



FIRST ATLANTIC NICKEL GRANTED PERMITS FOR PHASE 2 DRILL PROGRAM FOLLOWING RPM DISCOVERY AT THE ATLANTIC NICKEL PROJECT

Vancouver, British Columbia – (GlobeNewswire - Jan 15, 2025) - First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") is pleased to announce that it has been granted permits for its Phase 2 drilling program and the construction of a southern access trail at its 100% owned Atlantic Nickel Project (the "Project" or "Atlantic Nickel Project") in Newfoundland. With these permits in place, the Company has initiated preparations for Phase 2 drilling and has commenced construction of the southern access trail. The Phase 2 program aims to expand the strike length and width of the recently discovered RPM Zone, focusing on extending mineralization further east towards the historical Chrome Pond occurrence and north towards the Pipestone and Super Gulp targets (see Figure 1). The goal of the Phase 2 program is to define a larger area for resource drilling and prove continuity of nickel mineralization, highlighting the Project's significant potential to host substantial volumes of material suitable for commercial mining within large-scale target areas on the Project.

Highlights:

- **Phase 2 Drill and Access Trail Permits Granted:** Newfoundland & Labrador Mineral Lands Division has granted permits for the Phase 2 drilling program and southern access trail, enabling faster and more cost-effective access to the RPM Zone, Chrome Pond and Pipestone areas.
- **Phase 2 Preparations Underway:** Having secured the necessary permits, the Company has started preparing for the Phase 2 drilling program, including developing a southern access trail and relocating the camp to support upcoming exploration.
- **Phase 2 Drilling Objective:** The program will focus on widely-spaced step-out drilling to delineate a larger area of strike length and width for future resource drilling.
- **Phase 1 Updates:** The Company anticipates providing updates on the remaining Phase 1 drilling activities shortly, with initial Phase 1 drill assays expected in the coming weeks.
- **Phase 2 Drill Rig:** The Phase 2 drilling program will utilize a higher-power drill rig capable of using both HQ and NQ drill core, enhancing drilling speed and target depth. Additionally, the program will leverage a new core shack facility to expedite core processing.

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

"With permits for our Phase 2 drilling program and southern access trail at the Atlantic Nickel Project now secured, First Atlantic Nickel is poised to advance drilling efforts and expand on the discovery at the RPM Zone," stated Adrian Smith, CEO of First Atlantic Nickel. "Our team has moved quickly to prepare for the Phase 2 program, ensuring a smooth transition from planning to execution. Construction of the new access road is already underway, and we are in the process of relocating our camp to support the expanded drilling activities. These proactive steps position us to accelerate exploration and development at the RPM Zone and evaluate the

significant potential within the 30 km ophiolite trend. We are eager to begin Phase 2 drilling and continue advancing the Atlantic Nickel Project."

Phase 2 Exploration Update:

The Company is pleased to report that permits for the Phase 2 exploration program at the Atlantic Nickel Project have been granted by the Newfoundland & Labrador Mineral Lands Division.

Phase 2 drilling will target deeper mineralization, focusing on extending the strike length and width of the RPM Zone. This phase will concentrate on the RPM Zone and surrounding areas while exploring targets along the entire 30 km ophiolite trend for awaruite. The goal of Phase 2 is 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 remaining Phase 1 step-out drilling to the north, with further updates expected shortly.

Efforts are also underway to relocate the camp to support upcoming drilling activities while using its newly established drill core processing and storage facility in Grand Falls-Windsor, Newfoundland, for this program. These logistical preparations are designed to ensure the smooth and efficient execution of the Phase 2 drilling campaign. Exploration will continue to test targets within the 30 km nickel trend, with additional holes being drilled as the Company expands its operations northward.

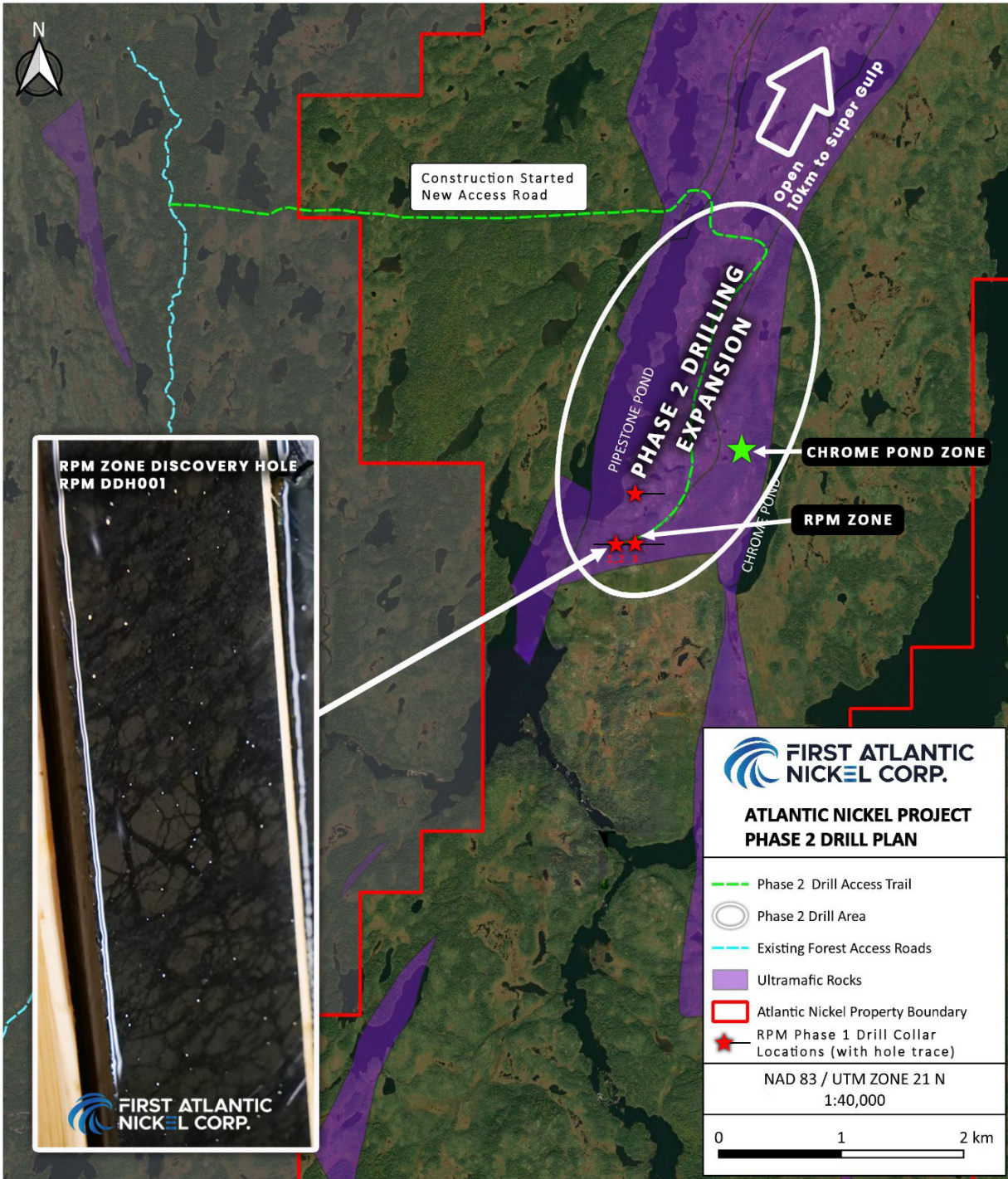


Figure 1: Phase 2 Drill Planning Map, showing new road access to RPM Zone at the southern end of the 30 km Pipestone Ophiolite Complex, Atlantic Nickel Project.



Figure 2: RPM Zone Southern Access Trail (Started January 2025), providing efficient and direct access for Phase 2 drilling program.

RPM Zone Geology: The RPM Zone is located 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 the 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, which results from its vertical position within a subduction zone and its vertical emplacement, rather than being displaced and preserved as a massif. The vertical orientation of the crustal-scale ophiolite is highly favorable, as it absorbs additional structural breakage and increases 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.

The Company will be available for meetings upon request from January 20th to 23rd during the Vancouver VRIC and AME Roundup conferences. To schedule a meeting, please contact Rob Guzman at First Atlantic Nickel by phone at +1 844 592 6337 or via email at rob@fanickel.com

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 leaching¹. 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.

¹ <https://fpxnickel.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>



Figure 3: 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 nickel⁴ and control an estimated 84% of Indonesia's nickel output, the largest worldwide supply⁵. 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:

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/>

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FOR MORE INFORMATION:

First Atlantic Investor Relations

Robert Guzman

Tel: +1 844 592 6337

rob@fanickel.com

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.

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)⁶.

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; results from the Phase 2 drilling program, future project developments, the Company's objectives, goals or future

⁶ <https://home.treasury.gov/news/press-releases/jv1939>

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.