the full potential of the Atlantic Nickel Project through robust exploration and aggressive drilling campaigns.

Phase 2 Drill Program:

Phase 2 drilling will focus on targeting deeper mineralization and extending the strike length and width of the RPM Zone. With permits submitted on November 27, 2024, the Company plans to explore targets along the entire 30 km ophiolite trend, seeking sulfur-free nickel-alloy, awaruite. The Phase 2 program aims to delineate and expand known mineralization zones, potentially connecting the RPM and Chrome Pond areas, which are believed to represent a significant target for future resource drilling. The RPM Zone remains open in all directions, and the Company anticipates providing updates on Phase 1 step-out drilling to the north, with further updates expected shortly.

As the Company awaits drill permits, it is currently planning the development of a drill access trail to the RPM Zone for winter drilling. This access trail is included in the same permit application submitted for Phase 2 drill permits. Efforts are also underway to relocate the camp to support upcoming drilling activities. The Company plans to utilize the newly established drill core processing and storage facility in Grand Falls-Windsor, Newfoundland, for this program. These logistical preparations will ensure the smooth and efficient execution of the Phase 2 drilling campaign. Exploration will continue to test the 30 km nickel trend, with additional holes being drilled as the Company expands its operations northward.

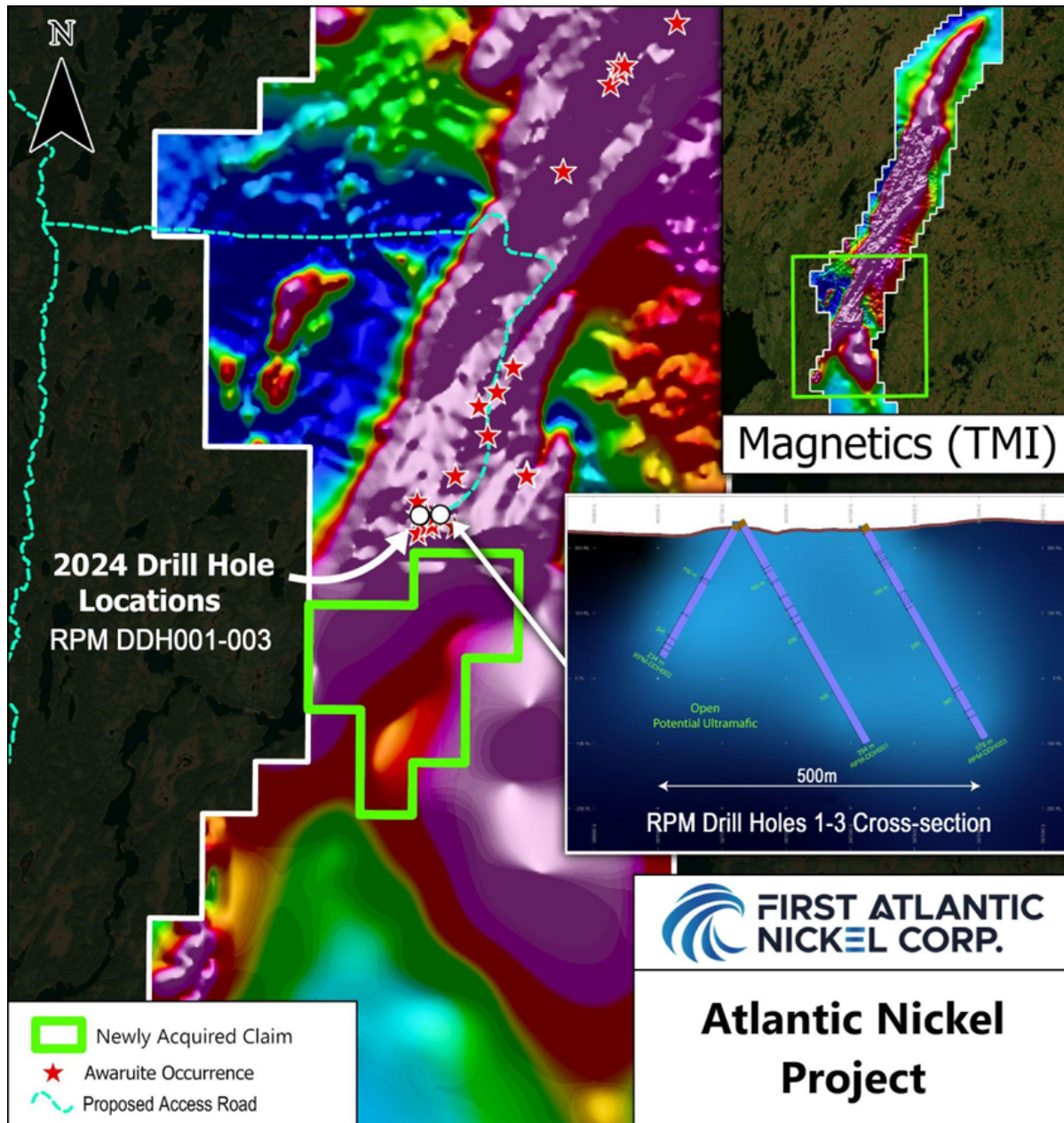


Figure 1: Claim location map showing RPM-South claims to be 100% purchased by First Atlantic. The Claims are located adjacent to recent discoveries at the RPM Zone and form a critical piece of the Company's long term Atlantic Nickel development plans.

RPM Zone Geology: The RPM Zone is situated within the expansive 30 km highly magnetic ultramafic ophiolite belt, approximately 10 km south of the Super Gulp target and 25 km south of the historic drilling at Atlantic Lake, where significant mineralization was previously encountered in drill core. This zone is characterized by wide

intervals of heavily sheared and serpentinized peridotite ultramafic rock. The serpentinized peridotite within the drilled areas is heavily broken due to extensive shearing and faulting, resulting from its vertical position within a subduction zone and vertical emplacement rather than being displaced and preserved as a massif. The vertical orientation of the crustal-scale ophiolite is highly favorable, absorbing additional structural breakage and increasing fluid porosity for serpentinization. This vertical orientation also provides significant depth potential for mineralized zones, where the nickel mineralization could extend to depths of 1 km or more, allowing ample room for depth extensions.

Awaruite (Nickel-iron alloy Ni_2Fe , Ni_3Fe)

Awaruite, a naturally occurring sulfur-free nickel-iron alloy composed of Ni_3Fe or Ni_2Fe with approximately ~75% nickel content, offers a proven and environmentally safer solution to enhance the resilience and security of North America's domestic critical minerals supply chain. Unlike conventional nickel sources, awaruite can be processed into high-grade concentrates exceeding 60% nickel content through magnetic processing and simple floatation without the need for smelting, roasting, or high-pressure acid leaching^[1]. Beginning in 2025, the US Inflation Reduction Act's (IRA) \$7,500 electric vehicle (EV) tax credit mandates that eligible clean vehicles must not contain any critical minerals processed by foreign entities of concern (FEOC)^[2]. These entities include Russia and China, which currently dominate the global nickel smelting industry. Awaruite's smelter-free processing approach could potentially help North American manufacturers meet the IRA's stringent critical mineral requirements and reduce dependence on FEOCs for nickel processing.

The U.S. Geological Survey (USGS) highlighted awaruite's potential, stating, "The development of awaruite deposits in other parts of Canada may help alleviate any prolonged shortage of nickel concentrate. Awaruite, a natural iron-nickel alloy, is much easier to concentrate than pentlandite, the principal sulfide of nickel"^[3]. Awaruite's unique properties enable cleaner and safer processing compared to conventional sulfide and laterite nickel sources, which often involve smelting, roasting, or high-pressure acid leaching that can release toxic sulfur dioxide, generate hazardous waste, and lead to acid mine drainage. Awaruite's simpler processing, facilitated by its amenability to magnetic processing and lack of sulfur, eliminates these harmful methods, reducing greenhouse gas emissions and risks associated with toxic chemical release, addressing concerns about the large carbon footprint and toxic emissions linked to nickel refining.



Figure 2: Quote from USGS on Awaruite Deposits in Canada

The development of awaruite resources is crucial, given China's control in the global nickel market. Chinese companies refine and smelt 68% to 80% of the world's nickel^[4] and control an estimated 84% of Indonesia's nickel output, the largest worldwide supply^[5]. Awaruite is a cleaner source of nickel that reduces dependence on foreign processing controlled by China, leading to a more secure and reliable supply for North America's stainless steel and electric vehicle industries.

Acquisition Terms:

The Company entered into an asset purchase agreement dated December 11, 2024 (the "Purchase Agreement") with a group of arm's length parties (the "Vendors"), whereby the Vendors agreed to sell to the Company a 100% interest in and to the Claims. The Company has agreed to pay cash consideration of \$20,000 and issue 750,000 common shares to the Vendors at a deemed price of \$0.1425 per share (the "Consideration Shares"). The Consideration Shares will be subject to voluntary escrow and released to the Vendors over a period of 30 months from issuance. The Claims are subject to a 2% NSR royalty, with the Company retaining the right to buy back half the royalty (1% NSR) for \$1M at any time prior to the commencement of commercial production at the property.

The Purchase Agreement and the issuance of the Consideration Shares are subject to approval by the TSX Venture

Exchange. All security issuances will be subject to a statutory hold period of 4 months and one day from issuance in accordance with Canadian securities laws. No finders' fees will be paid in connection with this arm's length Purchase Agreement.

Investor Information

The Company's common shares trade on the TSX Venture Exchange under the symbol "**FAN**", the American OTCQB Exchange under the symbol "**FANCF**" and on several German exchanges, including Frankfurt and Tradegate, under the symbol "**P21**".

Investors can get updates about First Atlantic by signing up to receive news via email and SMS text at www.fanickel.com. Stay connected and learn more by following us on these social media platforms:

<https://x.com/FirstAtlanticNi>

<https://www.facebook.com/firstatlanticnickel>

<https://www.linkedin.com/company/firstatlanticnickel/>

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Disclosure

Adrian Smith, P.Geo., is a qualified person as defined by NI 43-101. The qualified person is a member in good standing of the Professional Engineers and Geoscientists Newfoundland and Labrador (PEGNL) and is a registered professional geoscientist (P.Geo.). Mr. Smith has reviewed and approved the technical information disclosed herein.

The Company has not independently verified the historic samples reported in this release but has received data from the previous property owners and from the Government of Newfoundland and Labrador's online database.

About First Atlantic Nickel Corp.

First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) is a Canadian mineral exploration company developing the 100%-owned Atlantic Nickel Project, a large-scale nickel project strategically located near existing infrastructure in Newfoundland, Canada. The Project's nickel occurs as awaruite, a natural nickel-iron alloy containing approximately 75% nickel with no-sulfur and no-sulfides. Awaruite's properties allow for smelter-free magnetic separation and concentration, which could strengthen North America's critical minerals supply chain by reducing foreign dependence on nickel smelting. This aligns with new US Electric Vehicle US IRA requirements, which stipulate that beginning in 2025, an eligible clean vehicle may not contain any critical minerals processed by

a FEOC (Foreign Entities Of Concern)¹⁶¹.

First Atlantic aims to be a key input of a secure and reliable North American critical minerals supply chain for the stainless steel and electric vehicle industries in the USA and Canada. The company is positioned to meet the growing demand for responsibly sourced nickel that complies with the critical mineral requirements for eligible clean vehicles under the US IRA. With its commitment to responsible practices and experienced team, First Atlantic is poised to contribute significantly to the nickel industry's future, supporting the transition to a cleaner energy landscape. This mission gained importance when the US added nickel to its critical minerals list in 2022, recognizing it as a non-fuel mineral essential to economic and national security with a supply chain vulnerable to disruption.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-looking statements:

This news release may include "forward-looking information" under applicable Canadian securities legislation. Such forward-looking information reflects management's current beliefs and are based on a number of estimates and/or assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, expectations regarding the timing, scope, and results from the 2024 work and drilling program; future project developments; the Company's objectives, goals or future plans, statements, and estimates of market conditions, the Company's plans to acquire a 100% interest in the Claims pursuant to the Purchase Agreement, the anticipated issuance of the Consideration Shares and receipt of TSX Venture Exchange approval. Readers are cautioned that such forward-looking information are neither promises nor guarantees and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base and other metals, operating risks, accidents, labour issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry. Additional factors and risks including various risk factors discussed in the Company's disclosure documents which can be found under the Company's profile on <http://www.sedarplus.ca>. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

The Company is presently an exploration stage company. Exploration is highly speculative in nature, involves many risks, requires substantial expenditures, and may not result in the discovery of mineral deposits that can be mined profitably. Furthermore, the Company currently has no reserves on any of its properties. As a result, there can be no assurance that such forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

[1] <https://fpnickel.com/projects-overview/what-is-awaruite/>

[2] <https://home.treasury.gov/news/press-releases/jy1939>

[3] <https://d9-wret.s3.us-west-2.amazonaws.com/assets/palladium/production/mineral-pubs/nickel/mcs-2012-nicke.pdf>

[4] https://www.brookings.edu/wp-content/uploads/2022/08/LTRC_ChinaSupplyChain.pdf

[5] <https://www.airuniversity.af.edu/JIPA/Display/Article/3703867/the-rise-of-great-mineral-powers/>

[6] <https://home.treasury.gov/news/press-releases/jy1939>