# First Atlantic Nickel Reports Initial Phase 2 Drill Results: Deepest Drill Hole to Date at RPM Zone Returns 1.27% Awaruite Nickel Alloy (Ni?Fe) in Magnetic Concentrate Over 447 Meters

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GRAND FALLS-WINDSOR, Aug. 13, 2025 - First Atlantic Nickel Corp. (TSXV: FAN) (OTCQB: FANCF) (FSE: P21) ("First Atlantic" or the "Company") reports assays and Davis Tube Recovery ("DTR") metallurgical test results from drill hole AN-25-06, the first hole reported in the Phase 2 drill program at the RPM Zone, part of the district-scale Atlantic Nickel Project (the "Project") in Newfoundland. Drill hole AN-25-06 is the deepest and the longest drilled to date at the RPM Zone. The hole returned a continuous interval of 447.35 meters averaging 1.27% nickel and 1.69% chromium in magnetic concentrate, with a mass pull of 9.02%. This corresponds to an average magnetically recoverable DTR nickel grade of 0.11% over the interval, with total nickel recovery averaging 51.84%.

Located approximately 200 meters east of drill hole AN-24-05, AN-25-06 was drilled on the same Section S2 line, representing a 400-meter step out to the north from the initial RPM discovery drill hole AN-24-02 (see Figure 2). The drill hole intersected visibly disseminated awaruite throughout the entire drilled length, returning 0.22% total nickel and 0.31% total chromium in whole rock assays over 447.35 meters. Peak values included 0.17% DTR nickel and 0.27% total nickel, with nickel recovery reaching up to 81.4% using DTR magnetic separation.

The grades and DTR metallurgical test results from AN-25-06, the first reported hole of Phase 2, demonstrate uniform consistency with all Phase 1 drilling at the RPM Zone and successfully expand the mineralized zone eastward toward Chrome Pond. Phase 2 drill holes AN-25-08 and AN-25-09 are drill testing the continuation of awaruite mineralization a further 400 meters north of the Section S2 line (see Figure 2), together representing a north-south strike length at the RPM Zone totaling 800 meters.

HIGHLIGHTS

- Longest Reported RPM Zone Drill Hole: AN-25-06, drilled 200 meters east of drill hole AN-24-05, intersected visibly disseminated awaruite throughout the entire 447.35-meter drill intersection, returning 0.22% total nickel and 0.31% total chromium over the complete interval.
- High-Grade Magnetic Concentrate: DTR metallurgical testing of AN-25-06 returned 1.27% nickel and 1.69% chromium in magnetic concentrate over 447.35 meters with a 9.02% mass pull, yielding a DTR nickel grade of 0.11%, achieving a total nickel recovery of 51.84%.
- Metallurgical Consistency Across RPM Zone: Including AN-25-06, the five completed holes at the RPM Zone average 1.38% nickel in magnetic concentrate with a mass pull of 9.08%, resulting in an average DTR nickel grade of 0.12% (see Table 4).
- Chromium Co-Product Potential: Disseminated chromium mineralization occurs alongside awaruite nickel in all RPM Zone drill holes. DTR testing shows chromium can be recovered and separated magnetically, averaging 1.67% chromium in the magnetic concentrate. Petrographic studies are underway to identify the source mineral and assess potential processing for a chromium by-product concentrate.
- District-Wide Exploration Identifies New Awaruite Zones: The district-wide exploration program has identified numerous new occurrences of visible awaruite in surface rock samples throughout the 30-kilometer Pipestone Ophiolite Complex. These surface rock samples will be used to define larger zones with higher visual awaruite abundances and elevated surface DTR grades, providing additional drill targets beyond the RPM Zone.

FOR MORE INFORMATION:

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FIRST REPORTED PHASE 2 DRILL HOLE RETURNS LONGEST CONTINUOUS MINERALIZED INTERSECTION TO DATE AT RPM ZONE

Table 1: Summary of DTR Metallurgical Test Results - Drill Hole AN-24-05 (RPM Zone)

| Parameter | Average | M |
|---|---|---|
| Nickel - Magnetic Concentrate Grade<br>*(Davis Tube Recovery Concentrate assayed by XRF-Fusion)* | 1.27% | 2 |
| Chromium - Magnetic Concentrate Grade<br>*(Davis Tube Recovery Concentrate assayed by XRF-Fusion)* | 1.69% | 3 |
| Mass Pull<br>*(Magnetic Concentrate mass as % of Davis Tube test starting mass)* | 9.02% | 1 |
| Total Nickel Grade<br>*(Whole Rock ICP-OES assay)* | 0.22% | 0 |
| DTR Nickel Grade - Magnetically Recovered Nickel<br>*(Calculated with Davis Tube Recovery method)* | 0.11% | 0 |
| Total Nickel Recovery<br>*Magnetically Recovered Nickel as a Percentage of Total Nickel Content (from Whole Rock Assay Analysis)* | 51.84% | 8 |

Drill hole AN-25-06 marks a significant milestone for the RPM Zone, representing both the longest and deepest mineralized drill intersection reported to date. The hole returned 447.35 meters of continuous awaruite mineralization, averaging 1.27% nickel in magnetic concentrate with a 9.02% mass pull. This equates to an average DTR nickel grade of 0.11% (calculated at 1.27% nickel x 9.02% mass pull), with peak values of 2.35% nickel in magnetic concentrate, 0.27% total nickel, and 0.17% DTR nickel. Nickel recovery averaged 51.84% from whole rock starting grades of 0.22% total nickel, with peak recoveries reaching 81.4%.

AN-25-06 is located 200 meters east of drill hole AN-24-05 on Section S2, approximately 400 meters north of Section S1, where discovery hole AN-24-02 was drilled. This step-out hole successfully expands the mineralized zone eastward toward Chrome Pond. The hole intersected visibly disseminated awaruite throughout its entire length. Results are consistent with Phase 1 drilling, confirming the lateral continuity of awaruite mineralization across the rapidly expanding RPM Zone. Phase 2 drilling has since advanced further north, with drill holes AN-25-08 and AN-25-09 positioned 400 meters north of the Section S2 line to test the continuation of awaruite mineralization along strike (see Figure 2), together representing a north-south strike length at the RPM Zone totaling 800 meters.

DRILL HOLE AN-25-06 - ASSAY AND DTR METALLURGICAL RESULTS

Table 2: Summary of Assay Results and DTR Metallurgical Test Results- Drill Hole AN-24-06 (RPM Zone)

| Hole ID | From (m) | To (m) | Interval (m) | Mass Pull (%) | Nickel - Magnetic Concentrate Grade Ni ( %) | Nickel - Total Grade Ni (%) | DTR Nickel Grade - Ni (%) |
|---|---|---|---|---|---|---|---|
| AN-25-06 | 5.65 | 453 | 447.35 | 9.02 | 1.27 | 0.22 | 0.11 |
| *including* | 5.65 | 138 | 132.35 | 8.94 | 1.33 | 0.21 | 0.12 |
| *including* | 138 | 249 | 111 | 9.17 | 1.42 | 0.22 | 0.13 |
| *including* | 249 | 453 | 204 | 8.92 | 1.18 | 0.23 | 0.11 |
| *including "Up To"* | | | | 16.1 | 2.35 | 0.27 | 0.17 |

Table 3: AN-24-06 Drill Hole Collar Location Information

| Hole ID | Easting (UTM) | Northing (UTM) | Elevation (m) | Azimuth (°) | Dip (°) | Depth (m) |
|---|---|---|---|---|---|---|

| | | | | | | |
|---|---|---|---|---|---|---|
| AN-24-06 | 567568 | 5357995 | 225 | 90 | -60 | 453 |

CONSISTENT DTR METALLURGICAL PERFORMANCE ACROSS RPM ZONE

Nickel grades and DTR metallurgical results from drill hole AN-25-06 are consistent with the first four holes completed during Phase 1 at the RPM Zone, which support the interpretation of a laterally continuous awaruite nickel mineralization system. Including hole AN-25-06, the first five holes at the RPM zone average 1.38% nickel in magnetic concentrate with a 9.08% mass pull, yielding an average DTR nickel grade of 0.12%. This exceptional consistency indicates a predictable metallurgical response across the RPM Zone and supports confidence in the uniformity of metallurgical performance as the mineralized footprint expands.

The following table summarizes all reported magnetically recovered nickel results from RPM diamond drill holes at the Atlantic Property:

Table 4: Summary of Magnetically Recovered Nickel Results from 2024 and 2025 Diamond Drill Holes - RPM Zone Drilling at the Atlantic Nickel Project

| Drill Hole | Zone | Section | From meters | To meters | Interval meters | Magnetically Recovered (DTR) Nickel % | Magnetic Concentrate Nickel Grade (Ni %) | Mass Pull (%) |
|---|---|---|---|---|---|---|---|---|
| AN 24 - 02 | RPM | S1 | 11.0 | 394.1 | 383.1 | 0.13 | 1.37 | 9.50 |
| AN 24 - 03 | RPM | S1 | 18.0 | 234.0 | 216.0 | 0.11 | 1.32 | 9.12 |
| AN 24 - 04 | RPM | S1 | 12.0 | 378.0 | 366.0 | 0.14 | 1.46 | 9.53 |
| AN 24 - 05 | RPM | S2 | 6.0 | 357.0 | 351.0 | 0.12 | 1.47 | 8.21 |
| AN 25 - 06 | RPM | S2 | 5.65 | 453 | 447.35 | 0.11 | 1.27 | 9.02 |
| AN 25 - 07 | RPM | S2 | | | 495.0 | pending | pending | |
| AN 25 - 08 | RPM | S3 | | | 491.0 | pending | pending | |
| AN 25 - 09 | RPM | S3 | | | | | | |
| AN 25 - 10 | RPM | S1 | | | | | | |

PHASE 2 DRILLING PROGRAM ONGOING

Phase 2 drilling continues at the RPM Zone, with multiple holes in process. The program is designed to expand mineralization beyond the 400-meter by 500-meter footprint established in Phase 1, with step-out drilling targeting extensions in all directions-north toward Pipestone Pond, east toward Chrome Pond, and west into the RPM fault zone.

The fully funded Phase 2 program benefits from significant infrastructure upgrades, including improved road access and expanded camp facilities. Enhanced equipment capabilities and refined geological interpretations have enabled deeper drilling and provided better insights into the geological setting. As a result, Phase 2 drilling is successfully expanding awaruite mineralization and achieving greater depths than those reached during Phase 1.

Figure 1: Section S2 - Cross sectional view of the RPM Zone, showing drill hole AN-25-06, located approximately 200 meters east of drill hole AN-24-05 on Section S2. The figure illustrates the distribution of magnetic concentrate and DTR nickel values. Drill hole AN-25-06 returned an average 1.27% nickel and 1.69% chromium in continuous metallurgical DTR magnetic concentrate over a 447.35-meter interval, with an average 9.02% mass pull and 0.11% DTR nickel.

Figure 2: RPM Zone - Phase 1 and 2 drill plan map showing nickel assay results and DTR metallurgical test results.

Figure 3: Drillcore and microscopic images - Hole AN-25-06, 149 meters depth (RPM Zone). Top image: Drill core showing visibly disseminated awaruite (sulfur-free nickel-iron alloy) hosted in serpentinized peridotite, with associated magnetite and serpentine veining. Bottom images: Microscopic images of awaruite grains from the same interval, with individual grains measuring up to 325 microns in size.

Figure 4: Drill core and microscopic images - Hole AN-25-06, 261 meters depth (RPM Zone). Top image: Drill core showing visibly disseminated awaruite (sulfur-free nickel-iron alloy) hosted in serpentinized peridotite. Bottom images: Microscopic images of awaruite grains from the same interval, with individual grains measuring up to 855 microns in size.

Figure 5: Drill core and microscopic images - Hole AN-25-06, 327 meters depth (RPM Zone). Top image: Drill core showing visibly disseminated awaruite (sulfur-free nickel-iron alloy) hosted in serpentinized peridotite with associated magnetite veining. Bottom images: Microscopic images of awaruite grains from the same interval, with individual grains measuring up to 195 microns in size.

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 6: 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:

https://x.com/FirstAtlanticNi
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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 separate 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 on surface and in drilling 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.

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*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-o*

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

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