First Atlantic Nickel Commences Drilling at Atlantic Nickel Project After New Visible Awaruite Discoveries Across 30 km Trend

Vancouver, British Columbia – (GlobeNewsWire. - October 8, 2024) - First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") is pleased to announce that it has commenced drilling at its multi-zone, district-scale, 100% owned Atlantic Nickel Project in central Newfoundland, Canada (the "Project" or the "Atlantic Nickel Project"). This follows the recent discovery and expansion of multiple new zones of visible awaruite, a naturally occurring nickel-alloy, across the project's 30 km nickel trend during the summer sampling program.

Highlights

- **Drilling Underway**: Testing multiple large-scale, widely spaced, new high-priority nickel targets that have never been drilled.
- **New Discoveries:** A recent summer sampling program at 200+ outcrops identified both new and expanded awaruite nickel-alloy zones across the 30 km trend.
- **Significant Scale Potential**: Multiple target areas showing large geophysical and geochemical footprints suggest the potential to host several mineralized systems with potential volumes ranging from 500 million to over 1 billion tonnes.
- **High-Priority Targets:** RPM and Super Gulp revealed new discoveries of multiple outcrops with abundant visible disseminated awaruite grains. These discoveries extend surficial occurrences approximately 25 km south, from historic drilling at Atlantic Lake to the RPM zone, within the ultramafic (ophiolite) sequence.
    - **Super Gulp**: Located ~4 km south of Gulp Pond Zone and ~20 km south of historic hole 78-AL-01 in Atlantic Lake Zone.
    - **RPM**: Located ~25 km south of Atlantic Lake, near the southern end of the 30 km trend, within 1 km of the Chrome Pond showing which returned values up to >60% Chromium (Cr2O3).
- **Smelter-free nickel**: Awaruite (Ni3Fe), a natural nickel-iron alloy containing ~77% Ni, enables smelter-free magnetic separation, which could enhance the resilience and security of North America's critical minerals supply chain. Awaruite's clean and efficient North American processing potential aligns with new US Electric Vehicle IRA requirements, which stipulate that, beginning in 2025, eligible clean vehicles may not contain any critical minerals processed by a foreign entity of concern[1].

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

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

Adrian Smith, CEO of First Atlantic, commented, “We are thrilled by the rapid progress our team has made at our district-scale Atlantic Nickel Project. With guidance from Dr. Ron Britten, a world-renowned nickel awaruite expert, we have advanced the project from acquisition to the discovery drilling phase in just half a year.”

Adrian Smith continues “The Atlantic Nickel Project's awaruite nickel-alloy has unique properties that enable a simple magnetic separation process, eliminating the need for smelting. This characteristic positions the project as a potential major source of nickel that could be processed domestically, reducing North America's reliance on foreign nickel smelting and processing. This is particularly beneficial given the region’s limited nickel smelting capacity. This approach aligns with the US Inflation Reduction Act (IRA), which mandates that, beginning in 2025, an eligible clean vehicle may not contain any critical minerals processed by a foreign entity of concern (FEOC)[1], such as China, a major global nickel refiner. By addressing these challenges, our project aims to contribute to a more secure, independent, and resilient nickel supply chain for North America."

Figure 1: Drill Rig begins 2024 core drilling at the Atlantic Nickel Project.

Drill Program Targeting Large-Scale Nickel Potential

The drill program is focused on testing multiple large-scale target areas that have never been drilled before. These high-priority areas show significant concentrations of visible awaruite observed at surface (in rock samples, outcrops and subcrops). Initial drilling is planned at wide spacings to evaluate the potential for bulk tonnage nickel mineralization, with target volumes potentially ranging from hundreds of millions to billions of tonnes.

Drilling is planned to focus on areas with high geochemical nickel concentrations at surface and confirmed visual awaruite occurrences along the 30 km nickel trend. This trend is hosted within a large-scale ultramafic (ophiolite) sequence, which serves as the primary host rock for the large-scale nickel mineralization being targeted at the Atlantic Nickel Project.

2024 Sampling Program Expands Nickel Targets

The recent sampling program successfully expanded multiple areas with visible awaruite nickel-alloy targets across several zones throughout the Project. By sampling over 200 rock outcrop locations along the 30 km trend (Figure 1), the Company efficiently confirmed and prioritized targets for immediate drilling.

High-priority awaruite-bearing nickel zones identified from north to south include: Atlantic Lake, Gulp Pond, Super Gulp (new discovery), Pipestone, Chrome Pond, RPM Zone (new discovery) (see Figure 2).

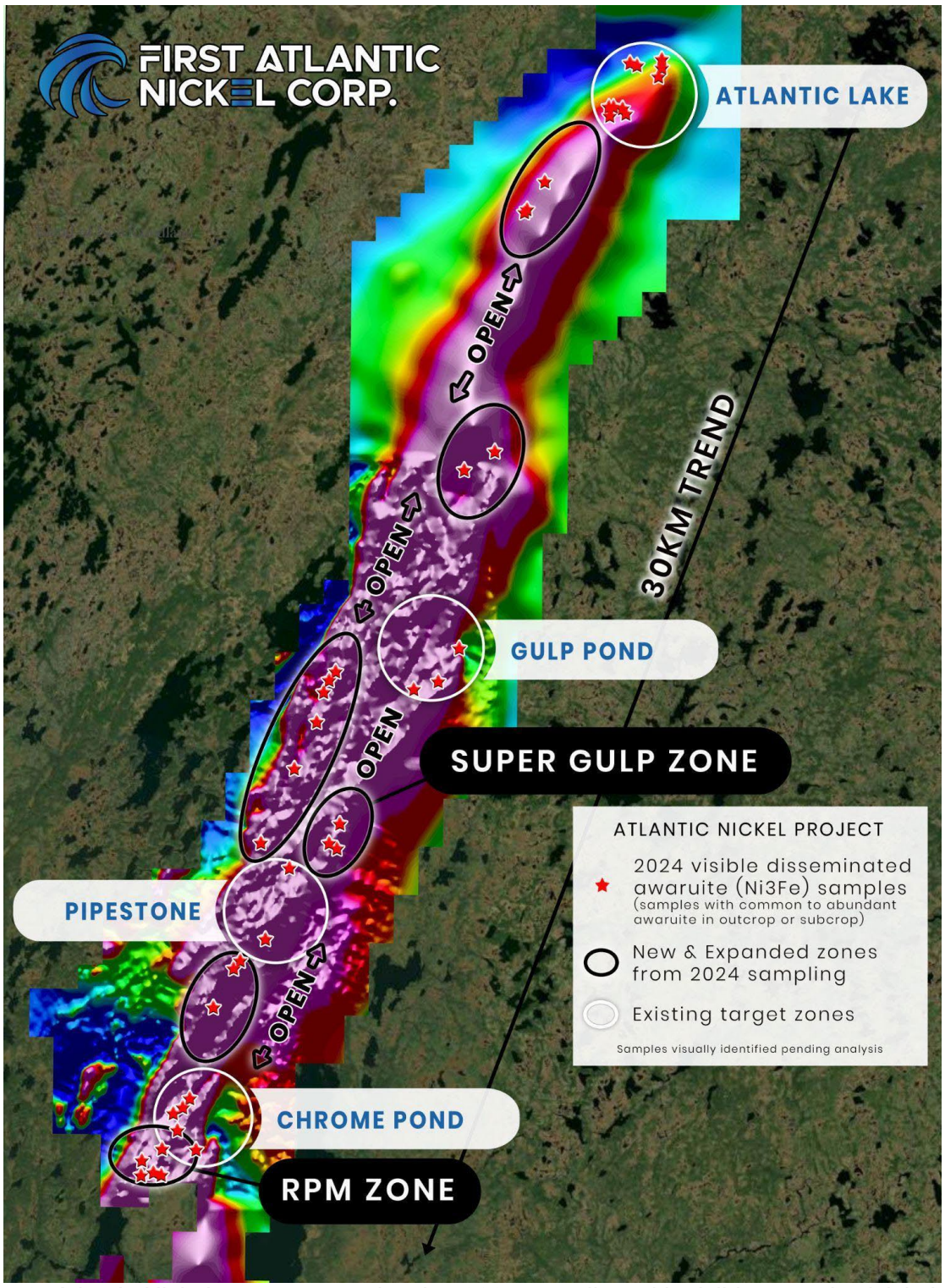

Figure 2: Atlantic Nickel target zones showing 2024 sampling with visible awaruite (nickel-alloy) locations over the 30 km nickel ultramafic magnetic trend (background TMI magnetics).

RPM Zone

The RPM Zone is a new discovery extending from the Chrome Pond area. Large visible disseminated awaruite grains (>100 microns) were observed in several outcrops located in areas with extensive surficial cover and near elevated nickel in soils. This suggests the potential for large volumes of concealed mineralized material, making the RPM Zone a high-priority target for the initial phase of drilling.

The RPM target zone spans approximately 2.6 kilometers in length and is estimated to be 400 to 600 meters wide. Outcrops in the area are heavily weathered, consisting of serpentinized ultramafics intersected by serpentine-magnetite veins, microfractures, or disseminated magnetite.

Super Gulp Zone

The Super Gulp Zone is another new discovery located approximately 4 km south of the Gulp Pond Zone and 20 km south of historic hole 78-AL-01 in the Atlantic Lake Zone. This discovery extends the potential mineralized zone from the Big Gulp showing (Gulp Pond) target area for at least 4 km to the south (Figure 2). Abundant visible disseminated awaruite grains were observed, making it a promising target for further exploration and initial drill testing.

Samples from the summer program are currently being analyzed for awaruite and nickel content, with results pending. The identification of new targets like Super Gulp and RPM, alongside the confirmation of existing areas, highlights the Project's immense district-scale potential.

Awaruite (Nickel-iron alloy Ni_2Fe, Ni_3Fe)

Awaruite, a naturally occurring nickel-iron alloy composed of Ni_3Fe or Ni_2Fe, offers a proven and environmentally safer solution to North America's domestic critical nickel supply shortage. Unlike conventional nickel sources, awaruite can be processed into high-grade concentrates exceeding 60% nickel content without the need for smelting[2]. This is particularly significant given the lack of smelting capacity in North America, which is largely controlled by China, and the Inflation Reduction Act's requirement that, by 2025, critical minerals in batteries be extracted or processed domestically or in countries with U.S. free trade agreements. As The Brookings Institution notes[3], "Even if the U.S. and EU were to dig more minerals out of the ground, many of these minerals would need to be shipped overseas for concentrating, refining, and smelting without significant increases in U.S. and European mineral refining and smelting capacity".

The U.S. Geological Survey (USGS) highlighted awaruite's potential, stating[4], "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". Awaruite's unique properties enable cleaner and safer processing compared to conventional sulfide and laterite nickel sources, which often involve smelting or high-pressure acid leaching. These methods can release toxic sulfur dioxide, generate hazardous waste, and lead to acid mine drainage. Awaruite's simpler processing eliminates smelting and

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[2] *https://fpxnickel.com/news/fpx-nickel-completes-confirmatory-large-scale-mineral-processing-pilot-testwork-with-funding-support-from-the-government-of-canada/*

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

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

intensive acid leaching, reducing greenhouse gas emissions and risks associated with toxic chemical release. This addresses concerns about the large carbon footprint and toxic emissions linked to battery metal refining, particularly for nickel.

The development of awaruite resources is crucial, given China's dominance in the global nickel market. Chinese companies refine and smelt approximately 68% to 80% of the world's nickel[5] [6]. Through investments, they also control an estimated 84% of Indonesia's nickel output[7], the largest supply of nickel worldwide. Awaruite presents an environmentally safer, more sustainable, and domestically processable nickel source that can meet the growing demand in the stainless steel and electric vehicle markets while reducing reliance on foreign refining and smelting dominated by China, including their significant control over Indonesia's nickel output.

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
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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.

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.

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

[6] *https://www.bloomberg.com/news/articles/2024-05-01/us-philippines-eye-partnership-to-cut-china-s-nickel-dominance*

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

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 deposit strategically located near existing infrastructure in Newfoundland, Canada. The Project's nickel occurs as awaruite, a natural nickel-iron alloy containing approximately 77% 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)[1].

First Atlantic aims to be a key input of a secure and resilient 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[8], recognizing it as a non-fuel mineral essential to economic and national security with a supply chain vulnerable to disruption.

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. 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.