First Atlantic Nickel Reports 366 m of 1.46% Nickel in Magnetic Concentrate From Third RPM Zone Step-Out Drill Hole, Opening Eastern Expansion Discovery Potential

24.06.2025 | GlobeNewswire

First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") is pleased to announce positive Davis Tube Recovery (DTR) metallurgical test results from drill hole AN-24-04, the third hole completed during Phase 1 drilling at the RPM Zone, within its district scale Atlantic Nickel Project (the "Project"). Drill hole AN-24-04 returned 366 meters averaging 1.46% nickel and 1.56% chromium in magnetic concentrate, with a mass pull of 9.53%, resulting in a magnetically recoverable nickel grade (DTR grade) of 0.14%. This 200-meter step-out hole, drilled east of the initial RPM discovery hole AN-24-02, confirms that widespread disseminated visible awaruite mineralization extends significantly further east toward Chrome Pond.

To date, the first three holes drilled along an east-west line at the RPM Zone have delineated at least 500 meters of lateral width, demonstrating remarkably consistent metallurgical results. These holes returned nickel magnetic concentrate grades of 1.37%, 1.32%, and 1.46%, with corresponding mass pulls of 9.49%, 9.12%, and 9.53%, respectively. The Company anticipates receiving DTR metallurgical results shortly for the fourth RPM drill hole (AN-24-05) in the Phase 1 program. All drill holes intersected long intervals of disseminated awaruite nickel mineralization and ending in mineralization, indicating that the system remains open at depth with significant expansion potential. Drill hole AN-24-04, drilled eastward toward Chrome Pond, returned the best results to date and ended in mineralization, establishing this eastern direction as a high-priority expansion target for the Phase 2 drilling program, which is currently underway. The consistency of concentrate grades and mass pulls across this 500-meter width highlights the robust nature of the awaruite mineralization system at RPM.

Awaruite (Ni?Fe) is a naturally occurring nickel-iron alloy containing ~75% nickel. Its sulfur-free composition and highly magnetic properties enable recovery through magnetic separation, a simple, effective, and environmentally sustainable method commonly used in iron ore mining operations throughout North America and globally. This unique mineralogy eliminates the need for costly secondary processing steps required by sulfide nickel ores, which undergo energy-intensive smelting or roasting at high temperatures to remove sulfur, consuming significant electricity and generating environmentally harmful waste and emissions. These secondary processing steps also incur treatment and refining charges (TCs/RCs) which increase overall processing costs and reduce overall payability. The positive DTR results from the RPM Zone confirm that awaruite nickel from the Atlantic Nickel Project is amenable to magnetic separation without the need for smelting or roasting. The limited smelting and roasting capacity in North America currently presents a significant bottleneck to building a fully domestic, secure, and resilient nickel supply chain. Nickel smelters and roasters also pose environmental concerns, face complex permitting challenges, and require substantial electrical infrastructure to support their energy-intensive operations. In contrast, awaruite represents a source of nickel that enables domestic processing by eliminating the requirement for smelting or roasting, thereby reducing geopolitical risk and reliance on overseas smelters. This processing pathway positions awaruite as a strategic source of nickel for establishing a secure, resilient domestic nickel supply chain.

HIGHLIGHTS

- Strong DTR Metallurgical Results: Drill hole AN-24-04 returned 366 meters of 1.46% nickel and 1.56% chromium in magnetic concentrate, with peak grades up to 2.42% nickel and 4.59% chromium. The results were achieved with an average mass pull of 9.53%, effectively reducing total mass by 90.43% through magnetic separation.
- Consistent Recovery Across RPM Holes: The first three drill holes in the RPM Zone demonstrate remarkably consistent DTR grades of magnetically recoverable nickel (refer to Table 4), further validating the effectiveness of magnetic separation for awaruite nickel mineralization.
- RPM Zone Expansion: DTR metallurgical test results now confirm ~500 meters of lateral width at the RPM Zone, with consistent magnetically recoverable nickel awaruite grades across all three holes.

- Eastern Expansion Potential: Drill hole AN-24-04, which ended in mineralization and returned the best results to date, has established the eastern extension toward Chrome Pond as a high-priority target for further expansion.
- Phase 2 Drilling Underway: Strategic step-out drilling to greater depths is actively testing the expansion of the RPM Zone mineralization in all directions - north toward Pipestone Pond, east toward Chrome Pond, and west into RPM fault zone.

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

RPM ZONE DRILL HOLE AN-24-04 RESULTS

Table 1: DTR Metallurgical Test Results Summary from RPM Drill Hole 3 (AN-24-04)

Parameter	Average	Maximum	Drill Length
Nickel - Magnetic Concentrate Grade *(Davis Tube Recovery Concentrate assayed by XRF-Fusion)*	1.46%	2.42%	366m
Chromium - Magnetic Concentrate Grade *(Davis Tube Recovery Concentrate assayed by XRF-Fusion)*	1.56%	4.59%	366m
Mass Pull *(Magnetic Concentrate mass as % of Davis Tube test starting mass)*	9.53%	15.0%	366m
Total Nickel Grade *(Whole Rock ICP-OES assay)*	0.23%	0.28%	366m
DTR Nickel Grade - Magnetically Recovered Nickel *(Calculated with Davis Tube Recovery method)*	0.14%	0.18%	366m
Total Nickel Recovery *(Magnetically Recovered Nickel as Percentage of Whole Rock Assay)*	59.09%	93.4%	366m

The Company's third drill hole at the RPM zone, AN-24-04, has delivered positive DTR metallurgical test results that significantly expand the area of awaruite mineralization. The hole intersected 366 meters averaging 1.45% nickel and 1.57% chromium in magnetic concentrate, with individual samples reaching up to 2.42% nickel and 4.59% chromium. The consistent mass pull of 9.57% and high-grade magnetic nickel concentrate across the entire interval demonstrates uniform awaruite mineralization throughout the ultramafic host rocks. These metallurgical results build upon the whole rock assay data previously announced on April 23, 2025, which reported intersections of 0.23% nickel and 0.31% chromium over the same 366-meter interval.

Located 200 meters east of the initial RPM Zone drilling, step-out hole AN-24-04 confirms the lateral continuity of the mineralization system across an open-ended 500-meter width. The DTR nickel grade of 0.14% over 366 meters represents the highest magnetically recoverable grade achieved to date at RPM, with total magnetic nickel recovery averaging 59%. Notably, the hole ended in mineralization, indicating the system remains open to the east toward Chrome Pond. The consistency of mass pull and recovery rates across the first three drill holes at the RPM Zone, ranging from 6.0% to 15.0% mass pull, further highlights the uniform and predictable nature of the awaruite mineralization. This is a key factor that supports future resource development and the potential for scalable extraction.

Table 2: DTR Metallurgical Test Results Summary from RPM Drill Hole 3 (AN-24-04)

Hole ID	From (m)	To (m)	Interval (m)	Mass Pull (%)	Nickel - Magnetic Concentrate Grade Ni (%)	Nickel - Total Grade Ni (%)	DTR Nickel Grade - Magnetically Recovered Ni (%)	Total Nickel Recovery (%)	Chromium - Magnetic Concentrate Grad Cr (%)
Hole AN-24-04	12	378	366	9.53	1.46	0.23	0.14	59.09 %	1.56
Drill Hole Interval Breakdown									
including	12	63	51	9.99	1.48	0.23	0.15	62.12 %	1.88

including	63	183	120	10.03	1.27		0.22	0.13		56.66	% 1.70
including	183	255	72	9.92	1.50		0.24	0.15		62.83	% 1.44
including	255	378	123	8.63	1.60		0.23	0.14		58.02	% 1.37
Including "Up To"				15.00	2.42		0.28	0.18		93.41	% 4.59

Table 3: RPM Drill Hole 3 (AN-24-04) Drill Hole Collar Location

Hole ID	Easting (UTM NAD 83)	Northing (UTM NAD 83)	Elevation	Azimuth:	Dip:
AN-24-004	567315	5357583	232	90	-60

Table 4: RPM Phase 1 DTR Metallurgical Results Summary

Drill hole	Interval (m)	Magnetic Concentrate Nickel Percent Grade	Mass Pull (%)	Magnetically Recoverable Nickel Grade (DTR Ni%)	Drill Ended in Mineralization
AN-24-02	383	1.37%	9.49	0.13	YES
AN-24-03	216	1.32%	9.12	0.11	YES
AN-24-04	366	1.46%	9.53	0.14	YES
AN-24-05	396	Results Pending			

Note: DTR Nickel Grade (%) is a derived parameter calculated by multiplying the nickel grade of the magnetic concentrate (determined by XRF-Fusion assay) by the mass pull percentage (calculated by dividing the weight of the magnetic concentrate by the initial sample weight). Magnetically Recoverable Nickel (DTR Ni %) represents the amount of magnetically recoverable nickel in the sample. For a visual explanation of the Davis Tube Recovery process, see: https://www.youtube.com/watch?v=q3zsgDtLWns

Figure 1: Cross-sectional view of the RPM Zone's Discovery Drill Hole 1, 2 and 3 (AN-24-02, AN-24-03, AN-24-04), showing the distribution of magnetic concentrate and DTR nickel values. Drill hole AN-24-04 averages 1.46% nickel and 1.56% chromium in continuous metallurgical DTR magnetic concentrate, with an average 9.53% Mass Pull and 0.14% DTR nickel across a 366 meter interval.

Figure 2: Core sample from drill hole RPM-DDH003 (AN-24-04) at a depth of 100 meters, showing visible awaruite mineralization. The lower images detail magnified views of awaruite grains, which exhibit both smooth and grooved surface textures, with grain sizes ranging from 422 to 651 microns.

Figure 3: Core sample from drill hole RPM-DDH003 (AN-24-04) at a depth of 180 meters, featuring visible awaruite mineralization. The lower images showcase magnified views of the awaruite grains, displaying smooth and grooved surface textures. An elongated awaruite nickel-alloy grain, measuring up to 1,000 microns in size, is observed forming as a fracture filling, while average visible grain sizes range from 100 - 600 microns.

Figure 4: Drill hole location map with results summary at Atlantic Nickel Project, showing the 30 km trend of awaruite (sulfur-free nickel-alloy) mineralization over Total Magnetic intensity (TMI) magnetics.

PHASE 2 DRILLING UPDATE AND EASTERN EXPANSION

Phase 2 drilling is actively underway at the RPM Zone, with the program strategically designed to expand the

current mineralized footprint beyond the approximately 400-meter length by 500-meter width defined by the initial four Phase 1 drill holes. Strategic step-out drilling at greater depths is now actively testing mineralization expansion in all directions - north toward Pipestone Pond, east toward Chrome Pond, and west into the RPM fault zone. The results from AN-24-04, the third RPM hole, have highlighted strong potential for eastern expansion. The elevated DTR grades and the fact that the hole terminated in mineralization indicates that the awaruite system continues eastward. This area, extending toward Chrome Pond, is now a high-priority target for ongoing drilling, with mineralization encountered to date suggesting possible connectivity across the entire area. The Phase 2 program is further supported by upgraded project infrastructure, including improved road access and expanded camp facilities. In addition, equipment optimizations have enabled drilling to greater depths, positioning the project to significantly expand the RPM Zone's known mineralized footprint across all target directions.

Awaruite (Nickel-iron alloy Ni?Fe, Ni?Fe)

Awaruite, a naturally occurring sulfur-free nickel-iron alloy composed of Ni?Fe or Ni?Fe 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[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 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"[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 5: 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.

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.

Analytical Method & QA/QC

Samples were split in half on site, with one half remaining in the core box for future reference and the other half securely packaged for laboratory analysis. The QA/QC protocol included the insertion of blanks, duplicates, and certified reference material (standards), with one QA/QC sample being inserted every 20 samples to monitor the precision and accuracy of the laboratory results. All analytical results successfully passed QA/QC screening at the laboratory, and all Company inserted standards and blanks returned results within acceptable limits.

Samples were submitted to Activation Laboratories Ltd. ("Actlabs") in Ancaster, Ontario, an ISO 17025 certified and accredited laboratory operating independently of First Atlantic. Each sample was crushed, with a 250 g sub-sample pulverized to 95% - 200 mesh. A magnetic separation was then generated by running the pulverized sub-sample through a magnetic separator which splits the sub-sample into magnetic and non-magnetic fractions. This involves running a 30 g split of the pulp through a Davis Tube magnetic separator as a slurry using a constant flow rate, a magnetic field strength of 3,500 Gauss, and a tube angle of 45 degrees to produce magnetic and non-magnetic fractions.

The magnetic fractions are collected, dried, weighed and the magnetic fraction is fused with a lithium metaborate/tetraborate flux and lithium bromide releasing agent and then analyzed on a wavelength dispersive XRF for multiple elements including nickel, cobalt, iron and chromium. The magnetically recovered nickel grade was then calculated by multiplying the XRF fusion nickel value by the weight of the magnetic fraction and dividing by the total recorded feed weight or magnetic mass pulled from the sample.

True widths are currently unknown. However, the nickel bearing ultramafic ophiolite and peridotite rocks being targeted and sampled in the Phase 1 drilling program at the Atlantic Nickel Project are mapped as several hundred meters to over 1 kilometer wide and approximately 30 kilometers long.

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: statements 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 viability of magnetic separation as a low-impact processing method for awaruite; the strategic and economic implications of the Company's projects; and expectations regarding future developments and strategic plans; 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 mineral 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. The Company undertakes no obligation to update forward-looking information, except as required by applicable securities laws.

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[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*
[4] *https://www.brookings.edu/wp-content/uploads/2022/08/LTRC_ChinaSupplyChain.pdf*
[5] *https://web.archive.org/web/20250417033842/https://www.airuniversity.af.edu/JIPA/Display/Article/3703867/the-rise-c*
[6] *https://home.treasury.gov/news/press-releases/jy1939*

Photos accompanying this announcement are available at:

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