



SPC Nickel Signs Cooperation Agreement with Vale to Consolidate Ownership of the West Graham and Crean Hill 3 Ni-Cu Deposits, Sudbury, Ontario

Sudbury, Ontario - (January 23, 2023) – **SPC Nickel Corp. (TSX-V:SPC)** (“**SPC Nickel**” or the “**Company**”), is pleased to announce that the Company has entered into an Agreement with Vale Canada Limited (“**Vale**”) (the “**Agreement**”) designed to consolidate and unlock the full potential of the adjacent and contiguous West Graham and Crean Hill 3 nickel-copper deposits (collectively, the “**Project**”) located in the world class Sudbury Mining Camp. The Agreement grants SPC Nickel the right to acquire an 100% interest in the surface and mineral rights of the Crean Hill 3 Property as therein described. In consideration, certain rights and royalties will be extended to Vale across the combined Project.

SPC’s CEO Grant Mourre commented on the Agreement, “The signing of this agreement with Vale represents a transformative growth opportunity for SPC Nickel and its shareholders. Over the past 12 months we have been working closely with Vale to develop an agreement that is mutually beneficial for both parties. The consolidated West Graham and Crean Hill 3 deposits gives SPC Nickel, as Operator, the ability to optimize synergies during the exploration, development and production stages of the Project. We are very excited about the opportunities that this agreement brings to SPC Nickel and are looking forward to getting drills turning on the Property in 2023.”

Synergistic Asset Combination Opportunity

The West Graham and Crean Hill 3 deposits constitute the eastern and western contiguous portions of a large near-surface nickel-copper sulphide deposit at the base of the Sudbury Igneous Complex. The properties are located adjacent to the past-producing Lockerby and Crean Hill Mines, approximately 20 km southwest of the City of Sudbury, Ontario and Vale’s Clarabelle Mill (Figure 1). Haul roads and high-voltage electrical power infrastructure are present at the property boundary.

SPC Nickel’s CEO Grant Mourre commented on the Crean Hill 3 Property, “The ability to consolidate the West Graham and Crean Hill 3 properties into one contiguous land package represents an amazing opportunity for the Company. With the addition of the Crean Hill 3 Property, we see a path for SPC Nickel to significantly grow the West Graham Deposit into a high-quality nickel-copper asset in one of the top nickel mining camps in the world. Our recently completed drill program at West Graham has provided the technical team with a firm understanding of the types of mineralization we expect to define on the Crean Hill 3 Property and, more importantly, the controls on mineralization that we expect to guide us to higher-grade opportunities across the combined Project.”

West Graham Property Highlights:

- The West Graham Deposit occurs on SPC’s 100% owned Lockerby East Property, which also hosts the past producing Lockerby East Mine^{1 & 3} (Figure 1 & 3).
- The unmined near-surface West Graham nickel-copper Deposit contains over 47,000 tonnes of nickel and 34,000 tonnes of copper in indicated and inferred resources as defined in a technical report published by First Nickel Inc. in 2009 that supported an indicated mineral resource on the property totaling **8.55 Mt grading 0.45 % Ni and 0.31 % Cu**, along with an inferred mineral resource of **2.0 Mt grading 0.38 % Ni and 0.30 % Cu**¹.

The Company considers the West Graham Resource estimate to be historic mineral resources for purposes of NI 43-101. Neither the Company nor a qualified person on behalf of the Company have done sufficient work to classify the historical estimates as current mineral resources and the Company is not treating such historical estimates as

current mineral resources. The Company considers the historic mineral estimates to be relevant to an understanding of the West Graham Project but has not done any work to validate the estimates.

- These grades have economic potential in the context of the Sudbury Mining Camp, as the deposit is located very near to surface and may be amenable to low-cost open pit mining. The deposit is characterized by a broad zone of blebby to semi-massive sulphide that ranges from 1.7 to 66 metres thick and strikes for 350 metres with a dip extent of up to 533 metres. Within the larger resource, a distinct zone of higher-grade mineralization grading ~1% NiEq. is present.
- The Company recently completed an 18 hole, 5,200 metres drill program which has expanded the extents of the high-grade mineralized zone within the West Graham Deposit while also adding confidence in the continuity of the resource. Results from this drilling campaign include **82.6 metres grading 0.68% NiEq. in hole WG-22-008** (see SPC Nickel's June 13, July 13, September 6, October 11, and December 6, 2022 press releases for full results).

Note: Reported drill hole intersections refer to down-hole intersection length. True widths for WG-22-008 are estimated at 60% of downhole length.

Crean Hill #3 Property Highlights:

- Historic drilling completed by Vale (formerly Inco) between 1958 and 1960 returned mineralized intersections of similar thickness and grade compared to the adjacent West Graham Deposit. Highlights include hole 146740 that returned **44.48 metres grading 0.60% Ni and 0.27% Cu from 436.89 metres, including 2.29% Ni and 0.30% Cu over 4.42 metres².**
- Preliminary modelling of historic drill intersections suggests that the mineralized zone hosted on the Crean Hill 3 Property extends from the SPC-Vale property boundary to the west for over 600 metres.
- Mineralized surface outcrops, interpreted to represent the up-dip extension of the West Graham Deposit, outcrop along the exposed contact of the Sudbury Basin. Mineralized grab samples, with values of up to **1.56% Ni and 1.21% Cu**, were collected by the Company on the Crean Hill 3 Property.

Note: Reported drill hole intersections refer to down-hole intersection length. True widths for hole 146740 are estimated at 70% of down-hole lengths. Grab samples are selective by nature and values reported may not be representative of mineralized zones.

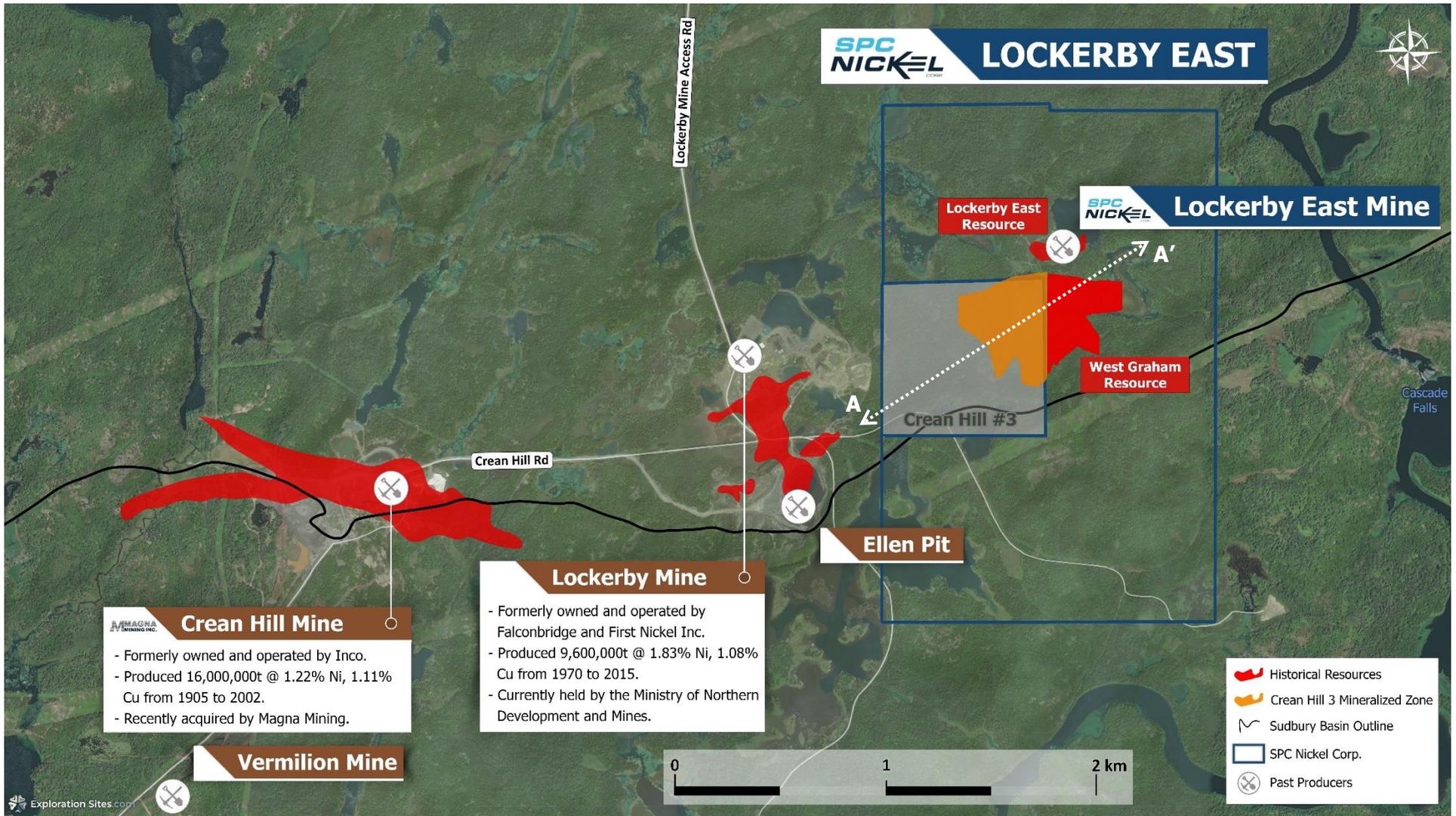


Figure 1: Aerial plan map of the Lockerby East area showing the relative location of the Crean Hill 3 Property to the Lockerby East Property. The surface projection of the West Graham Resource is shown in red and the interpreted contiguous mineralized zone of the Crean Hill 3 Property is shown in orange. Addition Current and historic mineralized zones including the Crean Hill Mine (current and historic), Lockerby Mine (historic) and the Ellen Pit (historic) are also shown. Refer to Figure 3 for the A-A' section line.

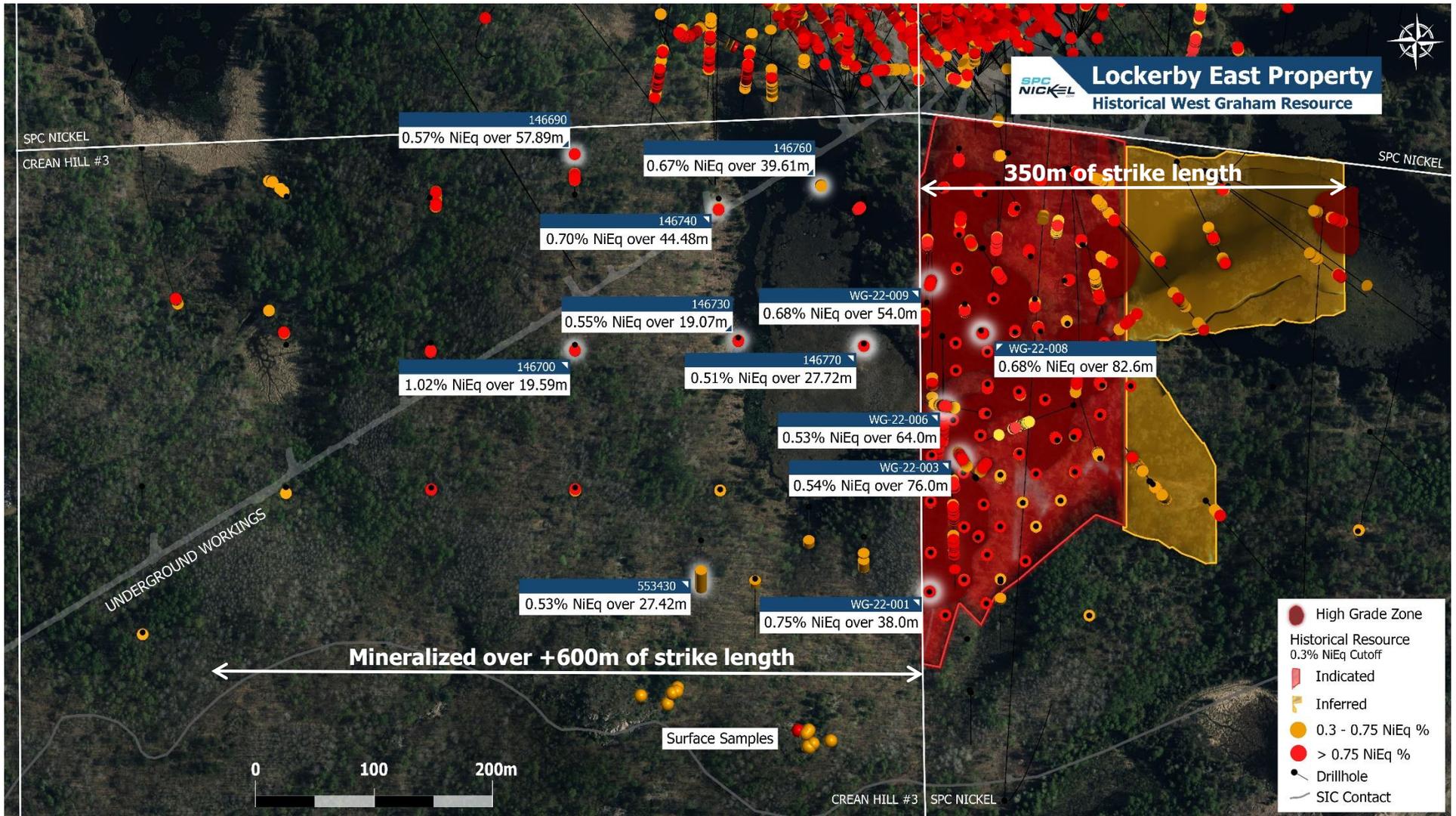


Figure 2: Aerial plan map of the West Graham – Crean Hill 3 area showing drill hole locations as well as selected assay results. The indicated and inferred portions of the West Graham Resource are shown in shaded red and yellow regions respectively. Dark red shaded areas are the high-grade zones with NiEq. values of ~1.0%. Reported drill hole intersections refer to down-hole intersection length. True widths for 2022 drill holes are preported in previous press releases. True widths for holes on the Crean Hill 3 Property cannot be estimated with available information. NiEq. % = $Ni\% + Cu\% \times 0.32 + Co\% \times 0.53$ and does not factor in Pt, Pd, Au or Ag values. No allowances have been made of recovery losses that may occur should mining eventually result. The NiEq.% calculation used in this release is consistent with the relative metal prices used in the West Graham Resource report published by First Nickel Inc. in 2009¹.

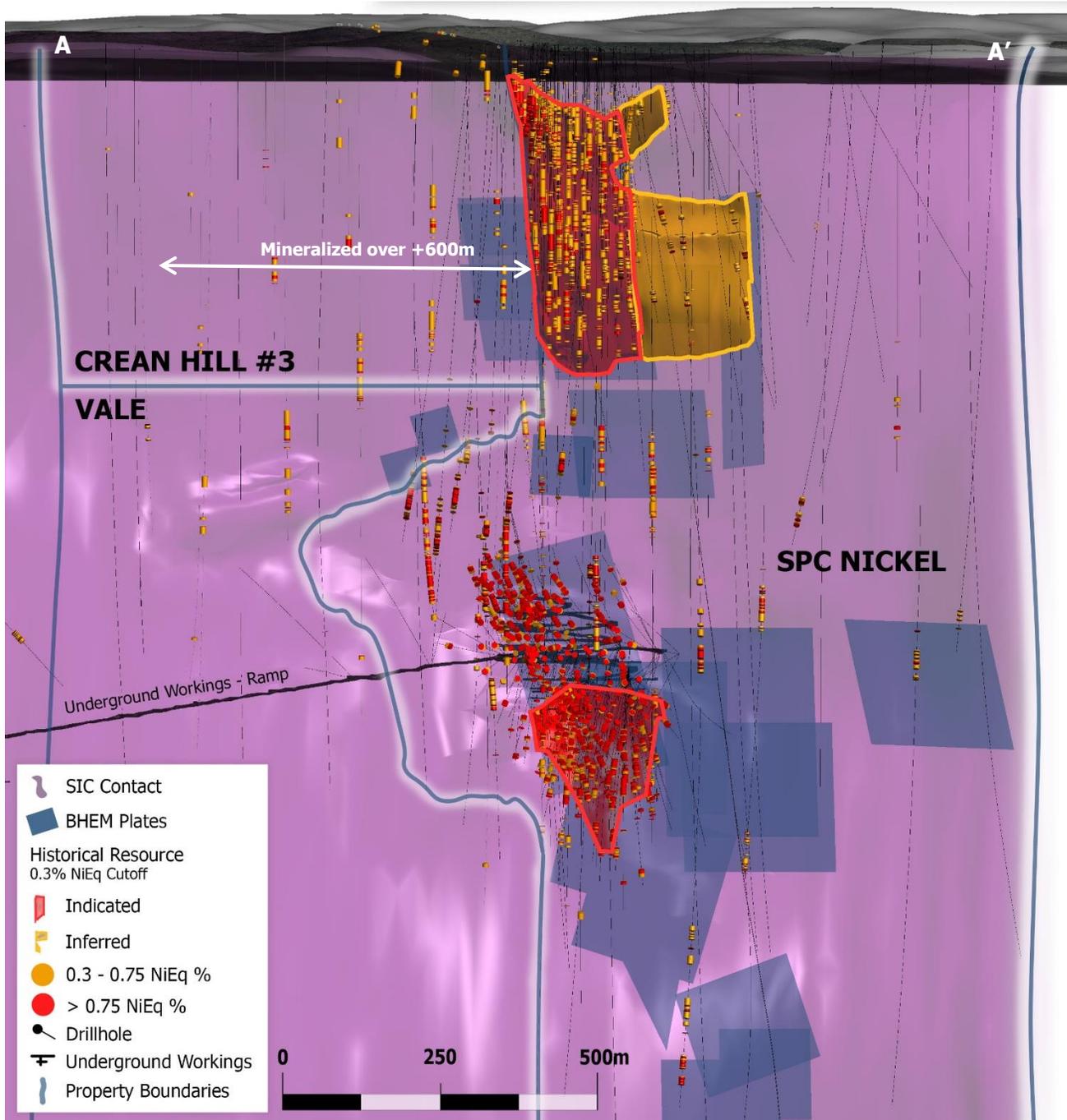


Figure 3: Long Section of the Lockerby East – West Graham area. Section is orientated SW-NE and the viewing direction is to the NW. Refer to Figure 1 for the location of the A-A' section line. Image shows the relationship of the Crean Hill 3 Property to the West Graham¹ and Lockerby East deposits³.

Key Terms of the Agreement

SPC Nickel can earn an 100% interest in the Crean Hill 3 Property from surface down to an elevation of 264.3 metres below mean sea level (a total of 550 vertical metres) pursuant to the following terms:

- Deliver to Vale a Feasibility Study for the Project by the deadline ("Feasibility Study Deadline") of June 30, 2026.
- SPC shall have the right, at its sole discretion to extend deadline to June 30, 2028 provided it has completed a NI 43-101 compliant Pre-Feasibility Study for the Project by the Feasibility Study Deadline.
- Pay to Vale \$1,000,000 (CDN) in cash at the Feasibility Study Deadline.

Rights and Royalties Extended to Vale

Upon earning an 100% interest in the Crean Hill 3 Property, SPC Nickel will grant Vale certain Rights and Royalties over the combined Project. This includes:

- SPC grants Vale a 1% NSR on the combined Project.
- SPC grants Vale a net profits royalty (the "NPI"), at a rate of 37%, on net profits generated from the Project during each quarterly calculation period. The NPI shall only be payable provided that the net present value of all after-tax net profits earned in the calculation period exceed zero at an 8% discount rate, reflecting an 8% return on capital for SPC Nickel.
- Vale will retain a right of first refusal ("**ROFR**") over the sale of the Project or any part thereof by SPC Nickel.
- Vale will retain a ROFR for any ore produced from the Project.
- Vale will retain a ROFR on any concentrates that are produced from ores derived from the Project through a mill wholly-owned or controlled by SPC Nickel or an affiliate.
- If SPC Nickel or an affiliate makes an investment decision to construct or acquire a smelter, Vale will have the right to purchase metal concentrates equivalent to those produced from the ore derived from the Project.

About the Sudbury Mining Camp⁴

The Sudbury Mining Camp is the 2nd largest Ni camp in the world, with over 130 years of continuous production. Since the discovery of the original ore deposits, over 11.1 million metric tons of Ni and 10.8 million metric tons of Cu, together with by-products of cobalt, silver, gold and platinum group elements have been mined from the deposits. Production continues to be generated from eight major mine complex and 21 smaller ore deposits around the outer margin of the Sudbury Basin. The principal mines are owned and operated by international mining companies (Vale, Glencore, and KGHM International). The economic wealth generated at Sudbury in terms of nickel and copper value alone is estimated at US\$500 billion.

Reference

1. *NI 43-101 Report, Scott Wilson Mining, January 15, 2009, First Nickel Inc.; Technical Report on the West Graham Property Conwest Zone Resource Estimate, Graham Township, Ontario, Canada by Richard Routledge and Bruce Churchill.*
2. *Historic Vale Drill hole assay results were sourced from the Vale drill hole database.*
3. *Technical Report on the 2009 Resource Estimate for the Depth, East and Upper West Zones, Lockerby Mine, Sudbury, Ontario, prepared by First Nickel Inc., February 23, 2009.*
4. *Nickel Sulfide Ores and Impact Melts, Lightfoot, 2017, Elsevier Inc.*

Quality Assurance, Quality Control and Qualified Persons

The technical elements of this news release have been approved by Mr. Grant Mourre, P.Geo. (PGO), CEO and President of SPC Nickel Corp. and a Qualified Person under National Instrument 43-101.

The historical technical information presented in this release was obtained from historical work reports produced by Vale Canada Limited or by First Nickel Inc and has not been independently verified by a Qualified Person as defined by NI 43 101.

SPC Nickel follows rigorous sampling and analytical protocols that meet or exceed industry standards. Core samples are stored in a secured area until transport in batches to the ALS facility in Sudbury, Ontario, Canada. Sample batches include certified reference materials, blank, and duplicate samples that are then processed under the control of ALS. All samples were analyzed in Vancouver by ALS Chemex. Platinum, palladium, and gold values were determined together using standard lead oxide collection fire assay and ICP-AES finish. Base metal values were determined using sodium peroxide fusion and ICP-AES finish. Silver values were determined using an aqua regia digestions and an AAS finish. A Certified Reference Material (CRM) standard, blank or duplicate is inserted on every 10th sample in the following order: CRM, blank, CRM, duplicate. The cycle repeats every 40 samples, thus ensuring that 10% of samples submitted are control samples.

About SPC Nickel Corp.

SPC Nickel Corp. is a Canadian public corporation focused on exploring for Ni-Cu-PGMs within the world class Sudbury Mining Camp. The Company is currently exploring its key 100% owned exploration project Lockerby East located in the heart of the historic Sudbury Mining Camp. In addition to the Lockerby East Project, the Company holds three additional projects across Canada including the past producing Aer-Kidd Project (located in the Sudbury Mining Camp), the early staged Janes Project (located 50 km northwest of Sudbury) and the large camp-scale Muskox Project (located in Nunavut). Although our focus is on Sudbury, we are an opportunistic company always looking for opportunities to use our skills to add shareholder value. Additional information regarding the Company and its projects can be found at www.spcnickel.com.

Cautionary Note on Forward-Looking Information

Except for statements of historical fact contained herein, the information in this news release constitutes "forward-looking information" within the meaning of Canadian securities law. Such forward-looking information may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may", "will" and include without limitation, statements regarding estimated capital and operating costs, expected production timeline, benefits of updated development plans, foreign exchange assumptions and regulatory approvals. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, competition, risks inherent in the mining industry, and regulatory risks. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

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