FIRST ATLANTIC NICKEL + COBALT
TSXV:FAN · OTC:FANCF · FSE:P21

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FIRST ATLANTIC NICKEL RECEIVES JUNIOR EXPLORATION ASSISTANCE GRANT FROM PROVINCE OF NEWFOUNDLAND & LABRADOR

(Vancouver, British Columbia) -- (GlobeNewsWire) -- May 6, 2025 - First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") expresses its gratitude to the Province of Newfoundland & Labrador for awarding the Company the maximum grant of $150,000 through the Junior Exploration Assistance (JEA) program. The funding will support critical mineral exploration at the Company's Atlantic Nickel Project (the “Project”), a 100%-owned, district-scale nickel project strategically located in central Newfoundland, with access to infrastructure including roads and clean hydro-grid power. The Project spans the entire 30 km Pipestone ophiolite complex, which hosts serpentinized ultramafic rocks enriched in nickel, chromium and cobalt. The primary nickel mineral is awaruite, a sulfur-free, naturally occurring nickel-iron alloy (Ni_3Fe) composed of approximately 75% nickel.

Phase 1 drilling at the Project has revealed wide zones of visible awaruite nickel mineralization, with assays confirming nickel grades consistently distributed across multiple drill holes. Initial Davis Tube Recovery (DTR) metallurgical testing indicates that magnetic separation is effective in separating and concentrating awaruite nickel. Unlike conventional nickel extraction methods, awaruite can be processed without smelting or roasting, offering a low carbon, environmentally superior alternative with domestic processing capabilities and non-acidic tailings.

The environmental advantage of awaruite lies in its sulfur-free composition, which eliminates the need for energy-intensive smelting or roasting processes typically required to remove sulfur compounds from conventional nickel ores. Because secondary processing isn't required, awaruite nickel offers high payability, avoiding the treatment, refining, and shipping charges usually associated with traditional processes such as smelting or roasting. The use of magnetic separation allows for the efficient handling of large rock volumes, reducing initial rock volume by approximately 90%, producing a high-grade concentrate that can be further enhanced through subsequent flotation stages.

The Company is preparing to launch its fully funded and permitted Phase 2 Drill Program, which will commence shortly. This next phase will focus on large-scale step-out drilling to expand the RPM Zone discovery made during the successful Phase 1 Program. In the coming weeks, as Phase 2 progresses, the Company expects to receive drill assay results from AN-24-05 and DTR metallurgical results from holes AN-24-04 and AN-24-05 (RPM Drill Holes 4 and 5).

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 Fraser Institute has consistently ranked Newfoundland & Labrador among the top global jurisdictions for mining

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investment. As noted in a recent report[1], "*According to the provincial government, the province is home to 23 of the 31 critical minerals in Canada, in addition to base metals. In 2022, 11 mines across Newfoundland and Labrador produced approximately $5.4 billion in mineral shipments and employed more than 8,000 people. So mining is already a major industry, but investors are clearly bullish on the province's potential. In fact, according to the latest survey of senior executives in the mining industry (published by the Fraser Institute), Newfoundland and Labrador is the 4th most attractive jurisdiction for mining investment (out of 62 jurisdictions) trailing only Nevada, Western Australia and Saskatchewan.*"

Junior Exploration Assistance Program

The JEA Program is designed to expand the mineral inventory of Newfoundland and Labrador by supporting the discovery of new mineral districts, occurrences, prospects, and deposits. It also aims to advance existing discoveries toward NI 43-101 compliant mineral resources, strengthening the province's position as a world-class mineral exploration destination. The JEA is funded through a combination of: $1.3 million in Provincial Grant funds, $1.3 million from Critical Mineral Assistance (CMA), and $1.3 million in Provincial Critical Mineral Assistance (PCMA). Funding is provided in the form of rebates for eligible exploration activities. Companies conducting critical mineral exploration may qualify for larger rebates through the CMA and PCMA streams. Subject to budget approval for the 2025 – 2026 fiscal year, the JEA will offer rebates covering 40% – 75% of approved exploration costs, up to: $150,000 per project on the island of Newfoundland.

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 safe 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[2]. 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)[3]. 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 electric vehicle 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"[4]. 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

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risks associated with toxic chemical release, addressing concerns about the large carbon footprint and toxic emissions linked to nickel refining.

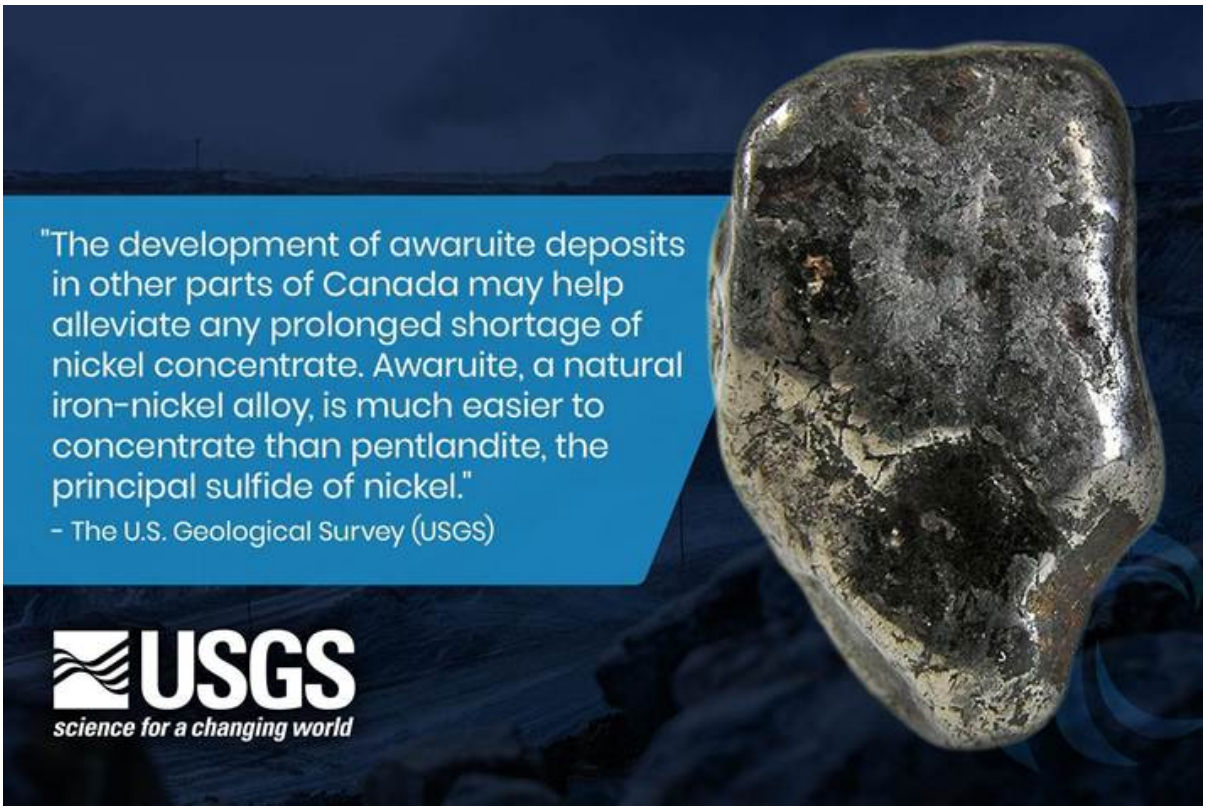

Figure 1: *Quote from USGS on Awaruite Deposits in Canada*

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[5] and control an estimated 84% of Indonesia's nickel output, the largest worldwide supply[6]. 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.

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:

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Disclosure

Adrian Smith, P.Geo., a director and the Chief Executive Officer of the Company 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.

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)[7].

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, Europe, 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:

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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 of the Company's Phase 1 and Phase 2 work and drilling programs; future project developments; the Company's objectives, goals, and future plans; statements and estimates of market conditions; the potential for Newfoundland and Labrador to emerge as a clean energy leader and exporter of geologic hydrogen; the potential for geologic hydrogen to serve as a renewable, low-carbon energy source; the viability of magnetic separation as a low-impact processing method for awaruite; and the strategic and economic implications of the province's geological features in supporting the clean energy transition. 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 and clean energy industries. 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://www.fraserinstitute.org/commentary/investors-bullish-newfoundland-and-labradors-mining-potential*

[2] *https://fpxnickel.com/projects-overview/what-is-awaruite/*

[3] *https://home.treasury.gov/news/press-releases/jy1939*

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

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

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[6] *https://web.archive.org/web/20250417033842/https://www.airuniversity.af.edu/JIPA/Display/Article/3703867/the-rise-of-great-mineral-powers/*

[7] *https://home.treasury.gov/news/press-releases/jy1939*